

CORPORATE SOCIAL RESPONSIBILITY REPORT OF THE ACS GROUP 2015





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0. ABOUT THIS REPORT

The purpose of this Corporate Social Responsibility report of the ACS Group is to inform stakeholders of the Group's non-financial management policies, and the main accomplishments and initiatives implemented worldwide in these fields in 2015. This report also provides a detailed breakdown of the main indicators used to measure our performance in terms of ethics, operating efficiency and human resources. The contents of this report are completed with the other documents which form part of the 2015 Annual Report of the ACS Group (Activity Report, Corporate Governance Report and Economic-Financial Report), in addition to all the documentation and policies published on the ACS Group website.

(G4-17)

For the ACS Group, the preparation of this Corporate Social Responsibility Report implies the formalisation of a policy focused on understanding the main dilemmas and challenges faced by infrastructure development and energy sector and society as a whole. The report considers all the ACS Group's activities as a global operator, in all the countries where it is present. The information published includes the operations developed in Construction, Industrial Services and Environment by the companies which are controlled by the ACS Group, and which are described in the Group's consolidated financial statements.

The ACS Group has developed tools for the collection and consolidation of both quantitative and qualitative information on sustainability to align the management of all the companies with the ACS Group's strategic priorities. The information gathered in this report refers, basically, to the 2015 financial year. It also includes information from previous years, depending on its relevance and availability, to enable readers to be able to form a more complete opinion of the company's development.

The 2015 Corporate Responsibility Report of the ACS Group has been drawn up in accordance with the latest version of the "Sustainability reporting guidelines" of the Global Reporting Initiative (GRI 4), including the additional information applicable required for the sector supplements of "Construction and Real Estate". The ACS Group considers that the 2015 Corporate Social Responsibility Report has been drawn up using the options defined by GRI Guide, with the Comprehensive option.

(G4-18, G4-22, G4-23)

The ACS Group has applied the following GRI G4 principles for defining the contents of this report:

PRINCIPLE OF MATERIALITY

The ACS Group has conducted a Materiality Analysis, whose methodology and results can be consulted in Appendix 13.1 of this report, and which has been used to detect the matters of most interest for the ACS Group and its stakeholders.

CONTEXT OF SUSTAINABILITY

The objective of this report is to express the actions of the ACS Group in each of the three sustainability areas: economic, social and environmental. Throughout this report, information is supplied in relation to the context of each of these.

EXHAUSTIVENESS

In the preparation process, the coverage and scope of this report was clearly defined, giving priority to information considered to be material and including all significant events that took place in 2015, without omitting information of relevance to our stakeholders.

“This report presents the Group’s non-financial management policies, developed and the main accomplishments and initiatives in this area.”

The coverage of the Report was determined in parallel with its content. In 2015, companies in the ACS Group have taken part in transformation processes which have included organisational and administrative changes, changing, when applicable, the scope of some of the indicators. Appendix 13.2 sets out the scope and cover of each one of the indicators. Furthermore, in each chapter, if there any significant changes in coverage, then such changes are indicated.

Additionally, the relevant issues, the indicators included herein and the matters covered by the 2015 Corporate Social Responsibility Report offer an overview of the significant impacts in the economic, social and environmental fields.

Furthermore, the GRI4 principles have been followed to assure the quality of the information set out in this report:

COMPARABILITY

As far as possible, the information included in this report has been organised in such a manner that the stakeholders may interpret the changes undergone by the ACS Group with respect to previous years. It is important to bear in mind that in 2015, companies in the ACS Group have taken part in transformation processes which have included organisational and administrative changes, changing, when applicable, the scope of some of the indicators. Certain data of 2014 have been recalculated with the same scope as those reported in 2015 so that they can be more comparable (and whenever it has been possible). In indicators with years prior to 2014, it has been possible to recalculate certain data retroactively for certain indicators; in these cases, the reported data are presented historically as a guideline.

BALANCE

This report includes both positive and negative aspects, in order to present an unbiased image and to enable stakeholders to reasonably assess the Company’s actions.

ACCURACY AND CLARITY

This report contains numerous tables, graphs and outlines, the purpose of which is to make the report easier to understand. The information included in the report is meant to be clear and accurate in order to be able to assess the ACS Group’s actions. Additionally, as far as possible, the use of technical terms whose meaning may be unknown to stakeholders has been avoided.

PUNCTUALITY

The ACS Group has the commitment to report its corporate social responsibility actions annually. This Report relates to the Group’s actions in 2015 in the economic, social and environmental fields.

RELIABILITY

The reliability of the information included in this 2015 Corporate Social Responsibility Report was checked by KPMG, the firm responsible for its verification.

1. LETTER FROM THE CHAIRMAN

DEAR SHAREHOLDER,

This Corporate Social Responsibility Report of the ACS Group presents the non-financial management policies developed and the main accomplishments and initiatives in this field which we have implemented in 2015.

The ACS Group is a world leader in infrastructure development, particularly in developed markets, through companies which are global benchmarks from an operational, technical and organisational standpoint. The Group currently has a stable presence in over 70 countries, and operates with a workforce of 196,967 employees. In 2015, it booked revenues of 34,925 million euros, and was a global leader in infrastructure development, particularly in developed markets, through companies which are global frontrunners in operational, technical and organisational terms. The ACS Group is the market leader in the United States and Australia, is the second largest in Latin America and sixth in Europe in the infrastructure sector, which is crucial in the social and economic development of the global economy.

Policies used to manage non-financial items addressed in this report have grown increasingly important within the mix of information demanded by our main stakeholders. During 2015, we defined our Corporate Social Responsibility Policy, which was recently approved by the Board of Directors. This Policy sets out the basic and specific guidelines of the ACS Group with our clients, employees, suppliers, shareholders and infrastructure users, who benefit from our policies relating to quality, innovation, social action and the environment.

This report provides details of our relations with these stakeholders, heightening our commitment to transparency and

stringency in defining, controlling and improving our non-financial management. We break down the main indicators used to measure our performance in terms of ethics, operating efficiency and human resources. In 2015, we have conducted a materiality analysis to pinpoint areas of sustainability and corporate social responsibility which are of importance for the businesses of the ACS Group and for our stakeholders. Hence this report is properly focused on such social, economic and environmental matters which are significant in performing our activity.

The ACS Group is a decentralised group, one in which our companies implement their policies independently, according to their markets and stakeholders; these companies do however share the best practices and the corporate culture of ACS, and are underpinned by the common principles and objectives defined in the Group's Corporate Social Responsibility Policy. The Group regularly performs the one project, which consists of a set of information and control processes which we use to analyse and assess the Group's performance and to bring it in line with the requirements of the Dow Jones Sustainability Index. The one project allows us to improve the Group's performance, coordination and to promote its good practices.

I would also like to highlight the fact that this year the ACS Group has adapted its Code of Conduct to follow the most demanding standards in terms of Good Corporate Governance and in human rights, as part of our commitment to ethics and integrity. This has included adapting the company against the framework of the United Nations Ruggie Report. Over the last four years, we have put a lot of efforts into training in this field, having organised over 4,800 courses to consolidate our culture of respect, ethics and professionalism.

I would also like to point to social initiatives, volunteer work and philanthropic activities organised in 2015 by our companies and also by the ACS Foundation. There has been significant growth in the funds used for these activities, of 11.9 million euros in 2015, in the different initiatives described in this report. This increase in funds has come about as a result of our unified Social Action policy which we implemented in 2014, geared towards promoting the business and its sustainability, improving the company's recognition and reputation, increasing employee and collaborator satisfaction and helping to improve the society in which the Group operates.

Lastly, I would like to draw attention to the fact that in the 2015 year the companies of the ACS Group have implemented further transformation process, which have included organisational and management changes, and which will allow us to increase the scope, the reliability and the accuracy of non-financial information.

We believe that our actions carried out during the 2015 we have once again proven our commitment in the field of Corporate Social Responsibility. Looking ahead to the coming years, our goal is to continue fostering management policies which are in line with our business culture, so as we can continue to be global leaders, further optimise the return on resources uses and promote sustainable development.



Florentino Pérez
Chairman of the ACS Group



2. COMPANY PROFILE

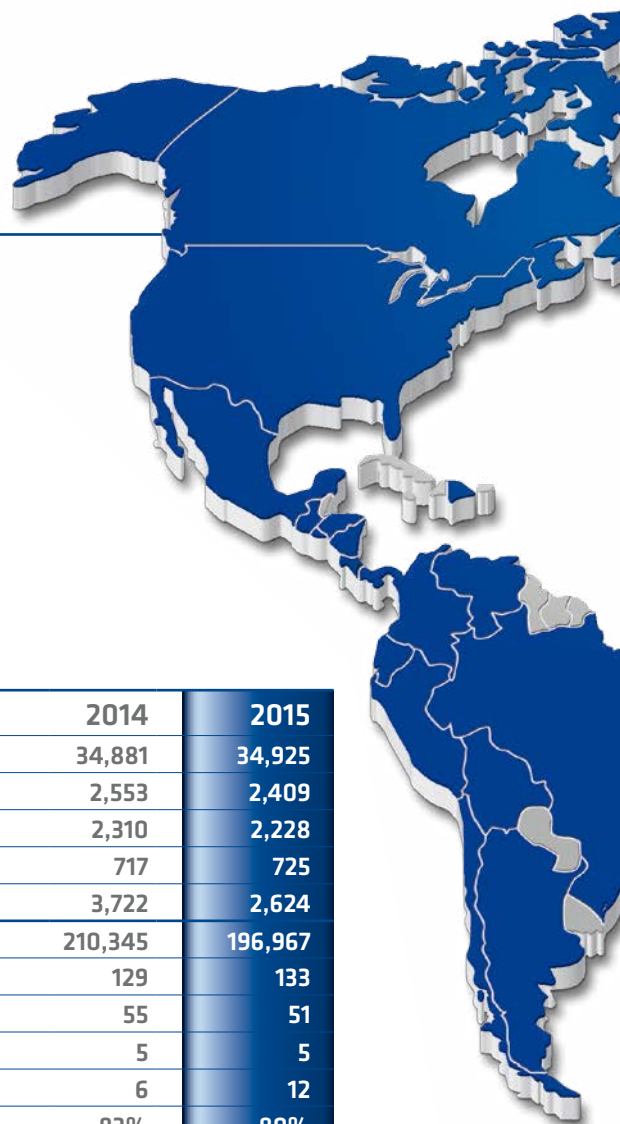
2.1. THE ACS GROUP IN FIGURES

The ACS Group¹ is a worldwide benchmark in the infrastructure development industry, participating in sectors which are fundamental to the economy. It defines itself as a company committed to economic and social progress in the countries where it is present.

ECONOMIC KEY FIGURES AND OTHER NON-FINANCIAL FIGURES

	2014	2015
Revenue (€ million)	34,881	34,925
Gross operating profit. EBITDA (€ million)	2,553	2,409
Total gross investment (€ million)	2,310	2,228
Net Profit (€ million)	717	725
Net Debt (€ million)	3,722	2,624
Employees	210,345	196,967
Investment in safety and health (€ million)	129	133
Investment in R&D+i (€ million)	55	51
Investment in quality improvement (€ million)	5	5
Investment in Social Action and ACS Foundation (€ million)	6	12
Percentage of total employees covered by OSHAS18001 certification	83%	80%
Percentage of "satisfied" or "highly satisfied" client responses (%)	87%	84%
Percentage of sales from activities certified under the ISO 9001 standard (%)	68%	63%
Percentage of sales covered by ISO 14001 Certification	79%	70%

¹ The parent company of which is ACS, Actividades de Construcción y Servicios, S.A., with registered offices in Madrid, Spain.





2.2. INTERNATIONAL PRESENCE OF THE ACS GROUP

The ACS Group is a worldwide leader in the infrastructure development industry. The company operates in over 70 countries and employs a total of 196,967 employees. Of these, 113,217 work in Spain and the rest - 83,750 - are employed abroad. The countries with the highest levels of business activity are the United States, Australia, Spain, Mexico, Canada, and Germany.

SALES BY GEOGRAPHICAL AREA

MILLION EUROS	2014	2015
Spain	5,581	5,887
Rest of Europe	3,381	2,946
America	13,692	16,176
Asia Pacific	11,960	9,733
Africa	267	183
TOTAL	34,881	34,925

BACKLOG BY GEOGRAPHICAL AREA

MILLION EUROS	2014	2015
Spain	11,476	10,744
Rest of Europe	8,019	8,043
America	21,184	24,802
Asia Pacific	22,126	22,485
Africa	1,066	998
TOTAL	63,871	67,072

PERSONNEL BY GEOGRAPHICAL AREA

	2014	2015
Spain	110,267	113,217
Rest of Europe	13,475	12,938
America	38,841	40,558
Asia Pacific	45,139	28,391
Africa	2,623	1,863
TOTAL	210,345	196,967

2. COMPANY PROFILE

2.3. CORPORATE STRATEGY

ACS is positioned as a world leader in the infrastructure development industry, with a clear and defined mission:

To pursue global leadership, optimising the profitability of the resources employed and promoting sustainable development

Improving society, generating wealth to guarantee the well-being of the citizens it serves, is ultimately an essential part of the ACS Group's mission.

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 SETTING.
- PROMOTION OF INNOVATION AND RESEARCH IN ITS APPLICATION TO INFRASTRUCTURE DEVELOPMENT.
- CREATION OF EMPLOYMENT AND WELL-BEING, AS AN ECONOMIC DRIVER FOR SOCIETY.

This performance and all the Group's activities are imbued with the corporate values ACS has developed over its nearly 30 years of history and form the basis of the actions of all the Group's employees:

- ACHIEVING PROFITABILITY.
 - RESPECTING INTEGRITY.
 - COMMITMENT TO THEIR WORK.
 - SEEKING THE CLIENT'S TRUST.
 - EXCELLENCE IN THEIR PROFESSIONAL ACTIVITIES.
-

Profitability and integrity, together with commitment to stakeholders, especially commitment to clients, and operational excellence, are the hallmarks of the ACS Group.



2.4. DESCRIPTION OF THE ACS GROUP'S ACTIVITIES

In 2015, the year to which this report refers, ACS booked income of over €34,925 million. This sales figure makes the Group one of the world's biggest construction and services companies² by revenue. It recorded a recurring net profit of €725 million and ended the year with a backlog of €67,071 million, equivalent to 21 months' activity. At 31 December 2015, the ACS Group recognised equity of €5,197 million and net balance sheet debt of €2,624 million, 29.5% lower than recorded in 2014. The ACS Group operates in three core business areas: Construction, Industrial Services and Environment.

In the construction area, ACS mainly carries out projects in the fields of civil works, residential and non-residential building, development and management of infrastructure concessions and mining operations. The ACS Group's construction activity is based on the provision of services to third parties, both private and public clients, in countries where ACS has a consolidated local presence or where it carries out infrastructure concession projects. The Construction area had turnover of €25,319 million in 2015 and employed 57,903 people, 29.4% of the total workforce.

In turn, the Industrial Services area provides maintenance and support services to industrial clients, electricity, oil, gas and telecommunications companies. It also carries out turnkey energy and industrial projects for its clients worldwide. This area had turnover of €6,501 million in 2015 and employed 40,006 people; 20.3% of the total employees.

The Environment area focuses its activity on the carrying out of municipal solid waste collection, cleaning and gardening services, as well as the management of large infrastructures for waste treatment and recycling, incinerating and biomethanisation plants and also landfills. It also offers comprehensive building and infrastructure maintenance services, green market-related activities, and also services to assist social groups with dependency issues. Sales in this area totalled €3,139 million in 2015. A total of 99,005 employees participated in its activities, 50.3% of the Group total.

² According to ENR in its August publication Top Global Contractors 2015.

3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

The ACS has a decentralised structure based around its three areas of:

Construction,
Industrial Services and
Environment.

and it carries out its activities through dozens of different companies. This complex but highly efficient organisation encourages the Group's companies to compete and carry out their work independently, at the same time sharing common guidelines which add value for their clients. Included in this report are the data for the following companies:



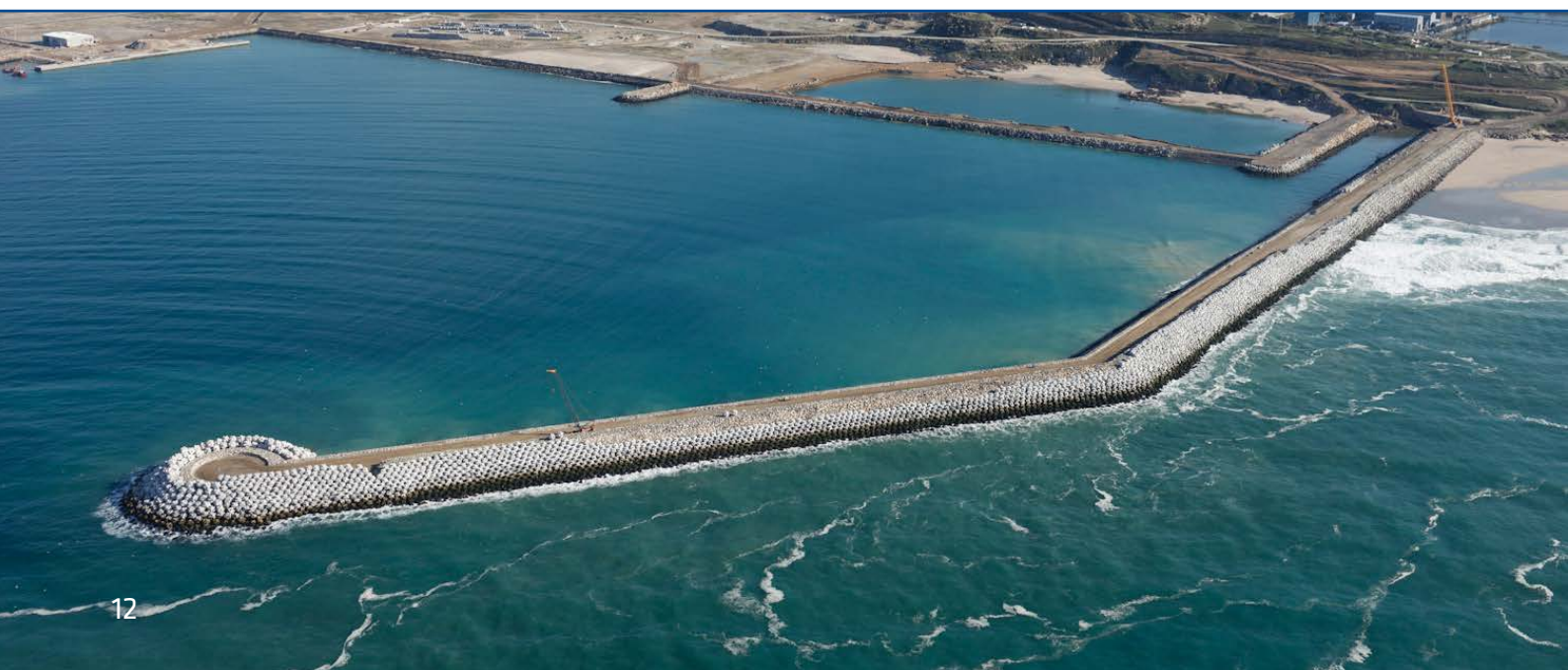
³ Dragados, Vías, TECSA, Geocisa, Drace, POLAQUA, Pulice, Picone, Schiavone, Dragados USA & Canadá, Iridium, JF White and Prince Contracting.

⁴ HOCHTIEF Américas, HOCHTIEF Europa and HOCHTIEF Asia Pacific (which refers to the CIMIC Group, in 2015 in changed the company name of the former Leighton Holdings to CIMIC Group). In 2015 CIMIC Group underwent an organisational restructuring process, which changed the scope of the data. The financial information of John Holland and Services in CIMIC for the 2013 and 2014 years was also restated, after the company was sold in December 2014.

⁵ Cobra, ETRA, SEMI, MAESSA, IMESAPI.

⁶ Dragados Offshore, CYMI, MASA, SICE, INITEC, INTECSA, MAKIBER.

⁷ In 2014, the ACS Group acquired all the share capital of the Clece Group. The information which appears in this 2013 report has been recalculated including the Clece data. In 2013, Clece contributed 65,774 employees and sales of € 1,219 million, and in 2014, 68,349 employees and sales of € 1,304 million (in the 2014 financial information, Clece was consolidated for six months, thus contributing € 650 million in revenue).



The objective is for all the ACS Group's companies to share the Group's values and culture, at the same time as each operates in a standalone manner.

Each of the ACS Group's companies is managed autonomously, with independent functional managements and flexible and sovereign executive bodies. The aim of this type of organisation is to promote:

- PROFITABILITY
- DECENTRALISATION
- REDUCED BUREAUCRACY
- ENTREPRENEURSHIP
- COMPETITIVENESS
- FLEXIBILITY AND ABILITY TO ADAPT
- DIVERSITY
- SUBCONTRACTING OF ACTIVITIES

The objective is for all the ACS Group's companies to share the Group's values and culture, at the same time as each operates in a standalone manner, individually contributing numerous valid and profitable management formulas, thanks to the multiple factors involved in their decision making and generating know-how and good practices which are also independent.

Hence, there are many different companies within the ACS Group which make their own efforts towards Sustainability adding up to a combined whole. They define their action policies autonomously and manage their resources as efficiently as possible, based at all times on the common principles and objectives defined in the Corporate Social Responsibility Policy of the ACS Group, approved on 26 February 2016, and which sets out the basic and specific principles of action in this field, and the Group's relations with its environment.



3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

3.1. PROJECT ONE

Project one seeks to promote and reinforce good management practices and is framed in the Group's general strategy, focused on reinforcing ACS's world leadership. The objective of Project one is to promote the strongly industrial nature of ACS's activities by spreading its corporate culture.

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.



The process of promoting good practices is divided into two phases implemented every year; a first one in which the Project focuses on the production of a detailed analysis of the position of the Group's different companies

in terms of Corporate Social Responsibility and the aforementioned management areas, performing an assessment in accordance with the Group's Materiality Analysis and the Dow Jones Sustainability Index.



The second phase is where the implementation of a series of strategies and good practices in each company is recommended. These are a result of the Group's strategic vision, in line with the aforementioned company values and representing an area for substantial improvement.

This process is overseen by independent consultants and external specialists who help in regularly adding improvements both at functional level and in procedures.

The results expected from Project one can be summarised as:

- Continuing redefinition of a repository of non-financial, best governance, environmental and social best practices.
- Regular assurance of their implementation in the various Group companies and of the monitoring of their management indicators, particularly of material matters.
- Aligning the ACS Group with the Dow Jones Sustainability Index, in which the Group appears currently in its European scope.

- The creation of the Corporate Social Responsibility Report, including a summary of ACS's governance, environmental and social policies.

The information gathered from the businesses is presented ordered in terms of strategy, management principles, main performance indicators, risks and good practices.

Project one also allows the Group to push through the most important matters within the field of Corporate Social Responsibility and which are set out in our materiality analysis, and also to ascertain the degree of application of such good practices performed with over 140 functional directors and middle managers in all Group companies.



3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

3.2. MATERIALITY ANALYSIS

(G4-18, G4-23)

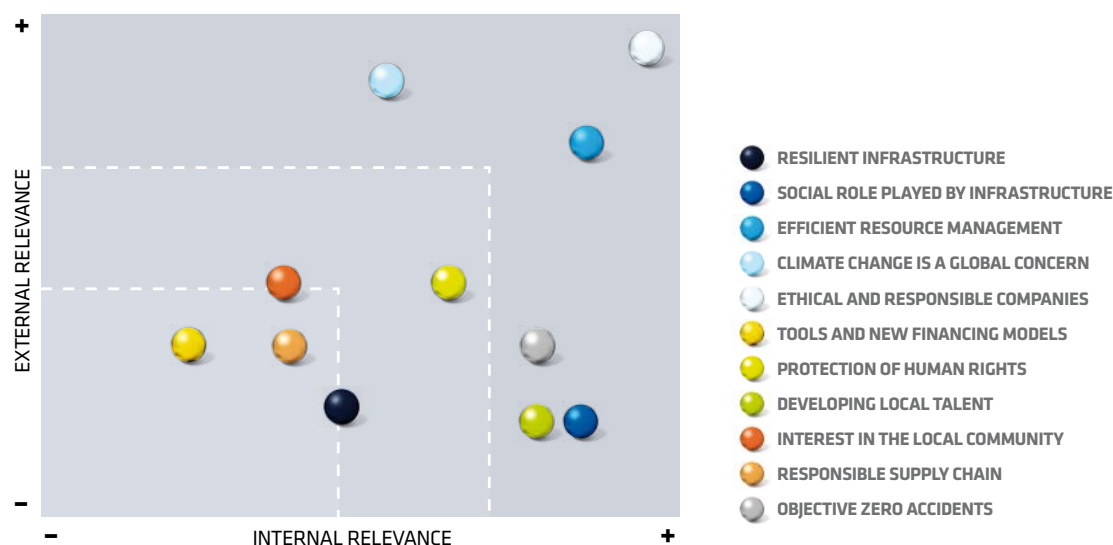
In the 2015 year, in accordance with the principles established in the GRI G4 Guidelines to define the contents of the Corporate Social Responsibility Report, the ACS Group performed its own Materiality Analysis, advised by an independent external firm, so as to pinpoint important sustainability and corporate social responsibility areas for the businesses of the ACS Group and its stakeholders. Ultimately the aim is that the Corporate Social Responsibility Report is focused on those matters which reflect the real most important social, economic and environmental impacts for the Group.

The Group has used both an external analysis using public sources and benchmark international bodies, as well as an internal valuation, taking into account the Group's core businesses and companies, to prepare this materiality analysis.

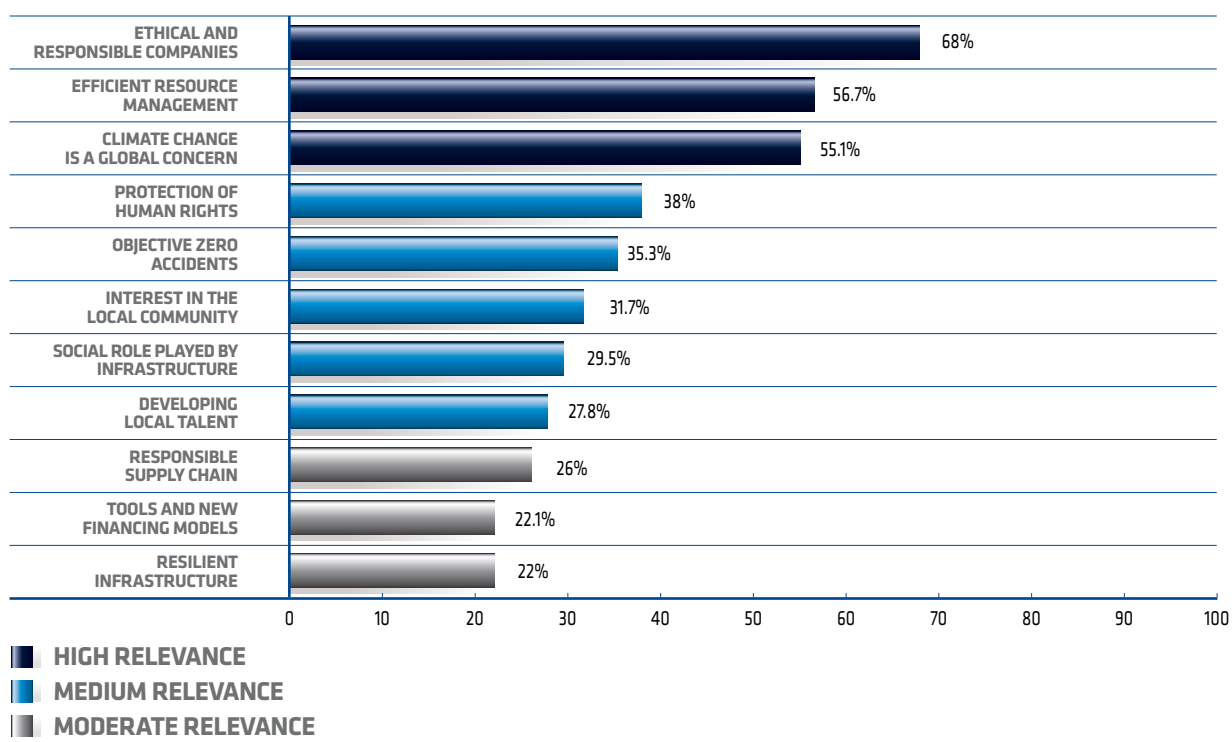
(G4-19, G4-21, G4-27)

The results have been used to design a materiality matrix representing the results obtained in accordance with their external and internal relevance, identifying the 11 most important aspects for the ACS Group.

MATERIALITY MATRIX



The 11 most important matters identified in the materiality matrix have been ordered in a hierarchy according to their level of global relevance, as shown in the following table:



Note: For the ranking, it has been considered percentile 25 and 75.

The methodology and complete results of this Materiality Analysis are set out in Appendix 13.1 of this report.



3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

3.3. THE ACS GROUP'S MAIN MANAGEMENT INDICATORS IN CORPORATE SOCIAL RESPONSIBILITY

MAIN MANAGEMENT INDICATORS - ETHICS

	2014	2015	Objective for 2016
Percentage of total ACS Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career with the company (% of total ACS employees)	36%	34%	>2015
Level of implementation in the ACS Group of regular external audits to confirm the degree of compliance with the Code of Conduct (% of total ACS employees)	17%	19%	N/A
Level of implementation in the ACS Group of contractual clauses on the compliance with the Code of Conduct in contracting with suppliers and subcontractors (% of sales)	84%	82%	> 2015
Level of implementation in the ACS Group of regular external audits to confirm the degree of compliance with the Code of Conduct by suppliers or contractors (% of sales)	27%	27%	N/A
Communications received by the Ethical Channel	9	97	N/A

MAIN MANAGEMENT INDICATORS - CLIENTS

	2014	2015	Objective for 2016
Number of client satisfaction surveys carried out	3,459	5,025	> 2015
Number of client satisfaction surveys received	1,341	3,173	> 2015
Percentage of client responses of "satisfied" or "very satisfied" over the total number of surveys RECEIVED (%)	87.25%	84.36%	> 2015
Number of complaints received from clients	34,259	33,267	< 2015
Number of complaints dealt with	99.9%	100.0%	= 2015
Number of complaints satisfactorily resolved (proportion of those received)	99%	99%	= / > 2015
Percentage of total sales generated by recurrent clients	N/A	72%	N/A

MAIN MANAGEMENT INDICATORS - QUALITY

	2014	2015	Objective for 2016
Percentage of sales from activities certified under the ISO 9001 standard (%)	68.2%	62.9%	> 2015
Number of Quality audits per million euros of turnover	0.046	0.047	> 2015
Intensity of investment in measures to promote and improve Quality (€ investment per € million of turnover)	162	137	> 2015

MAIN MANAGEMENT INDICATORS - SUPPLIERS

	2014	2015	Objective for 2016
Analysis of supplier and subcontractor criticality	41.6%	42.8%	> 2015
Inclusion of compliance with the Code of Conduct in supplier and subcontractor contract clauses	83.8%	81.6%	> 2015
Existence of formal systems for supplier and subcontractor approval	71.6%	75.1%	> 2015
Carrying out of internal audits on suppliers and subcontractors	35.1%	37.7%	> 2015
Development of corrective plans for suppliers and subcontractors to improve their performance in economic, social or environmental matters	4.5%	46.8%	> 2015

MAIN MANAGEMENT INDICATORS - R&D+i

	2014	2015	Objective for 2016
Investment in R&D+i (€ million)	54.7	50.6	> 2015
Level of implementation of a specific R&D+i department	92.2%	89.9%	> 2015
Level of implementation of a formal system for R&D+i management	94.2%	92.3%	> 2015

MAIN MANAGEMENT INDICATORS - ENVIRONMENT

	2014	2015	Objective for 2016
Percentage of sales covered by ISO 14001 Certification	78.8%	70.3%	> 2015
Total water consumption (m³)	28,324,847	40,783,487	N/A
Ratio: m³ of Water / Sales (€ million)	831.9	1,206.0	< 2015
Direct emissions (Scope 1) (tCO ₂ equiv.)	5,492,986	3,288,764	N/A
Scope 1 Carbon Intensity Ratio: Emissions / Sales (€ million)	161.3	97.3	< 2015
Indirect emissions (Scope 2) (tCO ₂ equiv.)	363,767	294,523	N/A
Scope 2 Carbon Intensity Ratio: Emissions / Sales (€ million)	10.7	8.7	< 2015
Indirect emissions (Scope 3) (tCO ₂ equiv.)	10,728,161	9,131,960	N/A
Scope 3 Carbon Intensity Ratio: Emissions / Sales (€ million)	315.1	270.0	< 2015
Total emissions (tCO ₂ equiv.)	16,584,914	12,715,248	N/A
Total Carbon Intensity Ratio: Total emissions / Sales (€ million)	487.1	376.0	< 2015
Significant emissions of NO _x , SO _x and other significant atmospheric emissions (kg)	N/A	14,390.6	N/A
Non-hazardous waste sent for management (t)	4,032,274	4,133,643	N/A
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	118.4	122.2	< 2015
Hazardous waste sent for management (t)	171,643	327,729	N/A
Ratio: Tonnes of hazardous waste / Sales (€ million)	5.0	9.7	< 2015

Reported water treatment increased as a result of the start-up of Cobra's international assets. Total water treatment by Cobra went from 13,254,636 m³ in 2014 to 19,778,612 m³ in 2015. Water treatment in 2014 and 2015 includes CIMIC (see scopes) with 8,180,000 m³ and 11,900,000 m³ of water treated in 2014 and 2015 respectively.

For CO₂ emissions, it is important to note that the HOCHTIEF Asia Pacific data for 2014 have been recalculated due to an update in the reporting method used. Reported emissions of scope 1, 2 and 3 of HOCHTIEF Asia Pacific in 2014 were 3,191,956; 218,953 and 2,750,651 tCO₂ respectively. The drop in CO₂ emissions is also largely due to the restructuring process in HOCHTIEF Asia Pacific, and the reported CO₂ emissions in 2015 of HOCHTIEF Asia Pacific of scope 1, 2 and 3 are 1,790,000; 84,000 and 3,497,000 tCO₂ respectively. Scope 1, 2 and 3 emissions of HOCHTIEF Americas are estimated (in 2014 Scope 1: 2,432 tCO₂, Scope 2: 6,620 tCO₂, Scope 3: 3,648,726 tCO₂, in 2015 Scope 1: 1,148,432 tCO₂, Scope 2: 37,112 tCO₂ and Scope 3: 1,086,608 tCO₂).

Scope 3 emissions include those calculated for employee travel. In HOCHTIEF and CIMIC they include those calculated referring to the Supply Chain (Cement, Timber, Waste and Steel).

A methodology has been adopted in this report to account for CO₂ emissions for all years, under which Urbaser classifies the emissions from water and waste treatment centres as indirect under Scope 3, as it does not own or have operational control over these facilities, as included in the international GHG Protocol (Appendix F) and EPE Protocol (waste sector methodology) standards Urbaser has used to calculate its Carbon Footprint. The Public Authorities, as the owners of the facilities, impose the operating requirements, while the management companies limit themselves to operating them temporarily. It is also important to note that use of concession assets - which are currently owned by Saeta Yield - is only taken into account in the Industrial Services division until February 2015, at which point the Group stopped having a majority shareholding and managing these assets.

MAIN MANAGEMENT INDICATORS - PEOPLE

	2014	2015	Objective for 2016
Percentage days lost through absenteeism	2.3%	2.3%	< 2015
Employees covered by a formal professional development system	91.4%	91.6%	> 2015
Employees in posts defined according to a formal skills map	33.1%	34.3%	> 2015
Employees subject to performance assessment processes	32.6%	33.1%	> 2015
Employees covered by variable remuneration systems	96.2%	96.7%	> 2015
Investment in training per employee (over total employees) (€)	643.1	513.1	> 2015
Percentage of total current Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career	36.3%	33.6%	> 2015

MAIN MANAGEMENT INDICATORS - HEALTH AND SAFETY

	2014	2015	Objective for 2016
Percentage of total employees covered by OSHAS 18001 certification	83.3%	79.7%	> 2015
Frequency Rate	15.20	18.56	< 2015
Total number of accidents with reported employee time off	7,798	6,974	> 2015
Spending per employee on Safety (€)	804.50	784.42	> 2015

3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

3.4. THE ACS GROUP AND ITS STAKEHOLDERS

(G4-24, G4-25, G4-26)

The ACS Group defines stakeholders as groups with the capacity to have an influence on the achievement of the organisation's objectives. Outstanding among these are its clients, employees, suppliers and shareholders and the infrastructure users who benefit from its policies related to quality, innovation, social action and the environment.

The basic principles for action of the ACS Group in relation to its stakeholders and the environment are based on complying with the national and international laws and regulations in force in the countries

where it operates, as well as fulfilling the international commitments related to corporate social responsibility voluntarily subscribed to by the ACS Group. The Group also commits to carrying out all its business following the fundamental principles of information transparency, ethics and integrity. The Corporate Social Responsibility Policy of⁸ the ACS Group and in the other policies included in this report set out the specific principles for action and the commitments and objectives which are used to govern the company's relations with each of its Stakeholders.

Similarly, the ACS Group is committed to creating value for all its stakeholders:

ECONOMIC VALUE GENERATED, DISTRIBUTED AND RETAINED

MILLION EUROS	2014	2015
Total income	34,881	34,925
Finance income	354	243
Disposals	2,623	1,835
(1) Economic value generated	37,857	37,003
Operating and purchasing expenses	25,276	25,113
Staff costs	7,761	7,927
Taxes	319	311
Dividends	318	345
Finance costs	1,036	777
Resources for the community	6	12
(2) Economic value distributed	34,716	34,483
Economic value retained (1-2)	3,142	2,520

The ACS Group also believes that to generate trust and identify these groups, it is vital to keep channels open for honest, plural and transparent dialogue in the ACS Group's

various companies, as well as in its fields of action and functional areas, something the ACS Group carries out regularly and in a sustained manner and has done for years.

⁸ <http://www.grupoacs.com/index.php/en/c/corporateresponsibility>

- The relationship with clients and suppliers and how ACS deals with their management is addressed in detail in the specific sections of this report. However, the frequency of the ACS Group's relationships with its clients is practically daily, meaning that there are numerous meetings each year. The relationship with suppliers is also fluid as the Group's purchasing directors and works managers hold frequent meetings, and they also come to have daily contact. Clients' and suppliers' main areas of concern are to confirm the company's levels of quality, technical sophistication and development, which must be adequate for its requirements or capacities. Risk management in the execution of works is also an important question.
- The employees are key to carrying out the ACS Group's activities, as it is a company mainly intensive in human resources. The employees' relationship with the company is continuous, but it is especially intense over the performance assessment period, which usually takes place annually. Personnel policies and management are detailed in the corresponding section of this report. They also have the ACS Group's Ethical Channel available, as detailed in the Ethics section. The employees' main concerns are talent management and training, career plans and pay packages, the company's commitment towards Social Action and business sustainability. They also have a heightened awareness to measures taken in terms of Ethics and Professionalism.
- Shareholders relate to the company daily through the communications channels established, such as the permanently open website, the shareholder services forum, the Investor Relations Department and the Shareholders' Meeting itself, which is held at least once per year. This relationship is detailed in the ACS Shareholders section. Shareholders' main areas of concern are creating value within the company, details of Corporate Government and risk management.
- The ACS Group's relationship with society in general and in particular with infrastructure users is detailed in several of the report's chapters dealing with quality, social action and the environment. The ACS Foundation holds several meetings each month with organisations in the civil field with the aim of defining its philanthropic activities according to the trends detected. Furthermore, the ACS Group's various Environment departments analyse the environmental needs and risks affecting society several times each year and, especially, every time that general plans are dealt with in this subject within the company or Environmental Impact Studies are undertaken.

3.4.1. TRANSPARENCY IN INSTITUTIONAL RELATIONSHIPS

The ACS Group is an organisation with a very significant impact on social, labour, economic and political fields in those countries in which it operates. This impact is managed directly by ACS's Chairman, Florentino Pérez, and his team. In this respect, it is important to highlight the influence that ACS has on the decision making or behaviour of those levels and clients with whom it habitually relates.

3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

(G4-24, G4-25, G4-26)

ACS incorporates responsibility into its whole organisation and its daily practices, sharing knowledge, information and experience. It also carries out projects in collaboration, promotes fair practices, builds alliances with organisations, associations and other sector members, working in a responsible manner and open to dialogue and attending to calls from Government and from the industrial institutions representing its sector.

In short, through its businesses, ACS intervenes in its environment with the intention of contributing voluntarily and actively to social improvement, complying with the law and additionally developing policies and initiatives which boost the excellence and quality of its activities. The ACS Group Chairman is the leading exponent of this policy.

The nature of ACS's political and institutional relationships is heightened by the Chairman's presence in the most important political and business meetings⁹, as well as in various public functions, always guided by the ethical principles of social responsibility and the intention to improve competitiveness and general and added value.

According to the Group's fiscal responsibility, which is underlined both in the Code of Conduct and in the Corporate Social Responsibility Policy, ACS undertakes to comply with the fiscal regulations applicable in each country or territory where it operates, and will not seek to conceal relevant information, illegally avoid the payment of taxes, or improperly obtain fiscal benefits. Group employees will also cooperate with the Tax Authorities to provide fiscal information required in accordance with applicable laws. Indeed, the ACS Group has adhered to the Spanish Tax Agency's Code of Good Tax Practices.

3.4.2. COMMUNICATION WITH SHAREHOLDERS

(G4-24, G4-26)

The Group's commitment to the markets, shareholders and investors is upheld in its information transparency. As such, and in order to offer them the best service, the company has specific communications procedures, as detailed in the section on transparency in this document. As a summary, the following stand out among these:

- **Investor relations.** A total of 257 meetings were held in different places worldwide. These meetings enable the Group to pass information on its prospects and on relevant events which may affect the company or its sector. Specific events are also held regularly, of which 17 took place in 2015.
- **Shareholder service.** Service is provided from the Investor Relations Department to numerous minority shareholders seeking to resolve doubts and obtain detailed information on their investment. In 2015 the Department received 343 calls / emails from shareholders.
- **Communications with financial analysts and institutional investors.** Regular sending of information of interest to those analysts and investors who follow the Group most closely.
- Participation in conferences and seminars of interest.
- Corporate Website and start-up of the Shareholder Services Web Forum.

⁹ The ACS Group made no financial or in kind contributions to political parties during 2015.

The Subsidies received by the ACS Group in 2015, as shown in the Group's Consolidated Balance Sheet, included in the Economic/Financial Report published together with this Report, totalled €58.7 million.

3.4.3. INFORMATION TRANSPARENCY

An essential requirement for the ACS Group to be able to fulfil its mission of generating profitability for its shareholders and the society in which it operates, is information transparency. The objective of this strategy is to ensure that its activity is as open as possible and that the interests of its clients and the company's other stakeholders are respected. The ACS Group is committed to total rigour in the information transmitted, especially with respect to media.

This general objective of transparency is stated by means of the following guidelines:

- Conveying the Company's overall corporate strategies, as well as those specific to each of the Company's business areas, to the outside world.
- Projecting the Group's business reality so that the Group's different stakeholders recognise it as being sound and well-managed in Spain and abroad.
- Contributing to the make-up of a positive corporate image which

helps to achieve business objectives and commercial activity.

- Maintaining a fluent relationship with external agents, particularly with representatives of the media.
- All of the above leads to an increase in the value of the ACS brand and of its different companies and businesses.

The ACS Group manages its commitment to transparency towards its stakeholders by three main means:

- The ACS Group's Communications Department.
- The ACS Group Website.
- Shareholder and investor information activities.

The ACS Group's relationship with all forms of **media** is fluently and transparently led by the Group's Communications Department and involves interviews, press releases and contact on the corporate website, as well as meetings with journalists.



3. THE ACS GROUP AND THE CORPORATE SOCIAL RESPONSIBILITY

Numerous examples of contact with journalists took place in 2015: 10 press releases were published, several press conferences were held and many individual interviews were given by the Chairman and Corporate General Manager.

The **website**, www.grupoacs.com, is a commitment from the Group to clarity accessibility and information. Its objectives are specified below:

- To open a “window” to society through which the company may be analysed with greater transparency and ease.
- To maintain a permanently open communication channel both with the Group’s priority stakeholders and with any individual or company needing any type of information on the Group.
- To offer, completely transparently, the company’s economic and financial information, information on its systems of governance and management and the activities it undertakes.
- To enable searches for historical information on the company for more in-depth analysis of trends and performance.
- To maintain up-to-date information on the performance of the company and the criteria behind its management at all times.

Similarly, to aid in their commercial and informational activity, the ACS Group’s lead companies and large subsidiaries own and promote a large number of complementary websites and information portals, intranets, on-line tools and remote reporting and training systems.

The **shareholders’ right to information** is detailed in several rules in the regulations of the Shareholders’ Meeting. Hence, in order for the Company Shareholders’ Meeting to properly serve the function for which it was designed, prior to each Shareholders’ Meeting, the Board of Directors makes all the information which is legally required to be provided to shareholders available to them all, in addition to information that is not legally required to be provided, but that reasonably should be made available, given the interests of the company and of the shareholders, for them to form their opinion. In this regard, the Group makes every effort to respond duly to requests formulated by shareholders for the purpose of the General Shareholders’ Meeting, regardless of whether these requests are formulated before or after Shareholders’ Meetings, provided that the Company’s interests are not jeopardised.

The ACS Group uses various channels to fulfil this commitment to communication and transparency. Its objective is to promote flexibility, fairness and immediacy

WWW.GRUPOACS.COM

	2014	2015
Website hits	511,516	447,606
Pages viewed	2,281,201	1,836,402
Unique visitors	390,872	342,266
Pages per visit	4	4
Average visit time (mins)	2.40	2.33
% New visitors	75.30%	75.10%

and to achieve greater reach with the published information by means of:

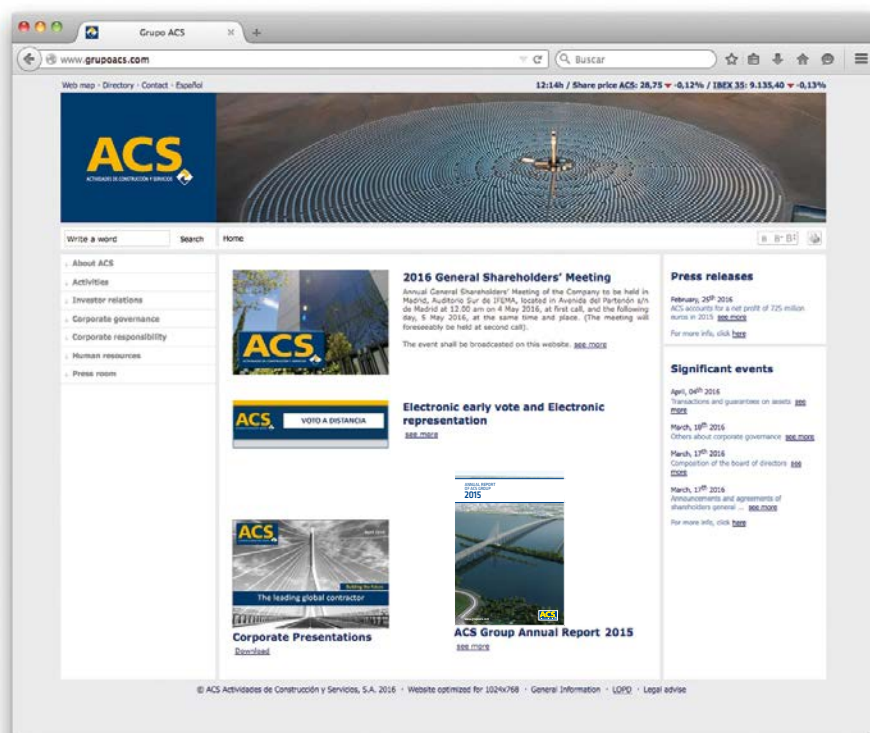
- The Group's website.
- The shareholder service office (+34 91 343 9200).
- The shareholder information e-mail address (irgrupoacs@grupoacs.com).
- The shareholder service web forum.
- Fluid communication with the Spanish Stock Market Commission (CNMV).
- The information offered by the Investor Relations Department.

Furthermore, a Shareholder Service Web Forum has been operating since October 2010 to attend to requests for information resulting from the General Shareholders' Meetings. This tool acts as a support in each period leading up to the General Shareholders' Meeting and will be available to all the Group's shareholders.

In addition, the Spanish Stock Market Commission (Comisión Nacional del Mercado de Valores, CNMV) is the main means through which the ACS Group communicates and announces its development and its main actions. Fifty-two "Significant Events" were disclosed to the Commission during 2015.

The ACS Group publishes standardised financial information and information on the development of its businesses annually and quarterly. Similarly, the company attends to requests for information from other market agents through meetings. These meetings are intended to complement the Group's reporting efforts and the objective thereof is to clarify information already published in accordance with investors' and shareholders' needs.

The measures aimed at promoting information transparency affect the Company's reputation and the dissemination of its corporate values, its technical capacities and its business successes.



4. CORPORATE GOVERNANCE IN THE ACS GROUP

4.1. SHAREHOLDER STRUCTURE

ACS, Actividades de Construcción y Servicios, S.A. (ACS), the ACS Group's parent company, is a Spanish listed limited company, the share capital of which totalled €157,332,297 at 31 December 2015, represented by 314,664,594 shares, with a face value of €0.50 per share, fully subscribed and paid up, all of a single class and with the same rights.

ACS's shares are represented by means of book entries and admitted to trading

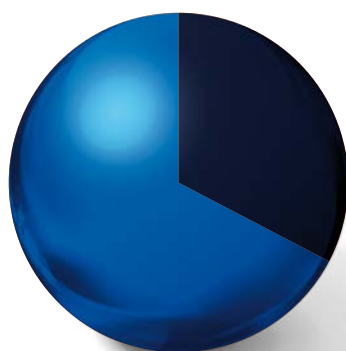
in all Spain's Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). You can access the main data relating to the company's ownership structure in real time through the company's corporate website, www.grupoacs.com, and that of the Spanish Stock Market Commission (C.N.M.V), www.cnmv.es, as reflected in the following table as at 31 December 2015:

Shareholder's name or corporate name	Number of shares	Percentage of the total number of shares
Mr. Florentino Pérez Rodríguez	39,397,625	12.52%
Corporación Financiera Alba, S.A.	36,779,286	11.69%
Iberostar Hoteles y Apartamentos, S.L.	17,741,012	5.64%
Mr. Alberto Cortina Alcocer	10,272,467	3.27%
Mr. Alberto Alcocer Torra	9,549,983	3.03%

The information obtained from IBERCLEAR, the Spanish Central Securities Depository, for the call to the company's most recent General Shareholders' Meeting, held on 28 April 2015, showed a total of 49,960 shareholders. There were 41,625 resident minority shareholders, who held 16.0% of the share capital. There were 8,335 non-resident shareholders and domestic institutional shareholders with a remaining stake of 84.0%.

According to the stated data and bearing in mind those shareholders who, with a share of over 3% of the capital, also have representation on the board of directors, the distribution of capital ownership is as follows:

CAPITAL OWNERSHIP DISTRIBUTION



● MAJOR SHAREHOLDERS* 36%

● FREE FLOAT 64%

* Representation on the Board.

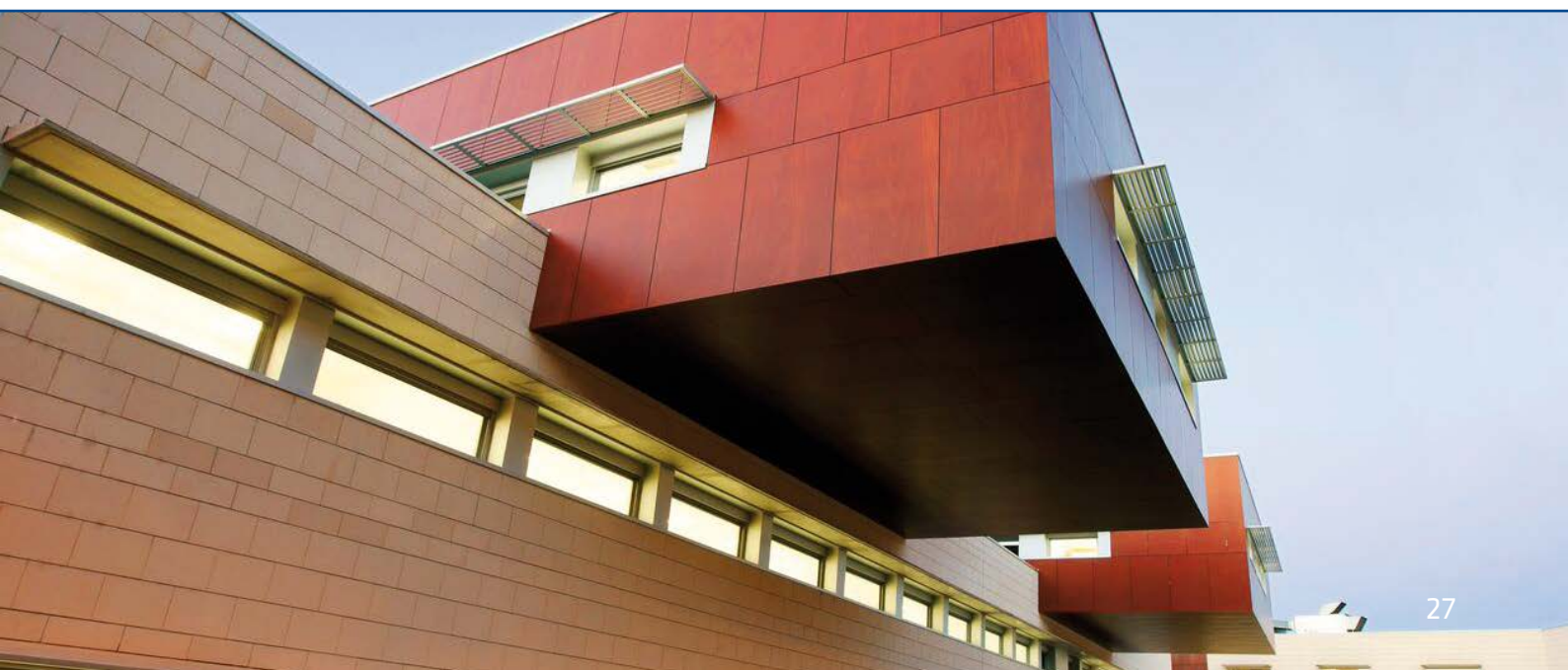
The share capital of the ACS Group is represented by 314,664,594 shares, with a face value of €0.50 per share.

ACS STOCK

	2013	2014	2015
Closing Price	€25.02	€28.97	€27.02
<i>Appreciation of ACS shares</i>	<i>31.41%</i>	<i>15.79%</i>	<i>-6.75%</i>
<i>Appreciation of the IBEX35</i>	<i>21.42%</i>	<i>3.66%</i>	<i>-7.15%</i>
Maximum closing price	€25.02	€34.39	€34.06
Minimum closing price	€16.76	€24.97	€25.49
Average price over the period	€21.11	€28.95	€28.57
Total volume (thousands)	201,945	252,332	238,296
<i>Average daily volume of shares (thousands)</i>	<i>792</i>	<i>990</i>	<i>931</i>
Turnover (€ million)	4,248	7,383	7,158
<i>Average daily turnover (€ million)</i>	<i>16.66</i>	<i>28.95</i>	<i>27.96</i>
<i>Number of shares (mn)</i>	<i>314.66</i>	<i>314.66</i>	<i>314.66</i>
Capitalisation at the end of the period (million)	7,873	9,116	8,501

ACS is a company committed to generating value for its shareholders, both from the point of view of dividend distribution and share price appreciation. In terms of total shareholder return, an investor who bought one share in ACS on 31 December 1996, just before the creation of ACS in its current form, would have obtained, at the end of 2015, an annual return of 24.47%. If he or she had

invested €100 on that day, at the end of 2015 he or she would have had €6,401, meaning that the investment would have multiplied by 64.01. Total shareholder return includes stock market appreciation and the dividends paid by the ACS Group.



4. CORPORATE GOVERNANCE IN THE ACS GROUP

4.2. STRUCTURE AND COMPOSITION OF THE GOVERNING BODIES OF THE ACS GROUP

It is laid down in the Company's By-laws and the Rules of the Board of Directors that ACS will be governed by a Board of Directors made up of a minimum of eleven (11) and a maximum of twenty-one (21) members. ACS's Board Members are named according to a procedure to assess their competences, knowledge, experience and dedication to proper fulfilment of their task, carried out by the Board of Directors' Appointments and Remuneration Committee.

As ACS's decision-making body, it falls to the Shareholders' Meeting, at the proposal of the Board of Directors, both to set the exact number of members of the Board, within these limits, and to name the people to occupy these posts.

The composition of the Board of Directors is based on a proportional principle, by means of which the interests of all ACS's groups of shareholders are represented on the Board. At 31 December 2015, ACS's Board of Directors was made up of 18 Board Members: 4 executive members, 7 proprietary Board Members, 5 independent members and 2 external members.

The ACS Group promotes all the policies necessary to ensure equality of opportunities and to avoid implicit bias and any discrimination in selection processes not just for members of the Board of Directors, but also for any work position and to guarantee that the applicants meet the competence, knowledge and experience requirements to carry out their work, as stated in point 1.3.1 of the ACS Code of Conduct. At 31 December

2015, the Board of Directors of the ACS Group includes three women Board members out of a total of 18, accounting for 16.7% of the total.

The mission of these independent and external board members is to represent the interests of the free-float capital on the Board of Directors. The Chairman of the Board of Directors, Florentino Pérez, is also the CEO of ACS.

Board member	Year of birth
Florentino Pérez Rodríguez	1947
Antonio García Ferrer	1945
Pablo Vallbona Vadell	1942
Agustín Batuecas Torrego	1949
Manuel Delgado Solís	1948
Javier Echenique Landiribar	1951
(Iberostar Hoteles y Apartamentos, S.L.) Sabina Fluxá Thienemann	1980
Joan-David Grimà i Terré	1953
Pedro López Jiménez	1942
José María Loizaga Viguri	1936
Emilio García Gallego	1947
Santos Martínez-Conde Gutiérrez-Barquín	1955
Javier Monzón de Cáceres	1956
Miquel Roca i Junyent	1940
María Soledad Pérez Rodríguez	1943
José Luis del Valle Pérez	1950
Catalina Miñarro Brugarolas	1963
Antonio Botella García	1947

4.2.1. GOVERNANCE PROCEDURES IN ACS

As regards the function of the Board of Directors, this acts jointly and is granted the broadest of powers to represent and govern the company as the body supervising and controlling its activity, but also with the capacity to assume the responsibilities and decision-making powers directly on the management of the businesses.

In particular, the Board of Directors in plenary session will not be entitled to delegate, under any circumstances, the powers described in article 5 of the Board of Directors'¹⁰ Regulation, which includes the approval of the following general policies and strategies:

- Investment and financing policy.
- Definition of the corporate group structure.
- Corporate governance policy.
- Corporate social responsibility policy.
- Approval of financial information.
- Strategic or business plan, as well as management targets and annual budgets.
- Senior executive remuneration and performance assessment policy.

Risk control and management policy, including fiscal risks, and overview of internal reporting and control systems.

- The dividend policy, and share and Treasury Shares policy
- Related-party transactions, except in those cases anticipated by the Regulations.
- Establishing the Company's fiscal strategy, and approving the creation of acquisition of shareholdings of companies in countries or territories which may be considered to be tax havens, and other transactions or operations which are so complex that they could detract from the transparency of the Company and its group.

For greater efficiency in its functions, a set of Committees are constituted within the Board of Directors, the task of which consists of controlling and monitoring those areas of greatest importance for good governance of the company. The Board of Directors currently has three such committees: The Executive Committee, Audit Committee and the Appointments and Remuneration Committee, whose functions are set out in the Board of Directors' Regulation.

The Executive Committee is a delegated committee which can exercise all the Board of Directors' powers except those which cannot be delegated or which the Board reserves as its competence.

¹⁰ For more information on functions of the Board of Directors which cannot be delegated, please refer to: http://www.grupoacs.com/index.php/en/c/corporategovernance_boardofdirectors_rulesoftheboardofdirector

4. CORPORATE GOVERNANCE IN THE ACS GROUP

The Audit Committee has the main functions described in Article 24 of the Rules of the Board of Directors, including the functions of accounting control and risk management, inter alia. According to that stated in Article 25 of the Rules of the Board of Directors, the Audit Committee is responsible for supervising compliance with the rules for corporate governance, the internal codes of conduct and the corporate social responsibility policy. Furthermore, among the functions attributed to the Audit Committee is the reviewing of the Company's Corporate Social Responsibility Policy to ensure that this is aimed at creating value. Similarly, the Audit Committee is responsible for monitoring corporate social responsibility strategy and practices, as well as evaluating the degree of compliance with them. The Audit Committee will also be responsible for supervising and evaluating the processes in the relationships with the various stakeholders and evaluating all matters relating to the company's non-financial risks, including operational, technological, legal, social, environmental and political risks and risks to its reputation.

Lastly, the Appointments and Remuneration Committee has the main functions detailed in Article 26 of the Rules of the Board of Directors, including the control of board member and senior management remuneration and performance, proposals for their appointments and matters relating to gender diversity on the Board of Directors, among others.

The Board Members' remuneration is defined by a general policy approved by the full Board, heeding the recommendations of the Appointments and Remuneration Committee. In 2015, the Board of Directors earned remuneration of € 12.67 million, and € 2.02 was paid into saving schemes

during the year. Within the ACS Group's transparency and information policy, the remuneration received by both the members of the Board of Directors and the Senior Executives during the financial year, both of which are summarised here, is shown in the Annual Corporate Governance Report, while the individual details of the remunerations of the Board of Directors are delivered in the General Shareholders' Meeting, also available at the Spanish Stock Market Commission (CNMV).

Retribución de los miembros del Consejo	€ thousands
Remuneration to the Board of Directors	12,670
Contribution to the savings systems in the year	2,019
Value of the rights accumulated by the Board Members as regards pensions	50,357
Amount of the rights accumulated by the Board Members as regards pensions	0
Total remuneration of Senior Executives (56 Executives)	30,332

Assessment of the Board of Directors' quality and efficiency of performance is a task which falls to the Board itself and cannot be delegated. It is carried out after receiving a report from the Appointments and Remuneration Committee. Furthermore, the General Shareholders' Meeting submits approval of the Board of Directors' management to a vote every year.

Finally, the ACS Group, through the Rules of the ACS Board of Directors, has detailed rules on the mechanisms laid down for detecting, determining and resolving possible conflicts of interest between the company and/or its group and its board members, managers or significant shareholders, as detailed in point D.6 of the ACS Group's Corporate Governance Report.

4.2.2. SHAREHOLDER' RIGHTS AND THE GENERAL SHAREHOLDERS' MEETING

The operation of the Shareholders' Meeting and the rights of the shareholders are regulated in ACS's Company By-laws and in the Shareholders' General Meeting By-laws. According to Article 1 of the latter, the Shareholders' Meeting is the supreme body for the expression of the will of the company and its decision making.

As such, according to these Rules, the Group's shareholders represented in the General Shareholders' Meeting will decide all matters within the Meeting's powers by majority. This meeting will be made up of those holders of at least one hundred shares present or represented, such that holders of less than one hundred shares can group together to reach this number.

In addition, shareholders' attendance and voting rights are laid down in these Rules, by means of which egalitarian treatment is guaranteed for all and a series of measures aimed at encouraging shareholders' participation in the General Meeting are included. As such, not only is delegation or representation of votes permitted during the Meeting, but the possibility of shareholders casting their vote remotely is also expressly established. Furthermore, since the Ordinary General Shareholders' Meeting of 19 May 2005, the necessary procedures have been articulated for exercising the right to vote in advance remotely. The measures adopted by the Group to encourage attendance of the Meeting are positively reflected in their attendance percentages.

Likewise, the shareholders' and investors' rights to information are detailed in several parts of the Shareholders' General Meeting By-laws. Indeed, all the necessary information is made available to the shareholders prior to holding each Meeting, in that, in addition to the standard information provided by the company in the annual, half-yearly or quarterly reports, the Group maintains a website with all the fundamental data on it. Periodic meetings are also held with analysts for this information to reach both shareholders and the general market in the fairest, most symmetrical and efficient way possible.

The ACS Group not only sets up permanent communications channels with its shareholders and investors, but also ensures that all the information made available to them is truthful and rigorous. The Audit Commission reviews this information before it is transmitted to confirm that it is prepared in accordance with the professional principles, criteria and practices with which the accounts are prepared.

ACS's Board of Directors has, over a number of years, also been promoting measures to guarantee the transparency of the company's action in the financial markets and to exercise as many functions as result from its position as a listed company on the stock exchanges. To this effect, we try to ensure that knowledge of significant events is restricted, until made public, to the minimum number of identified people.

Attendance at Shareholders' Meetings	2010 Ordinary	2010 Extraordinary	2011 Ordinary	2012 Ordinary	2013 Ordinary	2014 Ordinary	2015 Ordinary
Shareholders Present	213	115	179	216	226	273	260
Quorum Shareholders Present	19.44%	19.93%	20.55%	20.05%	20.19%	7.31%	7.52%
Shareholders Represented	2,776	2,183	2,792	2,368	2,214	1,933	1,560
Quorum Shareholders Represented	58.22%	57.11%	54.41%	51.40%	55.06%	62.89%	65.71%
Total Quorum	77.66%	77.04%	74.96%	71.45%	75.25%	70.20%	73.23%

4. CORPORATE GOVERNANCE IN THE ACS GROUP

4.3. RISK CONTROL SYSTEMS

The ACS Group's risk control system is based on a range of strategic and operational actions which seek to mitigate risks in addition to fulfilling the objectives set by the Board of Directors. The manager responsible for risk management is Angel García Altozano, Corporate General Manager.

The diversity and complexity of the sectors in which the Group carries out its activities involve a great variety of risks and the Corporation is responsible for defining the basic guidelines to homogenise operating criteria in each of the divisions and so guarantee an appropriate level of internal control. The companies and divisions of which ACS is made up are responsible for developing the necessary internal regulations so as to implement appropriate internal control according to the particular nature of their activity.

In order to be able to respond in the face of global and homogeneous risk, the Corporation has established a risk management model which includes the identification, assessment,

classification, valuation, management, correlation analysis and monitoring of risks at the Group and Operating Area levels. Once risks have been located, a risk map is prepared which is systematically updated periodically.

In accordance with that explained above, the following risks have been identified:

- Operational risks, stemming from the Group's different businesses and which vary depending on the area of activity, but which, in short, are related to entering into contracts, planning and control of the execution of the works and projects, quality-related risks, environmental impact and risks related to international activities.
- Non-operational risks, which also stem from the different activities the Group carries out, but which in this case relate to image, human resources, legal or regulatory matters, tax, financial matters and insurance coverage.



As indicated previously, the Group's risk control systems are common to all the Group's areas of activity, but organised according to a decentralised model, which enables each business unit to exercise its risk control and assessment policies in accordance with certain basic principles. These basic principles are the following:

- Definition of the maximum risk limits that may be assumed by each business in accordance with its characteristics and its profitability expectations and which are implemented at the time contracts are entered into.
- Establishment of procedures to identify, approve, analyse, control and report the different risks for each business area.
- Coordination and communication to ensure that each business area's risk policies are consistent with the Group's overall risk strategy.
- Carrying out of sensitivity and stress analyses to confirm these policies and procedures.
- Financial risk control systems.
- Environmental management systems.
- Incorporation of the most advanced technologies as regards environmental matters, such as:
 - Conservation of energy and raw materials.
 - Using recyclable and biodegradable materials.
 - Minimising waste production and environmentally-friendly treatment.
 - Promoting the reforestation and landscaping of construction sites.
 - Carrying out specific actions for activities that require them, depending on the effect of the impact and the setting.
 - Ongoing information to the client with regard to the environmental risks and possible measures of prevention.
- Other systems: For risks of a legal or fiscal type, ACS has appropriate departments in each company, division or at a corporate level and with prestigious external support in each specific field of action. Additionally, the signing of contracts is supervised by each company's legal adviser and, depending on its relevance, by the legal counsel of the different divisions or of the Group.

The systems provide the necessary information to supervise and evaluate the risk exposure of each business area and develop the corresponding management reports for decision making with monitoring of the appropriate indicators.

The control systems developed in each business area may be classified into the following categories:

- Management systems for entering into contracts and bidding processes for works and projects.
- Management systems for planning and execution of works and projects.
- Quality management systems.
- Human resources management systems.

The Group has a strategy for covering accidental risks which could affect Group assets and activities that involves the underwriting of various insurance policies for any coverable risks. The characteristics of these policies are reviewed periodically to adapt them to the current and specific status of the risk covered.

Each one of the different sections includes information on the potential risks detected in the different management areas relating to Corporate Social Responsibility and the control systems adopted.

5. ETHICS

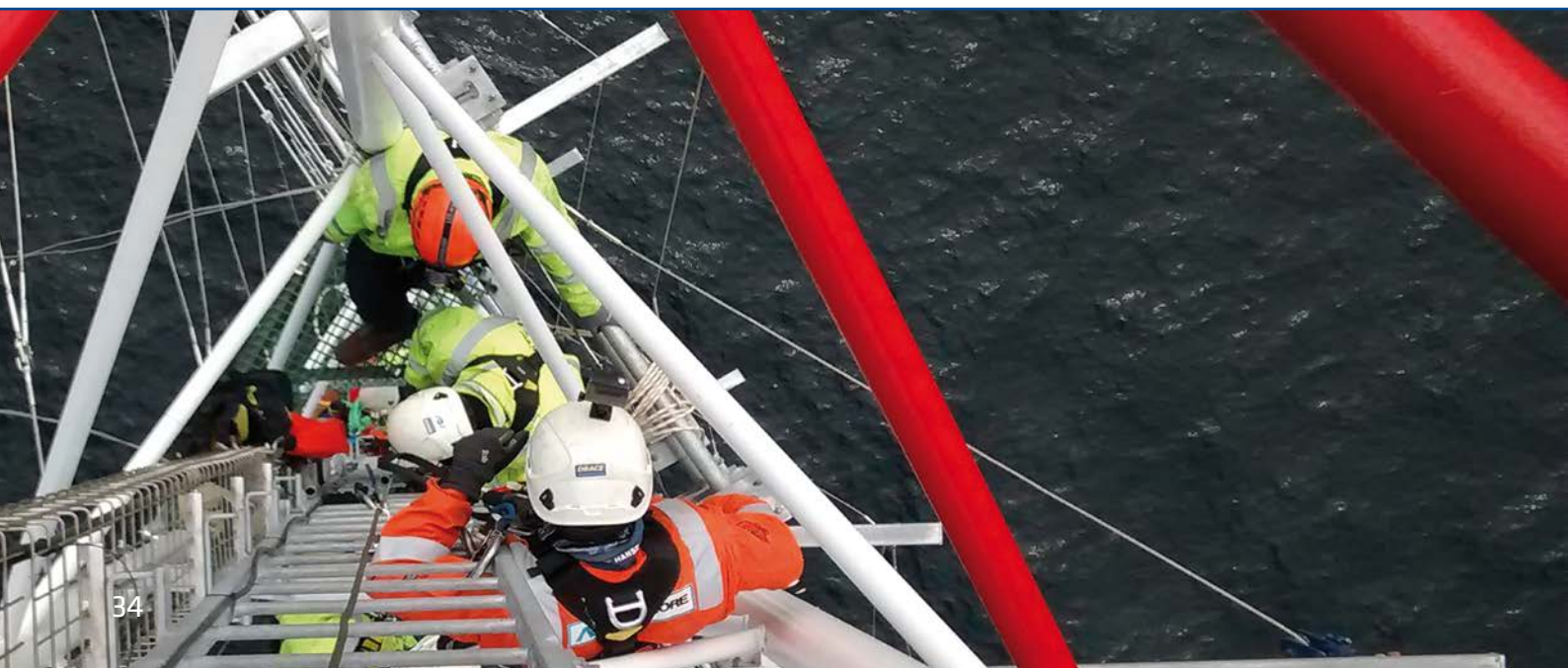
5.1. ETHICS AND INTEGRITY: SUMMARY, OBJECTIVES AND GENERAL PRINCIPLES

The ACS Group and the companies which make it up are fully committed to promotion, reinforcement and control in matters related to ethics and integrity, through measures which enable them to prevent, detect and eradicate bad practices.

Integrity is a very important aspect in the ACS Group. In 2011, important measures were promoted from the Board of Directors' Executive Committee to advance these values included in the ACS Group's Code of Conduct. In 2015, the ACS Group adapted its Code of Conduct to follow the most demanding standards in terms of Good Corporate Governance. The code includes new subjects such as fiscal responsibility, loyal competition, eradicating of forced labour and respect for minority rights. The Code has also included the company's adaptation with

the framework of the United Nations Ruggie Report for Human Rights and companies. Specific adjustments have also been made concerning questions such as how to avoid discrimination and the Ethical Channel function.

Currently, the ACS Group has equipped itself with two corporate tools: the Code of Conduct and the Ethical Channel, which are widely adopted in the various business areas, and a control system reporting to the Board of Directors, called the Code of Conduct Monitoring Committee.



The ACS Group promotes knowledge of the general principles of conduct, ethics and integrity by all employees, clients, suppliers and contractors.

5.1.1. ETHICS AND INTEGRITY: CODE OF CONDUCT

Since its foundation, the ACS Group and its companies have made a commitment to the various parties forming part of its operations and which interact with the company or its employees. This commitment is based on the ethical principles governing the ACS Group's operations, which shape its corporate culture. In 2015, the ACS Group updated its Code of Conduct to follow the most demanding standards in terms of good corporate governance, bringing its content in line with the principles and recommendations of the New Good Corporate Governance Code for Listed Companies of February 2015.

This new Code of Conduct was approved by the resolution of the Board of Directors of ACS, Actividades de Construcción y Servicios, S.A. at its meeting held on 12 November 2015. This resolution was disclosed to the CNMV and uploaded to the ACS Group website on the same date.

In terms of respect for human rights, the Code has included the adaptation of the business activity to the framework of the Report of the Special Representative of the Secretary General of the United Nations on the matter of human rights and multinational companies and other companies, John Ruggie, approved in March 2011. The "Ruggie" Report sets out the United Nations framework to "protect, respect and remedy" the protection of human rights in the world of business.

ACS's Code of Conduct¹¹ constitutes a guide for the professional performance of all the Group's employees and managers in relation to their daily work, the resources used and the business environment, as well as for all the investee companies in which the ACS Group controls their management.

The basic principles for action in the Code of Conduct are as follows:

- **Integrity:**
the ACS Group promotes recognition of behaviour in accordance with loyalty and good faith, and against corruption and bribery, among its employees, avoiding any kind of behaviour and procedures constituting unfair competition; and commitment to fiscal responsibility.
- **Professionalism:**
the ACS Group's employees and management should be recognised for their high professionalism based on proactive and efficient and customer-centric performance focused on excellence, quality, innovation and willingness to provide service.
- **Respect for Others and the Environment:**
ACS undertakes the commitment to act at all times in accordance with the United Nations Global Compact, to which it has been a signatory since its foundation, the objective of which is the adoption of universal principles in the areas of human and labour rights and the protection of the environment.

¹¹ The ACS Group's Code of Conduct can be read at http://www.grupoacs.com/index.php/en/c/corporategovernance_codeofconduct

5. ETHICS

All actions taken by the ACS Group and its employees shall strictly abide by the Human Rights and Civil Liberties included in the Universal Declaration of Human Rights, and, specifically, the United Nations Ruggie Report on Human Rights and companies. The relationship of the Group with its employees, as well as the relationship among employees, therefore, shall be based on the following commitments:

- Prevention of corruption and bribery.
- Equal opportunities.
- Non-discrimination.
- Confidentiality in information management, when applicable.
- Fair competition and avoidance on anti-competitive practices.
- Promotion of training and professional and personal development.
- Occupational health and safety.
- Eradication of child labour.
- Eradication of forced labour.
- Respect for minorities.
- Fiscal responsibility.
- Reduction of negative impact on local and indigenous communities.
- Channels for appropriate reporting of those inappropriate practices identified (Ethical Channel).

The General Code of Conduct was approved by the ACS Group's Board of Directors in its meeting of 15 March 2007, was modified by resolution of the Board of Directors' Executive Committee of 30 August 2011, and new amendments were approved thereto by the Board of Directors on 12 November 2015.

5.1.2. MANAGEMENT PRINCIPLES

5.1.2.1. FIELD OF ACTION AND SCOPE OF THE CODE OF CONDUCT

The Code of Conduct and the procedures laid down for disseminating and safeguarding it are basic elements in the Group's integrity framework. In this respect, the Code of Conduct has been extended to the whole organisation:

- The Code applies to all members of management bodies and to all employees of Group companies, regardless of the contractual form determining their labour relationship, the post they occupy or the place in which they carry out their work. They are all obliged to know and comply with the Code of Conduct and collaborate in its implementation in the Group. Additionally, the ACS Group's management team shall make the necessary means available to such companies to fulfil the regulations contained in the Code of Conduct.
- The scope of application of the Code may be extended contractually to any other individual or legal entity with commercial or business relations with the ACS Group when, due to the nature of that relationship, its activities could affect the ACS Group's image and reputation.
- The scopes of application contained in this Code affect all companies which form a part of the ACS Group due to the latter having control over their management. Although the HOCHTIEF Group is fully consolidated in the ACS Group, both the HOCHTIEF Group's parent company, HOCHTIEF AG, and the parent company of its CIMIC subgroup, CIMIC Group Limited, are companies listed on the German and Sydney stock exchanges, respectively, hence they are subject to their own

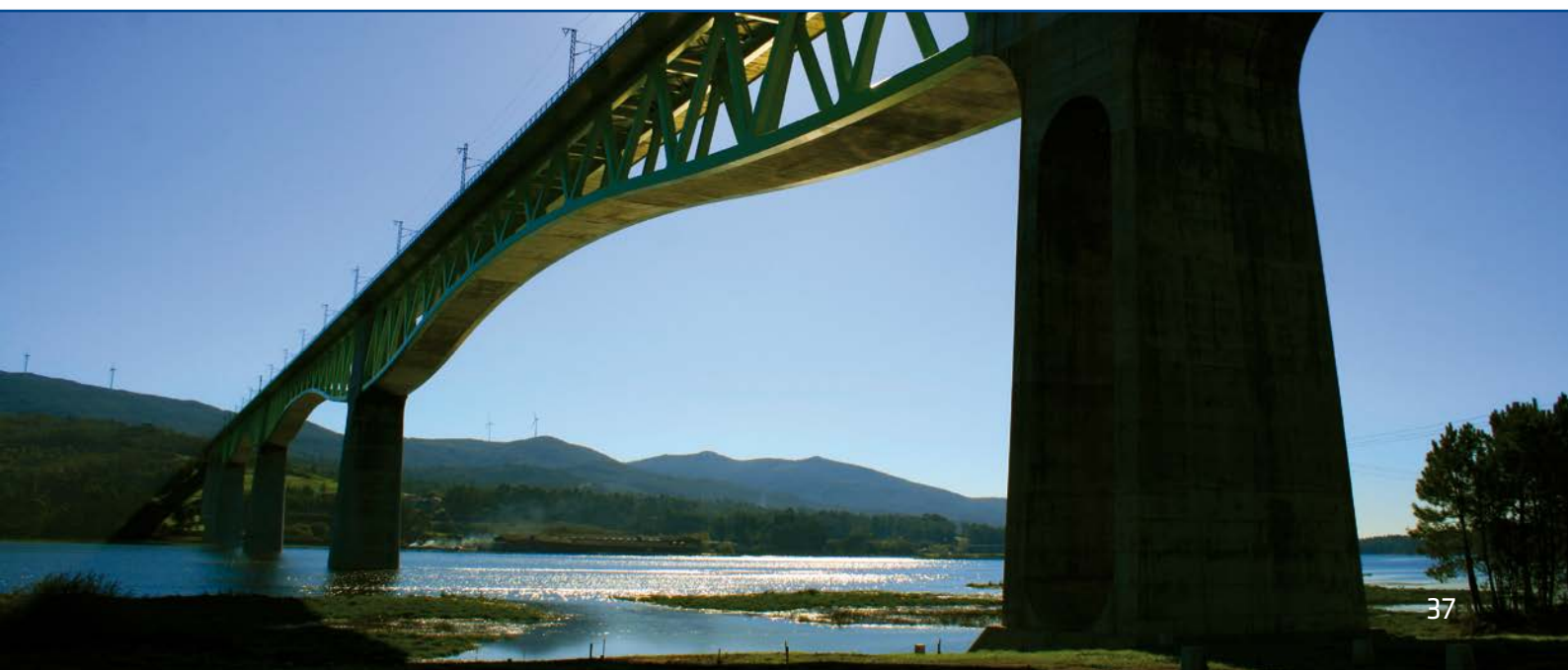
regulatory bodies' rules and have both their own Codes of Conduct and their own internal whistle blowing and control channels, under similar terms to those of the ACS Group. Hence, the Code of Conduct of the ACS Group is not directly applicable to the investees which belong to the HOCHTIEF Group and to the CIMIC Group. In HOCHTIEF's case, the Group has its own Code of Conduct, setting out the ethical principles on which the company's business is based, and which is compulsory for all its employees and directors. In the case of CIMIC Group Limited, the Group Code of Conduct covers the Group's commitment to compliance with standards in terms of good corporate governance, high ethical standards and excellence in service.

- All ACS Group companies adhere to the Code of Conduct. In addition, companies representing 89.1% of ACS Group employees have developed initiatives to expand the precepts of the Code of Conduct as a consequence of the needs they have detected resulting from their type of business, their presence in countries or geographical areas with additional risks or as a consequence of additional legal requirements.

5.1.2.2. ACTIONS TO PROMOTE GOOD ETHICAL PRACTICES

The ACS Group understands due diligence as the set of activities carried out and aimed at minimising the possibility of bad practices arising in the Group as regards ethics and integrity. The ACS Group understands that the following are necessary for this:

- Allocation of responsibilities as regards supervision of the company's performance in this field. This responsibility falls to the Code of Conduct Monitoring Committee, reporting to the Board of Directors.
- Establishing procedures which enable the prevention, detection, notification and eradication of bad practices in this field. In this regard, specific initiatives are defined in Group companies where additional risks (operational, geographical or mixed) are detected, to expand on the Code of Conduct at the same time as promoting training in fields related to Ethics and encouraging use of the Ethical Channel.



5. ETHICS

- The knowledge and understanding by the company's people of what is expected of them in relation to ethics and integrity. In 2015, companies representing 93.8% of Group employees report the existence of a specific training plan in matters of Human Rights, Ethics and Integrity and Conduct. A total of 1,384 training courses, attended by 51,326 employees, were given in this field in ACS in 2015. Indeed, the level of penetration of training in terms of Human Rights, Ethics and Integrity and Conduct has already reached 33.6% of the Group's total number of employees. Each trained employee had an average of 3 training hours during the year.
- The adoption of good practices has begun to be promoted relating to performance assessment in terms of Ethics and variable remuneration according to parameters related to the control of Ethical risks. As such, formal, documented commitments to the Universal Declaration of Human Rights are included in companies representing 89.8% of ACS employees. Additionally, compliance with the precepts of the Code of Conduct is confirmed in employee performance assessments.
- Establishing commitments which make clear the behaviour expected of the people who make up the company. An outstanding cultural characteristic in compliance terms in the ACS Group is the adoption of "Zero Tolerance" policies to breaches in this field. Companies representing 84.5% of Group employees report the existence of such a policy.
- Supervision and monitoring of the whole process by means of audits or inspections by independent companies. Companies representing 18.8% of Group employees perform regular (annual or at least twice-yearly) independent external audits.
- Promotion and monitoring of ethical standards in suppliers and subcontractors.

ACS Group companies representing 82% of sales explicitly include compliance with the ACS Code of Conduct in the contracts they sign with Suppliers and Subcontractors. Furthermore, 27% internally or externally verify such compliance. Companies representing 69% of ACS's sales promote and positively assess their suppliers' adherence to international standards such as the Global Compact, UN and ILO conventions, etc.

- In terms of avoiding monopoly practices, the ACS Group is opposed to such practices, through its Code of Conduct, and assesses annually the level of risk this aspect represents. In 2015, the Group's purchasing managers reported that companies representing 65.3% of total turnover had implemented anti-market monopoly practices.

The final aim of ACS's actions with regards to ethics and integrity is to establish a framework for action which stimulates everyone to execute their responsibilities in an upright, responsible and transparent manner.

5.1.2.3. GENERAL CODE OF CONDUCT MONITORING COMMITTEE

The recent reform of the Rules of the Board of Directors of the parent company of the ACS Group, approved in 2015, was ultimately aimed at adapting its content to the new developments introduced in the legal regime applicable to the Boards of directors of the Company, and, in general, to the directors of the listed Public Limited Companies, by Act 31/2014, which amended the Corporate Enterprises Act 31/2014, to improve corporate governance, and the New Good Governance Code for Listed Public Limited Companies approved by the Spanish Stock Market Commission on 24 February 2015.

The New Good Governance Code for Listed Companies includes specific recommendations for corporate social responsibility. One such recommendation is that the supervision of compliance with corporate governance rules, internal codes of conduct and of the corporate social responsibility policy will be attributed to one or will be divided between several committees of the board of committees which may be the audit committee, the appointments committee, the corporate social responsibility committee, if there is one, or a specialised committee which the Board of Directors, exercising its right of self-determination, may decide to create for that purpose, to which minimum functions will specifically be attributed (Recommendation 53).

Subject to the Code of Conduct of the ACS Group, amended by resolution of the Board of Directors on 30 August 2011, a Monitoring Committee was created with the purpose of safeguarding the compliance of the Code of Conduct and resolving any problems or doubts about its interpretation, taking any measures which might be deemed pertinent for that purpose.

In its meeting on 22 March 2012, the Board of Directors of the parent company appointed the first Monitoring Committee, which was tasked with submitting an Annual Report on the level of compliance with the Group's Code of Conduct to the Board of Directors through the Audit Committee.

Following the latest reform of the Rules of the Boards of Directors of the parent company, Article 25, which regulates the tasks of the Audit Committee with regard to corporate governance and social responsibility, provides that the Audit Committee will supervise the compliance with corporate governance rules, of internal codes of conduct and with the corporate social responsibility, and will have the following functions, inter alia:

- It will oversee compliance with the Company's internal codes of conduct and corporate governance rules.
- It will monitor corporate social responsibility strategy and practices and evaluate its degree of compliance.
- It will assess all matters concerning the company's non-financial risks - including operating, technological, legal, social, environmental, political and reputational risks.
- It will coordinate the process of reporting non-financial information and diversity, subject to applicable laws and international standards of reference.

Against this background of adaptation of the Group's corporate documents to Act 31/2014 of 3 December, amending the Corporate Enterprises Act in order to improve corporate governance, and the New Good Governance Code of Listed Companies, the new version of the Code of Conduct provides that in order to safeguard the compliance and knowledge of the Code, to resolve any problems or doubts concerning its interpretation and to ensure that it is applied fairly in complaints, a Monitoring Committee has been created, and the Board of Directors of the Group's parent company has decided on its members.

This Monitoring Committee reports to the Audit Committee, in its functions as the supervisory body of compliance with corporate governance rules, of the internal codes of conduct and of the corporate social responsibility policy.

5. ETHICS

5.1.2.4. ETHICAL CHANNEL

The main tool serving the Monitoring Committee is the Ethical Channel. It is used to report on any irregular conduct in any of the companies which form part of the ACS Group or any breach of the standards set out in the Code of Conduct, using the following:

- email address:
canaletico@grupoacs.com
- Or also by writing by post to:
**Canal Ético, Grupo ACS,
Avda. Pío XII 102, 28036 Madrid, Spain.**

The Ethical Channel is both a means for reporting breaches of the rules in the ACS Group's Code of Conduct and a means for resolving doubts which may be raised on applying the Code of Conduct.

Although the HOCHTIEF Group is fully consolidated in the ACS Group, both the HOCHTIEF Group's parent company, HOCHTIEF AG, and the parent company of its subgroup, Cimic Group Limited, are companies listed on the German and Sydney stock exchanges, respectively, hence they are subject to their own regulatory bodies' rules and have both their own Codes of Conduct and their own internal channels for complaints and control, under similar terms to those of the ACS Group. Hence, the Code of Conduct of the ACS Group is not directly applicable to the investees which belong to the HOCHTIEF Group and to the Cimic Group. In HOCHTIEF's case, the Group has its own Code of Conduct, setting out the ethical principles on which the company's business is based, and which is compulsory for all its employees and directors. In the case of Cimic Group Limited, the Group Code of Conduct covers the Group's commitment to compliance with standards in terms of good corporate governance, high ethical standards and excellence in service.

If the ACS Group's parent company receives formal complaints relating to the actions of members of the HOCHTIEF Group or its subgroup, Cimic, it would inform the complaining party of the internal complaints mechanisms, in each case, and would consider the complaint to have been transferred to the body or management area responsible in each of these subgroups.

Based on Opinion 1/2006 issued by the Working Party created by Article 29 of Directive 95/46/EC – on the application of EU data protection rules to internal whistle blowing schemes in the fields of accounting, internal accounting controls, auditing matters, fight against bribery, banking and financial crime – the Spanish Data Protection Agency (Agencia Española de Protección de Datos - AEPD) laid down, by means of Legal Report 0128/2007, the characteristics with which all internal whistle blowing systems must comply in accordance with that set forth in Spanish Organic Law 15/1999, of 13 December, on Personal Data Protection (Ley Orgánica 15/1999, de 13 de diciembre, de Protección de Datos de Carácter Personal) and the regulations which implement it.

Following the AEPD guidelines, the Monitoring Committee laid down the regulation for the internal system for reporting breaches, implemented by the ACS Group through the Ethical Channel:

- Accusations will only be accepted in which the whistle blower is identified, so preventing the existence of anonymous accusations.
- The whistle blowers and accused parties who use the internal whistle blowing system shall be people with a link to the company under employment, civil or commercial law, thus the internal whistle blowing system cannot be made available to third parties, even if they have a legitimate interest.

- Users – potential whistle blowers and accused parties – shall be expressly informed of the existence and operation of an internal whistle blowing system and its existence shall be incorporated in the contractual relationship.
- The accusations shall refer to internal or external matters or standards which involve non-compliance with the employment or contractual duties of the accused party or events which could result in criminal liability for the accused party or the company, based on regulations on money laundering and the reform to the criminal code which establishes criminal liability for legal entities.
- The accusation system will guarantee that the identity of the whistle blower remains confidential throughout all the stages of processing, making it impossible for it to be revealed to the accused party, and the whistle blower must be informed of the following circumstances:
 - His or her identity will be kept confidential throughout all the stages of the process.
 - His or her identity will not be disclosed to third parties, nor the accused person, nor the employee's managers, except if its disclosure to the relevant people involved is necessary in any subsequent investigation or legal proceedings initiated as a result of the investigation carried out by the internal whistle blowing system.
- The internal whistle blowing system must set a maximum period for holding the data related to the accusations, this being limited to that needed for the processing of the necessary internal auditing measures and, as a maximum, to the processing of the legal procedures resulting from the investigation carried out. As indicated in the latest Biennial

Internal Audit of files with data of a personal nature, of April 2015, the Security Document sets a period of one year for holding data related to the accusations, to be extended if necessary either for processing internal auditing measures or for the arbitration or legal proceeding deriving from the investigation carried out.

- The accused party shall be notified, as soon as possible, of the following circumstances:
 - The body responsible for the whistle blowing system.
 - Of what he or she is accused.
 - The departments and offices which may receive the report within the company.
 - How the accused party can exercise his or her rights of access and correction.
- Only in cases where the company's capacity may be put at risk may the duty of informing the accused party be delayed. This delay may not, under any circumstances, exceed three months to be counted from the time that the accusation was made.
- The high level file shall be registered in the General Data Protection Register.
- The high level security/safety measures provided for in Royal Decree 1720/2007, of 21 December, approving the Regulation implementing the Data Protection Act, have to be applied. Accordingly, the application was filed at the Spanish Data Protection Agency (Agencia Española de Protección de Datos), which registered the file in the General Data Protection Registry on 16 February 2012.

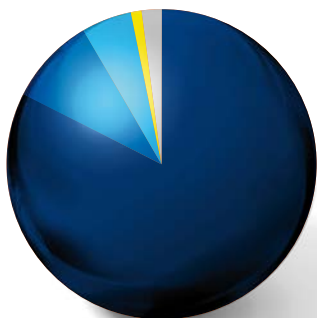
5. ETHICS

A total of 97 communications were received in 2015, and 14 information or investigation files were opened (out of 95 of them). One of these files, which accounts for 69 of the communications, has led to the issue of a Conclusions and Recommendations report which the Committee has escalated to the Industrial Area Division. No proceedings have been opened for two

of the notifications received as they were simply requests for information about the Ethical Channel or the Code of Conduct. The digital channel was used in 94 of the cases. Two communications have been received by bureau fax and one by fax.

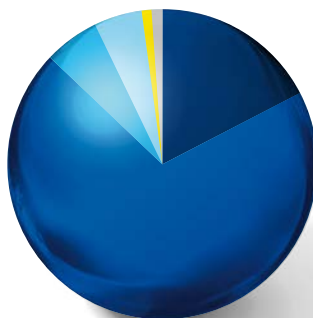
The details of the communications received are as follows:

SOURCE OF COMMUNICATIONS

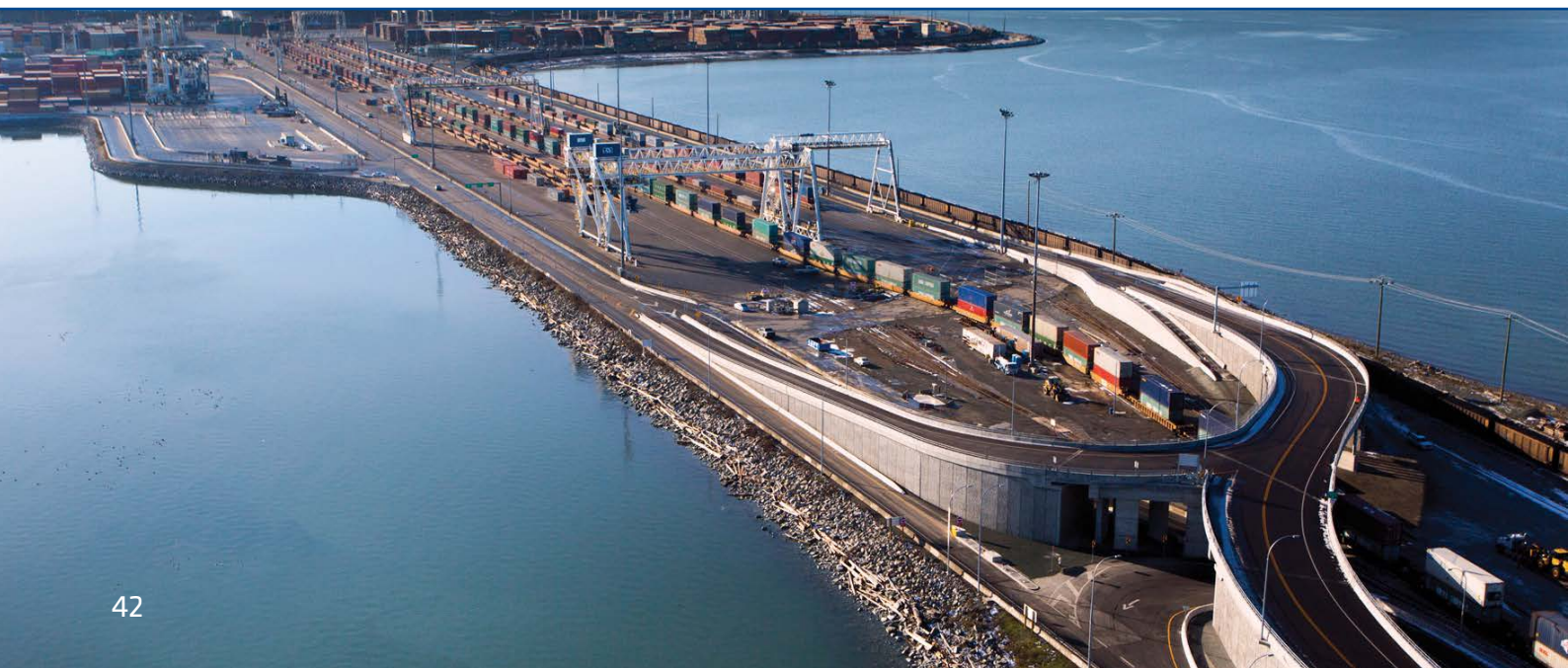


- **EMPLOYEES: 80**
- **THIRD PARTY: 9**
- **EX EMPLOYEE AND SHAREHOLDERS: 5**
- **EX EMPLOYEE: 1**
- **ANONYMOUS: 2**

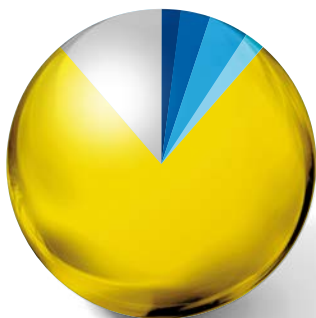
COUNTRY OF ORIGIN



- **SPAIN: 16**
- **IRELAND: 69**
- **EL SALVADOR: 5**
- **SAUDI ARABIA: 5**
- **COLOMBIA: 1**
- **MEXICO: 1**

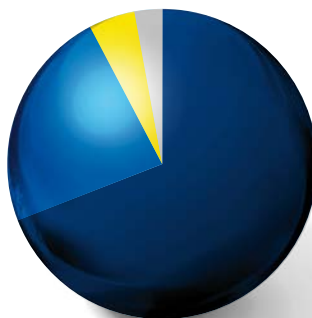


REASON FOR COMMUNICATION



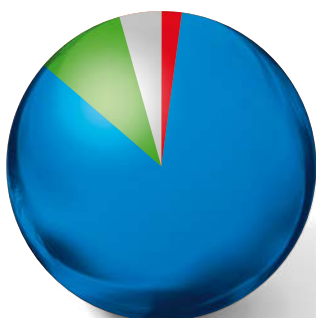
- LABOUR DISPUTE: 2
- DISCRIMINATION/EQUALITY: 3
- BULLYING: 4
- INFORMATION REQUEST: 2
- REPORT OF IRREGULARITIES: 75
- OTHERS: 11

METHOD OF RESOLUTION



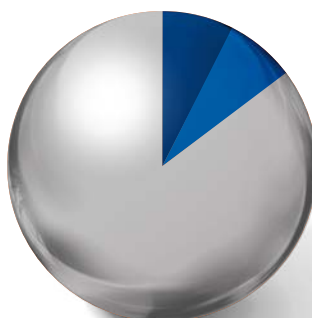
- CONCLUSIONS AND RECOMMENDATIONS REPORT: 69
- INADMISSIBLE: 21
- NOT DECLARED ADMISSIBLE: 4
- OTHERS: 3

COMMUNICATIONS PER AREA OF ACTIVITY



- CONSTRUCTION: 2
- INDUSTRIAL SERVICES: 82
- ENVIRONMENT: 10
- INDIVIDUALS: 3

PROCESSING PERIOD



- LESS THAN 15 DAYS: 6
- 15-30 DAYS: 8
- MORE THAN 30 DAYS: 83

5. ETHICS

5.1.3. MANAGEMENT INDICATORS

In terms of Ethics, the ACS Group has established that the following management indicators are material, measurable, relevant and representative of the function analysed and form a part of the process for making the good practices developed by Project one more universal.

MAIN MANAGEMENT INDICATORS - ETHICS

	2013	2014	2015	Objective for 2016
Percentage of total ACS Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career with the company (% of total ACS employees)	38%	36%	34%	> 2015
Level of implementation in the ACS Group of regular external audits to confirm the degree of compliance with the Code of Conduct (% of total ACS employees)	33%	17%	19%	N/A
Level of implementation in the ACS Group of contractual clauses on the compliance with the Code of Conduct in contracting with suppliers and subcontractors (% of sales)	90%	84%	82%	> 2015
Level of implementation in the ACS Group of regular external audits to confirm the degree of compliance with the Code of Conduct by suppliers or contractors (% of sales)	17%	27%	27%	N/A
Communications received by the Ethical Channel	27	9	97	N/A



5.1.4. RISKS

Several main risk areas have been identified as material for the ACS Group in terms of Ethics. The ACS Group has developed specific means for measuring, counteracting, controlling or eliminating these risks.

- Risk in terms of bribery and corruption. Companies representing 18.8% of the ACS Group perform regular audits on the level of implementation of the ACS Group Code of Conduct, which is the main tool for opposing this risk. Furthermore, 74.9% of Group employees specifically deal with matters of compliance with subjects related to the Code of Conduct in their performance assessments. In 2015, companies which represent 73.8% of the Group's total employees have assessed risks of corruption in their workplace.
 - Risk in terms of forced labour or child labour. Companies representing 90.8% of Group employees have identified this risk as material and have thus developed protocols or policies to keep it to a minimum.
 - Risks in terms of respect for rights of association or union representation.
- Companies representing 82.3% of Group employees have identified this risk as material and have thus developed protocols or policies to keep it to a minimum.
- Risk in terms of discrimination/equality. Companies representing 95.4% of ACS Group employees are provided with formal programmes to ensure they have equal opportunities. In 2015, 2 cases of discrimination were reported.
 - Risks deriving from the activity of contractors and suppliers. As detailed in the previous point on actions to promote good ethical practices, the Group implements several initiatives to reduce the risks resulting from contracting suppliers and subcontractors. In 2015, the Group evaluated a total of 67,100 suppliers' labour practices, and concluded that 1.3% of these suppliers had significant risks in such practices. The Group also evaluated 21,088 suppliers in terms of their human rights record. A total of 18,343 suppliers were also assessed regarding their possible impacts on society. The Group also assessed its new suppliers: 17.9% in relation to their labour practices and 0.7% about criteria concerning their impact on society.



6. QUALITY AND MANAGEMENT OF EXCELLENCE

6.1. STRATEGY

Quality is a determining factor for the ACS Group, as its high level of technical sophistication is a factor which sets it apart from its competitors in the infrastructure and services industry.

The Quality Department in the Group's different companies is the entity responsible for implementing their own Quality Management Systems. Companies representing 94.4% of ACS Group

sales¹² presented some form of quality management system in 2015. In this period and as a consequence of these systems, the ACS Group invested a total of €4.6 million in promoting quality.

These quality systems are audited regularly in order to certify Group activities, mainly according to the ISO 9001 standard, held by companies representing 62.9% of the Group's sales.

PRODUCTION CERTIFIED UNDER ISO 9001

	2013	2014	2015
Construction	65.6%	59.8%	50.9%
Industrial Services	93.5%	94.6%	94.7%
Environment	81.7%	85.0%	89.2%
ACS Group	71.8%	68.2%	62.9%

* 2013 which are not comparable due to organisational restructuring processes of the ACS Group.

¹² The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.



6.2. MANAGEMENT PRINCIPLES

Each company in the group adapts its needs to the specific characteristics of its type of production, but a series of common lines of action have been identified within their Quality Management Systems:

- **Objectives** are set periodically as regards quality and their fulfilment is assessed.
- **Initiatives and actions** are carried out aimed at improving the quality of the services provided.
- Specific actions are carried out in **collaboration with suppliers and subcontractors** to improve quality.

The quality management for the ACS Group's various companies sets general quality objectives for the following financial year. In 2015, companies representing 94.4% of ACS Group sales defined formal objectives in this respect.

According to its characteristics, each project or work adopts the general objectives applicable to it, which generally focus on obtaining, renewing or expanding quality certifications, especially when a Group company develops a new technique or expands its activity into a new geographical area.

At the same time, another common aspiration is to minimise incidents through quantifiable improvement activities, as well as to obtain information relating to clients.

The most important objectives reported by the ACS Group's companies can be summarised in the following overall framework:

- Obtaining and expanding the scope of certifications.
- Implementing tools to improve quality.
- Improving specific performance indicators.
- Improving the training of supervisors, operators and works managers.
- Increasing client satisfaction indices, reducing complaints due to problems in execution.
- Meeting delivery schedules globally and with maximum quality.
- Increasing the number and capacity of internal quality auditors.

The concern with quality in all the group's companies reflects not only the effort to achieve the objectives set, but also the specific actions by the companies. A significant percentage of the Group's companies carry out quality improvement actions. According to the reported data, companies representing 95.3% of ACS Group sales carried out at least one initiative of this type in 2015.

6. QUALITY AND MANAGEMENT OF EXCELLENCE

6.3. MAIN INDICATORS

MAIN MANAGEMENT INDICATORS - QUALITY

	2013	2014	2015	Objective for 2016
Percentage of sales from activities certified under the ISO 9001 standard (%)	71.8%	68.2%	62.9%	> 2015
Number of Quality audits per million euros of turnover	0.037	0.046	0.047	> 2015
Intensity of investment in measures to promote and improve Quality (€ investment per € million of turnover)	123	162	137	> 2015

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

6.4. RISKS

Control of the implementation of quality standards in a decentralised company like ACS, with thousands of work centres / works / projects worldwide, is a key task which seeks to reduce the risks to its reputation and operational risks of faults in quality terms.

To achieve this, periodic inspections are carried out to check compliance with quality standards, as shown by the fact that companies representing 96.9% of ACS Group sales carry out regular inspections to check quality. A total of 1,586 quality audits were carried out in 2015.

To a great extent, ACS Group companies carry out a large part of their activities by means of the use of services from suppliers and subcontractors, who collaborate to a significant degree in project execution. In order to guarantee an appropriate level of

quality in the provision of services from suppliers and contractors, companies representing 96.9% of ACS Group sales include clauses in contracts demanding a guarantee of a minimum level of quality, which generally depends on the supplier or subcontractor having certification to ISO 9001, among other measures.

Furthermore, as will be seen later in the section on suppliers, the purchasing and supplier contracting departments, together with quality departments, carry out official approval processes and monitoring and audits of performance in terms of supplier quality once the works or contracts for service provision are complete. By this means, corrective measures can be proposed if areas for improvement are detected, and the Group may even stop working with the supplier or contractor in future projects.

ACS SCE: ISO 9001 CERTIFICATION

In October 2015, the ISO 9001 Quality Certification was officially awarded to ACS, Servicios Comunicaciones by the Managing Director of AENOR. As ACS is a holding company made up of companies which operate in a wide range of fields, the fact that the parent company of the Industrial Services area has obtained this certificate is a crucial step forward so as to apply a Quality Management System and so share areas for improvement and good practices performed worldwide. The System is easily deployed in all the companies, as it is integrated in such a way that it coexists with 100% of the Quality Management Systems already established by them.



7. CLIENTS AND CONTRACTING

7.1. STRATEGY

The commitment to clients is one of the ACS Group's most important corporate values. A strong level of trust between the client and the Group has developed, thanks to the high value-added services the company offers throughout time, promoting this close relationship.

This commitment to its clients is tackled from a clear strategy based around the following points:

- Problem-solving focus.
- Client relationship feedback.
- Information on the ACS Group's capabilities.
- Identification of future needs and opportunities for collaboration.

In addition, the ACS Group seeks appropriate solutions to improve its approach to the client, particularly in technological matters of importance. This leads to the search for collaboration with detail engineering companies, specialised in the specific field required for each project. The most suitable alliances are created for each case in this way and, as such, the final client can be offered the best technical and economic solution.

Another important value for the Group's businesses is confidentiality. ACS Group companies' contracting and client relationship departments carry out regular initiatives to promote responsible use of information, so guaranteeing client confidentiality.



The commitment to clients is one of the ACS Group's most important corporate values.

7.2. MANAGEMENT PRINCIPLES

Given the characteristics of ACS's business, where large infrastructure projects are carried out or general agreements are entered into for the provision of services (such as the cleaning of a city or maintenance of an electricity grid), the number of clients with whom ACS deals is very limited or they are large corporations or public institutions from around the world. Its clients tend to be very recurrent. In 2015, the total percentage of sales from recurrent clients stood at 72.1%.

In 2015, companies representing 31.5% of ACS Group¹³ sales reported the existence of a client management system, managed by each company's procurement department. The management aspects common to the whole ACS Group are as follows:

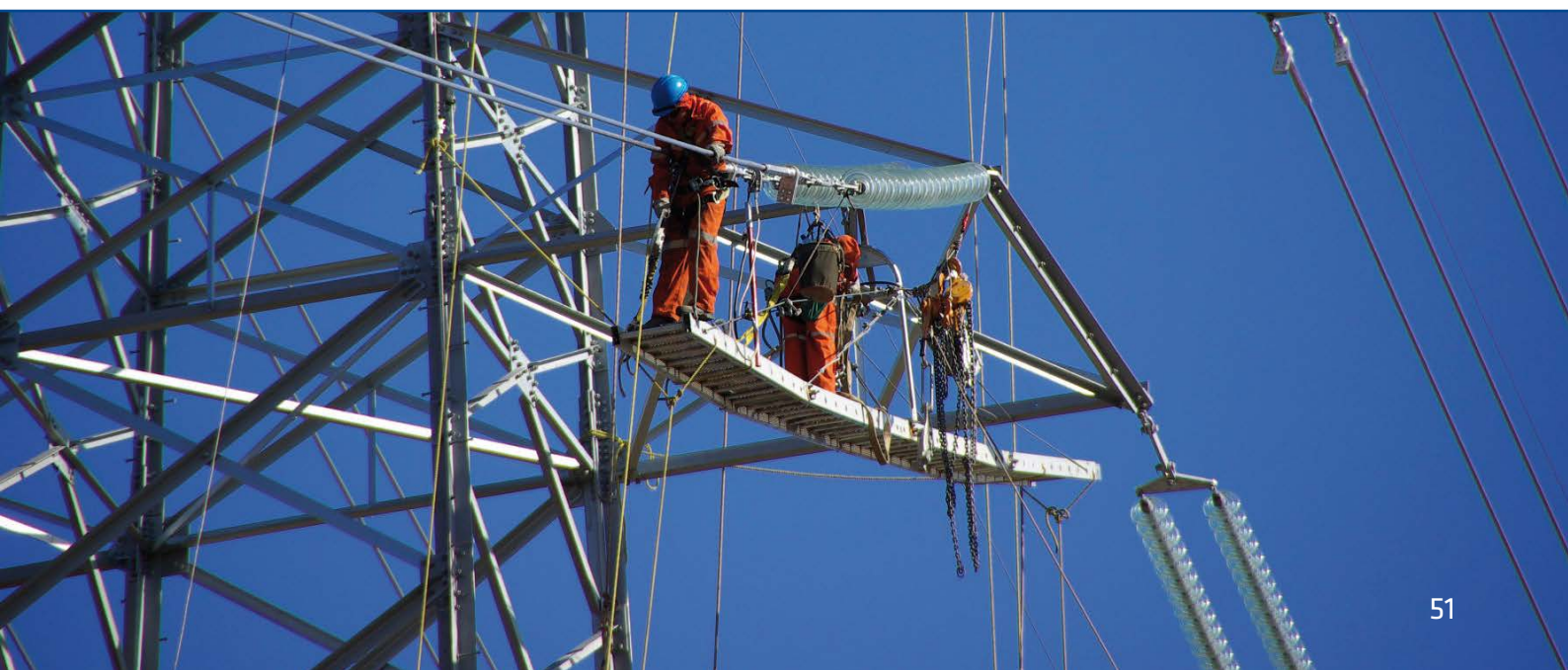
- Monitoring of client needs.
- Regular measurement of client satisfaction.
- Promotion of commercial activity.

7.2.1. MONITORING AND COMMUNICATION

The ACS Group companies hold regular meetings with clients, through those responsible for each project, or continuously if, as occurs in exceptional projects, the client dedicates resources to production control.

This is how objectives, monitoring systems and client information plans are defined for each project and in line with the specific aspects of each company. Control points for important phases of production are established in these plans, along with certification meetings to manage the partial payments for the work and partial monitoring points which may come to mean daily contact between the supervisor and the client in order to reinforce the latter's confidence.

¹³ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.



7. CLIENTS AND CONTRACTING

Similarly, computerised CRM systems are being implemented to collect information relating to clients, in order to facilitate analysis and the carrying out of actions to improve satisfaction. In 2015, companies representing 74.4% of ACS Group sales had a system of this type in operation.

7.2.2. CLIENT SATISFACTION

ACS's second key client relationship management policy is the measurement of their satisfaction. Companies representing 85.6% of ACS Group sales carry out this type of process, either in a standalone form or within the framework of quality management systems. Furthermore, Group companies representing 86.2% of sales implement measures and plans to improve client satisfaction.

A study was carried out on the aspects rated best and worst by the clients. Worthy of highlighting among the best rated are:

- The proactivity shown by Group companies to resolve problems and unforeseen events.
- The qualifications, experience and technical quality of the Group's teams.
- The existence of a detailed, structured and exhaustive client needs monitoring process.

Outstanding among the worst rated are:

- The works delivery periods and the delays which occur on occasions.
- The difficulty in controlling the agents involved in the project, such as subcontractors and suppliers.
- The perception of price against the quality of the products.

Companies representing 86.9% of ACS sales have developed channels and processes to enable clients to formalise their complaints and claims.



7.3. MAIN INDICATORS

MAIN MANAGEMENT INDICATORS - CLIENTS

	2013	2014	2015	Objective for 2016
Number of client satisfaction surveys carried out	2,979	3,459	5,025	> 2015
Number of client satisfaction surveys received	1,279	1,341	3,173	> 2015
Percentage of client responses of "satisfied" or "very satisfied" over the total number of surveys RECEIVED (%)	86.91%	87.25%	84.36%	> 2015
Number of complaints received from clients	26,506	34,259	33,267	< 2015
Number of complaints dealt with	100.0%	99.9%	100.0%	> 2015
Number of complaints satisfactorily resolved (proportion of those received)	97%	99%	99%	> 2015
Percentage of total sales generated by recurrent clients	N/A	N/A	72%	N/A

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** The increase in satisfaction surveys performed and received in 2015 is mainly as a result of an action plan deployed by Urbaser, raising the number of surveys by 1,531 compared with 2014.

*** The scope of the complaint data is of 22.92% of sales in 2014 and 24.51% of sales in 2015. A large proportion of these complaints - over 90% - concern the provision of services to individual customers, particularly reading meters; when the customer has made a complaint they are resolved satisfactorily in almost all cases.

7.4. RISKS

In specific terms related to sustainability:

- 17.6% of tenders presented to clients include an environmental impact analysis
- 15.5% of tenders to clients include a detailed information section on the ACS Group's Corporate Social Responsibility policies
- Companies accounting for 97.5% of ACS sales have said that they act on their customers' comments and suggestion so as to improve their operations.

8. EMPLOYEES

8.1. THE ACS GROUP'S PEOPLE

8.1.1. STRATEGIC PRIORITIES

The ACS Group's¹⁴ business success comes from its team. Hence the company maintains its commitment to continuously improving their skills, capabilities and level of responsibility and motivation, at the same time as it attends to working and safety conditions with the greatest dedication.

The ACS Group applies modern and efficient human resource management tools with the objective of retaining the best professionals. Some of the fundamental principles governing the Group companies' corporate human resources policies are based on the following common actions:



- Attracting, retaining and motivating talented individuals.
- Promoting teamwork and quality control as tools to drive excellence as work well done.
- Acting quickly, promoting the assumption of responsibilities and minimising bureaucracy.
- Supporting and increasing training and learning.
- Innovating to improve processes, products and services.

The ACS Group is an active defender of the human and labour rights recognised by various international organisations. The company promotes, respects and protects the forming of labour unions and employees' rights to freedom of association and guarantees equal opportunities and treatment, without discriminating on the basis of sex, ideology, religion or any other social or individual circumstance or condition.

Likewise, the Group promotes the professional development of its workers. With this aim, it has an employment policy in place which generates wealth in the zones where it operates and produces links which create positive synergies for the environment. Furthermore, it shows special interest in ensuring dignified working conditions, subject to the most advanced measures for health and safety at work. It promotes management by skills-based management, performance assessment and management of the professional careers of its workers.

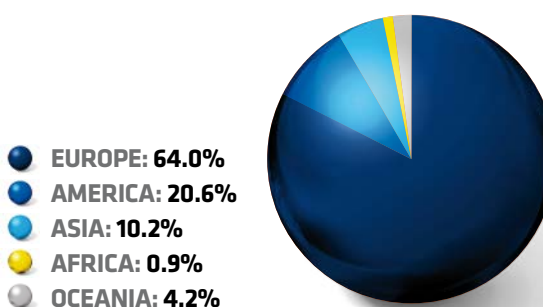
¹⁴ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by number of employees. The data is expressed in terms of percentage of total Group employees at 31 December 2015. In order to weight the 2013 year, Clece employees are included: at 31/12/13, the company had 65,774 employees. The 2014 data include the employees of John Holland (3,874 employees), Thiess Services (1,070 employees) and Leighton Contractors Services (3,758 employees). These companies were sold by HOCHTIEF in December 2014.

The ACS Group applies modern and efficient human resource management tools with the objective of retaining the best professionals.

8.1.1.1. KEY FIGURES

The ACS Group employs a total of 196,967 people, 83,750 of whom work in Spain and 113,217 abroad. Of all the employees, 38,983 people are of a different nationality to that of their company's head office. The ACS Group has employees in more than 70 countries, in which it promotes its workers' economic and social development.

PERSONNEL BY GEOGRAPHICAL AREA



NUMBER OF EMPLOYEES BY AREA OF ACTIVITY

	2013	2014	2015
Construction	87,457	74,440	57,903
Industrial Services	41,635	41,272	40,006
Environment	94,319	94,581	99,005
Corporate Unit	52	52	53

PERSONNEL BY PROFESSIONAL CATEGORY AND AREA OF ACTIVITY

	Construction	Industrial Services	Environment	Corporate Unit	Total
Graduates	15,297	4,021	1,552	31	20,901
Personnel with diplomas	3,196	5,341	2,609	6	11,152
Non-graduate line personnel	7,260	5,688	4,107	0	17,055
Administration staff	4,653	2,727	1,580	12	8,972
Other staff	27,497	22,229	89,157	4	138,887

TYPES OF CONTRACT

	2012	2013	2014	2015
Permanent contracts	100,132	94,056	82,740	57,756
Temporary contracts	62,339	129,407	127,605	139,211

PERSONNEL BY PROFESSIONAL CATEGORY AND GENDER

	Women	Men	Total
Graduates	4,935	15,966	20,901
Personnel with diplomas	3,319	7,833	11,152
Non-graduate line personnel	4,493	12,563	17,056
Administration staff	4,798	4,174	8,972
Other staff	61,351	77,536	138,886
Total	78,896	118,071	196,967
<i>Proportion of ACS Group total</i>	<i>40.1%</i>	<i>59.9%</i>	

8. EMPLOYEES

8.1.2. MANAGEMENT PRINCIPLES

8.1.2.1. EQUALITY, DIVERSITY, INTEGRATION, RIGHTS

Equal opportunities, lack of discrimination and respect for human rights, which are basic principles included in the Group's Code of Conduct, are also determining factors when advancing the professional and personal development of all the ACS Group's employees. Companies representing 89.8% of Group employees express their formal, documented commitment to the Universal Declaration of Human Rights in the development of their Human Rights policy.

The ACS Group rejects any type of discrimination, in particular that due to age, sex, religion, race, sexual orientation, nationality or disability. This commitment extends to selection and promotion processes, which are based on assessment of the person's capabilities, on the analysis of the requirements of the job post and on individual performance.

Currently, companies representing 95.4% of ACS Group employees have formal programmes to ensure equal opportunities. These Equality Plans include specific actions as regards selection and hiring of personnel, salary, training, working days, professional promotion, assistance, bonuses and social, health and occupational risk prevention policies, as well as in matters of gender violence. A total of 1,559 women were reported in management posts in the company in 2015 (14.9% of the total management staff).

The ACS Group also promotes the hiring of people with disabilities and offers them a working environment which enables them to develop under conditions of equality. In this regard, 5,804 disabled people were working in the ACS Group at 31 December 2015.

The ACS Group also understands the relevance that having local roots and being sensitive to each place's particular nature has in the company's success. For that reason, it promotes direct hiring of local employees and managers. A total of 508 executives came from the local community in 2015 (4.9% of the Group's total management personnel).

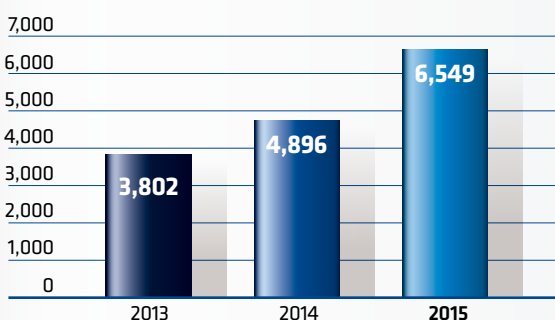


CLECE: INTEGRATION OF UNDERPRIVILEGED SECTIONS OF SOCIETY IN THE WORKFORCE

The Clece Group is committed to helping underprivileged members of society get a foothold in the labour market, and this is the main driver for its social initiatives. Clece focuses particularly on the labour integration of disabled persons, women who have been victims of gender violence, persons at risk of social exclusion, unemployed people and victims of terrorism. All these people play an active role in the company, and they are a source of pride for all the other employees.

The success of the company's strategy has been evidenced by the annual growth in integration ratios. In 2015, the number of employees from underprivileged backgrounds grew by 33.7%. The number of women who had been victims of gender violence, people at risk of social exclusion and young unemployed people, were particularly noteworthy.

NUMBER OF EMPLOYEES FROM UNDERPRIVILEGED BACKGROUNDS IN CLECE



Clece carries out this project with over 200 associations, foundations, social institutions and public bodies, which choose the underprivileged groups and find gaps for them on the job market, as well as Clece's own labour integration team, which prioritises the labour integration of people from underprivileged backgrounds.

The team is made up of a group of 18 people who operate all over Spain. The team focuses mainly on four types of groups: Disabled People, Victims of Domestic Violence, Victims of Terrorism and people at risk of Social Exclusion. Clece's labour integration team acts to:

- Raise awareness internally regarding who the recruitment agents in Clece are.
- Use in-house assessment experts for recruitment of people from underprivileged backgrounds.
- They are the main point of contact with social institutions.

In 2015, Clece achieved the following number of first job integrations, not including any subrogations, and with the first work contract being with the Clece group:

NUMBER OF JOBS INTEGRATION

	2015
Disabled People	891
People at risk of Social Exclusion	1,399
Victims of Gender Violence	302
Victims of Terrorism	18
Total	2,610

Clece has been awarded the following prizes for these efforts: Incorpora de la Obra Social La Caixa Awards: Large Company Category, in the Principality of Asturias, Autonomous Communities of La Rioja and Madrid, recognising its commitment towards finding jobs for underprivileged communities.

8. EMPLOYEES

8.1.2.2. LABOUR RELATIONS

All the ACS Group's employees, including expatriate Spanish workers, are subject to the collective agreements in force applicable to the sector in which they work, as well as the regulations relating to management personnel and, in all cases, the labour legislation in the countries where they work. For example, collective agreements on matters of notice period(s) regarding organisational changes are rigorously respected.

In the field of labour relations, the ACS Group considers dialogue to be an essential element. For this reason, it holds regular meetings with union representatives for all its companies. Of Group employees, 23.1% are members of trade unions or union organisations.

Furthermore, companies representing 82.3% of ACS Group employees have developed protocols or policies to avoid situations in which union rights or rights of association could be compromised in certain countries. It is the policy of the ACS Group to promote good labour practices and respect for applicable laws.

8.1.2.3. TURNOVER AND ABSENTEEISM RATE

INDICATORS OF TURNOVER AND ABSENTEEISM

	2013	2014	2015
Total staff turnover	11.2%	20.9%	13.5%
Male staff turnover	12.1%	21.7%	15.2%
Female staff turnover	9.0%	17.0%	11.9%
Total voluntary turnover	N/A	7.6%	5.8%
Male voluntary turnover	N/A	6.6%	4.3%
Female voluntary turnover	N/A	6.6%	5.1%
Percentage days lost through absenteeism	1.4%	2.3%	2.3%

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** The total rotation data between 2014 and 2015 are impacted by HOCHTIEF, whose rotation indices in the HOCHTIEF Asia Pacific and HOCHTIEF Americas divisions are not comparable due to the high number of workers engaged in projects. In 2015, 11,942 employees left HOCHTIEF Asia Pacific (28,000 in 2014), while 1,105 left HOCHTIEF Americas (3,122 in 2014).



8.1.2.4. SERVICES FOR EMPLOYEES, FLEXIBILITY AND WORK/LIFE BALANCE

ACS Group companies provide their workers with many different kinds of social benefits. Worthy of note among these services, going under various names, with differing content and scope of application, are the following:

- Life and accident, travel and health insurance.
- Salary advances.
- Annual medical checks and medical care.
- Assistance for those with children with disabilities.
- Help with schooling for children and workers taking courses in official centres.
- Economic assistance for food or company canteens.
- Company bus service.
- Company Welfare programmes.
- Agreements with banks.
- Commercial discounts in affiliated establishments.
- Cultural and social activities.
- Pension fund.

The companies offer these services to all the companies no matter if they are employed on a temporary basis or part-time, and only 19.79% of the companies have reported that these services are used by full-time employees but not by temporary or part-time employees.

Companies representing 96.48% of Group employees have programmes promoting life/work balance available to them.

The following are noteworthy among the different initiatives applied by ACS Group companies to promote life/work balance:

- Flexitime: the workforce can take up the offer of flexible working time schemes, with a margin of one hour, to accommodate their periods for entering or leaving work to their personal needs.
- Reduced working day: there are people in ACS who have a working day without a break or who have a reduced day.
- Accumulation of breast-feeding periods.
- Time off or part-time working for fathers and mothers after childbirth.
- Change of work centre due to change of residence.
- Management of shift changes between workers in services.
- Expatriate workers: helping the family's move to the new location.

8. EMPLOYEES

8.1.2.5. DEVELOPMENT OF HUMAN RESOURCES: EMPLOYEE SKILLS, ASSESSMENT, DEVELOPMENT, REMUNERATION AND SATISFACTION

DEVELOPMENT OF HUMAN RESOURCES (% OF TOTAL EMPLOYEES)

	2013*	2014	2015
Employees covered by a formal professional development system	87.8%	91.4%	91.6%
Employees in posts defined according to a formal skills map	33.1%	33.1%	34.3%
Employees subject to performance assessment processes	55.5%	32.6%	33.1%
Employees covered by variable remuneration systems	91.3%	96.2%	96.7%
Of these, the percentage of variable remuneration systems that include aspects related to Corporate Responsibility	21.6%	84.4%	84.8%
Level of coverage of working environment surveys (% of total employees)	31.7%	1.5%	2.0%
Satisfied or highly satisfied (% of total surveys made)	84.9%	66.2%	70.0%

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

The performance assessment models in ACS companies are based on the skills and parameters for each work post, as described in the management systems.

Although the companies manage the professional development of their workforces independently, they all share some common elements, namely:

- They allow the worker to talk about their job situation, express their interests and motivations, both personal and professional, their geographic flexibility, their training interests and their idea of their professional future in the company.
- The carrying out of performance assessments using numerous methodologies, including 360° analyses, meetings with clients, periodic follow-up meetings, evaluation of the profitability of the work post compared to the results obtained, etc.
- They enable the company to show a receptive attitude to the information obtained from its workers, in order to be able to deal with their concerns, as far as possible, by implementing corrective actions.
- They allow decision-making to be accelerated when selecting appropriate personnel for specific posts, as well as in determining professional promotion or increasing worker employability.
- They enable fair and equitable measures to be established for setting the variable remuneration, in management by objectives, in which the goals the employee needs to achieve to obtain their variable remuneration are agreed systematically and recurrently.
- Compliance with the ACS Group Code of Conduct is confirmed. It is important to emphasise that there is a zero tolerance policy in the ACS Group to breaches of the Code of Conduct. See the section on Ethics in this document.

These methodologies are consolidated and functioning fully in various ACS Group companies.

One of the most significant employee motivation and satisfaction initiatives is the possibility of promotion. The turnover of the ACS Group and its continuous growth generate a significant number of annual promotions among employees who, due to their efforts and effectiveness, are nominated for positions of greater responsibility.

Remuneration systems are established independently by each operational unit, although in fact all Group companies calculate these remunerations in accordance with operational and economic factors. A small part of the remuneration also depends on objectives as regards Corporate Social Responsibility, especially in terms of Health and Safety, the Environment and Quality.

In the 2015 year, no percentage increase was applied to the annual remuneration of the Chairman and Chief Executive Office of the ACS Group. Refer to the ACS Group Remuneration Report for further details.

Each ACS Group company manages its professionals' development independently, adapting this to its needs and the specific nature of its activities. A significant majority of ACS Group companies adopt competence management models to improve personal knowledge and skills and use training as a tool to achieve ideal performance of the work.

Skills maps, prepared in ACS Group companies, are aligned with the strategy and particular features of each one. These maps, which are reviewed regularly, define the basic and specific competences of each work post which are essential for its effective performance.

In 2015, formal employee satisfaction measurement processes were performed, which involved 2.0% of ACS employees. On average, 69.98% of employees who took part in these satisfaction surveys said that they were "satisfied" or "very satisfied".



8. EMPLOYEES

Additionally, other types of tools have been used to assess this aspect:

- Exit interviews carried out when employees leave voluntarily. Often in many ACS companies, their aim is to go into the reasons for the worker leaving the company in greater depth and into

those aspects they would highlight as negative and as positive.

- Regular interviews with the employee's supervisor. Enabling the employee's situation to be known.
- Suggestions box. Collecting workers' ideas, initiatives and complaints.

CLECE: SKILLS ASSESSMENT

In 2015, Clece went further in the number of company employees included within its skills assessment programme. All the company employees are defined using a formal skills map. There are currently 1,415 of them, and currently 1,062 employees undergo skills assessment.

Our system distinguishes between:

- Departmental profiles: seven profiles, each of which is assigned to a certain skills catalogue.
- Skills catalogue for operational positions: Service Head, Group Head, Manager, Director and Regional Director.

Our catalogue has a total of 15 skills, each of which is divided into different compartments.

For the 2015 year, the following milestones were included:

- Design of platform for skills-based knowledge management, mainly geared towards helped evaluators in drawing up an Improvement Plan for the employees assessed
- Continuing with the Skills Schools, on-line training based on participatory communities and case studies for Service Heads.

8.1.2.6. TRAINING PLANS

TRAINING

	2013*	2014	2015
Total teaching hours given**	3,457,414	3,088,710	2,283,239
Teaching hours per employee (over total employees)	15.5	14.7	12.9
Employees participating in training activities**	180,143	118,404	89,241
Teaching hours per employee (over employees trained during the year)**	19.2	26.1	25.6
Investment in training (€ million)**	158.2	135.3	90.7
Investment in training per employee (over total employees) (€)	708.0	643.1	513.1
Investment in training per employee (over employees trained during the year) (€)	878	1,143	1,017

* 2013 data are not comparable due to organisational restructuring processes of the ACS Group.

** In 2015, these data are applicable to a scope of 89.57% of employees as opposed to 100% of the scope of the data for 2014, thus the data per employee are calculated in accordance with the scopes obtained each year.

The ACS Group has programmes for continuous training and skills development, aimed at covering the employees' training shortcomings and needs, as identified during the year and in line with the competences established in the management models. The aim of the training plans is to meet the employees' training needs for correct execution of their work and for their personal and professional development.

The training plans for the different companies are updated regularly to adapt them to the needs of each business and, in the end, of each person. Companies representing 95.89% of Group employees report the existence of tools for managing development of human resources such as training platforms, on-line training or even agreements with training centres. Indeed, there are tools available adapted to the various skills profiles for analysing training needs, disseminating training opportunities, joint databases, specific, adapted and general courses,

etc. Specifically, in ACS Group companies, courses are given in areas related to the following aspects, among others:

- Management training
- Technological specialisation in management and production systems
- Knowledge of products and services provided
- Policies on quality and the environment
- Job safety.

In Group companies aspects such as participant satisfaction, the knowledge acquired by each participant during the course are compiled after the course and information is also gathered about the possible impact of the course in the area in which they have been trained on the participant's performance.

8. EMPLOYEES

At the end of each Clece Training Course, all the participants are given satisfaction questionnaires. In mid-2015, a knowledge test was added for all courses included in the Training Plan: the aim of this test is to guarantee the control of learning in accordance with the targets set out in the course, so as to measure the degree of success. Then, when the annual Training plan is completed, the training efficiency assessment questionnaire is performed. In all training programmes, 10% of participants are

sent a post-programme questionnaire, in which they are asked to judge if they have improved their performance through their training. Also, the Dragados quality plan includes criteria and procedures to assess the training programmes, and is audited every year by AENOR.

Specifically, an initiative is being carried out at Group level focused on training on Human Rights, Ethics, Integrity and Conduct. As this was dealt with in the section of Ethics, it is included in this part of the report as a summary.

TRAINING IN HUMAN RIGHTS, ETHICS AND THE CODE OF CONDUCT

	2013*	2014	2015
Scope of training plans in this regard (% of employees)	85.5%	90.3%	93.8%
Number of courses given with Human Rights, Ethics, Integrity or Conduct content	778	755	1,384
Number of employees trained in Human Rights, Ethics, Integrity or Conduct content during the year	21,983	64,094	51,326
Percentage of total current Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career	38.1%	36.3%	33.6%
Training hours per trained employee	2	2	3

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

8.1.3. MAIN INDICATORS

MAIN MANAGEMENT INDICATORS - PEOPLE

	2013*	2014	2015
Percentage days lost through absenteeism	1.4%	2.3%	2.3%
Employees covered by a formal professional development system	87.8%	91.4%	91.6%
Employees in posts defined according to a formal skills map	33.1%	33.1%	34.3%
Employees subject to performance assessment processes	55.5%	32.6%	33.1%
Employees covered by variable remuneration systems	91.3%	96.2%	96.7%
Investment in training per employee (over total employees) (€)	708.0	643.1	513.1
Percentage of total current Group employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career	38.1%	36.3%	33.6%

* 2013 data are not comparable due to organisational restructuring processes of the ACS Group.

8.2. SAFETY IN THE WORKPLACE IN THE ACS GROUP

8.2.1. STRATEGIC PRIORITIES

The prevention of labour risks¹⁵ is one of the strategic pillars of all ACS Group companies. Each of these companies and the Group in general maintain the commitment to reach the most demanding standards in this area and so become a reference in health and safety protection, not only for its own employees, but also for its suppliers, contractors and collaborating companies.

The main challenge lies in designing and implementing, in all its operating fields, a risk prevention service which meets expectations. Furthermore, the company considers it fundamental to reinforce its commitment to a risk prevention culture and to optimising resources.

Thanks to the individual commitment of all its employees and the involvement of suppliers, contractors and collaborating companies, the ACS Group continues to advance in building the desired risk prevention culture, approaching its ultimate objective of achieving an accident rate of zero.

8.2.2. MANAGEMENT MODEL

The ACS Group's risk prevention policy complies with the various Occupational Health and Safety regulations which

govern the area in the countries where it is operates, at the same time as promoting integration of labour risks into the company strategy by means of advanced practices, training and information.

Despite the fact that they operate independently, the great majority of the Group's companies share common principles in the management of their employees' health and safety. These principles are the following:

- Compliance with current legislation on occupational risk prevention and other requirements voluntarily observed.
- Integration of occupational risk prevention into the set of initiatives and at all levels, implemented through correct planning and its putting into practice.
- Adoption of all those measures necessary to ensure employees' protection and well-being.
- Achieving continuous improvement of the system by means of appropriate training and information as regards risk prevention.
- Qualification of staff and application of technological innovations.
- Definition and spreading worldwide of shared, homogeneous standards which enable assessment of Group companies in Safety terms.
- Variable remuneration depending on the success of the risk prevention and safety policy.

¹⁵ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by number of employees. The data is expressed in terms of percentage of total Group employees at 31 December 2015. In order to weight the 2013 year, Clece employees are included: at 31/12/13, the company had 65,774 employees. The 2014 data include the employees of John Holland (3,874 employees), Thiess Services (1,070 employees) and Leighton Contractors Services (3,758 employees). These companies were sold by HOCHTIEF in December 2014. The concepts of occupational risk prevention and safety at work are used indistinctly.

8. EMPLOYEES

8.2.2.1. SYSTEMS

The great majority of Group companies report the existence of a health and safety management function and system which deals with the implementation of the policy and of the action plans developed in accordance with the priorities identified. In general, these ACS Group companies share a series of characteristics in risk prevention management:

- Implementation of systems for prevention management according to the OHSAS 18001 reference standard. This policy was reported by companies representing 79.70% of Group employees.
- The existence of systems audited internally and/or externally, in addition to the audits regulated by law (99.18% of Group employees).
- Definition of objectives and planning of preventive actions in the framework of the policy and particular nature of each company, an aspect which affects 100.00% of the Group's employees.
- A worldwide system affecting 97.12% of ACS's people.

In line with the risk prevention policy, and within these Group companies' management systems, these are the main common characteristics:

- There are systems for regular assessment of the risks to which workers are exposed in companies representing 79.70% of ACS Group employees.
- Risk prevention plans are defined which take in the improvements detected in these assessment procedures (100.00% of Group employees).

- Systems which could have resulted in an incident are identified and recorded (analysis of near misses) in companies representing 99.95% of ACS's employees.
- Workers' and managers' remuneration are referenced to fulfilment of formal targets as regards health and safety in 93.66% of the ACS Group.
- There are integrated computerised systems in the great majority of Group companies, which are used to monitor data related to employee and subcontractor health and safety.

The supervision and optimisation of these systems involves setting and monitoring objectives, which are generally annual, approved by senior management and transferred to the company's various levels to be fulfilled.

The Risk Prevention Plans prepared in the Group companies include the conclusions from the regular risk assessments and guidelines for action are laid down for achieving the objectives set. Likewise, in many of the Group's companies, specific assessments are carried out for activities and centres, leading to Specific Risk Prevention Plans. Along these lines, certain groups of workers who, due to their occupation, are at high risk of contracting specific diseases, are given special consideration. In 2015, there 2,602 people were identified in this category.

DRAGADOS: TWOFOOLD APPROACH IN CROSSRAIL

In its Crossrail project, which is part of its DSJV (Dragados Sisk Joint Venture) in the UK, Dragados has deployed a twofold approach with regard to inspections and checks through which it is able to gather information not only from its safety inspectors but also from the workers onsite. Two database systems have been designed to gather the information; they are interlinked so that the information can be directly compared. Dragados uses this method to identify preventive needs and to pinpoint what areas training contents and meetings have to be focused on sites. Leadership visits conducted by the Project Managers have been digitalised using the iAuditor app. Participants use this app to complete and send the visit report and the photographs from the site.

8.2.2.2. SPENDING

SPENDING ON HEALTH AND SAFETY

	2012*	2013*	2014	2015
Spending (€ million)**	220.1	171.7	129.0	132.6
Spending per employee (€)**	1,354.8	768.5	804.5	784.4

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** In 2014 and 2015, the scope of the data are of 78.33% and 85.57% of employees respectively (as opposed to percentages of close to 100% in previous years) due to organisational restructuring processes. Spending per employee has been calculated in accordance with these scopes.

8.2.2.3. PARTICIPATION OF WORKERS' REPRESENTATIVES

The consolidation of a risk prevention culture in the Group requires the participation of all the employees and, especially, of the workers' representatives, given that they are the communication channel between the workers and the company management.

In Spain, this participation takes place, basically, through risk prevention representatives and, where applicable, the occupational risk prevention committees. Companies or work centres with 50 workers or more have a Health and Safety Committee

set up. These Committees are the peer and professional body for participation dedicated to regular and periodic consultation on company actions as regards risk prevention.

The committees are made up of risk prevention representatives, on the one hand and, on the other hand by the employer and/or his or her representatives in an equal number to the prevention representatives. These committees hold quarterly meetings, for which minutes are taken on the matters discussed and the decisions adopted. These minutes must be written within the period of one month after the meeting and be presented to the parties for their consultation and comments.

8. EMPLOYEES

8.2.2.4. TRAINING

Training and information are fundamental to the development of the ACS Group's risk prevention policy and are the most effective way of raising the staff's awareness about health and safety.

TRAINING IN HEALTH AND SAFETY

	2012*	2013*	2014	2015
Employees who have received Health and Safety training during the year (%)	58.9%	66.9%	65.8%	65.0%
Employees who have received Health and Safety training during their career with the company (%)	71.2%	94.2%	97.1%	96.8%

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

8.2.2.5. OTHER HEALTH AND SAFETY INITIATIVES

Several common characteristics which are worthy of highlighting were found in the study of the Group's different companies:

- ACS Group companies develop measures to guarantee the safety of third parties when they visit the companies' facilities.
- It should be highlighted that, as a general guideline and for companies which contract safety personnel, it is the contracted company which is responsible for providing the corresponding training to ensure the appropriate actions of its employees. In some cases, this training includes specific content on human rights. If any Group company contracts a company which does not meet this requirement, it is suggested that this human rights training be included in the recycling courses they carry out with their personnel periodically.

Certain Group companies also make regular publications with the aim of promoting and sharing progress in good practices in the field of prevention of labour risks.

The ACS Group collaborates with organisations specialised in matters of health, safety and risk prevention and actively participates in the main conferences, congresses and forums organised domestically and internationally. This is a way of offering its experience and updating itself on the latest trends and best practices. The main organisations of which ACS Group companies are part, either as members of their health and safety commissions or committees or by participating through some kind of collaboration are:

Country	Organisation
SPA	CNC
SPA	AESPLA
SPA	SEOPAN
SPA	Spanish Construction Labour Foundation
SPA	PESI
POR	IEFP
POL	Polish Labour Inspectorate
EU	ENCORD
AUS	Australian Constructors Association
AUS	Safety Institute of Australia
AUS	National Safety Council of Australia
AUS	Federal Safety Commission Accreditation
USA	Associated General Contractors
USA	ASSE
USA	National Safety Council
USA	General Contractor Association
USA	NY Safety Committee
USA	Construction Users Round Table
USA	American National Standards Committee
IR	NISO
UK	Constructing Better Health (CBH)
UK	Considerate Contractor Scheme
UK	Construction logistics and cycle safety (CLOCS)
CAN	Infrastructure Health & Safety Association

8.2.2.6. EMPLOYEE ACCIDENT¹⁶ RATE INDICES

ACCIDENT RATE INDICES EMPLOYEES

	2012*	2013*	2014	2015
Frequency	27.84	19.07	15.20	18.56
Construction	10.70	4.23	2.41	3.29
Industrial Services	16.83	11.95	11.14	9.15
Environment	64.89	39.79	42.69	38.96
Severity	0.73	0.55	0.38	0.50
Construction	0.27	0.12	0.08	0.09
Industrial Services	0.54	0.31	0.31	0.31
Environment	1.63	1.16	1.02	1.01
Incident rate	30.20	33.24	37.38	36.02
Construction	8.47	8.13	9.47	8.56
Industrial Services	22.39	22.11	22.55	20.13
Environment	109.29	61.00	65.10	57.44

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** In 2015, the frequency index increased because even though the number of reported accidents fell by 11%, total hours worked decreased 27% (due to the sale of companies in 2014 and organisational restructuring processes).

8.2.3. MAIN INDICATORS

MAIN MANAGEMENT INDICATORS - HEALTH AND SAFETY

	2012*	2013*	2014	2015
Percentage of total employees covered by OSHAS 18001 certification	88.9%	75.4%	83.3%	79.7%
Frequency Rate	27.84	19.07	15.20	18.56
Spending per employee on Safety (€)	1,354.82	768.49	804.50	784.42
Total number of accidents with reported employee time off	4,723.00	7,321.00	7,798.00	6,974.00
Employees who have received Health and Safety training during their career with the company (%)	71.2%	94.2%	97.1%	96.8%

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

¹⁶ Frequency Rate: Number of accidents that have occurred during the working day per million hours worked.

Severity Rate: Number of working days missed due to accidents per 1,000 hours worked.

Incident Rate: Number of accidents with time off per thousand workers.

9. SUPPLY CHAIN

9.1. STRATEGY

In Group companies, the purchasing department manages the relationship with suppliers¹⁷ and contractors by means of specific systems for managing, classifying and approving them and controlling risks.

As a characteristic differentiating the Group from its competitors, it is important to highlight the distinct decentralisation of purchasing and supplier management departments in this area. There are a variety of systems in ACS in this aspect, which vary according to operating company needs. From a central, reference, corporate department, which defines policies and prices, to the most complete decentralisation where the works managers themselves define their needs and meet them using a common, widespread policy.

Furthermore, Group companies face three different types of suppliers or subcontractors:

- Suppliers of materials and/or services defined by the client
- Suppliers of services or subcontractors contracted by the ACS Group
- Materials suppliers contracted by the ACS Group

In the first case, in which an ACS Group company carries out a project in which the client defines the type of suppliers contractually, as well as the quantity and characteristics of the materials to be used, the Group companies, in

general, obey these requirements. Even so, the ACS Group's purchasing and suppliers departments have a control procedure established to verify the efficiency of the supplier designated by the client.

This procurement format, in which ACS has very little capability for managing the suppliers, is not in isolation because, as mentioned in the section on clients in this report, the Company carries out feedback actions with the client. This means that, in cases in which the suppliers defined by the client have given problems or presented areas for improvement, the client will be notified of them and corrective measures will be sought.

It is worth highlighting that, once the special features of the different markets in which the ACS Group is present have been considered, specific purchasing procedures are developed when necessary to increase competitiveness.

For suppliers of services and materials contracted by the ACS Group, whether through a central purchasing department or in a decentralised manner by works managers, detailed management and control processes are defined, which share the following points in common in all Group companies:

- There are specific standards and a system for management, classification and approval of suppliers and subcontractors and risk control.
- The level of compliance with these systems is assessed.
- Collaboration with suppliers and transparency in contractual relationships are promoted.

¹⁷ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.

Companies representing 75.1% of ACS Group have a formal system for approving suppliers and subcontractors.

- The purchasing system supports suppliers in driving a broad policy in its comparison which promotes the participation of various suppliers in selection processes. Given that the works managers tend to use the same suppliers, a study of common suppliers has been started to put decisions into objective terms and give access to new suppliers in different parts of the world.
- Visible purchasing portals for all services are being developed, offering a wide range of products from different suppliers. This is a real aid to cost saving (because the most competitive prices are identified) and to controlling material consumption by employees or works managers. In Spain this portal helps local suppliers to sell their products domestically, promoting their development and growth.

Whenever possible, taking into account the requirements of the contract or product, the ACS Group also seeks to enter into contracts with local suppliers. Indeed, in 2015, local suppliers accounted for 72.9% of spending in locations with significant operations.

9.2. MANAGEMENT PRINCIPLES

9.2.1. SUPPLIER AND SUBCONTRACTOR APPROVAL

Companies representing 75.1% of ACS Group have a formal system for approving suppliers and subcontractors, in line with a series of clearly established criteria, which is subsequently used by the project works managers and provides them with information on the suitability or otherwise of a supplier to fulfil the anticipated task. The main concepts used for approving suppliers, both in the formal systems and informally are:

- Cost, payment and collection term, experience, professional prestige and technical capability.
- History of fulfilment of contractual clauses in their prior relationship with ACS.
- Additional non-financial criteria (see table attached).

LEVEL OF IMPLEMENTATION OF NON-FINANCIAL IN SUPPLIER APPROVAL (% OF ACS GROUP SALES)

	2012*	2013*	2014	2015
Adherence to the ACS Group Code of Conduct	82.7%	90.2%	83.8%	81.6%
Adherence to international standards as regards human rights and labour rights	67.1%	76.6%	68.3%	68.8%
Adherence to standards for fulfilment of commitments in ethical, social and environmental matters	67.1%	76.6%	73.7%	70.6%
Certification in quality aspects (ISO9001)	67.1%	30.0%	65.0%	87.6%
Certification in environmental aspects (ISO14001, EMAS or similar)	67.1%	95.0%	90.2%	87.6%
Analysis of labour standards and practices of suppliers and subcontractors	71.2%	77.8%	76.1%	73.7%

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

9. SUPPLY CHAIN

URBASER: PURCHASER

Over the course of the 2015 year, Urbaser has been developing a supplier portal, which will be rolled out in 2016 for the entire Urbaser group, and which is known as PurchaSer. It is the combination of the Official Supplier Authorisation Management Portal, and an Expense and Investment Procurement Management application with approval workflow, which will use a common authorised suppliers and the common materials database.

The company will be able to use this portal to assess its suppliers using two questionnaire types, with different degrees of complexity. The project has begun with six pilot tests, three of them in waste treatment plants, and the three others in urban service contracts. Suppliers are scored on the basis of quality, prevention, the environment, ethics, human resources, and integrity, as well as other criteria. Each supplier will be scored depending on its criticality and the aspects assessed. The Group cannot procure from a supplier who is not authorised and registered on the PurchaSer portal.

The Group has also prepared a master materials list to be able to receive feedback on each procurements made in the group and to be able to integrate it in the suppliers application. This will allow the Group to keep a record of every single procurement carried out on a single platform. In the long term, they will be able to access the suppliers platform at any point to modify certain data relating to business activity (Quality Certificates, REA, etc.)



THIESS: GREEN TICK

Thiess's online buying platform, Thiess Shop, has a system called Green Tick which is used to identify sustainable products which can offer clients long term benefits. This identification system is also used for the suppliers system and for any companies which can demonstrate that they act in a sustainable way in their operations, or in manufacturing or disposing of their products.

Additionally, in 2015 companies representing 57.6% of ACS sales specifically promote the use of recycled and/or certified construction materials in the supplier approval process, offering the client this type of option when the type of procurement is decided. The table attached

shows the materials covered by these initiatives, their level of consumption and the total percentage of Group clients which decided to use recycled or certified sources.

PROCUREMENT

	2013*	2014	2015
Percentage of certified timber	1.0%	1.8%	2.9%
Total timber purchased (m ³)	840,828.1	1,297,017.0	263,877.3
Percentage of recycled steel	7.7%	37.4%	34.3%
Total steel purchased (t)	1,031,686.1	1,178,660.1	579,339.0
Percentage of cement / cement with recycled aggregate	0.1%	0.1%	0.6%
Total cement purchased (m ³)	8,378,955.1	14,764,779.7	8,647,613.4
Percentage of recycled glass	100.0%	97.1%	97.3%
Total glass purchased (m ²)	2,880,152.9	2,966,125.2	2,958,416.4

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** HOCHTIEF Americas 2015 estimated data for timber, steel and cement. Reported figures in 2015 are: timber 74,370 m³, steel: 159,460 t and cement: 2,229,060 m³.

9. SUPPLY CHAIN

During 2015, the ACS Group has also prepared a Constructed Materials Policy through which it seeks to develop the following good practices in recommending construction materials to clients in applications to tender:

1. Proposing a traceability analysis of 100% of products used.
2. Having a record of suppliers who offer recycled/certified products.
3. Stressing the importance of aspects such as durability and maintenance when selecting construction materials.
4. Providing information about the characteristics of products which give off gases or which contain harmful substances and also about the products' lifecycles.
5. When making an offer or taking part in a bid to tender, always include the option of certified timber, and offer information on the environmental benefits of their use.
6. When making an offer or taking part in a bid to tender, always include the option of cement with recycled sands and gravels, and offer information on the environmental benefits of their use.
7. Provide environmental details of the proposed construction materials, such as energy used by machinery during extraction or treatment, greenhouse gas emissions, etc.
8. Report on the corporate waste management policy.
9. Provide information on waste management plans in projects, including design phases.
10. Give information on specific targets to reduce, recycle and reuse waste.
11. Report on procedures in place for the recovery and recycling of construction materials by subcontractors.
12. Give details of staff and subcontractor training processes in waste management techniques.
13. Provide details of waste separation processes in project facilities and works.
14. Actively promoting the purchase and sale of recycled sub-products.

Within the approval system, an after the fact analysis is carried out on suppliers. This process feeds back into the approval system. This system, which seeks to guarantee compliance with contractual clauses and agreements, is based fundamentally on detection and on corrective measures or management of non-compliance.

In the case of the initiatives for detection and control, the policy is based on regular audits, both internal and independent. In this case, companies representing 37.7% of ACS Group sales report carrying out internal audits of suppliers (affecting an average of 3.0% of suppliers) and 38.8% report that they carry out independent audits (affecting an average of 0.8% of suppliers). Specifically, compliance with the ACS Group Code of Conduct by suppliers is verified internally or externally in companies representing 27.0% of Group sales.

The corrective measures taken in cases of poor performance are adapted taking the following circumstances into account:

- If it is a critical supplier for the company, the reasons for the negative assessment are analysed and initiatives proposed to strengthen the identified areas for improvement including, among others, training and collaboration activities.
- If the company is not critical for the company, it is classified as not approved in the database.
- Companies representing 88.6% of ACS Group sales immediately cancel contracts or relationship agreements with suppliers if breaches occur in clauses related to performance.

As a result of this analysis, and due to the characteristics of its business, it has been found that in several of the ACS Group's main companies, the suppliers are highly fragmented, geographically dispersed and do not have enough critical mass to be determined to be critical. On the contrary, in companies representing 77.8% of Group sales, such critical suppliers have been detected.

In these companies, the main data from the analysis of critical suppliers are as follows:

- 35.3% of the suppliers to these companies are covered by this analysis.
- Of these, 15.8% are considered critical suppliers.
- These suppliers represent 39.7% of the total costs for Group companies with critical suppliers.
- Almost all these suppliers consider ACS to be a key client to their business.

9.2.2. CRITICAL SUPPLIERS

Companies representing 42.8% of ACS Group sales have carried out an analysis to identify whether they have critical suppliers. Specifically, a supplier is defined as critical when it concentrates a significantly higher percentage of procurement or subcontracting costs than the average for the rest of the company's suppliers.



9. SUPPLY CHAIN

9.3. MAIN INDICATORS

MAIN MANAGEMENT INDICATORS - SUPPLIERS

	2012*	2013*	2014	2015	Objective for 2016
Analysis of supplier and subcontractor criticality	49.6%	59.9%	41.6%	42.8%	> 2015
Inclusion of compliance with the Code of Conduct in supplier and subcontractor contract clauses	82.7%	90.2%	83.8%	81.6%	> 2015
Existence of formal systems for supplier and subcontractor approval	47.3%	95.8%	71.6%	75.1%	> 2015
Carrying out of internal audits on suppliers and subcontractors	6.6%	8.2%	35.1%	37.7%	> 2015
Development of corrective plans for suppliers and subcontractors to improve their performance in economic, social or environmental matters	54.0%	4.2%	4.5%	46.8%	> 2015

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

The spreading of the risk prevention culture among suppliers, contractors and collaborating companies is another of the Group's basic lines of action in this subject. Details on the control

and management efforts in this area are included in this document in the Suppliers section.

ACCIDENT RATE INDICES SUBCONTRACTORS

	2012*	2013*	2014**	2015**
Frequency	6.43	7.83	9.36	7.89
Construction	4.77	6.78	8.84	9.99
Industrial Services	6.03	3.28	2.40	1.88
Environment	81.81	143.11	151.67	97.76
Severity	0.13	0.16	0.14	0.10
Construction	0.08	0.13	0.06	0.07
Industrial Services	0.09	0.06	0.06	0.04
Environment	2.52	3.53	2.80	1.48

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

**In 2014 and 2015, the scope of the data is of 70.3% and 77.3% of the Group's employees respectively.



9.4. RISKS

Three types of main risk have been identified in Group company activities with their suppliers: economic, social and environmental risks.

Through its control and measurement of such risks, the Group has detected that on average 2.6% of its suppliers pose high economic risks (solvency, delivery dates). As far as social matters are concerned, in 2015, the Group evaluated a total of 67,100 suppliers' labour practices, and concluded that 1.3% of these suppliers had significant risks in such practices. The Group also evaluated 21,088 suppliers in terms of their human rights record. A total of 18,343 suppliers were also assessed regarding their possible impacts on society. The Group also assessed its new suppliers: 17.9% in relation to their labour practices and 0.7% about criteria concerning their impact on society.

Lastly, the Group assessed a total of 23,780 suppliers on a range of environmental issues, and concluded that 1.6% of these suppliers pose significant environmental risks. Also noteworthy was the fact that the Group performed an environmental assessment of 13.3% of its new suppliers, and that it is analysing the carbon footprint of the suppliers for companies which account for 19.8% of the Group's sales.

To minimise these possible risks, the Group companies implement the following initiatives:

- Corrective plans are developed in suppliers to improve their economic, social or environmental performance in companies representing 46.8% of ACS Group sales.
- Companies representing 54.3% of Group sales report proactive collaboration initiatives with suppliers. The main activities for collaboration are based on training which, generally, is made up of courses in various subjects such as quality, the environment, safety and the execution of works.
- In companies with sales representing 69.4% of the Group total, initiatives have been implemented in the purchasing and supplier management departments which have resulted in project cost savings.
- Environmental, social or governance clauses are included in contracts so that these are adopted by the subcontractors or suppliers in companies which represent 88.4% of the sales of the ACS Group. A total of 62.2% of spending on procurement is covered by these clauses.

10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

10.1. STRATEGIC PRIORITIES

The ACS Group is an organisation which is continually evolving, adapting to the needs of its clients and demands from society. The diversification process through which the ACS Group is passing during these years has led it to undertake a wide range of activities which approach innovation and development differently, but resolutely. Through this commitment to technological development, the ACS Group responds to the growing demand for improvements in processes, technological progress and quality of service from its clients and from society.

Its involvement in research, development and innovation are clear in its increased investment and the R&D+i¹⁸ efforts the ACS Group makes year after year. This effort leads to tangible improvements in productivity, quality, client satisfaction, occupational safety, the obtaining of new and better materials and products and the design of more efficient production processes and systems, among others.

The ACS Group's largest companies have governing bodies for technology, which are usually the Technological Development Committee, which leads the development of research activities in each company. The existence of this governing body or committee was reported by companies representing 89.9% of ACS Group sales in 2015.

R&D management takes place through a system which, in the largest companies and in general, follows the guidelines in the UNE 166002:2006 standard and is audited by independent specialists. There is a formal management system in companies representing 92.3% of Group sales. Furthermore, independent audits are carried out in companies representing 88.6% of sales.

This management system serves the general research strategy of each of the companies which, whatever their specific features, share the following lines of action:

- Development of strategic lines of research individualised by company.
- Strategic collaboration with external organisations.
- Growing and responsible investment in order to promote research and generate patents and operational techniques constantly and efficiently.

Each Group company's strategic decisions on the execution of R&D projects seek to maximise the positive impact of ACS's technical and technological progress. The companies have analysis and discrimination procedures to decide which projects to undertake.

At 31 December 2015, the ACS Group had 203 projects in progress¹⁹ and had registered 8 patents during the year. During the last 10 years, the Group companies have registered a total of 60 patents.

Furthermore, collaboration with external organisations is crucial for the success of the projects tackled. Hence, ACS Group companies collaborate with

¹⁸ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.

¹⁹ In total projects for 2015, the scope is 41.78% of the Group's sales.

The involvement in research, development and innovation is materialised in an investment of 50.6 million euros in 2015.

research and technological centres and with universities, as well as with other diverse centres, institutes or institutions related to R&D+i. These prestigious international research institutions complement the ACS Group's own research capabilities. The ACS Group has invested more than 50.6 million euros in research, development and innovation in 2015.

10.1.1. CONSTRUCTION

The majority of ACS Group Construction²⁰ companies have a system for managing research, development and innovation. Such a system is reported by companies representing 93.3% of ACS Group sales in this area. Generally, these management systems are implemented around the UNE 166002:2006 standard.

Although decentralised, management is coordinated by Dragados' departments and, also, independently in HOCHTIEF's companies. To meet the objectives set by their respective lead companies, the ACS Group's construction companies had 97 projects in progress²¹ at the end of 2015, managed by the different R&D+i managements. ACS's Construction companies invested €21.5 million in R&D+i in 2015.



²⁰ The data referring to the ACS Group's Construction companies included in this section were calculated by analysing the information supplied by the different companies in this area of activity, weighted by their level of turnover. The data is expressed in terms of percentage of total Construction area sales.

²¹ In total projects for 2015, the scope is 24% of the Construction area's sales.

10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

DRAGADOS/ VÍAS: AVANRES PROJECT

The AVANRES R&D project, approved in the INNPACTO 2012 call to tender, was co-funded by the Ministry of the Economy and Competitiveness as part of the 2008-2012 National Scientific Research, Development and Technological Innovation Plan, and was implemented between 2012 and 2015 by a consortium of companies and public bodies coordinated by DRAGADOS, one of which was VIAS.

This project is aimed at developing a set of collaborative computational models mainly based on Computational Intelligence and on acquired knowledge which can be used to estimate the volume of construction and demolition waste generated at a construction site, depending on its characteristics. The model has much lower and more specific margins of error and levels of tolerance than the methods currently used. These types of models can be used not only to estimate the volume of waste, but also to economically appraise the different waste treatment methods, in order to apply a preliminary technical decisive criterion when faced with different options. There are different options because of the different possibilities and standards existing at national level and in each Autonomous Community in Spain.

PROJECT GENERAL FRAMEWORK



The idea for this project came about because according to present construction and demolition waste management laws, it is necessary to estimate the type and volume of this kind of waste which will be generated on the site to be able to properly plan the waste management.

A number of general studies have been made, but what is needed are studies which analyse all the variables which have an impact on the type and the scale of the waste generated on each unit and type of site.

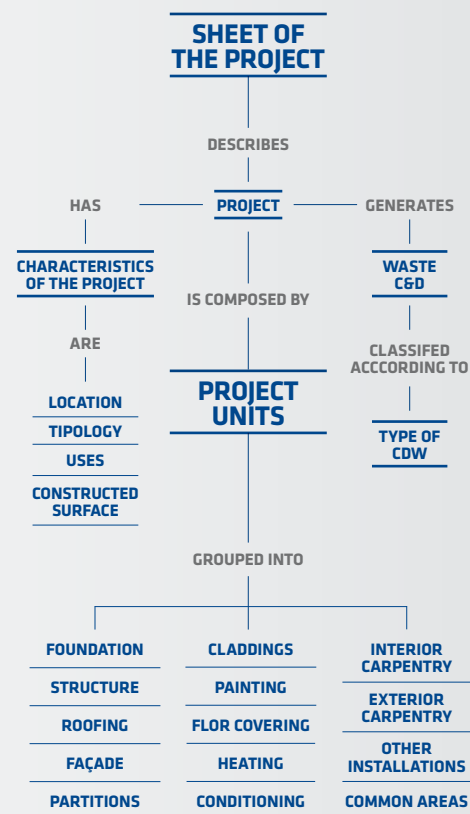
The goal of this project is to find a mathematical project which can be used to correctly estimate the amount of construction and demolition waste produced on site, depending on the waste types and characteristics. This is done through an IT platform which allows employees to update and improve results by entering new data both in the project development and in the future.

This project tackles the following tasks:

- How to obtain and analyse expert knowledge and in-depth information of ERP and similar systems and about the waste types caused by each site type and unit.
- Characterisation of waste and calculation of cost and resources needed for each segregation type, using allocation of optimisation management techniques (from reuse, to recycling, and also elimination, if applicable).
- Analysis and evaluation of relevance/importance/impact of knowledge and available variables to estimate waste.
- Characterisation of site units in accordance with waste generated, and the impact of such waste from a multi-criterion/multi-target standpoint.
- Development of computational models based on variables with greater estimation capacity so as to be able to make a global reliable estimate of all the waste to be generated.
- Development of a decision-making support solution so as to be able to apply these computational models in a systematic and expedite way, using site data and measurements. The system has to be able to adapt based on new real waste generation data entered once the works on the site have begun to be executed, gradually adjusting the reliability of the existing model using comparison and analysis.
- Multi-target modelling of different management possibilities and segregation systems at source, using evidence from results, and using real data to correctly validate the model.
- Development of a concept test so as to evaluate the solution agreed upon.

From the standpoint of innovation in this project, the system can be used to create a set of computation models which manage waste management in an ideal way, achieving improvements in the **design of management alternatives** focused on reducing waste and on optimum segregation. Furthermore, because the waste to be generated on a site can be calculated more accurately, both **waste management and administration expenses** arising from deviations between estimates and final results will be reduced.

In short, this project provides the Group with a tool which it can use to enter general data and measurements of a site so as to estimate the monthly production of waste generated on it.



The image below shows the tool, with its different applications.

10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

DRAGADOS/DRACE: CAPEMA PROJECT

The CAPEMA R&D project: Cajones Autofondeables para Marine Wind Farms, was co-funded by the Centre for Industrial Technological Development (Centro para el Desarrollo Tecnológico Industrial, CDTI) and was executed between 2012 and 2015 by a consortium of companies and public bodies coordinated by DRAGADOS, one of which was DRACE Infraestructuras. The purpose of this project was to develop a foundations system based on anchoring of gravity-based structures with towers, holding masts with offshore wind turbines attached located in deep waters. The project will be carried out at depths of approximately 35-50m, using concrete base technology manufactured in advance base docks.

The project development has been focused on the following goals:

- Acquiring the knowledge necessary for the **optimum design of a reinforced concrete base** which can be used for anchoring at different depths as a gravity anchoring for offshore wind turbines.
- Design of a **towing system** suitable for the features of the designed base.
- Design of the **anchoring process** for the bases in the open sea.
- In-depth analysis of the **filling process** of submerged compartments.
- Study of **impacts on the foundations and design of protection elements**.
- Conceptual incorporation of **disassembly of structure** in overall design with a view to reducing the long term environmental impact of these types of structures.
- Development of a **marine wind energy generation cost analysis** model, to analyse the impact of the cost of foundations in the final cost of Kw/H.
- **Analysis of the carbon footprint** of the foundation process, analysing how to reduce the carbon footprint due to the foundation manufacture and installation process.



By meeting these targets it has been possible to reach a series of innovations which are a major step forward in the State of the Art of the current available techniques for the deep foundations of wind farms. The results with regard to some of the targets set in the project are referred to below:

- **Design of towing system:** Numerical simulation in the CEDEX simulator has been used to design and analyse the towing system. The simulation has been performed using a set of towing tests made with a small-scale physical model of the foundation in the Testing Channel of the Escuela Técnica Superior de Ingenieros Navales de la Universidad Politécnica de Madrid (ETSIN).
- **Anchoring process:** Physical model tests have been used to design the anchoring process in the CEPYC of the CEDEX, using different configurations of the anchoring process.
- **Compartment filling process:** The compartment filling process has been designed and defined once the base is anchored in its definitive spot. The process includes the definition of the necessary maritime resources, the way the material is introduced in the foundation, the material's arrangement, the equipment installed in the structure, the control of efforts and the filling level.
- **Disassembly process:** The disassembly process follows the reverse process to the installation. First, the material used to fill the cells is removed, then the structure is refloated, and is then towed to port, before it is finally dismantled.
- **Carbon footprint analysis:** Fewer emissions are generated in these types of foundations compared with other techniques because as they are built directly on the dock, transported by floating and anchored without drills or special cranes, the method is more sustainable in terms of greenhouse gas emissions.

An application has been filed for the International Patent (PCT) and it has been published in February 2016.



10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

VÍAS Y CONSTRUCCIONES/ GEOCISA: 3DCONS PROJECT NEW CONSTRUCTION PROCESSES USING 3D PRINTING

The 3DCONS project, approved as part of the ESTRATÉGICO CIEN programme by the Centre for Industrial Technological Development (Centro de Desarrollo Tecnológico Industrial, CDTI), addresses the development of new technologies to allow 3D printing in construction using a real scale.

A consortium has been set up for this purpose, led by Vías y Construcciones and made up of Geocisa, Lafarge, Saint-Gobain Placo Ibérica, Proingesa, Cype and Atanga. Other partners are the Foundation CIM-UPC, the Instituto de Ciencias de la Construcción Eduardo Torroja (CSIC), the University of Burgos, the Centro Tecnológico CARTIF and Universidad Politécnica de Madrid.

The goals of the project are to develop new 3D printing systems to recycle packaging using direct printing and manufacturing of prefabricated “tailor made” items (without needing moulds or shapes). These printing techniques will work with a range of materials for interior and exterior designs based on cement, lime, plaster and mixtures, especially developed to be applied by extrusion.

In order to take full advantage of the benefits of these new materials and application methods, specific design tools will be developed based on Building Information Modelling. These tools can be used to overcome current restrictions in “multilayer” and “tailor made” construction materials, offering new construction methods applying excellent forms, dimensions and performance in each items and area of the building.

This innovative project is supported by various administrations and entities, which will comprise the Advisory Board and which will take part in dissemination, validation and (pilot) testing activities. Some of these entities are as follows:

- Technical General Secretary of the Ministry of Development
- Spanish Climate Change Office (Ministry of Agriculture, Food and the Environment)
- Institute for Energy Diversification and Saving (Ministry of Industry, Energy and Tourism)
- Department of Infrastructure, Transport and Housing of the Community of Madrid
- Spanish Construction Technology Platform
- Spanish Robotics Technology Platform
- Technological Construction Institute of Catalunya (ITEC)
- Official College of Architects of Madrid.

The **3DCONS** project was the only construction sector project approved within the 2014 Cien Strategic Programme call of the CDTI. The project was launched on 1 November 2014 and the estimated completion date is 30 April 2018.

3dcons | Nuevo Proceso de Construcción por Impresión 3D
www.3dcons.eu

El proyecto **3dcons** introduce la impresión 3D en la industria de la construcción, para rehabilitación de elementos verticales (fachadas y paramentos) e impresión de prefabricados a la carta. También se desarrollan nuevas gamas de materiales en base a cemento, yeso, cal y mezclas mixtas y nuevos procesos constructivos que integren las nuevas herramientas TICs (BIM, escaneado 3D, termografía, etc.).

Áreas de trabajo

ACTIVIDAD 1: Especificaciones y diseño conceptual

ACTIVIDAD 2: Modelado

ACTIVIDAD 3: IM y Automatización

ACTIVIDAD 4: Herramientas de modelado y sistemas TICs

ACTIVIDAD 5: Integración y demostración de conceptos

Beneficios

La tecnología del proyecto 3DCONS permitirá obtener los siguientes beneficios:

- Automatización de procesos.
- Construcción “customizada”, en lugar de bajo catálogo.
- Libertad de forma y control de espesores, propiedades, etc.
- Integración total de BIM en el proceso constructivo.
- Reducción de riesgos laborales y plazos de ejecución.
- Reducción de la huella de carbono.
- Aplicación futura a otros sectores y a obra civil.

El proyecto ha sido cofinanciado por el MDTI-CDTI dentro del programa Estratégico CIEN del CDTI.

Partners: VIAS, LAFARGE, PLACO, ATANGA, PROINGESA, CYPE, GEOCISA, CIM-UPC, CSIC, UNIVERSIDAD DE BURGOS, CARTIF, UPM.

HOCHTIEF: GEOVIEW

During the project construction and operation phases, a wide range of instruments is used to measure underground water, pore pressure, tension, deformation, field, loads and efforts, etc. The data obtained with these measures will be used during the project lifecycle to adjust the design, to check assumptions and to guarantee safety. In view of the increasingly more complex equipment and the fact that advice needs to be sought from external specialists, it is often difficult and costly to manage these data.

EIC has sought to overcome these hurdles by developing its own data management and instrumentation system known as “GeoView”. This tool has been designed to improve our technical processes. It can be customised, is versatile, scalable, and can naturally bring down the duration and cost of projects.

The initial version of GeoView was used to control the stability and arrangement of embankments on soft terrains of the highway between Frederickton and Eungai, a 26.5 km four-lane road in the northern part of New South Wales (Australia). Since then, it has also been used in the Sydney Metro Northwest project, a 15 km double railway tunnel in which the Group invested 3.0 billion dollars, and the Moreton Bay Rail Link project, a 14 km double railway line in Brisbane, which is valued at 1.0 billion dollars.

HOCHTIEF: ICE STORAGE TECHNOLOGY

Under the right conditions, an ice deposit (a concrete tank full of water) can be used to provide buildings of virtually any size with a reliable, economical and environmentally friendly heating system using heating pumps, and also provide cooling during the summer months. Following a successful test project in Hamburg, HOCHTIEF launched the development and use of this state-of-the-art ice deposit with heat pump technology. We have created a skill set, and also set up an innovation project to supervise the installations of a number of different projects over several years. This will allow us to assess this technology from an economic standpoint, take a systematic approach to the knowledge acquired and let the entire Group learn about these new developments. HOCHTIEF’s leadership in this advanced technology will give it a considerable competitive edge in the market.

10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

10.1.2. INDUSTRIAL SERVICES

The ACS Group's Industrial Services²² area carries out significant work in promoting research, development and innovation through the various R&D+i departments in several of the companies in this line of business. Companies representing 70.7% of Industrial Services' sales reported the existence of a specific R&D+i department in their structure.

Total investment of €19.7 million was allocated to executing the projects managed by the different departments. These projects are carried out by virtue of a formal research and development management system, which is implemented in companies representing 84.8% of Industrial Services' sales.

The R&D+i strategy of many of the companies in this area is based on an external approach, aimed at its stakeholders, and an internal approach, aimed at process modernisation and improvement.

²² The data referring to the ACS Group's Industrial Services companies included in this section were calculated by analysing the information supplied by the different companies in this area of activity, weighted by level of turnover. The data are expressed in terms of percentage of total Industrial Services area sales.

COBRA: SOLAR FIELD OPTIMIZATION SOFTWARE PROJECT

The SFOpt_SW Solar Field Optimization Software project, developed by the Cobra Technology and Innovation area, concerns the development of an innovative computer modelling and forecasting tool for a molten salt thermal solar power plant, such as those developed by Cobra in Tonopah, Nevada (Crescent Dunes) or Fuentes de Andalucía, Seville (Gemasolar).

This tool, which is being developed jointly with the National Renewable Energies Centre (Centro Nacional de Energías Renovables, CENER), is based on simulating the behaviour of the solar field of these kinds of plants, taking into account the conditions of each of the heliostats – the mirrors which reflect solar light in the collector panels – and the instant solar position, the weather conditions and the positioning strategy applied to each one of the heliostats.

This tool resolves two complex problems which are critical in order to be able to understand and predict how these types of plants will behave. First, they simulate the trajectory of millions of solar rays reflecting off the thousands of mirrors in the heliostats (the Crescent Dunes plant, for example, has over 10,000 m² heliostats each of which with a size of 115 m²). Second, the SFOpt_SW tool can integrate all the energy which reaches the central receptor, heating the molten salts circulating through the middle of these panels. The advantage of this simulation tool is that it resolves the physical heat transfer equations, calculating the energy which is reaching each of the collector's panels across its height. By this means, it is possible to calculate very precisely the heat which the collector might lose under any circumstances, and a huge number of different conditions can be considered.

The design and operation of solar fields plants can be greatly enhanced by these kinds of tools. In fact, these kinds of plants, as well as hydroelectric and direct storage of electricity, are no doubt the future for firm, manageable and clean renewable energy.

The tool can also be used to try out new conceptual designs for solar fields, new receptors with innovative geometries or materials or pointing strategies of different heliostats following certain thermal energy requests.

This is a very useful tool for design new plant layouts, because it can be used in a simple way to analyse the many options which can be planned, not only in terms of the collector's performance and yield, but also the possible layouts of the heliostats in the solar field, i.e. improving the overall efficiency of the mirrors in terms of energy input and so saving a large part of the plant's costs (in which the solar field accounts for over 40% of the total budget).

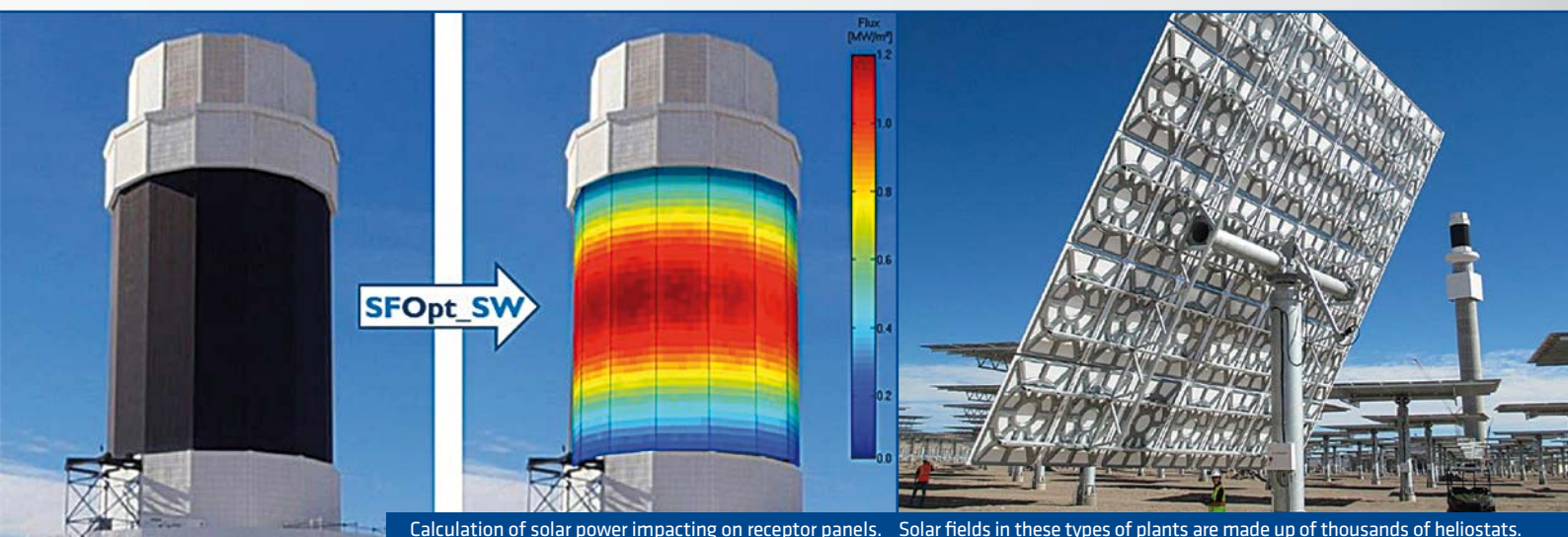
The SFOpt_SW software can be used to improve daily operations in these types of plants. A priori, heliostat pointing strategies can be analysed, in order to standardise and establish procedures to be followed for difficult situations affecting ideal conditions in these plants, such as temporary passing of clouds, plant start-ups and shutdowns, loss of solar

irradiation in part of the field or the need to defocus the heliostats. In all these situations, it is necessary to move thousands of heliostats with large mirror sizes, so it is important to know the effect each reflection has on the receptor.

The SFOpt_SW software will also be used to develop the multi-tower concept, where a solar field will distribute the sun's rays reflected between a number of receptors situated in towers, and also to enhance the efficiency of each mirror, as they are affected by different factors, such as, for example, the sun's angle, a factor which can be considerably improved in this type of plant.

Real data from the Crescent Dunes plant is being used to validate and to fine tune this software, using the highest level of detail. For example, the data is even being used to calculate the temperature of the central receptor tubing through which salts pass. The SFOpt_SW software, and the operating applications used such as the thermographic chambers, play a crucial role in enhancing the working of central collector thermo solar plants.

The strategy of integrating these systems in electrical power plants is essential for the technology to be correctly developed, and will enable plants developed in future years to be improved.



10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

COBRA: RENACE II HYDROELECTRIC TUNNEL PROJECT

The RENACE II Hydroelectric Project forms part of the hydroelectric use chain developed in the River Cahabón, in the Alta Verapaz Region of Guatemala.

As part of this Project, COBRA INFRAESTRUCTURAS HIDRÁULICAS has built a pressurised tunnel to channel water from the inlet site up to the piping feeding into the turbines.

Cobra has adopted a solution of a steel pipe which is 3,570 mm wide, inside the existing tunnel and which is on top of a concrete bed - with a different geometry - throughout its length. In order to cope with thrusts due to changes of direction on the ground, concrete lateral buttresses are provided, arranged in line with changes in the direction of the piping.

One of the major hurdles in this project has been having to operating in confined spaces. There was a space of only 15 cm between the metal tube and the tunnel in the top and bottom parts, and only 50 cm on the sides. These spaces also have to be used to carry the electricity and lighting fittings and vents.

Exclusive and innovative construction processes have been developed for these kinds of tasks in confined spaces, particularly for transport, transfer of piping sections and works between the metallic piping and the existing tunnel.

1. Piping transport: The existing tunnel is 3,900 metres long and has only three access points which can be used to introduce all the piping sections, materials and equipment needed to construct the tunnel. Trolleys have been designed to transport the 9.72 metre long piping sections inside the tunnel. These trolleys have been specially designed for this project and auto-adjust depending on the changes in level and the slope of the existing tunnel. The trolleys themselves must be extracted once each piping section has been put in its place.
2. Transfer of piping inside the tunnel: piping sections have been transported in platforms using tractor units, and once inside the tunnel they are put on the trolleys and are turned around 90°. The company used a solution attached to the rock on the upper part of the tunnel, using a hydraulic jack to perform the operation.
3. Operations between the piping plate and the existing tunnel: the welding works were an important part of this section. Because the upper part of the piping cannot be accessed to weld the parts of the pipe, the ceramic backing solution was used to homogenise the external cord, however there were no existing market solutions to place it on the upper part with so little space. A solution was designed attaching the backing sections to a metallic packing strap which, once aligned, was tightened with a strapping machine. Once the welding was performed, then it was removed without difficulty.

These techniques, and other innovative procedures, have been used to develop a technique which can be applied to existing hydraulic tunnels, as an alternative to the classic crack injection and seal solution, which cannot ensure that the original structure of the tunnel will be recomposed.

ETRA: NOBELGRID PROJECT



The Nobelgrid project consists of developing advanced applications and services to different agents on the energy market (distributors, cooperatives, commercialisers and end users) with the object of improving Smart Grid management and investigating new business models based on flexibility for prosumers consumers in active demand management.

NOBELGRID offers advanced services, using OP communication networks and validating the integration of renewable energies and active demand management systems, to all energy market agents to ensure that consumers benefit from lower prices, more secure and stable distribution networks and lower carbon dioxide emissions.

The project's results will be demonstrated and be validated in real environments with energy system agents playing an active role at all levels. These demonstrations will include assessing the use of new business models developed as part of the project.

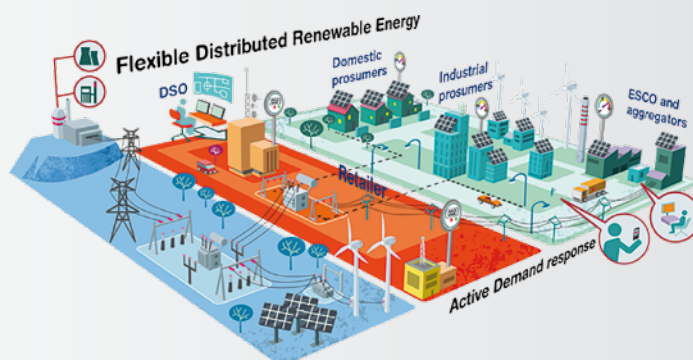
ETRA I+D coordinates this project funded by the European Union within the framework of the 2020 programme. In view of the scale and the considerable number of companies and entities involved at different levels, from hardware and software development, up to evaluation or installation and maintenance, different tools and services covering a broad range of areas of smart grid management and operations are going to be developed and evaluated.

The following main tools are going to be developed:

- A new Smart meter with ETRA R&D technology.
- Development of a platform to run third party applications securely within electrical meters
- Development of a new energy product / gateway for the active management of different household appliances and items in the consumer's environment (heating, lighting, electrical vehicles, etc.)

- Development of a new electric product / inverter to use batteries more efficiently in the domestic environment.
- Development of a new electric product / inverter to manage auto-generated renewable energy in the domestic environment.
- Development of an electrical distribution network management platform at all levels: installation, maintenance, control, monitoring, recovery, etc. This application is designed for electrical distributors (DSOs), usually electrical cooperatives
- Development of an active demand management platform, aimed at obtaining the peak available flexibility for a group of consumers and to offer this flexibility for commercialisation. Consumers who sign up for these demand management campaigns will receive incentives for playing an active role in the electricity market. This tool is designed for consumer cooperatives, commercialisers or electrical services companies.

Development of an electrical usage monitoring platform and interaction with smart grid for end users. End consumers will be able to use this tool to have up-to-date information about their electricity usage and to connect it with their domestic appliances and also with other agents in the electrical system.



10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

SICE: VRUITS PROJECT.

Improving the safety and mobility of vulnerable road users through Smart Transport Systems applications

The VRUITS (www.vruits.eu) European project is part of a drive towards improving road safety for what are known as Vulnerable Road Users (pedestrians, cyclists and motorcyclists), analysing how to reduce risk situations based on the deployment of Cooperative Services in Intelligent Transport Systems (ITS) and the integration of these users.

The goal of the project is to set out recommendations on how to reduce the seriousness and number of accidents caused to these vulnerable users, based on experiments with innovative ITS systems validated in different test scenarios.

In order to integrate vulnerable users (pedestrians, cyclists and motorcyclists) in what are known as cooperative traffic services, SICE has developed an intelligent crossing, equipped with cameras which can detect pedestrians who cross the road; with LED lights enhancing the lighting at the crossing, Bluetooth signals and 3G communications to allow interaction with pedestrians (through their Smartphones) and WiFi mobile communications which can provide data to vehicles (through their OBUs). This crossing has been installed in Alcalá de Henares thanks to the support of the local city council.

In the next stage of the process, the evaluation tests will be developed with real users to identify positive impacts and to mitigate the negative effects of the

implemented system, so as to apply the necessary recommendations to deploy these systems.

OBJECTIVES

The goal of the VRUITS project, co-funded by the European Commission via its Seventh Framework Programme, is to make vulnerable users (hereinafter, VRU) an active element in the vehicle-infrastructure-pedestrian approach, given that to date the Cooperative ITS services developments have been focused on equipping vehicles or infrastructures, with VRUs merely acting as passive participants.

The VRUITS project thus takes one step further in developing new ITS systems to seek this interaction with VRUs (such as cyclists, pedestrians, the elderly, the disabled, motorcyclists).

In the initial stage of the project, work sessions were arranged with experts to define the new ITS applications, and discussion groups were organised in which action requirements for systems were addressed in order to be able to cover their needs, in order to be able to improve safety and mobility.

Once these needs were analysed, the deployments of ITS prototypes were proposed, using real experiments

Figure 1. Architecture of the Smart Crossing (SAFECROSS 2.0)



Figure 2. Smart Crossing Details, view of Camera and Alert of pedestrian presence in vehicle.

to make practical recommendations based on evidence. The project analysed critical aspects in which VRUs can be integrated in smart transport systems and how designs of the Human Machine Interface (HMI) can be adapted to be able to meet these VRUs' requirements.

DESCRIPTION OF DEVELOPED INTELLIGENT CROSSING

This SAFECROSS 2.0 intelligent crossing is a huge step forward in terms of design of traffic light Regulators, because it allows:

- Activation of demand for green pedestrians, using the mobile phone Bluetooth channel, as another method instead of pressing the traditional button. The Bluetooth Low Energy (BLE) technology used in cutting-edge mobile telephones has been adopted.
- Deploy real time cooperative information services which can communicate with vehicles (using Mobile WiFi) and/or pedestrians (using 3G channel), in accordance with the CEN ISO TS 19091 European standard, which is still being defined. For that purpose, specific Apps have been developed.
- Providing mechanisms to increase road safety in pedestrian crossings to extend green pedestrian crossing periods by detecting the presence of pedestrians crossing using artificial vision cameras. This allows the green crossing period to be adapted to each pedestrian's needs.

- LED lights have also been installed to light up the pedestrian crossing at night by enabling the "green pedestrian" demand.

The pedestrian's mobile app can be used to activate the acoustic notification mode or vibration mode so that people with specific needs can be warned of the green phase activation.

CONCLUSIONS

Now that the implementation phase has been completed, we may conclude that it has been a success to have developed a modular prototype which can be potentially deployed with different functions, and which can be optimised depending on the actual layout of each crossing, in order to adjust the cost of the final solution.

Thus, a traffic light can be equipped only with bluetooth signals which can be used to extend, a priori, pedestrian crossing time for elderly people with reduced mobility, with visual or auditory deficiency, prioritising their privacy and guaranteeing their safety, mobility and comfort, given that they don't feel they have to walk more quickly to reach the other side of the street.

As far as executing the project is concerned, this last year will be focused on establishing practical recommendations to carry out actions at European level, conducting evaluation tests with real users (as mentioned above). The heads of the research groups taking part in the project will analyse the factors which influence road safety and user behaviour, pinpointing positive and negative impacts by conducting ex ante and ex post assessments which will be used as a basis for these recommendations. The evaluation techniques will take into account human factors and cognitive aspects.

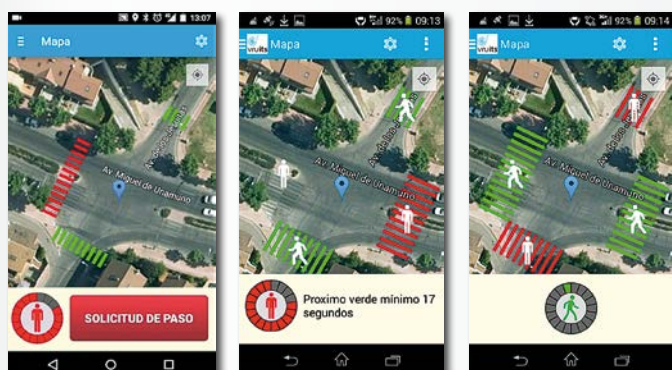


Figure 3. App details for Pedestrian.

10. TECHNOLOGICAL DEVELOPMENT. R&D+I IN THE ACS GROUP

10.1.3. ENVIRONMENT

In the ACS Group's Environment²³ business, innovation constitutes a basic principle both in management and in processes for recovery, reuse and recycling of wastes. To carry out this task, Urbaser has its own specific R&D+i department with a formal management system certified under the UNE 166002:2006 standard and audited by an independent third party.

At 31 December 2015, €9.4 million had been invested in 97 ongoing research and development projects.

23 The data referring to Environment included in this section were calculated by analysing the information provided by Urbaser and Clece.

URBASER: LINE FOR THE COMMERCIAL CLASSIFICATION OF GLASS CONTAINERS

Although a selective glass collection system has been deployed within the Cantabria urban waste collection system, and the fact that large amounts of glass have been collected, of 10,236 Tn in 2014, an average of 66 glass containers per inhabitant and year compared with an average of 56% per inhabitant and year for Spain a whole, it is estimated that 40% of total glass is still sent within the flow of mixed urban waste. Tircantabria, a company which is fully owned by the URBASER Group, has conducted a number of studies over the last 3 years which have confirmed that a very high proportion of the urban waste received at the plant was glass, which, until the new line was started up, was put through a manual separation process with unsatisfactory recovery outcomes, due to undergoing manual processes carried out on glass fragments with sufficient size to be extracted in this way.

The fragmented glass ended up in the flow of organic material in the pre-treatment process, and, consequently, was subjected to the aerobic and fine fermenting processes, and ultimately went into the rejected pile of the refining process, and thus the flow which was sent to the landfill.

Due to the technological progress made in the field of automatic separation, it is now possible to adapt industrial processes machinery similar to glass separation in this flow. Tircantabria, having collaborated with technological companies in the sector for many years, and with the help and support from Ecovidrio, has developed a complementary line in the refining separation area. This line can be used to separate a percentage of above 70% of the glass which was until now sent to the landfill - as it was materially impossible to separate - of sufficient quality to be able to add this line to the conventional glass separation process. This line was deployed in February 2015. It was the first to be achieve the demanding quality standards established by Ecovidrio for recycling of selected glass. By April 2015, 700 tons of glass from waste disposal points had been recovered from the system. It is a pioneering project, underpinned by R&D&I, which will help to increase the rate of glass recycled in Spain.

This also improves the quality of the compost, i.e. the final product, by removing small-sized pieces, as well as reducing the waste rejected and sent to the landfill, given that these inappropriate pieces (glass, etc..) are recycled, thereby extending the lifecycle of the non-hazardous waste landfill of Cantabria.

10.2. MAIN INDICATORS

MAIN MANAGEMENT INDICATORS - R&D+I

	2013	2014	2015	Objective for 2016
Investment in R&D+i (€ million)	49.4	54.7	50.6	> 2015
Level of implementation of a specific R&D+i department	90.3%	92.2%	89.9%	> 2015
Level of implementation of a formal system for R&D+i management	71.5%	94.2%	92.3%	> 2015



11. ENVIRONMENT

11.1. STRATEGY

The ACS Group²⁴ combines its business aims with the objective of protecting the environment and appropriately managing the expectations of its stakeholders in this area. ACS's environmental policy is intended to be a framework in which, on the one hand, the general lines to be followed (principles) are defined and, on the other hand, the particular features of each business line and each project are collected (articulation).

The principles are the ACS Group's general environmental commitments. These are sufficiently flexible as to accommodate the elements of policy and planning developed by the companies in the different business areas. In addition, these commitments need to keep within the requirements of the ISO 14001 Standard:

- Commitment to complying with the legislation.
- Commitment to preventing pollution.
- Commitment to continuous improvement.
- Commitment to transparency, communication and the training of Group employees, suppliers, clients and other stakeholders.

In order to be able to articulate and deploy a policy on these environmental commitments, the most significant are identified at corporate level and are compared with each company's management system and the environmental priorities for each business. These common priorities, which then become common to the majority of the ACS Group members, establish objectives and programs to individually improve each company.

11.2. MANAGEMENT PRINCIPLES

The following is a map outlining the main common features of ACS Group company management models and summarising their initiatives and degree of implementation:

LEVEL OF IMPLEMENTATION OF GOOD ENVIRONMENTAL MANAGEMENT

(EXPRESSED AS % OF SALES)	2013*	2014	2015
Implementation of an environmental management system	98.1%	97.3%	95.8%
Implementation of ISO 14001 certification	65.7%	78.8%	70.3%
Implementation of certifications other than ISO 14001	11.2%	0.3%	0.5%
Existence of specific targets for reducing CO ₂ emissions	71.8%	12.0%	13.9%
Execution of projects to reduce waste generation	93.0%	95.1%	94.5%
Existence of plans to reduce water consumption	81.0%	83.2%	82.1%
Setting of objectives to minimise the impact of the company's activities on biodiversity	57.6%	79.0%	79.0%
The remuneration of workers, middle management and/or executives is linked to the achievement of formal environmental objectives	17.4%	15.7%	16.6%
There is some kind of non-economic incentive/recognition for the achievement of formal environmental objectives	46.5%	42.3%	37.0%
The environmental management system has been audited by an external independent third party	98.1%	97.3%	95.8%
Number of environmental audits carried out in your company	2,182	1,207	1,150
Number of environmental incidents which occurred	731	856	932
Number of environmental complaints	N/A	N/A	19
Existence of a system for collecting data on environmental near misses	81.1%	80.8%	79.0%
Existence of a centralised database to collect data on environmental matters	77.5%	88.5%	86.5%

* 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

²⁴ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data are expressed in terms of percentage of total Group sales in 2015.

The significant level of implementation of an environmental management system, present in companies representing 95.8% of Group sales, is based on the objective of seeking adoption of the ISO 14001 standard in the majority of the Group's activities, which is already implemented in 70.29% of ACS Group sales²⁵.

The responsibility of overseeing the ACS Group's environmental performance falls to the Environmental Department in each company. In general, and as summarised in the Management Principles table, the following common, general and most significant characteristics were found in ACS Group companies' management of environmental impacts:

- They themselves, in a decentralised and autonomous manner, develop their own policies and action plans.
- They implement projects for certification and/or independent external auditing.
- They carry out environmental audits.
- They have some kind of centralised database for collecting environmental data.

- They have a system for collecting incidents, non-conformities or near misses related to the environment.
- Companies which account for 95.66% of the ACS Group's sales have developed environmental initiatives to reduce costs, and 24.54% have implemented environmental initiatives to increase revenues. In Urbaser, for example, cost savings are calculated by measuring consumption in different areas of the largest facilities. By this means, the points of highest consumptions can be identified, and reduction measures can be easily designed. To date, electricity usage in Zaragoza facilities has been reduced by 24.72% to 2,451,547 kWh, tantamount to cost savings of 266,861 euros since 2014.

Specifically and operationally, the main environmental measures revolve around four key risks, on which the ACS Group's companies position themselves explicitly: **the fight against climate change, promotion of eco-efficiency, water saving and respect for biodiversity.**

²⁵ Other certifications cover 0.50% of the Group's sales.



11. ENVIRONMENT

11.3. MAIN INDICATORS²⁶

MAIN MANAGEMENT INDICATORS - ENVIRONMENT

	2012*	2013*	2014	2015	Objective for 2016
Percentage of sales covered by ISO 14001 Certification	68.0%	65.7%	78.8%	70.3%	> 2015
Total Water consumption (m ³)	10,067,651	18,460,840	28,324,847	40,783,487	N/A
Ratio: m ³ of Water / Sales (€ million)	262.2	465.9	831.9	1,206.0	< 2015
Direct emissions (Scope 1) (tCO ₂ equiv.)	322,758	3,771,674	5,492,986	3,288,764	N/A
Scope 1 Carbon Intensity Ratio: Emissions / Sales (€ million)	8.4	95.2	161.3	97.3	< 2015
Indirect emissions (Scope 2) (tCO ₂ equiv.)	392,331	302,158	363,767	294,523	N/A
Scope 2 Carbon Intensity Ratio: Emissions / Sales (€ million)	10.2	7.6	10.7	8.7	< 2015
Indirect emissions (Scope 3) (tCO ₂ equiv.)	1,451,662	7,103,265	10,728,161	9,131,960	N/A
Scope 3 Carbon Intensity Ratio: Emissions / Sales (€ million)	37.8	179.3	315.1	270.0	< 2015
Total Emissions (tCO ₂ equiv.)	2,166,750	11,177,096	16,584,914	12,715,248	N/A
Total Carbon Intensity Ratio: Total Emissions / Sales (€ million)	56.4	282.1	487.1	376.0	< 2015
Significant emissions of NO _x , SO _x and other significant atmospheric emissions (kg)	N/A	N/A	N/A	14,390.6	N/A
Non-hazardous waste sent for management (t)	1,274,102	3,115,431	4,032,274	4,133,643	N/A
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	33.2	78.6	118.4	122.2	< 2015
Hazardous waste sent for management (t)	88,182	268,137	171,643	327,729	N/A
Ratio: Tonnes of hazardous waste / Sales (€ million)	2.3	6.8	5.0	9.7	< 2015

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

²⁶ Reported water treatment increased as a result of the start-up of Cobra's international assets. Total water treatment by Cobra went from 13,254,636 m³ in 2014 to 19,778,612 m³ in 2015. Water treatment in 2014 and 2015 includes CIMIC (see scopes) with 8,180,000 m³ and 11,900,000 m³ of water treated in 2014 and 2015 respectively.

For CO₂ emissions, it is important to note that the HOCHTIEF Asia Pacific data for 2014 have been recalculated due to an update in the reporting method used. Reported emissions of scope 1, 2 and 3 of HOCHTIEF Asia Pacific in 2014 were 3,191,956; 218,953 and 2,750,651 tCO₂ respectively. The drop in CO₂ emissions is also largely due to the restructuring process in HOCHTIEF Asia Pacific, and the reported CO₂ emissions in 2015 of HOCHTIEF Asia Pacific of scope 1, 2 and 3 are 1,790,000; 84,000 and 3,497,000 tCO₂ respectively. Scope 1, 2 and 3 emissions of HOCHTIEF Americas are estimated (in 2014 Scope 1: 2,432 tCO₂, Scope 2: 6,620 tCO₂, Scope 3: 3,648,726 tCO₂, in 2015 Scope 1: 1,148,432 tCO₂, Scope 2: 37,112 tCO₂ and Scope 3: 1,086,608 tCO₂).

Scope 3 emissions include those calculated for employee travel. In HOCHTIEF and CIMIC they include those calculated referring to the Supply Chain (Cement, Timber, Waste and Steel).

A methodology has been adopted in this report to account for CO₂ emissions in all years under which Urbaser classifies the emissions from water and waste treatment centres as indirect under Scope 3, as it does not own or have operational control over these facilities, as included in the international GHG Protocol (Appendix F) and EPE Protocol (waste sector methodology) standards Urbaser has used to calculate its Carbon Footprint. The Public Authorities, as the owners of the facilities, impose the operating requirements, while the management companies limit themselves to operating them temporarily. It is also important to note that use of concession assets - which are currently owned by Saeta Yield - is only taken into account in the Industrial Services division until February 2015, at which point the Group stopped having a majority shareholding and managing these assets.

11.4. RISKS (GOOD PRACTICES)

LEVEL OF IMPLEMENTATION OF GOOD ENVIRONMENTAL MANAGEMENT PRACTICES IN THE ACS GROUP. 2015

(EXPRESSED AS % OF SALES)	Construction	Industrial Services	Environment
Implementation of an environmental management system	94.1%	100.0%	100.0%
Implementation of ISO 14001 certification	66.3%	77.3%	86.9%
Implementation of certifications other than ISO 14001	0.6%	0.1%	0.5%
Existence of specific targets for reducing CO ₂ emissions	2.2%	17.0%	100.0%
Execution of projects to reduce waste generation	95.3%	89.0%	100.0%
Existence of plans to reduce water consumption	93.4%	32.6%	100.0%
Setting of objectives to minimise the impact of the company's activities on biodiversity	94.5%	33.6%	54.3%
The remuneration of workers, middle management and/or executives is linked to the achievement of formal environmental objectives	8.8%	1.5%	26.9%
There is some kind of non-economic incentive/recognition for the achievement of formal environmental objectives	81.3%	1.5%	26.9%
The environmental management system has been audited by an external independent third party	94.1%	100.0%	100.0%
Number of environmental audits carried out in your company	209	325	616
Number of environmental incidents which occurred	710	30	192
Number of environmental complaints	12	0	7
Existence of a system for collecting data on environmental near misses	94.5%	33.6%	54.3%
Existence of a centralised database to collect data on environmental matters	93.8%	86.5%	86.5%



11. ENVIRONMENT

11.4.1. CLIMATE CHANGE

The ACS Group shares with society the growing concern over climate change, hence in 2015 it has an active policy for reducing its greenhouse gas emissions in companies representing 88.06% of ACS Group sales.

The main challenge is to understand and quantify all the ACS Group's emissions. Each company is responsible for maintaining an inventory of emissions, in which the main sources are identified. All Group companies measure their energy consumption and their direct and indirect emissions.

Specifically, Urbaser, the Group company that provides Environmental services, has a sophisticated process in place for measuring, controlling, reducing and compensating emissions. The company defines the Group's strategy against Climate Change due to the material nature of its impact on the latter. Urbaser has developed a tool to measure its carbon footprint impact. It is a system which can be audited and which has contained information since 2012. In 2015, Urbaser analysed its Carbon Footprint, which is certified and registered. It has also set a target of lowering its scope 1 and 2 emissions by 5% nationwide during the 2013-2017 period. During 2015, Clece has also assessed its carbon footprint with the assistance of AENOR.

Overall responsibility for climate change in the Group falls to ACS's Board of Directors, which approved and oversees the development of policies to minimise impact in this area. In turn, remuneration to workers in companies representing 16.59% of ACS employees include aspects related to environmental performance and specifically to achieving objectives related to climate change.

ACS Group strategy in the fight against climate change is based on proper management of direct emissions, fossil fuels, on renewable energies, on energy efficiency and saving and on sustainable travel. The results expected as a consequence of active policies for containing climate change are:

- Reduction of direct emissions by means, for example, of the implementation of new production processes.
- Cutting indirect emissions, e.g. slowing fuel consumption and promoting energy efficiency, for example in HOCHTIEF using its telepresence system, through which it plans to save approx. 8,000 tons of CO₂ equivalent by 2020 due to transport savings. Cobra and Clece are other examples; in some of their centres, lights are being replaced to reduce electricity consumption.
- According to the data gathered, in 2015 the emission reduction initiatives carried out by ACS Group companies saved 12,181.0 tonnes of CO₂ equivalent.
- Analysis of the possibility of implementing Energy Management Systems (in accordance with UNE-EN ISO 16001 certification, where appropriate).
- Employee training, raising awareness in customers (companies which account for 89.56% of sales offer customers products and/or services which can help bring down emissions) and control of suppliers.
- The financial consequences of climate change for each company's business have begun to be measured.

HOCHTIEF: ENERGY AWARD

The HOCHTIEF Energy Award, organised in 2015, showcases solutions which combine innovation and environmental responsibility. All Group employees are invited to present ideas and examples of good practices in the field of energy efficiency. The call is extended to all Group offices and sites. We can use this initiative to conserve resources, cut carbon emissions and make our projects even more efficient than they already are. Communication activities were launched during the year.



Another key aspect lies in the promotion of the use of renewable energy or sources less intensive in carbon, as well as the use of the best technologies in the combustion of fossil fuels as two fundamental aspects to reduce CO₂ emissions.

The ACS Group has extensive experience in the development of and participation in renewable energy projects. The ACS Group participates in the operation of renewable energy plants (mainly wind and solar thermal), specifically:

- At 31/12/2015, the total wind power installed in Spain was 13.5 MW. These farms produced a total of 19.02 GWh during 2015.
- Outside Spain at 31/12/2015, there were 128.1 MW in Portugal that generated 282.12 GWh and 32.1 MW in Peru which produced 138.8 GWh. ACS owns 97.2 MW in Peru which are under construction.
- At 31/12/2015 the ACS Group had a stake of 10% in two thermal solar plants of 49.9MW, which produced a total of 224.7 GWh in 2015. In 2015, it also had a holding in a 110 MW thermo solar plant under construction in the United States and another 100 MW which was being built in the Republic of South Africa.

This represents a total generation of 664.64 GWh²⁷.

²⁷ In order to calculate the electricity produced, it is necessary to consider only the renewable assets which the ACS Group manages as of 31/12/2015, so this does not include the production from the Saeta Yield assets which began to be listed on the markets in February 2015. With this holding, the Group sold 51% of this company on the market and also 24% to GIP, so that as of 31/12/2015, the ACS Group only held a shareholding of 24.2% of these assets.

11. ENVIRONMENT

CO2 EMISSIONS BY AREA OF ACTIVITY; TCO₂ EQUIV.

	2012*	2013*	2014	2015
Construction. Total emissions	669,396	7,650,751	12,370,617	8,337,524
Construction. Scope 1	143,205	3,526,160	5,213,013	3,008,393
Construction. Scope 2	330,260	225,960	292,503	210,532
Construction. Scope 3	195,931	3,898,631	6,865,102	5,118,599
Construction. Total Emissions / Sales ratio (€ million)	22.6	258.8	496.4	342.7
Industrial Services. Total emissions	86,025	99,278	136,365	100,024
Industrial Services. Scope 1	43,035	72,798	99,199	56,062
Industrial Services. Scope 2	33,524	15,064	13,412	21,825
Industrial Services. Scope 3	9,466	11,416	23,754	22,137
Industrial Services. Total Emissions / Sales ratio (€ million)	12.2	14.0	21.8	15.4
Environment. Total emissions	1,411,329	3,427,066	4,077,932	4,277,701
Environment. Scope 1	136,518	172,716	180,773	224,310
Environment. Scope 2	28,547	61,133	57,853	62,166
Environment. Scope 3	1,246,264	3,193,217	3,839,306	3,991,225
Environment. Total Emissions / Sales ratio (€ million)	834.6	1,142.4	1,426.1	1,421.4

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** For CO₂ emissions, it is important to note that the HOCHTIEF Asia Pacific data for 2014 have been recalculated due to an update in the reporting method used. Reported emissions of scope 1, 2 and 3 of HOCHTIEF Asia Pacific in 2014 were 3,191,956; 218,953 and 2,750,651 tCO₂ respectively. The drop in CO₂ emissions is also largely due to the restructuring process in HOCHTIEF Asia Pacific, and the reported CO₂ emissions in 2015 of HOCHTIEF Asia Pacific of scope 1, 2 and 3 are 1,790,000; 84,000 and 3,497,000 tCO₂ respectively. Scope 1, 2 and 3 emissions of HOCHTIEF Americas are estimated (in 2014 Scope 1: 2,432 tCO₂, Scope 2: 6,620 tCO₂, Scope 3: 3,648,726 tCO₂, in 2015 Scope 1: 1,148,432 tCO₂, Scope 2: 37,112 tCO₂ and Scope 3: 1,086,608 tCO₂).

Scope 3 emissions include those calculated for employee travel. In HOCHTIEF and CIMIC they include those calculated referring to the Supply Chain (Cement, Timber, Waste and Steel).

A methodology has been adopted in this report to account for CO₂ emissions in all years under which Urbaser classifies the emissions from water and waste treatment centres as indirect under Scope 3, as it does not own or have operational control over these facilities, as included in the international GHG Protocol (Appendix F) and EPE Protocol (waste sector methodology) standards Urbaser has used to calculate its Carbon Footprint. The Public Authorities, as the owners of the facilities, impose the operating requirements, while the management companies limit themselves to operating them temporarily. It is also important to note that use of concession assets - which are currently owned by Saeta Yield - is only taken into account in the Industrial Services division until February 2015, at which point the Group stopped having a majority shareholding and managing these assets.



11.4.2. ECO-EFFICIENCY

The ACS Group attaches a priority to efficiency in resource consumption and reduction of waste generation, as an effective strategy in these aspects implies benefits from two angles. On the one hand, it reduces the environmental impacts on the surroundings and, on the other, it cuts the costs needed for their purchase or treatment.

To this effect, the ACS Group strategy is based on two fundamental aspects:

- The implementation of projects to reduce waste generation, an exercise which takes place in companies representing 94.49% of ACS's sales.
- The carrying out of projects to reduce material and/or raw material consumption, which takes place already in companies representing 76.85% of ACS Group sales.

In addition, there is notable implementation of policies in relation to the application of sustainable building standards²⁸. These are applied in those cases in which the client accepts them, given that the ACS Group in the great majority of cases works for third parties in building development.

²⁸ For example, systems for sustainable building certification LEED – Leadership in Energy & Environmental Design, BREEAM – BRE Environmental Assessment Method, LCC – Life Cycle Cost Results, etc.



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SUSTAINABLE BUILDING STANDARDS

HOCHTIEF, through Turner in the United States and Leighton in Australia, carries out building activities in accordance with sustainable building standards.

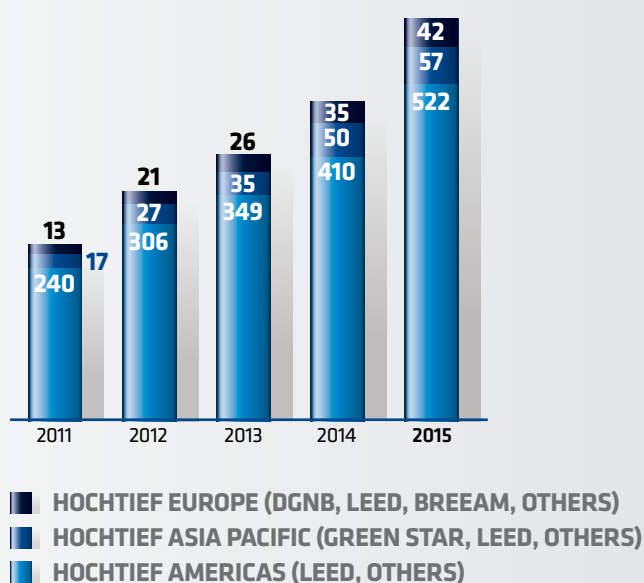
Since 2010, 621 projects have been registered and certified as per different certifications in terms of efficient construction.

Turner mainly adopts the LEED standard. CIMIC uses the Australian Green Star Methodology of the GBCA (Green Building Council of Australia) and LEED in its construction activities, while HOCHTIEF mainly adopts the DGNB, LEED and BREEAM certifications in Europe.

Similarly, we are awarded certifications for an increasing number of our infrastructure projects. In 2015, two HOCHTIEF employees passes the professional sustainable transport exam with the Greenroads organisation in the United States, with the aim of promoting these initiatives. The Group booked 6.7 billion euros of sales in the ecological infrastructure segment in 2015.

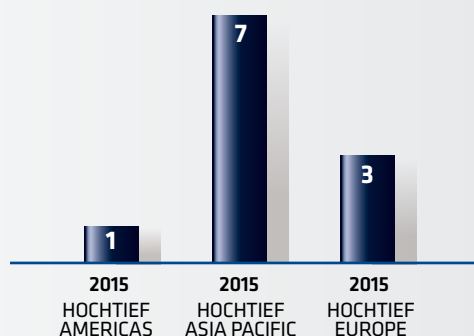
A good example is CPB Contractors, a subsidiary of CIMIC which is working on the Gateway WA Perth Airport and Freight Access project, one of the most important highway projects in the Western Australia. The joint venture has applied to obtain the Infrastructure Sustainability Council of Australia (ISCA) certificate. The project team analysed a number of matters, including the materials commonly used in road construction with the aim of increasing sustainability by replacing one material with another. Class 600 asphalt is currently used instead of the traditional class 320 asphalt. Consequently, the team uses 10% less asphalt in the project with the same useful lifecycle. This is not only a significant saving but also helps to reduce carbon emissions.

GREEN BUILDINGS HOCHTIEF



Cumulative number of certified "green buildings" constructed by HOCHTIEF by the year-end.

GREEN INFRASTRUCTURE HOCHTIEF



Cumulative number of certified "green infrastructure" constructed by HOCHTIEF by the year-end.

ECO-EFFICIENCY IN THE ACS GROUP THE ISO50001 CERTIFICATION

In 2014, the ACS Group began to develop an initiative to analyse the efficiency of its facilities, to seek to measure the square metres of certified offices according to the ISO50001 energy efficiency standard (or similar). Once solid and comparable information has been obtained then targets will be set. In 2015, information has been obtained on 2,721,537 metres, 28.11% of which are certified.

Waste treatment

Special importance is attached to the wastes section, as the procurement part depends predominantly on the client's needs and requests. Hence, more resources, efforts and policies are dedicated to the handling of wastes than to any other discipline in eco-efficiency.

In this respect, the ACS Group appropriately segregates, stores and manages its wastes. Its management is always aimed at minimising the wastes generated, both in terms of quantity and of their hazards, on giving priority to recycling and reuse above other management options and in energy recovery as the preferred choice as against dumping.

WASTES TREATED BY TYPE AND AREA OF ACTIVITY

	2012*	2013*	2014	2015
Total ACS Group				
Non-hazardous waste sent for management (t)	1,274,102	3,115,431	4,032,274	4,133,643
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	33.2	78.6	118.4	122.2
Hazardous waste sent for management (t)	88,182	268,137	171,643	327,729
Ratio: Tonnes of hazardous waste / Sales (€ million)	2.3	6.8	5.0	9.7
Construction				
Non-hazardous waste sent for management (t)	1,110,220	3,054,986	3,864,620	4,064,245
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	37	103	155	167
Hazardous waste sent for management (t)	5,784	232,656	152,935	308,548
Ratio: Tonnes of hazardous waste / Sales (€ million)	0.2	7.9	6.1	12.7
Industrial Services				
Non-hazardous waste sent for management (t)	80,497	42,519	149,790	53,353
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	11	6	24	8
Hazardous waste sent for management (t)	7,198	1,267	2,312	2,141
Ratio: Tonnes of hazardous waste / Sales (€ million)	1.0	0.2	0.4	0.3
Environment				
Non-hazardous waste sent for management (t)	83,386	17,926	17,864	16,044
Ratio: Tonnes of non-hazardous waste / Sales (€ million)	49	6	6	5
Hazardous waste sent for management (t)	75,200	34,214	16,396	17,041
Ratio: Tonnes of hazardous waste / Sales (€ million)	44.5	11.4	5.7	5.7

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** Waste sent to management in 2014 of HOCHTIEF have been modified due to the updating of their reporting in HOCHTIEF Asia Pacific; the total tonnes of HOCHTIEF sent to management in 2014 of 3,747,136.

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Waste is managed in accordance with the regulations in force in each country. The facilities have the corresponding authorisations for producers of hazardous waste, which allow for their recording, inventory taking, storage and management. The non-hazardous wastes generated are reused in the production location or collected by an authorised manager for treatment, recycling or reclamation or, failing this, for disposal in controlled dumps.

The ACS Group also generates other hazardous wastes or wastes with specific regulation which need to be treated respectively by an authorised hazardous waste handling company or Integrated Waste Management System. Hazardous waste is, in general,

delivered to authorised handling companies in accordance with the legislation in force.

Rationalisation of Energy and Material Resource Consumption

A large portion of the natural resources consumed by ACS Group companies is used efficiently. To achieve this, the best available technologies for efficient and reduced material and energy resource consumption are used (as shown in the supply chain section) and for energy resources. The ACS Group has a calculated energy intensity of 385.95 MWh/million euros year, which is considered to be the consumed energy of petrol, gas-oil and natural gas.

ENERGY CONSUMPTION BY SOURCE

	2012*	2013*	2014	2015
Total ACS Group				
Petrol + Diesel (million litres)	104.2	1,367.3	2,117.3	1,255.2
Natural gas (m ³)	2,136,012.0	343,509.0	401,979.8	402,855.7
Natural gas (kWh)	35,137,353.0	58,517,257.3	110,989,143.9	179,090,035.4
Biofuel (mn litres)	N/A	N/A	N/A	0.2
Electricity (MWh)	1,279,301.9	566,015.4	860,104.8	759,019.7
Electricity from renewable sources (MWh)	N/A	N/A	N/A	18,436.5
Construction				
Petrol + Diesel (million litres)	40.6	1,281.0	2,016.2	1,164.2
Natural gas (m ³)	273,568.6	310,951.3	266,690.4	279,111.4
Natural gas (kWh)	976,526.7	224,000.0	771,402.7	756,036.8
Biofuel (mn litres)	N/A	N/A	N/A	0.0
Electricity (MWh)	1,086,737.0	316,187.4	571,585.0	418,974.9
Electricity from renewable sources (MWh)	N/A	N/A	N/A	557.0
Industrial Services				
Petrol + Diesel (million litres)	16.0	26.7	38.8	22.3
Natural gas (m ³)	31,591.0	32,557.7	135,289.5	123,744.4
Natural gas (kWh)	768,522.5	802,370.7	135,541.2	105,956.8
Biofuel (mn litres)	N/A	N/A	N/A	0.0
Electricity (MWh)	98,629.8	49,391.6	54,298.5	88,358.7
Electricity from renewable sources (MWh)	N/A	N/A	N/A	1,564.2
Environment				
Petrol + Diesel (million litres)	47.4	59.6	62.3	68.7
Natural gas (m ³)	1,830,853.0	0.0	0.0	0.0
Natural gas (kWh)	33,392,304.5	57,490,886.5	110,082,200.0	178,228,041.8
Biofuel (mn litres)	N/A	N/A	N/A	0.2
Electricity (MWh)	93,935.1	200,436.4	234,221.3	251,686.1
Electricity from renewable sources (MWh)	N/A	N/A	N/A	16,315.2

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** HOCHTIEF Americas 2015 estimated energy data: electricity: 73,030 MWh and diesel/petrol: 505.9 mn litres.

The increased natural gas consumption in Environment is largely due to higher activity by vehicles which use this fuel in Urbaser. Natural gas consumption rose from 95,939,200Kwh in 2014 to 155,222,041 kWh in 2015. In Industrial Services, the sale of certain renewable assets in 2015 (Saeta Yield assets) offsets the increase from the commissioning of different thermo solar plants.

The main use of petrol and diesel in ACS Group companies is transport of materials, personnel, earth movement and the use of certain machinery necessary for the company's operational activities.

11.4.3. WATER

The activities carried out by the ACS Group involve considerable water consumption, especially in the construction field. As such, the company recognises the need to reduce consumption of this natural resource, especially in zones where there is water stress. As far as possible, and whenever the projects' characteristics so permit, recycled water which is unfit for human use is employed.

The keys to the ACS Group's strategy for reduction of water consumption are summarised in three points:

- Implementing appropriate measurement systems (at project, company and corporate level), permitting detailed knowledge of the main sources for consumption. This is an initiative applying to the majority of the ACS Group.
- Carrying out actions which promote reduction of water consumption or which encourage the consumption of recycled water. Companies representing 82.1% of ACS Group sales have established plans for reducing water consumption in their activities.

Driving and developing operational policies for water management and desalination. The ACS Group currently operates desalinating plants in Spain and Algeria.

The ACS Group has numerous measures aimed at reducing water consumption, such as raising employee awareness, reuse of cleaning water and the use of rainwater. Specifically, in the Construction area:

- Good environmental practices are applied to minimise consumption, especially of water
- Reuse of water from machinery cleaning in works
- Awareness campaigns were organised with guidelines to reduce water consumption
- Use of rainwater.

The ACS Group pays attention to improving its management and use of water, with special consideration for those works located in geographical zones with water stress. As such, ACS has been making efforts for many years in the south-east part of the Iberian Peninsula and on the Canary Islands, these being locations which have frequent water deficits. The Environmental Management System considers water stress as an additional variable in the evaluation criteria for the "water consumption" parameter, which leads to the initiation of preventive measures to optimise water consumption and the monitoring of the effectiveness of these measures.

Lastly it is worth emphasising that the ACS Group carries out exhaustive monitoring of the quality of water discharged to the natural environment. In this regard, all monitoring carried out meets legal demands, such that significant effects do not occur in the natural environment.

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WATER CONSUMPTION AND DISCHARGES

	2012*	2013*	2014	2015
Total ACS Group				
Potable water consumption (m ³)	6,677,845.0	6,014,566.0	13,659,957.6	17,927,119.9
Non-potable water consumption (m ³)	3,389,806.4	12,446,274.0	14,664,889.1	22,856,367.5
Total waste water discharged (m ³)	4,263,678.7	7,833,733.0	9,456,047.8	12,672,441.6
Volume of recycle or reused water (m ³)	N/A	N/A	N/A	5,403,852.5
Ratio: m ³ of Water / Sales (€ million)	262.2	465.9	831.9	1,206.0
Construction				
Potable water consumption (m ³)	3,026,719.0	509,758.0	8,803,046.1	12,567,539.4
Non-potable water consumption (m ³)	1,125,737.0	231,654.0	114,686.9	1,645,230.3
Total waste water discharged (m ³)	1,752,485.2	258,943.6	739,519.2	600,065.8
Volume of recycle or reused water (m ³)	N/A	N/A	N/A	5,171,275.1
Ratio: m ³ of Water / Sales (€ million)	139.9	25.1	357.8	584.1
Industrial Services				
Potable water consumption (m ³)	458,160.0	107,182.9	690,385.1	654,681.6
Non-potable water consumption (m ³)	4,693.0	10,008,120.4	12,755,862.4	19,311,515.8
Total waste water discharged (m ³)	161,525.7	6,081,782.5	7,528,438.8	11,180,385.1
Volume of recycle or reused water (m ³)	N/A	N/A	N/A	360.0
Ratio: m ³ of Water / Sales (€ million)	65.7	1,431.3	2,144.8	3,083.9
Environment				
Potable water consumption (m ³)	3,192,966.0	5,397,625.1	4,166,526.4	4,704,898.9
Non-potable water consumption (m ³)	2,259,376.4	2,206,499.6	1,794,339.8	1,899,621.3
Total waste water discharged (m ³)	2,349,667.8	1,493,006.9	1,188,089.8	891,990.7
Volume of recycle or reused water (m ³)	N/A	N/A	N/A	232,217.4
Ratio: m ³ of Water / Sales (€ million)	3,224.3	2,534.7	2,084.7	2,194.6

* 2012 and 2013 data which are not comparable due to organisational restructuring processes of the ACS Group.

** Water treatment in 2014 and 2015 includes CIMIC with 8,180,000 m³ and 11,900,000 m³ of water treated in 2014 and 2015 respectively.



Reported water treatment increased as a result of the expansion in Cobra's international activities. Total water consumption by Cobra went from 13,254,636 m³ in 2014 to 19,778,612 m³ in 2015.

11.4.4. BIODIVERSITY

The ACS Group's activities generate impacts on the natural environment where the works are executed. The implementation of measures to conserve the flora and fauna is one of the environmental principles applied in planning operations. These measures are based on physical protection, transplanting or transfer, as well as on respect for the life cycles of the plant and animal species affected.

At the end of 2015, a large number of Group companies, representing 73.88% of sales, were developing specific policies to manage projects located in areas of high biological value, or in their vicinity.

The ACS Group tries to minimise the environmental effect of its activities, especially when these take place in areas of high ecological value. Companies representing 79.02% of sales have set targets for minimising the impact of their activities on biodiversity. Projects are planned with the objective of minimising their environmental impact and, as far as possible, are carried out under the methodology which causes least damage in the setting.

The ACS Group prepares environmental impact studies, which attempt to minimise the possible adverse effects of projects on the natural environment (17.6% of tenders presented included an environmental impact analysis). Public participation in procedures to approve these projects is guaranteed by the national and regional legislation in each of the countries where they are carried out.

In 2015, the ACS Group was involved in restoring 29.75 km² of habitats. A total of 20.80% of these initiatives are being verified by independent external professionals. The company also has supervision plans which guarantee the fulfilment of the preventive measures and reduce the impact of projects and processes not subject to environmental impact assessments. Specifically, in the Construction area:

- Annual targets are set for identifying sensitive areas and species and adopting prevention and protection measures.
- Protection plans are developed for native species.
- The possibility of incorporating or replacing polluting chemical products with other biodegradable products is being studied.
- Strict and rigorous compliance with environmental law.
- Carrying out of some activities with lightweight machinery.
- Activities for replanting and relocating species in similar habitats.

The ACS Group includes the commitment to conservation of biodiversity in its environmental management systems, to meet the following objectives:

- To assess the impacts of the activities on the environment.
- To research, develop and offer its clients innovations which improve environmental conditions.
- To manage the impact and minimise its consequences.

11. ENVIRONMENT

11.5. GOOD PRACTICES

DRAGADOS: RT. HON. HERB GRAY PARKWAY

The Rt. Hon. Herb Gray Parkway (the Motorway) is the link road between Ontario and a new transborder transporter infrastructure between Windsor (Ontario) and Detroit (Michigan). The Motorway underwent one of the most complete environmental impact studies ever conducted in Ontario (study on the international crossing over the Detroit river), and was approved in

accordance with the Environmental Assessment Act of Ontario and the Canadian Environmental Assessment Act, having being considered to be the most adequate solution to solve the community's problems and to fulfil transport objectives. The Motorway passes through the towns of Tecumseh, LaSalle and Windsor, and is a project which will affect an entire generation.



With a budget of 1.4 billion dollars, the Motorway is the first transport infrastructure in Ontario to be built following an alternative funding and contracting model using both public and private interests. Infrastructure Ontario and the Ministry of Transport of Ontario (MTO) awarded the Motorway contract to the Windsor Essex Mobility Group (WEMG) consortium, which was made up of ACS Infrastructure Canada INC., Acciona Concessions Canada and Fluor Canada LTD).

WEMG subcontracted the design and construction of the project to Parkway Infrastructure Constructors (PIC), a joint venture consisting of Fluor Canada LTD., Dragados Canada INC. and Acciona Infraestructuras Canada INC. The WEMG agreement in Ontario includes a 30-year long maintenance contract.

It is an unprecedented Motorway project in terms of transport, community and environmental infrastructure.

Transport Infrastructure:

- 11 km long
- 15 bridges
- New six-lane urban highway
- New parallel four-lane network of service roads
- Underground highway
- Complete lighting
- Rainwater treatment system
- Advanced traffic management system

Community and environmental infrastructure:

- 11 tunnels which cover 1.8 km of highway
- Community connections (six bridges and two tunnels for pedestrians)
- Over 120 hectares of green areas
- 20 km of ways for recreational uses
- Noise reduction measures
- Large landscaped areas
- Special measures to protect fauna and flora
- Animal passage points

Ecological orientation

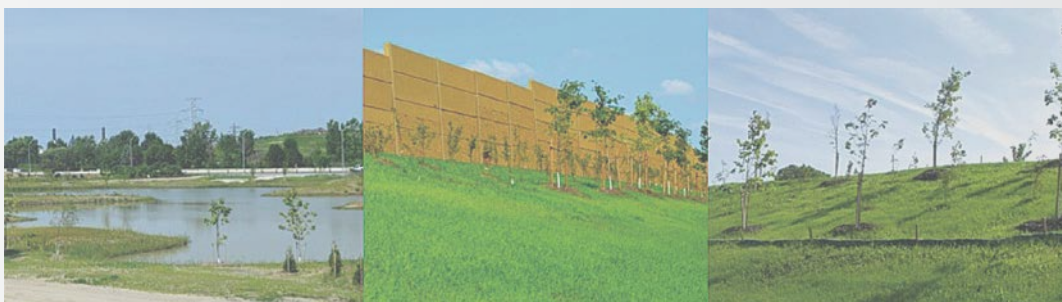
An ecosystem model has been adopted to plan all the ecological tasks, including compensation for wetlands and fishing areas, protection of endangered species and landscaping.

The green areas of the Motorway include tallgrass prairies and Savannah oaks, hallmarks of the Windsor-Essex landscape. The Motorway is located in an urban area which contains remains of tallgrass prairies, a highly endangered ecosystem all over the world and once which is seldom found in North America.

The remaining meadows in Windsor-Essex have a high degree of biodiversity and contain more endangered species than anywhere else in Ontario, except for Walpole Island. The Ojibway nature reserve in Windsor is currently the largest protected prairie in Ontario. The way the Motorway is structured considerably reduces its impact on ecologically sensitive areas. Consequently, the project has only had an impact on fewer than four hectares with special interest vegetation.

Over 300 buildings and numerous trees and bushes had to be removed in order to build the Motorway. Opening up these spaces created an opportunity to reclaim what was historically a tallgrass prairie ecosystem.

As the project developed, knowledge about the scope and the importance of the ecological assets included in the Motorway corridor also evolved. The environmental tasks of the project were initially designed to minimise the impact on adjacent natural areas. Subsequently, they were focused on fully harnessing opportunities to recover, create and extend tallgrass prairies, so it was basically necessary to plan and design a “prairie motorway”.



Landscaping works in August 2014

11. ENVIRONMENT

DRAGADOS: RT. HON. HERB GRAY PARKWAY

One hundred and twenty hectares of green areas are included in the Motorway landscaping plan, 74 hectares of which are allocated to ecological spaces created with tallgrass prairies and Savannah oaks.

A total of over 100,000 trees, bushes and herbaceous plants will be planted. This will make it the most ambitious landscaping project to date for a provincial road project and the first to use exclusively native species.

In accordance with the 2007 Endangered Species Act de 2007, the Ministry of Natural Resources and Forestry, MNRF awarded licenses to the MTO to guarantee the protection to seven plant species and two reptile species which inhabit the Motorway corridor. These licenses have been conditioned to the design and schedule of the project.

Before construction began, all the endangered plant and reptile species were removed from the Motorway corridor and transferred to protected areas. The new methods developed to protect endangered species can be applied beyond the scope of the project. For example:

- Approximately 200,000 endangered plant species, and also a large number of rare plant species, have been transferred to 25 hectares of protected terrain beyond the corridor.

- Over 6,000 Motorway employees have received training about protected species.
- Since 2011, over 25,000 hours have been spent monitoring reptile populations.
- Between 2008 and 2013, over 1,000 eastern fox snakes and Butler's garter snakes have been relocated in protected tallgrass prairie areas through large-scale recovery efforts.

The recovery based on the ecosystem and the landscaping completed as part of the Motorway project will be very beneficial for people, plants and animal species.

Biodiversity

The Ontario biodiversity strategy, which was approved in 2011, is aimed at protecting and recovering the genetic diversity of Ontario's species and ecosystems, and also the ecosystems' functions and processes. The protected areas of the Motorways, and also the landscaped areas, host a large number of prairie plants which help to create more biodiversity in the region.

Havens for rare and endangered species

Urban development reduces and fragments the habitat available for many different species. For many rare and



Eastern prairie orchid



Aletris.



Teresita.

endangered species, the ecological strips which are part of the Motorway are an important habitat which they use to seek food, reproduce, to seek refuge during the winter or to rest during migrations.

One of the key part of the projects is a section which runs through one of the tunnels. This section effectively reconnects two large prairie areas which had been separated due to the construction of the Huron Church road in the 1950s. The section has been specially designed to favour the movement of endangered reptile species.

Erosion control

Erosion, and the ensuing drop in sedimentation levels, can have a significant impact on water quality, which can in turn affect fish populations. Sediments entering channels from eroded areas can push up costs as it will be necessary to clean and dredge the beds to maintain the flow of water. Prairie area plants in the Motorways areas have strong and deep lying roots, with a firm grip on the soil and create excellent protection against erosion caused by wind and water.

Wetlands and fishing areas

The wetland and fishing area compensation areas include recovery areas for the habitats of endangered species, thereby creating new connections between habitats. Over 45 hectares of wetlands and intermediate terrains have been protected, offering an appropriate habitat for many species. These areas also include the water quality and mean there is less risk of flooding, as

they act as a buffer against strong currents.

The fishing area compensation areas have created a habitat of over 35,000 m² for fish, including new spawning areas, and winter/summer refuges for pike and other species.

Pollination

According to the “Let’s protect our pollinators” campaign organised by Ontario Nature, approximately one third of the produce we consume depends on pollinators, for example, bees, acting on harvests. The diversity of the flora in the landscaped and protected areas of the Motorway will ensure that pollinators have a source of nectar during cultivation periods.

Recreational areas and cultural value

The trail network offers walkers and cyclists permanent unrestricted access to the Motorway corridor. It is designed to connect with the Trans-Canadian route (the Chrysler Greenway Trail) and with a number of different trails and municipal parks. Thanks to the Motorway’s integrated trails and green areas network, people living in the area will also have better access to natural areas. The Motorway’s green areas will add a dash of colour during the entire year.



Eastern fox snake



Butler's garter snake



Liatris.

12. HOW THE ACS GROUP HELPS SOCIETY

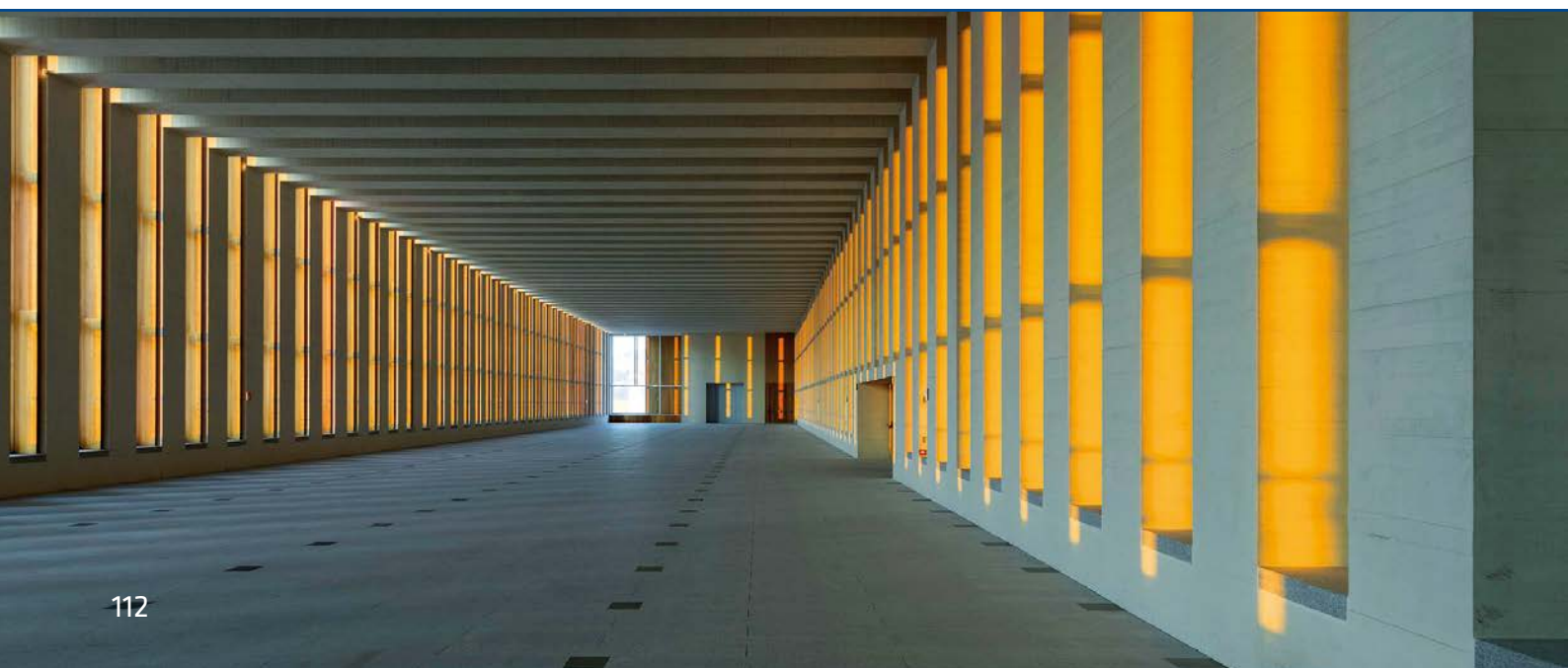
A commitment to improving society is part of the ACS Group's objectives. To contribute to this objective, ACS defines a Policy for Social Action linked to its business strategy, as this is the best way of creating real shared value for all stakeholders.

	COORDINATORS	REASONS FOR CONTRIBUTORS	TYPES OF CONTRIBUTIONS	FIELDS OF ACTION	GEOGRAPHICAL AREAS	MONITORING	REPORTING
SOCIAL ACTION POLICIES OF THE ACS GROUP	GROUP COMPANIES	INVESTMENTS IN THE COMMUNITY	IN KIND	<ul style="list-style-type: none"> Corporate volunteering Raising awareness communities Environmental awareness Energy efficiency Road safety / labour risks Supporting NGOs and community organisations 	ALL COUNTRIES WHERE ACS OPERATES	INTERNAL MONITORING COMMITTEE OF MONITORING, EVALUATION OF ACHIEVEMENTS AND IMPACT	CSR REPORT OF THE ACS GROUP
	ACS FOUNDATION	COMMERCIAL INITIATIVES	CASH	<ul style="list-style-type: none"> Removing barriers and universal accessibility for disabled people and people with reduced mobility Environmental education and protection Restoration of historical monuments Scientific and technical research Sponsorship of other foundations and institutions Support for cultural activities Support for sporting activities Cooperation with respect to development 			ANNUAL REPORT OF THE FOUNDATION ACS
		PHILANTHROPIC DONATIONS					

This Policy seeks to promote the ACS Group's Social Action, which will help the company to achieve the following objectives:



- DRIVING FORWARD THE BUSINESS AND SUSTAINABILITY OF THE BUSINESS
- IMPROVING THE COMPANY'S PRESTIGE AND REPUTATION
- INCREASING EMPLOYEE AND PARTNER SATISFACTION
- HELPING TO IMPROVE THE SOCIETY IN WHICH THE ACS GROUP OPERATES



The Social Action Policy of the ACS applied in all countries in which the ACS Group operates.

12.1. SOCIAL ACTION PLAN

The ACS Group Social Action policy is based around an Action Plan, which sets out the procedures for application in its different business areas. It has been drawn up in accordance with the guidelines and recommendations of the London Benchmarking Group (LBG), includes the broad experience built up over the years by the ACS Foundation and addresses social initiatives of the companies within the ACS Group.

The Social Action Policy of the ACS Group will thus be carried out by the Group companies and by the ACS Foundation, but they will both have different functions and contributions.

- Group companies: each Group company will be free to select its own social action activities as long as they are connected with the experience which it has acquired in its line of business and help meet the objectives of this policy. Subsequently, the company's employees will have the chance to take part in such activities as corporate volunteers.

In order to apply this Policy operationally, each company will appoint a person responsible for social action. He or she will launch the initiatives, will act as the contact person for employees who wish to take part in the programmes, who coordinates activities and who monitors the indicators needed to gauge the impact of the initiatives.

- ACS Foundation: the Foundation will address its own activities, according to its articles of association, and will be authorised to support Group companies which ask for support for its corporate volunteership initiatives, if deemed pertinent.

Social Action contributions may be in payment or in kind.

The activities set out in the Social Action Policy of the ACS Group will be included in the three following categories:

- Community investments: long-term collaboration with NGOs or community organisations in order to address different social needs. This category will include the Foundation's activities which are described thus and also activities designed to raise people's awareness carried out as part of the corporate volunteership programmes of Group companies.
- Commercial initiatives: support to sponsorship or patronage activities carried out by the Foundation or by Group companies. The goal will be to ensure that the sponsored initiatives are aligned with this Social Action Policy.
- Philanthropic donations: occasional support to NGOs or community organisations in response to one-off or emergency needs. These types of donations will mainly be made by the Foundation, but they will also include payments in kind given for these cases to the voluntary employees of these different companies, who have asked for it and have been allocated it.
- The ACS Foundation will also be authorised to carry out any other initiatives set out in its By-laws determined by its Board.

The Social Action Policy of the ACS Group will be the same for all Group companies and its Foundation, and can be implemented and developed in all countries in which the ACS Group operates.

The Executive Vice Chairman, member of the Board of Directors of the Vice Chairman of the ACS Foundation, will bear responsibility in terms of Social Action.

12. HOW THE ACS GROUP HELPS SOCIETY

12.2. SOCIAL ACTION OF ACS GROUP COMPANIES

During 2015, the ACS Group companies have carried out the following Social Action initiatives:

Investments in the community

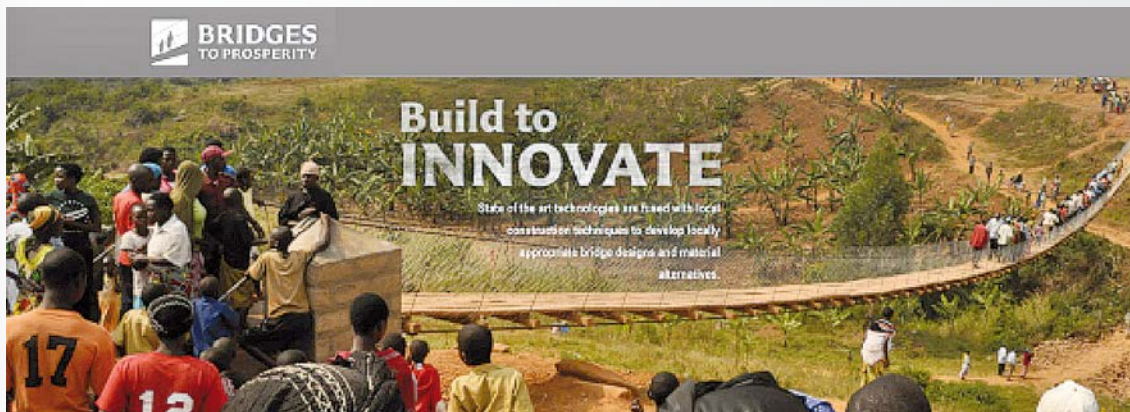
During 2015, companies accounting for 87.67% of total ACS Group employees developed some form of social action relating to investments in the community. Cash funds and payments in kind for these initiatives totalled 3.0 million euros, while 1,743,145 people are estimated to benefit from these activities. Community investments are aligned with the Group's core activities, such as, for example, construction and adapting of infrastructure for the community, and also through arranging courses and activities aimed at raising awareness of social and environmental matters, energy efficiency or safety in the workplace. Some of the most striking social action initiatives engaged in by the Group in 2015 include

the community activities performed by Iberoamericana de Hidrocarburos in Mexico. Also, in the field of raising awareness, Urbaser is equipped with "environmental classrooms" in all its waste treatment plants which are visited by different social groups (primary and secondary schools, public agencies) who are shown around by company employees who voluntarily carry out their duties during their working day. In 2015, Cobra cooperated with the ADEMI association in setting up a training centre to carry out training activities in their sector, using materials donated by different companies. Here are other examples of these community investments:



HOCHTIEF: *BRIDGES TO PROSPERITY*

In recent years, a focal point of HOCHTIEF's sponsorship has been the Bridges for Prosperity (B2P) initiative, a non-governmental organisation which builds pedestrian bridges in remote areas all over the world, by this means helping local communities to get better access to trade, education and healthcare.



Flatiron and Turner have supported B2P projects in Central and Southern America for many years. Flatiron is strongly committed to its role as a strategic partner for B2P and it draws on its experience in building to help to design model bridges. In 2015, two Flatiron and EE. Cruz teams, together with B2P, took part in building several hanging bridges in Nicaragua, which are used by hundreds of people every day.

In 2012, HOCHTIEF played a role in this project from Germany and the rest of Europe, and it currently supports B2P in projects taking place in Rwanda. In 2015, HOCHTIEF employees from a number of different European countries built a 70 metre bridge in Rwanda.

Cooperation with B2P increases HOCHTIEF's commercial activities, adding to a sense of strong engagement with the community. Our participation is beneficial to both parties, particularly to people in the regions, given that the bridges cross rivers whose flows increase considerably during the wet season, becoming an important threat or an impossible hurdle for the inhabitants. Because of the increased flow of water in the rivers, they are unable to reach their schools, markets or doctors.

According to B2P estimates, over the last five years the projects have had the following results: 12% more children matriculated in schools (10,150 children have benefited), a 24% increase in healthcare (20,300 people benefiting from these services), 18% more women employed and a 15% increase in local business.

Through its sponsorship projects, HOCHTIEF has a positive impact on the regions' economic and social development. During the construction phase, for example, HOCHTIEF pays for and trains workers in the region. These workers not only acquire construction skills, but they also learn how to maintain bridges. Construction materials, such as timber and cement, also come mainly from the surrounding areas and are bought from local suppliers.

The objective is to extend these sponsorship activities throughout HOCHTIEF. Since 2010, HOCHTIEF and B2P have built 17 projects. Each project has had an annual average of 5,500 users, and this figure is expected to continue to grow in the future.

12. HOW THE ACS GROUP HELPS SOCIETY

COBRA: WASTE WATER TREATMENT SYSTEM IN SAN FERNANDO MUNICIPALITY (TAMAULIPAS, MEXICO)

The city of San Fernando, Tamaulipas, the location where the Nejo block stands, is known for having the highest rate of cancer in the state. This is probably due to the high level of pesticides used in the countryside - agriculture is the core business activity - and the large amount of waste dumped in the Río Conchos, which may have contaminated the water wells used by the municipality. Furthermore, downstream the river flows into the Laguna Madre of the Mexican Gulf, which is a protected area and natural area, and an area used for prawn farms; as well as being to water farmers' fields.

The city used to have a waste water treatment plant, but it hadn't been used for several years because the municipality had not been able to meet the running costs.

Considering its commitment to being a socially responsible company and its engagements with the environment and the community and with the approval of Pemex, the Municipality and directors of IHSA, Iberoamericana de Hidrocarburos S.A., a company which belongs to Cobra, it contracted the Universidad de Nuevo León to draw up an executive project to be able to develop an action plan to be able to rescue the Río Conchos from the contamination affecting it.

One of the premises of this project was that the selected project should have an operating cost of no more than the subsidy (\$0.40 pesos/m³) of treated water) granted by the National Water Commission to the municipalities with waste water systems to prevent it becoming an economic burden which the city might not be able to bear.

4 types of technology were studied. In the end, the macrophytes process which best fitted our quality/operating cost objectives was selected.

The plant is operational and the quality of the water already treated which flows into the river Conchos is far higher than that measured by the standards of the SEMARNAT, or the General Secretariat of the Environment and Natural Resources. So not only did this important tributary stop being polluted, but to a certain degree the plant has also helps to purify other flows made into the channel upstream. It is estimated that over 18,000 inhabitants have benefited from this initiative.



COBRA: CONSTRUCTION OF THE SAN FERNANDO SPORTS FACILITY (TAMAULIPAS, MEXICO)

The communities of the División del Norte, Laguna de San Juan and Nuevo Tlaxcala quarters of the San Fernando municipality did not have a proper facility to carry out sports and family-oriented activities. Iberoamericana de Hidrocarburos analysed the viability of building a sports centre located strategically between the three quarters so as to enhance the standard of life of the inhabitants. Once Pemex had granted its approval, and in coordination with the municipal authorities of San Fernando, IHSA set about developing this Sports Facility with two football pitches, one multi-purpose court, and a baseball pitch, green areas and roofing.

The official inauguration with the municipal authorities took place on 10 September 2015.

Commercial initiatives

During 2015, companies accounting for 86.22% of ACS employees have carried out an initiative relating to sponsorship and patronage activities. A total of 0.5 million euros, in both cash contributions and payments in kind, have been invested for this goal. A total of 6,752 people have benefited from these initiatives. In addition to the examples which will be given below, the Group has carried out other

activities such as the Clece Commitment Awards, which seek to promote good social practices of associations and companies, and which will be organised for the second time in May 2016, or in most of Urbaser's projects in Spain in which campaigns are run to raise awareness about waste management, recycling or the environment. Dragados, for example, also takes part in conferences and seminars held in the School of Civil Engineering (Escuela de Ingeniero de Caminos Canales y Puertos).



12. HOW THE ACS GROUP HELPS SOCIETY

URBASER: COLLABORATOR OF FIRST LEGO LEAGUE



FIRST LEGO League (FLL), organised in Spain by Fundación Scientia, is an international programme for students aged from 6 to 16. The aim of the programme is to encourage these youngsters to develop an interest in science and technology, and also to promote the development of skills and abilities which are considered to be crucial for the XXIth century, such as teamwork, problem-solving, decision-taking and communication.

The youngsters take part on a team basis and have to find answers to a global challenge which changes every year. They have to develop a scientific project, design and programme a robot which carries out a set of tasks, and also do so in a team, with creativity, commitment, an enterprising spirit and innovation.

Urbaser is the thematic collaborator of the 2015-2016 Challenge, or Trash Trek, which focuses on new ways of managing waste.

URBASER has identified four specific issues within the framework of the FLL Trash Trek Challenge, which have been presented to over 1,350 teams and 10,000 participants in order for them to develop scientific projects and come up with innovative solutions to these problems.

The issues are the following:

1. Hedges grow in our green areas and they have to be pruned. Pruning the hedges causes waste branches. What can we do with the cut off branches? Can we improve the cutting system?
2. Every day we generate waste which we throw into bins. These bins have to be emptied. How can we organise waste collection in an efficient way? Do we always have to empty them or can we do so depending on how full they are?
3. Containers contain all sorts of waste. How can we improve the separation of different types of waste inside a container?
4. Pedestrians, vehicles, and animals circulate along our streets and cause pollution, waste,..and dirty the streets. How can we keep our streets clear of waste? Can you think of any solution similar to domestic solutions?

All the scientific solutions which address any of these issues will be analysed by Urbaser's specialists and the winning solution will receive a special prize.

Urbaser's extensive experience in the national and international markets, both in waste treatment and in urban services, and its commitment to technological innovation, makes it the ideal partner for FLL and the 2015-2016 Trash Trek Challenge.

CLECE: FORUMS FOR INTEGRATION



Clece conducts a number of different “Forums for integration” over the course of the year aimed at raising awareness of the difficulties some groups of people face in finding jobs. The company uses the model of a debate with the participation of participating agents (Public Administration, Social Entities, Companies, Clece employees from underprivileged collectives). The aim is to raise awareness in Customers, public entities and in the company itself.

It launched this initiative in 2014 by carrying out the very first forum for integration, and in 2015 two further forums have been organised. The II Forum for integration was organised in April 2015. This Forum was focused on female victims of gender violence, and was attended by 181 people. The III Forum for integration was held in the Canary Islands in November 2015; this time the focus was on people at risk of social exclusion, and it was attended by 164 people.

The II Clece Forum for integration, “There is a Way Out of Gender Violence” held in Valencia



The II Clece Forum for integration, “There is a Way Out of Gender Violence” held in Valencia



The III Clece Forum for integration “A Job which can change your life” held in Las Palmas de Gran Canaria



12. HOW THE ACS GROUP HELPS SOCIETY

CLECE: SPONSORSHIP AND PARTICIPATION IN DIFFERENT CHARITY SPORTING EVENTS

Clece staff has taken part on a voluntary basis in a number of different sporting events for charity:

- The There is a Way Out of Gender Violence Race. The race was held in Madrid. Clece sponsored two hundred shirts, row 0, organised children's activities and crèche service.
- Dedlines Race. This race, held in Getafe, was run in favour of disabled children living in the municipality. Clece sponsored a hundred shirts, took part in publicising the race and over 50 company volunteers played an active role in organising the event.
- Basketball Match between disabled players and Clece personnel in Clece (Malaga) organised by Clece to help raise social awareness of the situation of disabled people as part of the "put yourself in my shoes" programme.
- In Almeria, Clece sponsored the II 2015 El Eljido Women's Race organised in favour of victims of gender violence.
- Complete organisation of the "Do something for a better world" charity sporting event in Huelva through which Clece managed to collect over 1,700 kg of food which was handed over to the Red Cross and to Fundación Valdocco.
- Hydrotherapy programme for disabled people and the chronically ill organised by Clece in collaboration with the Ogijares Town Council (Granada).



Zuma marathon in the "Do something for a better world" event (Huelva)



Volunteers of Integra CEE (the Special Employment Centre of Clece Group) preparing materials for the "Dedlines" disabled people Race



"Dedlines" disabled people Race (Getafe)

CLECE: DESIGN OF 3 PAGES OF SOCIAL WEBSITE AND LABOUR INTEGRATION: OPENING SOCIAL MEDIA (SM) PROFILES

Three websites have been opened:

- **Clece Social Website (www.clecesocial.es):** collects stories, first hand accounts and social initiatives, in which to raise society's awareness of the problems facing vulnerable groups (the elderly, children, people at risk of social exclusion, women who are the victims of gender violence, the disabled). This website uses a Story Manager which collects all the success stories, innovative examples in our services, testimonies, Agreements, etc. over 29,000 pages visited by over 7,500 users who have visited this page.
- **Inclusion&Employment Website (www.inclusión&empleo.es):** Includes information for people who want to find jobs (rights, grants, advice...), and also for companies which decide to make a commitment to help integrate vulnerable groups. 4,000 users who have consulted 10,500 pages.
- **Website which tracks customer visits:** Website used to control the visits made by our managers to the most important customers, so as to tell them about our Social Project and how to become involved in it.

We have also created social media profiles to publicise our project.

- **Clece Social (Facebook):**
1,380 followers with over 60,000 potential users.
- **@Clece Social (Twitter):**
642 followers, 35,500 tweets viewed.
- **Clece Social (YouTube):**
1,620 views of Clece videos.

We have enhanced internal corporate communications by implementing the Microsoft Yammer application, creating internal communication groups (Social Project, Operational Management, Energy Efficiency,...), with over 500 structure people included in the network.



12. HOW THE ACS GROUP HELPS SOCIETY

TURNER: TURNER INNOVATION PRIZES

For the last four years, Turner Construction Company has awarded its innovation prize to the employees or to the teams who accomplish exceptional achievements in projects through developing or applying innovative ideas. The 101 candidatures presented this year which are now being examined include excellent ideas in the fields of Lean construction, collaboration, information technology and security. The first prize, of US\$10,000, has been awarded twice this year. One of the winners is an internal initiative which gathers and presents information on employee health-related events and programmes. This initiative is aimed mainly for industrial/salaried workers and their families, and the idea is to raise awareness about health. The other winning idea is a pre-construction process normalisation process throughout the company. The unit will continue growing and developing based on the experience which has been accumulated. Over the last four years, a total of 225,000 US dollars has been awarded in prize money.



©TurnerConstructionCompany

Philanthropic donations

In 2015, companies which account for 89.44% of the Group's sales have made some kind of philanthropic donation to foundations or non-governmental organisations. These donations have amounted to 4.1 million euros, and a total of 2,587 people have benefited from these initiatives. The Group companies has also taken part in food collection activities for the World Food Bank, fund-raising for ELA treatment, Christmas toy donation campaigns,

employee participation in activities such as Nelson Mandela day in South Africa, etc., as well as the following:

DRAGADOS: GOOD CATCH CARDS

In the Crossrail project in the UK, Dragados has launched the use of "Good Catch Cards" as a way of communicating good and bad practices between the employees taking part in the works. To encourage people to use these cards, DSJV (Dragados Sisk Joint Venture) and the client have agreed to donate one pound to a local NGO for each card used. The cards can be filled in manually or electronically and are registered in a database to subsequently take any preventive action which is deemed pertinent. This initiative is a combination of philanthropic action with prevention of labour risks activities.



12. HOW THE ACS GROUP HELPS SOCIETY

COBRA: COLLABORATION WITH THE WORLD FOOD BANK

Cobra has a 3,600 square metre industrial warehouse in the Madrid Municipal Transport Centre, in Vallecas, under a concession basis. The Madrid Food Bank (<http://bamadrid.org/>) contacted Cobra through an estate agency to see if we wanted to cooperate with them leasing the warehouse at a “social price” for their Christmas campaign, the “Big Collection”. This “collection” was carried out over 3 days (27,28 and 29 November) although the warehouse would be used for six months, as the amount that would be taken out during the three-day period between soup kitchens and associated centres would need to be centralised and distributed.

With the mediation of the ACS Foundation, the warehouse was ceded free of charge using a concession contract signed in November and which will remain in force for six months.



COBRA: RECREATIONAL ACTIVITIES FOR CHILDREN WITH CANCER

The Onco-Haematology Service of the Dr. Robert Reid Cabral Children's Hospital is the leading children's cancer healthcare facility in the country, and provides services to 90 new cases diagnosed per year, mainly of leukaemia, lymphomas and solid tumours.

Patients who use the hospital are from low-income families. It is estimated that 15% of them have government healthcare and another 15% have private healthcare, i.e. the percentages fall well short of the total needs of the population received by the hospital. Thus, every donation is very welcome.

A group of volunteers led by employees of Cobra República Dominicana and with the economic backing of the company, organised a beneficial recreational activity for the children of the Dr. Robert Reid Cabral Hospital. They were taken on an afternoon picnic and leisure trip were given Christmas hampers with toys, food, milk, nappies and other produce. They were also entertained with clowns, songs and other activities.



Overall, during 2015 ACS Group companies contributed 7.6 million euros in cash funds, payments in kind and management expenses into Social Action initiatives, from which a total of 1,752,484 people were able to benefit. These activities have included 705 courses or activities to raise society's awareness (road safety, the environment, efficiency, social integration...), in which 6,095 employees have taken part. In 2015, 88 events have also been sponsored, including conferences, exhibitions, prizes, sporting activities, etc. During 2015, 404 NGOs or Foundations received help or assistance.

The information about these projects or initiatives is reported within some of the Group companies, either on the corporate websites, or on websites created ad-hoc for that purpose or through internal websites or publications for employees. In some companies, the figure of social delegates is also beginning to be common, and they are used to coordinate these initiatives; an example is in Clece, which,

in 2015, implemented this role and an 8-person team, with the aim of boosting and coordinating the different actions of the social project within the organisation.

The Group's general policy was approved in May 2014, so the development of social actions within the ACS Group companies is still within its infancy. However, significant progress was made in this field in 2015 both in funds contributed and also in the gathering and tracking of indicators. The target of the Human Resources departments of the Group is that in 2016 and in successive years, we should make even greater efforts to increase the amount of funds raised and to continue to improve the compiling and monitoring indicators for these initiatives.

MAIN SOCIAL ACTION INDICATORS

	2015	Objective for 2016
Cash Funds used for Social Initiatives (€ mn)	7.4	> 2015
Monetary estimate of payments in kind used for Social Initiatives (€ mn)	0.1	> 2015
Estimated number of persons benefiting from social initiatives	1,752,484	> 2015
Number of courses or raising of awareness activities performed (road safety, environment, efficiency, social integration,...)	705	> 2015
Number of volunteers (employees) who have taken part in these awareness raising activities	6,095	> 2015
Number of foundations or NGOs who received grants/support during the year	404	> 2015
Number of events (conferences, exhibitions, sporting events,...) sponsored during the year.	88	> 2015
Time which the employees have spent in year acting as volunteers during their working day (h)	872	> 2015

12. HOW THE ACS GROUP HELPS SOCIETY

12.3. THE ACS FOUNDATION

The ACS Foundation, the formal social action policy of which is stated in its foundation charters, is guided by several principles for action:

- Philanthropic action by means of donations and contributions to specialised institutions.
- Actions in various fields of work: accessibility, assistance to development, environment, cultural and educational promotion, dissemination and restoration of Spanish national heritage, collaboration with scientific institutions and sponsorship and patronage of philanthropic institutions, universities, technical schools and other learning centres.
- Selection of projects which provide the greatest social benefit – carried out with prestigious bodies, leaders in their field – and of great general interest.
- Setting up of mixed monitoring committees, between donor and beneficiary, to monitor the execution of significant projects.

The ACS Foundation was created to return part of the profits generated by our business to society to improve the quality of life of its citizens in any physical, human, training, cultural or environmental aspect and in support of human rights and the achievement of millennium goals.

To carry out this Social Action, the ACS Group's Board approves a budget annually to make it possible to implement projects framed in the Foundation's ideology and charter, which are executed by the

institutions that receive them. An agreement is drawn up with each of them to define each party's obligations, so guaranteeing complete transparency in the management of the Foundation.

In 2015, the ACS Foundation spent 4.298 million euros, tantamount to 98.8% of its budget, and the financial assistance to entities increased by 9.5% compared with 2014. A budget of €4.450 million has been approved for 2016.

Category	Amount allocated (€ million)
Elimination of barriers (disability)	0.739
Environment	0.079
Research	0.639
Promotion of cultural activities	1.580
Aid to other foundations and institutions	0.848
Others ²⁹	0.413
TOTAL	4.298

The Foundation's strategy for achieving the ends mentioned above relies on collaboration and economic support linked to the following programmes:

- Improving the quality of life of people with physical or sensory disabilities, or in a status of dependency, by collaborating and providing economic resources, supported by institutions of recognised standing and solvency in this regard, such as the Royal Board on Disability; the Spanish blind charity (ONCE), the Spanish Federation of Municipalities and Provinces (FEMP), various Universities and the United Nations, through the World Tourism Organisation, among others. The following are outstanding among the most significant activities carried out in this programme:

²⁹ Personnel and other costs for actions, such as training, payment of teachers, publishing of materials, etc.

- Elimination of barriers in favour of people with disabilities.
- Promotion of accessibility and universal design (training, educational and technical materials) to ensure a future without barriers.
- Incentives to municipalities to apply universal accessibility criteria in urban development, transport and building, mainly through sponsorship of the Reina Sofía Awards (Reina Letizia since 2015) and the carrying out of seminars with the Royal Board on Disability.
- Accessible rehabilitation of the most significant Spanish architectural heritage worldwide, such as El Escorial, Yuste and Las Huelgas (Burgos) Monasteries, the Convent of Santa Clara (Tordesillas) and the Royal Palace in Madrid, which have become examples of the compatibility of maintaining the nature of historical architectural heritage with certain levels of accessibility that enable access to the monuments by people with reduced mobility. This allows active tourism for all, generating income and jobs at a local level, at the same time as contributing the maintenance of the monuments themselves.
- By this means, the ACS Foundation combats the historical discrimination represented by the lack of accessibility to Spanish cultural heritage for this group.
- Spreading of good practices as regards the generation or adaptation of tourist attractions to permit the development of tourism accessible to all. In this regard, the United Nations' specialised agency, the WTO, with support from the ACS Foundation, has produced the first document on the subject, "Accessible Tourism for

All: Public-Private Partnerships and Good Practices", which will be published shortly in an electronic version by the WTO. This document was inspired by the ACS Foundation's experience in public-private partnerships and has already been disseminated to the over 180 member countries of this worldwide organisation. In the First Accessible Tourism European Conference held in the Republic of San Marino (November 2014), which was promoted by the W.T.O and the U.N., the experiences of the ACS Foundation in this field were explored and its efforts recognised in the San Marino Declaration.

- Collaborating with sports institutions which carry out such activities, understanding this as the way of improving people's quality of life, especially with those that facilitate the participation of people with some sort of physical disability, such as the Spanish Paralympics Committee.
- Defence of and support to good practices in relation to the environment. The following are outstanding among the activities carried out:
 - Sponsorship of the Spanish National Congresses on the Environment (CONAMA), in its various editions.
 - Support to training activities with Universities related to the treatment of municipal solid waste, the water cycle, energy, etc.
 - Environmental education programme for the Community of Madrid, oriented to include environmental education in the scheduling of the region's educational centres, prior to university entrance level, regarding the water cycle, renewable energies, ecosystems, responsible consumption, waste, protected natural habitats and biodiversity.

12. HOW THE ACS GROUP HELPS SOCIETY

- Supporting research on air quality in urban transport methods and commuter exposure carried out by the CSIC.
- Accessible rehabilitation of the environment.
- Collaborating with and contributing to bodies that improve people's cultural level.
 - In this regard, the ACS Foundation focuses its efforts and resources on supporting Spain's main art galleries, lyrical poetry, courses, seminars and debating forums in various centres on specific cultural activities.
 - Support to providing access to culture for people with disability.
 - Support to exceptional cultural events: such as celebrating the IV Centenary of El Greco in Toledo.
- Contributing to the dissemination, restoration and maintenance of buildings belonging to Spanish Artistic Heritage.
 - Training activities with various Spanish universities and institutions regarding the restoration of historic buildings.
 - Accessible rehabilitation of National Heritage's Royal sites.
 - Dissemination of Spanish Historical Heritage through the publishing of books documenting the restoration of 138 buildings, with explanations of the techniques used in each case and of the historical process, the condition of the building and the circumstances that justified their restoration.
 - Support to the dissemination of the Romanesque style in Spain, collaborating with the Santa María la Real Foundation.
- Dissemination of the rehabilitation of archaeological sites, especially at Atapuerca and Los Bañales.
- Support to Research. This programme is mainly oriented towards medical research, including rare diseases. Noteworthy among the most significant are:
 - El Niño Jesús University Children's Hospital Biomedical Research Foundation.
 - La Paz University Hospital Biomedical Research Foundation.
 - Pasqual Maragall Private Foundation for Alzheimer's research.
 - Spanish Association of Amyotrophic Lateral Sclerosis (ADELA).
 - Spanish Federation of Neuromuscular Diseases.
 - Spanish Cerebral Paralysis Association (ASPACE)
 - Spanish Association for the Study of Spinal Medullary Lesion (AESLEME).
 - It also collaborates with and supports certain pieces of socio-economic research, such as those carried out by the Spanish Foundation for Research on Rights and Companies (FIDE).
- Aid to other institutions in achieving their ends, provided that these are compatible with the ACS Foundation's ends.
 - Carolina Foundation
 - Universidad Autónoma, Universidad Complutense Universidad Politécnica de Madrid Foundations
 - El Prado Museum

- Reina Sofía National Art Centre Museum
 - Thyssen Bornemisza Museum
 - Catalan National Art Museum
 - Príncipe de Asturias and Princesa de Girona Foundations.
- Cooperation for development and technical assistance. In order to support the Millennium Goals and respect for human rights, the ACS Foundation has collaborated and contributed with economic resources to improving the quality of life of people, in its broadest sense, in third-world countries, to facilitate or resolve problems in supplying drinking water and drainage, fight against hunger and against malaria, train healthcare personnel and provide technical assistance in various areas, especially as regards solid waste and the training of healthcare personnel. In this regard, our collaboration and assistance apply through such institutions mainly in Sudan, Northern Kenya, Niger, Burundi, Cambodia, Tibet and Peru, mainly, through collaboration with:
 - Médecins sans Frontières
 - AMREF Flying Doctors (African Medical and Research Foundation)
 - Spanish Agency for International Cooperation for Development
 - Madre Coraje Association
 - Emalaikat Foundation
 - Through the strategic alliance with the Spanish Agency for International Cooperation for Development (AECID), technical assistance is provided to this organisation in the framework of the Annual Operating Plan signed between the two institutions. Noteworthy in this regard are the activities undertaken on training instructors in occupational health and safety techniques, support on the subject of municipal solid wastes and providing accessibility to Spanish historical heritage restoration projects in Latin America, carried out by AECID.
 - Also with the Spanish Agency for International Cooperation for Development and the Royal Board on Disability, an Ibero-American meeting is held annually on universal accessibility and historic heritage, the main aim of which is to transfer knowledge on this subject between the participating countries, of which there are between 14 and 19, and to analyse good practices as regards universal accessibility.
 - Support to the voluntary efforts of institutions such as the Spanish Development and Assistance Foundation and the Madrid School of Civil Engineers.
 - The ACS Foundation makes numerous donations to institutions such as Caritas, the Red Cross and others, as well as to provide for needs created by the devastating effects of natural disasters that affect certain populations.

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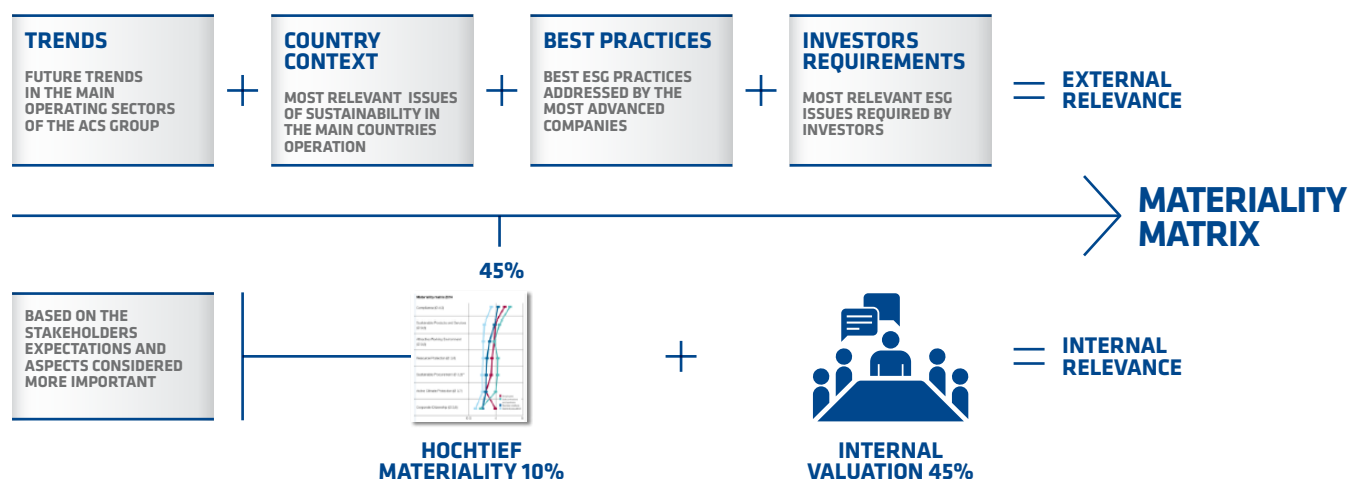
13.1. MATERIALITY ANALYSIS

(G4-18)

In the 2015 year, in accordance with the principles established in the GRI G4 Guidelines to define the contents of the Corporate Social Responsibility Report, the ACS Group performed its own Materiality Analysis, advised by an independent external firm, so as to identify important sustainability and corporate social responsibility areas for the businesses of the ACS Group and its stakeholders, i.e. clients, employees, suppliers, shareholders and infrastructure users. Ultimately the aim is that the Corporate Social Responsibility Report is focused on those matters which reflect the real most important social, economic and environmental impacts for the Group.

The Group has first used an external analysis using public sources and benchmark international bodies, taking into account the Group's core businesses and companies, to prepare this materiality analysis. The future trends in the main operating sectors of the

ACS Group, the competitive environment and the most important matters in terms of sustainability in the core countries in which the Group operates have been taken into account in this analysis; the best ESG practices, addressed by the most advanced companies, have been addressed, and the investors' requirements in terms of the company's ethical, social and environmental behaviour, given that it is one of the most important group's which demands this information, have been analysed. The internal valuation of the Group has been performed by means of interviews conducted to ACS executives in the Group's core areas of activity, in which matter such as the ACS value chain, the Group's future challenges, the main areas of interest, and the role of corporate social responsibility within ACS, and other important matters relating to this field, have all been explored in depth. Furthermore, taking into account the importance of HOCHTIEF within the activity of the ACS Group, the materiality analysis conducted by HOCHTIEF in 2015 using 2,117 online questionnaires to its different stakeholders and general population have been taken into account. The methodology and complete results of the materiality analysis of HOCHTIEF are available for consultation in its integrated annual report for 2015.

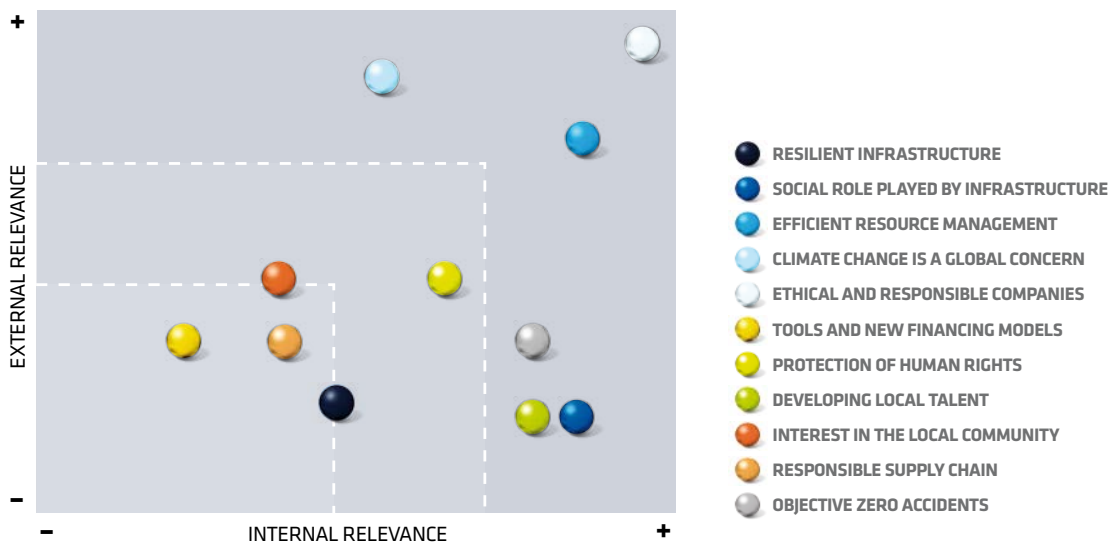


The ACS Group performed its own Materiality Analysis, advised by an independent external firm.

(G4-19 ,G4-21, G4-27)

The results of weighting the subjects identified both at internal level (55% weighting) and external (45% weighting) have been used to design a materiality matrix representing the results obtained in accordance with their external and internal relevance, identifying the 11 most important aspects for the ACS Group, which are as follows:

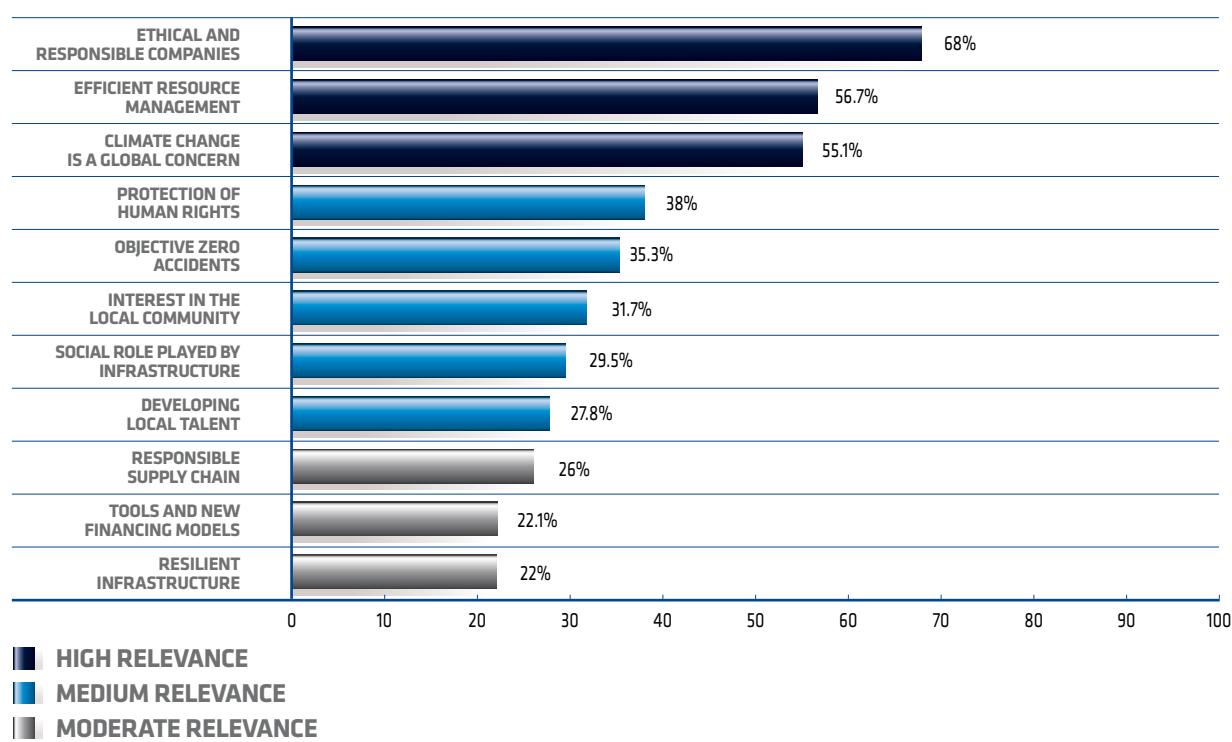
MATERIALITY MATRIX



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(G4-19 ,G4-21, G4-27)

The 11 most important matters identified in the materiality matrix have been ordered in a hierarchy according to their level of global relevance, as shown in the following table:



Note: For the ranking, it has been considered percentile 25 and 75.

The importance of these material matters has also been analysed for each one of the core countries in which the Group operates and also in view of their importance for each one of the areas of activity of the ACS Group. We shall now briefly describe the matters identified as relevant:

- **Ethical and responsible companies:** stakeholders demand companies with responsible and transparent management and whose values are based on the pillars of equality, diversity and ethical and transparent management.

- **Efficient resource management:** the lack of resources and increased demand for energy, water, etc., jeopardise the availability of these resources and other essential aspects which are needed to guarantee sustainable development. Production models need to innovate and to evolve so that these resources are properly managed. This area is particularly important in countries such as Spain, the United States or Australia, which account for a high proportion of the Group's companies.

- **Climate change is a global concern.**

An agreement was reached in the COP 21 in which both governments and companies need to take part; we are already assessing the impact of our activity with regard to climate change and setting targets to contain and adapt accordingly. The climate is a key area for all the areas in which the ACS Group operates and in its core markets.

- **Protection of Human Rights:** if systematic breaches of human rights occur in certain countries, then it is essential that protection policies be applied in a robust and uniform way, and they must be applied across the entire supply chain. This is particularly important for activity in emerging countries.

- **Objective zero accidents:** it is a priority to bring down the number of employees and subcontractor accidents in the infrastructure sector, where accident ratios are higher than in other sectors. Strict safety and health policies have to be applied to cover not only own employees but also third party collaborating with Group companies. Employees and third parties collaborating with Group companies have to be equipped with the tools and training needed, and control systems also have to be defined. This is particularly important in emerging countries, where regulation is more lax.

- **Interest in the local community:** the community's interests have to be aligned with the company's, and this should be considered to be a key factor for the success of any project. It is important to evaluate the environmental and social impact of projects, make a contribution to local well-being and encourage proactive dialogue. This is particularly important in emerging countries.

- **Social role played by infrastructure:** infrastructure plays a crucial social role in developing communities, and

companies which operate in this field have to adopt a strategy of embracing and adapting to changes taking place in society; this is particularly important in countries which have less developed infrastructure systems.

- **Developing local talent:** companies are expected to make a contribution towards the economic and social development of the countries in which they operate, by generating jobs and by boosting the social fabric, with employment and transferring know-how, which is also a way of cutting costs. This phenomenon is particularly relevant in emerging countries.

- **Responsible supply chain:** companies' responsible behaviour must be applied to all their collaborators and right across the supply chain, and especially so in emerging countries.

- **Tools and new financing models:** because of the reduction in public spending, it is necessary to adapt to the new ways of funding infrastructure developments, in which private finance plays an increasingly more important role. This is a particularly important question in developed countries.

- **Resilient infrastructure:** due to increasingly common extreme weather phenomena and lower availability of resources for funding, infrastructure companies will have to seek solutions to make their projects more resilient and more enduring. It has become evident that this topic is particularly important in the American continent.

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These matters have been identified as relevant within the ACS Group, but the relevance of each one of these subjects has also been identified in each one of the Group's businesses: Construction, Environment and Industrial Services; the results are indicated as follows:

(G4-20)

ASPECT	RELEVANCE IN BUSINESSES (Construction, Industrial Services, Environment)		
Ethical and responsible companies			
Efficient resource management			
Climate change is a global concern			
Protection of Human Right			
Objective zero accidents			
Social role played by infrastructure			
Interest in the local community			
Developing local talent			
Responsible supply chain			
Tools and new financing models			
Resilient infrastructure			

The fact that these material aspects have been identified is an important step forward in the correct orientation of this Corporate Responsibility Report, which has been focused towards those matters which are really of importance for the businesses of the ACS Group and its stakeholders.

13.2. SCOPE OF THE DATA

(G4-22, G4-23)

13.2.1. CLIENT

CLIENTS	2014	2015
Client management system	98.38%	97.45%
Computerised CRM system	98.38%	97.45%
Number of offers made in the year	33.48%	35.07%
Environmental impact analysis	33.48%	35.07%
Detailed information or related section with CSR	33.48%	35.07%
Anti-trust policy	98.38%	97.45%
System for measuring client satisfaction	98.38%	97.45%
Plans for improving client satisfaction	98.38%	97.45%
Client satisfaction surveys carried out	98.38%	97.45%
Client satisfaction surveys received	98.38%	97.45%
Client responses which are “satisfied” or “very satisfied” over the total number of surveys RECEIVED (%)	98.38%	97.45%
Income represented by the clients who responded to the satisfaction survey.	28.24%	34.55%
Complaint and whistle blowing channels	98.38%	97.45%
Number of complaints received from clients	22.92%	24.51%
Number of complaints dealt with	22.92%	24.51%
Number of complaints resolved satisfactorily	22.92%	24.51%
Clients’ comments/suggestions	98.38%	97.45%



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13.2.2. QUALITY

QUALITY	2014	2015
Percentage of sales from activities certified under the ISO 9001 standard	98.40%	97.41%
Investments and costs for the Quality Department or allocated to improvements in quality management processes	71.79%	66.89%
Number of quality audits carried out	72.93%	67.85%
Quality management system	98.40%	97.41%
Formal quality objectives	98.40%	97.41%
Specific initiatives for improving the quality of the services provided	98.40%	97.41%
Regular inspections to check compliance with quality standards in the company's projects	98.40%	97.41%
Periodic inspections to verify compliance with quality standards by suppliers and subcontractors	98.40%	97.41%

13.2.3. SUPPLIERS

SUPPLIERS	2014	2015
Total number of Suppliers	91.29%	88.78%
Procurement (purchases) expenses made in the year	91.10%	88.78%
Expenses on local suppliers	89.40%	87.53%
Analysis of your suppliers	91.29%	88.78%
Percentage of your suppliers (over the total number of suppliers) which are covered by this analysis	91.29%	88.78%
Key suppliers in the analysis	31.01%	31.11%
Critical suppliers	91.29%	88.78%
Critical suppliers. % of procurement	91.29%	88.78%
Percentage of total suppliers who represent a high risk in economic matters	72.96%	69.14%
Percentages of local suppliers examined with environmental criteria	72.96%	69.14%
Number of suppliers with environmental evaluation	73.20%	69.14%
Percentage of total suppliers who represent a high risk in environmental matters	48.07%	40.17%
Compliance with the Code of Conduct in your company's supplier and subcontractor contract clauses	91.06%	88.78%
Has compliance with the clauses related to the Code of Conduct by suppliers or subcontractors been verified internally or externally?	73.20%	76.90%
Is adherence to international standards as regards human right and labour rights by suppliers viewed positively?	91.29%	88.78%
Percentage of local suppliers examined with labour practice criteria	72.96%	75.34%
Percentage of new suppliers examined with social impact criteria	72.96%	75.34%
Number of suppliers evaluated in relation to their labour practices	72.96%	75.34%

SUPPLIERS	2014	2015
Number of suppliers evaluated in relation to their human rights	72.96%	75.34%
Percentage of practices in which significant human rights risks have been identified	72.96%	75.34%
Number of suppliers evaluated in relation to their possible impacts on society	72.96%	75.34%
Percentage of suppliers (of total evaluated) in which possible negative impacts on society have been identified	72.96%	75.34%
Is adherence to standards for fulfilment of commitments in ethical, social and environmental matters by subcontractors and suppliers viewed positively?	91.29%	88.78%
Has your company undertaken any initiatives related to sustainability that have resulted in cost savings?	91.29%	88.78%
Is your company carrying out a carbon footprint analysis on your suppliers/subcontractors?	91.29%	88.78%
Do you have formal systems for supplier/subcontractor approval?	73.20%	76.90%
Is subcontractor/supplier certification in quality aspects (ISO 9001) viewed positively?	91.29%	88.78%
Is subcontractor/supplier certification in environmental aspects (ISO 14001, EMAS or similar) viewed positively?	91.29%	88.78%
Are supplier and subcontractor labour standards and practices assessed?	91.29%	88.78%
Are environmental, social or governance clauses included in contracts so that these are adopted by the subcontractors or suppliers?	91.29%	88.78%
Percentage of costs in procurement that are covered by these clauses	73.20%	76.90%
Are internal audits (by the company itself) carried out on suppliers?	91.29%	88.78%
Percentage of suppliers audited over the total number of suppliers	73.20%	76.90%
Are external audits (by an independent third party) carried out on suppliers?	91.29%	88.78%
Percentage of suppliers audited over the total number of suppliers	73.20%	76.90%
Corrective plans for suppliers to improve their performance in economic, social or environmental matters	83.99%	88.78%
Percentage of suppliers affected by these plans over the total number of suppliers	91.29%	82.58%
Improvement in suppliers after corrective plans were applied	91.29%	82.58%
Cancellation of contracts due to breaches	91.29%	88.78%
Initiatives to boost supplier capabilities	91.29%	88.78%
Promotion of the use of certified / recycled materials	91.29%	88.78%
Certified timber	12.66%	13.64%
Wood	86.03%	84.55%
Recycled steel	45.76%	51.68%
Steel	86.03%	84.55%
Recycled cement / concrete	20.64%	22.72%
Cement / concrete	86.03%	84.55%
Recycled glass	20.64%	22.72%
Glass	53.52%	57.84%

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13.2.4. R&D+I

R&D+I	2014	2015
Investment in R&D+i	40.31%	41.78%
Management or a specific R&D+i department	98.40%	97.41%
Formal R&D+i management system	98.40%	97.41%
Auditing	98.40%	97.41%
Number of R&D+i projects in progress at 31 December	40.31%	41.78%
Number of patents registered in the year	33.01%	35.58%
Number of patents registered in last 10 years	33.01%	35.58%

13.2.5. ENVIRONMENT

ENVIRONMENT	2014	2015
Percentage of your sales covered by ISO 14001 Certification	98.40%	97.41%
Percentage of your sales not covered by ISO 14001 Certification, but covered by another environmental certification	98.40%	97.41%
Has your company undertaken any environmental initiatives, in the last year, that have resulted in cost savings?	98.40%	97.41%
Has your company undertaken any environmental initiatives, in the last year, that have resulted in an increase in income?	98.40%	97.41%
Potable water consumption (m ³)	66.02%	62.42%
Non-potable water consumption (m ³)	33.01%	35.58%
Total waste water discharged (m ³)	33.01%	35.58%
Volume of recycle or reused water by the organisation	N/A	97.41%
Hazardous waste sent for management (t)	98.40%	97.41%
Non-hazardous waste sent for management (t)	98.40%	97.41%
Petrol consumed (million litres)	98.40%	97.41%
Diesel consumed (million litres)	98.40%	97.41%
Natural gas consumption (m ³)	98.40%	97.41%
Natural gas consumption (kWh)	98.40%	97.41%
Bio-fuels consumed (million litres)	N/A	35.58%
Electricity consumption (MWh)	98.40%	97.41%
Electricity consumption from renewable sources (MWh)	N/A	35.58%
Reductions in energy consumption are the direct result of initiatives in favour of conservation and efficiency (MWh)	33.01%	35.58%
Direct emissions of greenhouse gases not associated with the use of fuels (Scope 1 process emissions) (tCO ₂ e)	98.40%	35.58%
Business Travel Air: total km travelled on short-haul flights (< 500 km)	98.40%	97.41%
Business Travel Air: total km travelled on medium-haul flights (500 km < X < 1,600 km)	98.40%	97.41%

ENVIRONMENT**2014****2015**

Business Travel Air: total km travelled on long-haul flights (> 1,600 km)	98.40%	97.41%
Business Travel Total km travelled in private vehicles for business purposes	98.40%	97.41%
Business Travel Total km travelled by train	98.40%	97.41%
Business Travel Total km travelled by boat	98.40%	97.41%
Others (t CO ₂ eq)	98.40%	97.41%
Significant emissions in kg or multiples, of NO _x , SO _x and other significant atmospheric emissions	N/A	35.09%
Size of restored habitats (km ²)	N/A	35.58%
Success of restoration actions or is being verified by independent external professionals	N/A	35.58%
Environmental Management System	98.40%	97.41%
Auditing	98.40%	97.41%
Number of environmental audits carried out in your company	98.40%	97.41%
Number of environmental incidents which occurred	98.40%	97.41%
Number of environmental complaints	N/A	35.58%
Remuneration of workers, middle management and/or executives linked to the achievement of formal environmental objectives	98.40%	97.41%
Non-economic incentive/recognition for the achievement of formal environmental objectives	98.40%	97.41%
Specific objectives for reduction of CO ₂ emissions in your company	98.40%	97.41%
Initiatives in the year to reduce your company's CO ₂ emissions	98.40%	97.41%
Quantity of CO ₂ emissions prevented in the year due to the indicated initiatives	33.01%	24.87%
Does your company offer products or services that make it possible for your clients to reduce GHG emissions (energy management services, sustainable construction, renewable energies, etc.)?	98.40%	97.41%
Have projects been implemented to reduce waste generation?	98.40%	97.41%
Have projects been implemented to reduce consumption of materials and/or raw materials?	98.40%	97.41%
Have plans been established to reduce water consumption in your company's activities?	98.40%	97.41%
Have objectives been set to minimise the impact of the company's activities on biodiversity?	98.40%	97.41%
Specific policy to respect biodiversity	98.40%	97.41%
Has your company implemented a centralised database to collect data on environmental matters?	98.40%	97.41%
Does your company have a system for collecting data on environmental near misses?	98.40%	97.41%
Total surface area of buildings in m ²	33.01%	97.41%
Building environmental certification	33.01%	97.41%

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13.2.6. HUMAN RESOURCES, ETHICS AND SOCIAL ACTION

HUMAN RESOURCES AND ETHICS	2014	2015
Of the number of employees, number of men	100.00%	100.00%
Of the number of employees, number of women	100.00%	100.00%
Of the employees reported, number of employees with a disability of over 33%	73.80%	85.57%
Of the employees reported, number of women with a management position (works/project manager or similar and superior)	100.00%	100.00%
Of the employees reported, number of men with a management position (works/project manager or similar and superior)	100.00%	100.00%
Of the employees reported, number of men with a management position (works/project manager or similar and superior)	78.33%	85.57%
Of the employees reported, number of Senior Executives from the local community (who are not Spanish)	78.33%	85.57%
Of the employees reported, number of employees affiliated to a trade union organisation	100.00%	100.00%
Of the employees reported, number of employees discharged last year	100.00%	100.00%
Of the employees reported, number of employees retired last year	100.00%	100.00%
Of the employees reported, number of employees who died last year	78.33%	85.57%
Of the number of employees, number of employees contracted	100.00%	100.00%
Of the employees reported, total staff turnover	100.00%	100.00%
Of the employees reported, male staff turnover	100.00%	100.00%
Of the employees reported, female staff turnover	100.00%	100.00%
Of the employees reported, total voluntary turnover	100.00%	100.00%
Of the employees reported, male voluntary turnover	100.00%	100.00%
Of the employees reported, female voluntary turnover	100.00%	100.00%
Of the employees reported, number of employees whose posts are defined according to a formal competence map	100.00%	100.00%
Of the employees reported, training given: Total number of teaching hours	100.00%	89.57%
Of the employees reported, total number of participants in training activities in the year	100.00%	89.57%
Of the employees reported, investment in training (€ million)	100.00%	89.57%
Of the employees reported, number of employees subject to performance assessment processes	100.00%	100.00%
employee satisfaction survey	100.00%	100.00%
Number of employees who have taken part in said surveys	100.00%	100.00%
Employee satisfaction results	100.00%	100.00%
Of the employees reported, total number of days lost (due to absenteeism)	100.00%	100.00%
Of the employees reported, total number of days worked	100.00%	100.00%
Has your company undertaken any initiatives in its area of activity, in the last year, that have resulted in cost savings?	100.00%	100.00%
Has your company undertaken any initiatives in its area of activity, in the last year, that have resulted in an increase in income?	100.00%	100.00%
Does the company offer employees any formal system of professional development?	100.00%	100.00%

HUMAN RESOURCES AND ETHICS	2014	2015
Does the company offer employees any formal system of skill management?	100.00%	100.00%
Tools to manage the development of your human resources	100.00%	100.00%
Variable remuneration systems	100.00%	100.00%
Objectives regarding sustainability in variable remuneration	100.00%	100.00%
Reconciliation of family life and employment	100.00%	100.00%
Social benefits for full time employees not offered part time	100.00%	100.00%
Knowledge management and sharing	100.00%	100.00%
Adherence to the Code of Conduct	100.00%	100.00%
Has your company undertaken initiatives to expand the Code of Conduct?	100.00%	100.00%
Is there a training plan in matters of Human Rights, Ethics, Integrity or Conduct?	100.00%	100.00%
Number of courses given with Human Rights, Ethics, Integrity or Conduct content	100.00%	100.00%
Number of employees trained in Human Rights, Ethics, Integrity or Conduct content	100.00%	100.00%
total class hours in Human Rights, Ethics, Integrity or Conduct content during the year	100.00%	100.00%
Percentage of total current company employees who have received at least one course in Human Rights, Ethics, Integrity or Conduct during their career with the company	100.00%	100.00%
Formal, documented commitment to the Universal Declaration of Human Rights	100.00%	100.00%
Performance assessments in your company and the Code of Conduct	100.00%	100.00%
Zero tolerance	100.00%	100.00%
Code of Conduct audits	100.00%	100.00%
Are activities carried out in your company in countries which pose a potential risk of child labour or forced labour?	100.00%	100.00%
Is the right to association and union representation threatened in any of the countries where your company operates?	100.00%	100.00%
Does your company have formal programmes to ensure equality of opportunities among workers?	100.00%	100.00%
Number of incidents which occurred last year in your company due to discrimination	100.00%	100.00%
Evaluation corruption risks in work centres	100.00%	100.00%
Developing investment in the year the questionnaire refers to	100.00%	100.00%

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SOCIAL ACTION

2015

Cash funds earmarked for investment in community	100.00%
Monetary estimate of payments in kind used for community investments	85.57%
Estimated number of people benefiting from community investment in the year the questionnaire refers to	85.57%
Development of commercial initiatives in the year the questionnaire refers to	100.00%
Cash funds earmarked for commercial initiatives in the Social Action	100.00%
Monetary estimate of payments in kind used for commercial initiatives in the Social Action	85.57%
Estimated number of people benefiting from commercial initiatives in the year the questionnaire refers to.	85.57%
Development of philanthropic donations in the year the questionnaire refers to	100.00%
Cash funds used for philanthropic donations	100.00%
Monetary estimate of payments in kind used for philanthropic donations	85.57%
Estimated number of people benefiting from philanthropic donations in the year the questionnaire refers to.	85.57%
Number of courses or raising of awareness activities performed (road safety, environment, efficiency, social integration,...)	85.57%
Number of volunteers (employees) who have taken part in these awareness raising activities	85.57%
Number of foundations or NGOs who received grants/support during the year	85.57%
Number of events (conferences, exhibitions, sporting events,...) sponsored during the year.	85.57%
Time which the employees have spent in year acting as volunteers during their working day	85.57%



13.2.7. HEALTH AND SAFETY

HEALTH AND SAFETY	2014	2015
Percentage of total employees covered by OSHAS 18001 certification	100.00%	100.00%
Is the Occupational Health and Safety policy common to your company worldwide?	100.00%	100.00%
Has your Health and Safety management system been audited by an external independent third party (excluding Statutory Auditing)	100.00%	100.00%
Does your company have formal objectives as regards health and safety?	100.00%	100.00%
Is the remuneration of workers, middle management and/or executives linked to the achievement of formal health and safety objectives?	100.00%	100.00%
Are near misses identified and recorded?	100.00%	100.00%
Investment in health and safety in the workplace (€ million)	78.33%	85.57%
Total number of hours worked by your company's reported employees	100.00%	100.00%
Total number of hours worked by contractors	70.30%	77.14%
Total number of accidents suffered by the company's reported employees	100.00%	100.00%
Total number of accidents suffered (by contractors)	70.30%	77.14%
Total number of working days lost by your own reported employees	100.00%	100.00%
Total number of working days lost (by contractors)	70.30%	77.14%
Total number of accidents with reported employee time off	100.00%	100.00%
Total number of accidents with time off (contractors)	70.30%	77.14%
Total number of cases of occupational diseases (own reported employees)	73.80%	80.78%
Total number of cases of occupational diseases (contractors)	70.30%	77.14%
Number of hours of training in occupational health and safety received by your company's employees during the year	70.30%	77.14%
Has your department undertaken any initiatives, in the last year, that have resulted in cost savings for your company?	20.02%	21.66%
Has your department undertaken any initiatives, in the last year, that have resulted in an increase in income for your company?	20.02%	21.66%
Percentage of total employees who received an occupational health and safety course in the last year	100.00%	100.00%
Percentage of total employees who received an occupational health and safety course at least once in their career with the company	100.00%	100.00%
Total number of employees with occupations with risks of contracting specific diseases	70.30%	77.14%

13. APPENDICES

13.3. VERIFICATION REPORT



KPMG Asesores S.L.
Torre Cristal
Pº. de la Castellana, 259 C
28046 Madrid

Independent Assurance Report for Actividades de Construcción y Servicios, S.A.

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

In accordance with our engagement letter, Actividades de Construcción y Servicios, S.A. (hereinafter ACS) management has requested that we provide limited assurance on the non-financial information contained in the Corporate Responsibility Report of Actividades de Construcción y Servicios, S.A. for the year ended 31 December 2015 (hereinafter “the Report”). The information reviewed corresponds to the indicators referred in the GRI Index.

ACS management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) and the “Construction and Real State” Sector Disclosures of the Global Reporting Initiative as described in point G4-32 of the GRI Content index of the Report and in accordance with Materiality Disclosure Service, obtaining confirmation from the Global Reporting Initiative on the proper application of these. Management is also responsible for the information and assertions contained within the Report; for determining ACS’s objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance review on the preparation and presentation of the other indicators within the review scope, and to express a conclusion based on the work performed, referring exclusively to the information corresponding to 2015. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement.

KPMG applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Internal Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our limited assurance engagement consisted of making enquiries of management and persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures. These procedures included:

- Verification of ACS’s processes for determining the material issues, and the participation of stakeholder groups therein.
- Interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies and corporate responsibility for material issues, and the implementation of these across the business of ACS.
- Evaluation through interviews concerning the consistency of the description of the application of ACS’s policies and strategy on sustainability, governance, ethics and integrity.

KPMG Asesores S.L., a limited liability Spanish company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity.

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- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of the consistency of information comparing General Standard Disclosures with internal systems and documentation.
- Analysis of the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Visit to the “*Sede Banco Popular en el Edificio Luca de Tena*” construction site selected based on a risk analysis considering quantitative and qualitative criteria.
- Review of the application of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines requirements for the preparation of reports in accordance with comprehensive option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of ACS.
- Verification that the financial information reflected in the Report was audited by independent third parties.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not be taken as an auditor's report.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this Independent Review Report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

Based on the limited assurance procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that Corporate Responsibility Report of Actividades de Construcción y Servicios, S.A. for the year ended 31 December 2015, have not in all material respects, been prepared and presented in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) and the “Construction and Real State” Sector Disclosures of the Global Reporting Initiative as described in point G4-32 of the GRI Index, including the reliability of data, adequacy of the information presented and the absence of significant deviations and omissions.

Under separate cover, we will provide ACS management with an internal report outlining our complete findings and areas for improvement.

In accordance with the terms of our engagement, this Independent Assurance Report has been prepared for ACS in relation to its Corporate Responsibility Report and for no other purpose or in any other context.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

12 April 2016

13. APPENDICES

13.4. GRI CONTENT INDEX



GENERAL STANDARD DISCLOSURES

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
	Information related to Standard Disclosures required by the 'in accordance' options may already be included in other reports prepared by the organization. In these circumstances, the organization may elect to add a specific reference to where the relevant information can be found.	In exceptional cases, if it is not possible to disclose certain required information, identify the information that has been omitted.	In exceptional cases, if it is not possible to disclose certain required information, provide the reason for omission.	In exceptional cases, if it is not possible to disclose certain required information, explain the reasons why the information has been omitted.	Indicate if the Standard Disclosure has been externally assured. If yes, include the page reference for the External Assurance Statement in the report.

STRATEGY AND ANALYSIS

G4-1	6-7	n.a.	n.a.	n.a.	Yes (144)
G4-2	32-33	n.a.	n.a.	n.a.	Yes (144)

ORGANIZATIONAL PROFILE

G4-3	8;155	n.a.	n.a.	n.a.	Yes (144)
G4-4	12	n.a.	n.a.	n.a.	Yes (144)
G4-5	8	n.a.	n.a.	n.a.	Yes (144)
G4-6	8-9	n.a.	n.a.	n.a.	Yes (144)
G4-7	26	n.a.	n.a.	n.a.	Yes (144)
G4-8	9-11	n.a.	n.a.	n.a.	Yes (144)
G4-9	8;10	n.a.	n.a.	n.a.	Yes (144)
G4-10	9; 55	n.a.	n.a.	n.a.	Yes (144)
G4-11	58	n.a.	n.a.	n.a.	Yes (144)
G4-12	70-71	n.a.	n.a.	n.a.	Yes (144)
G4-13	5;26;135	n.a.	n.a.	n.a.	Yes (144)
G4-14	32-33	n.a.	n.a.	n.a.	Yes (144)
G4-15	20;154	n.a.	n.a.	n.a.	Yes (144)
G4-16	68	n.a.	n.a.	n.a.	Yes (144)

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	4	n.a.	n.a.	n.a.	Yes (144)
G4-18	4;16;130	n.a.	n.a.	n.a.	Yes (144)
G4-19	16;131	n.a.	n.a.	n.a.	Yes (144)
G4-20	134	n.a.	n.a.	n.a.	Yes (144)
G4-21	16;131	n.a.	n.a.	n.a.	Yes (144)
G4-22	4;135	n.a.	n.a.	n.a.	Yes (144)
G4-23	4;135	n.a.	n.a.	n.a.	Yes (144)

STAKEHOLDER ENGAGEMENT

G4-24	20-22	n.a.	n.a.	n.a.	Yes (144)
G4-25	20-21	n.a.	n.a.	n.a.	Yes (144)
G4-26	20-22	n.a.	n.a.	n.a.	Yes (144)
G4-27	16;131	n.a.	n.a.	n.a.	Yes (144)

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
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REPORT PROFILE

G4-28	4	n.a.	n.a.	n.a.	Yes (144)
G4-29	Last Report: 2014	n.a.	n.a.	n.a.	Yes (144)
G4-30	5	n.a.	n.a.	n.a.	Yes (144)
G4-31	155	n.a.	n.a.	n.a.	Yes (144)
G4-32	4;144;146	n.a.	n.a.	n.a.	Yes (144)
G4-33	5;144	n.a.	n.a.	n.a.	Yes (144)

GOVERNANCE

G4-34	29-30	n.a.	n.a.	n.a.	Yes (144)
G4-35	29				Yes (144)
G4-36	29-30				Yes (144)
G4-37	22-25				Yes (144)
G4-38	28-29				Yes (144)
G4-39	29; Corporate Governance Report 2015 pag 73				Yes (144)
G4-40	28-29				Yes (144)
G4-41	30				Yes (144)
G4-42	29-30				Yes (144)
G4-43	29-30				Yes (144)
G4-44	29-30				Yes (144)
G4-45	21-22; 30				Yes (144)
G4-46	29-30				Yes (144)
G4-47	Economic: at least quarterly, Social and Environmental: at least annually				Yes (144)
G4-48	30				Yes (144)
G4-49	22;40				Yes (144)
G4-50	40-43				Yes (144)
G4-51	30				Yes (144)
G4-52	30				Yes (144)
G4-53	30				Yes (144)
G4-54	Not available		The information is currently unavailable	We do not have management and collection systems for this indicator for this data at country level. Measures to improve this aspect will be taken.	No
G4-55	61				Yes (144)

ETHICS AND INTEGRITY

G4-56	34-35	n.a.	n.a.	n.a.	Yes (144)
G4-57	37-38				Yes (144)
G4-58	40-41				Yes (144)

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SPECIFIC STANDARD DISCLOSURES

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
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CATEGORY: ECONOMIC

MATERIAL ASPECT: ECONOMIC PERFORMANCE

G4-DMA	11;21				Yes (144)
G4-EC1	20				Yes (144)
G4-EC2	99				Yes (144)
G4-EC3	30; Annual Accounts Grupo ACS pages 77-81				Yes (144)
G4-EC4	22				Yes (144)

MATERIAL ASPECT: MARKET PRESENCE

G4-DMA	132-133				Yes (144)
G4-EC5	Not available		The information is currently unavailable	We do not have management and collection systems for this indicator for this data at country level. Measures to improve this aspect will be taken.	No
G4-EC6	56				Yes (144)

MATERIAL ASPECT: INDIRECT ECONOMIC IMPACTS

G4-DMA	132-133				Yes (144)
G4-EC7	114				Yes (144)
G4-EC8	114				Yes (144)

MATERIAL ASPECT: PROCUREMENT PRACTICES

G4-DMA	70;132-133				Yes (144)
G4-EC9	71				Yes (144)

CATEGORY: ENVIRONMENTAL

MATERIAL ASPECT: MATERIALS

G4-DMA	74;132-133				Yes (144)
G4-EN1	73-74				Yes (144)
G4-EN2	73-74				Yes (144)

MATERIAL ASPECT: ENERGY

G4-DMA	98; 132-133				Yes (144)
G4-EN3	98;104				Yes (144)
G4-EN4	104				Yes (144)
G4-EN5	104				Yes (144)
G4-EN6	98				Yes (144)
G4-EN7	98				Yes (144)

MATERIAL ASPECT: WATER

G4-DMA	105; 132-133				Yes (144)
G4-EN8	106				Yes (144)
G4-EN9	106				Yes (144)
G4-EN10	106				Yes (144)

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
MATERIAL ASPECT: BIODIVERSITY					
G4-DMA	107;132-133				Yes (144)
G4-EN11	107				Yes (144)
G4-EN12	107				Yes (144)
G4-EN13	107				Yes (144)
G4-EN14	Not available		The information is currently unavailable	We do not have management and collection systems for this indicator for this data. Measures to improve this aspect will be taken.	Yes (144)
MATERIAL ASPECT: EMISSIONS					
G4-DMA	98-133				Yes (144)
G4-EN15	96;100				Yes (144)
G4-EN16	96;100				Yes (144)
G4-EN17	96;100				Yes (144)
G4-EN18	96;100				Yes (144)
G4-EN19	98				Yes (144)
G4-EN20	Not available		The information is currently unavailable	We do not have management and collection systems for this indicator for this data. Measures to improve this aspect will be taken.	No
G4-EN21	96				Yes (144)
MATERIAL ASPECT: EFFLUENTS AND WASTE					
G4-DMA	103;105;132-133				Yes (144)
G4-EN22	106				Yes (144)
G4-EN23	103				Yes (144)
G4-EN24	Not available		The information is currently unavailable	We do not have management and collection systems for this indicator for this data. Measures to improve this aspect will be taken.	No
G4-EN25	Not available		The Standard Disclosure or part of the Standard Disclosure is not applicable	We do not have management and collection systems for this indicator for this data. Measures to improve this aspect will be taken.	Yes (144)
G4-EN26	Not applicable		The Standard Disclosure or part of the Standard Disclosure is not applicable	We do not have management and collection systems for this indicator for this data. Measures to improve this aspect will be taken.	No
MATERIAL ASPECT: TRANSPORT					
G4-DMA	132-133				Yes (144)
G4-EN30	104				Yes (144)
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT					
G4-DMA	77;132-133				Yes (144)
G4-EN32	77				Yes (144)
G4-EN33	77				Yes (144)
MATERIAL ASPECT: ENVIRONMENTAL GRIEVANCE MECHANISMS					
G4-DMA	94				Yes (144)
G4-EN34	94				Yes (144)

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General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
CATEGORY: SOCIAL					
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK					
MATERIAL ASPECT: EMPLOYMENT					
G4-DMA	54;132-133				Yes (144)
G4-LA1	56-58				Yes (144)
G4-LA2	59				Yes (144)
G4-LA3	Not available		The information is currently unavailable	This indicator was not collected. Measures to improve this aspect will be taken.	No
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY					
G4-DMA	65;132-133	Percentage of employees	The information is currently unavailable	This indicator was not collected this year. Measures to improve this aspect will be taken.	Yes (144)
G4-LA5	67	Fatalities were not released	The information is subject to specific confidentiality constraints	Company considered that this information is confidential and sensitive for the development of its activity.	Yes (144)
G4-LA6	58;69;76				Yes (144)
G4-LA7	66	Percentage of covered issues	The information is currently unavailable	This indicator was not collected this year. Measures to improve this aspect will be taken.	Yes (144)
G4-LA8	Not available			This indicator was not collected this year. Measures to improve this aspect will be taken.	Yes (144)
MATERIAL ASPECT: TRAINING AND EDUCATION					
G4-DMA	63-64;68				Yes (144)
G4-LA9	63-64				Yes (144)
G4-LA10	63-64				Yes (144)
G4-LA11	63-64				Yes (144)
MATERIAL ASPECT: DIVERSITY AND EQUAL OPPORTUNITY					
G4-DMA	56-57				Yes (144)
G4-LA12	56-57				Yes (144)
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR LABOR PRACTICES					
G4-DMA	77;132-133				Yes (144)
G4-LA14	77				Yes (144)
G4-LA15	77				Yes (144)

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
SUB-CATEGORY: HUMAN RIGHTS					
MATERIAL ASPECT: INVESTMENT					
G4-DMA	34-36;132-133				Yes (144)
G4-HR1	45;71				Yes (144)
G4-HR2	64				Yes (144)
MATERIAL ASPECT: NON-DISCRIMINATION					
G4-DMA	34-36;132-133				Yes (144)
G4-HR3	45				Yes (144)
MATERIAL ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING					
G4-DMA	34-36;132-133				Yes (144)
G4-HR4	58;77				Yes (144)
MATERIAL ASPECT: CHILD LABOR					
G4-DMA	34-36;132-133				Yes (144)
G4-HR5	45;77				Yes (144)
MATERIAL ASPECT: FORCED OR COMPULSORY LABOR					
G4-DMA	34-36;132-133				Yes (144)
G4-HR6	45;77				Yes (144)
MATERIAL ASPECT: SECURITY PRACTICES					
G4-DMA	34-36;132-133				Yes (144)
G4-HR7	Not available		The information is currently unavailable	Qualitative explanation in page 55 but we don't have quantitative data. Measures to improve this aspect will be taken.	Yes (144)
MATERIAL ASPECT: INDIGENOUS RIGHTS					
G4-DMA	34-36;132-133				Yes (144)
G4-HR8	Not available		The information is currently unavailable	This indicator was not collected this year. Measures to improve this aspect will be taken.	No
MATERIAL ASPECT: ASSESSMENT					
G4-DMA	34-36;132-133				Yes (144)
G4-HR9	45				Yes (144)
MATERIAL ASPECT: SUPPLIER HUMAN RIGHTS ASSESSMENT					
G4-DMA	34-36;132-133				Yes (144)
G4-HR10	45				Yes (144)
G4-HR11	45				Yes (144)
MATERIAL ASPECT: HUMAN RIGHTS GRIEVANCE MECHANISMS					
G4-DMA	34-36;132-133				Yes (144)
G4-HR12	43				Yes (144)

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General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
SUB-CATEGORY: SOCIETY					
MATERIAL ASPECT: LOCAL COMMUNITIES					
G4-DMA	34-36;132-133				Yes (144)
G4-S01	114;126				Yes (144)
G4-S02	114;126				
MATERIAL ASPECT: ANTI-CORRUPTION					
G4-DMA	34-36;132-133				Yes (144)
G4-S03	45				Yes (144)
G4-S04	37-38				Yes (144)
G4-S05	Not applicable		The Standard Disclosure or part of the Standard Disclosure is not applicable	Corruption problems were not detected.	No
MATERIAL ASPECT: PUBLIC POLICY					
G4-DMA	34-36;132-133				Yes (144)
G4-S06	22				Yes (144)
MATERIAL ASPECT: ANTI-COMPETITIVE BEHAVIOR					
G4-DMA	34-36;132-133				Yes (144)
G4-S07	Page 85 Consolidated Annual Accounts				Yes (144)
MATERIAL ASPECT: COMPLIANCE					
G4-DMA	34-36;132-133				Yes (144)
G4-S08	Page 85 Consolidated Annual Accounts				Yes (144)
MATERIAL ASPECT: SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
G4-DMA	34-36;132-133				Yes (144)
G4-S09	77				Yes (144)
G4-S010	77				Yes (144)
MATERIAL ASPECT: GRIEVANCE MECHANISMS FOR IMPACTS ON SOCIETY					
G4-DMA	34-36;132-133				Yes (144)
G4-S011	42-43				Yes (144)

General Standard Disclosures	Page Number (or Link)	Identified Omission(s)	Reason(s) for Omission(s)	Explanation for Omission(s)	External Assurance
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SUB-CATEGORY: PRODUCT RESPONSIBILITY

MATERIAL ASPECT: COMPLIANCE

G4-DMA	48;132-133				Yes (144)
G4-PR9	Not applicable		The Standard Disclosure or part of the Standard Disclosure is not applicable	It was not detected significant amounts in this indicator.	No

SECTOR DISCLOSURES: CONSTRUCTION AND REAL ESTATE

CRE-1	Not available		The information is currently unavailable	It was only collected partial information about this indicator 102-103	Yes (144)
CRE-2	Not available		The information is currently unavailable	It was only collected partial information about this indicator 102-103	Yes (144)
CRE-3	Not available		The information is currently unavailable	It was only collected partial information about this indicator 102-103	Yes (144)
CRE-4	100				Yes (144)
CRE-5	Not available		The information is currently unavailable	This indicator was not collected this year. Measures to improve this aspect will be taken.	No
CRE-6	66				Yes (144)
CRE-7	Not available		The information is currently unavailable	This indicator was not collected this year. Measures to improve this aspect will be taken.	No
CRE-8	102-103				Yes (144)

13. APPENDICES

13.5. AWARDS, RECOGNITIONS, MEMBERSHIPS

- The ACS Group has been recognised for its work in the field of sustainability by being included in the Dow Jones Sustainability Index for 2015 and 2016.

- The ACS Group is a signatory to the United Nations Global Compact.



- The ACS Group supports the Carbon Disclosure Project initiative.



- ACS is a world leader in the development of infrastructure concessions, according to Public Works Financing magazine.
- ACS is the sixth largest company in the world by sales figures, according to the ENR magazine ranking published in August 2015. It is the second-ranking listed company in that list and the company with the most international business.
- ACS is the 203rd largest company in the world by turnover, according to the ranking in the magazine Fortune for 2015.
- In 2015, Harvard Business Review named Florentino Pérez, Chairman and CEO of the ACS Group, as one of the world's top 100 CEOs.
- The ACS Group is one of the most highly respected companies in Spain, according to the Merco monitor, and Florentino Pérez is considered to be one of the 10 leaders with the highest reputation in Spain, according to the same monitor.
- ACS has been acknowledged to be the listed Ibex-35 company with the highest accumulated return over 23 years of history of INVERSIÓN.

14. WE WOULD LIKE TO HEAR YOUR OPINION

As you have been able to read from the previous pages of this report, at the ACS Group we consider Corporate Social Responsibility to be a commitment which determines the Company's relationship with the environment and with each of our stakeholders. This Corporate Social Responsibility Report aims to include the main milestones and programmes carried out by the ACS Group aimed at improving relationships with its different stakeholders.

The ACS Group considers the assumption of Corporate Social Responsibility principles to be a continual improvement process, in which it is crucial to count on the opinion of the different stakeholders. Hence, we would be grateful to receive any opinion you may have on this report at:

ACS Group

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E-mail: infogrupoacs@grupoacs.com



For further information,
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