

CASE STUDY

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Our social and environmental risks management ensures the compliance with the Equator Principles to our project finance suppliers

An appropriate risk management is an important requirement to consider within the **FCC Construcción** CSR policy. The social and environmental risks management begins in the early stages of project planning, because the design and the financial procurement require having considered adequately these concepts from preliminaries.

It should be noted that the financing of major projects involves financial entities signatories of the Equator Principles. It is a voluntary commitment by which loans are awarded only to projects that can demonstrate proper management of their social and environmental impacts.

In 2013, the Riyadh Metro Project went through the four phases of the compliance assessment according to the Equator Principles. In the first phase - a project categorization based on potential social or environmental impacts - the project was classified as **Category B**; it comprises projects with potential limited adverse social or environmental impact. By failing to be classified as

Category C, in a second phase the Project conducted a socio-environmental assessment of its risks and, after a thorough analysis, an action plan to minimize and mitigate potential adverse impacts was proposed. Simultaneously Phases 3 and 4 for consultations and grievances, and monitoring and reporting, have been initiated, and they will be subject to regular monitoring throughout the execution of the project.

All these phases are internalised in the **FCC Construcción** Management and Sustainability System, which, after these early processes of due diligence by the World Bank, is being expanded so as to cover all the criteria set by the Performance Standards on Environmental and Social Sustainability and IFC.

Our business principles are confirmed by foreign demand in an increasingly international context, and this year it has meant a feedback and a continuous improvement process of our Management and Sustainability System.