

" Leading
the way to
sustainability "



Sustainability Report 2019-2020



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1.

Interview with the CEO

Access improvement to Iquique city (Chile)

Interview with Pablo Colio Abril, CEO of FCC and General Manager of FCC Construcción

Celebrating the company's 120 years of existence and the publication of the sixteenth Sustainability Report, for 2019, we spoke to Pablo Colio, CEO of the FCC Group, to ask him about the organisation's present and future outlook in the current context.



? FCC Construcción began in 1900, at the port of Barcelona, by undertaking the project for the España, Baleares, Nuevo and Pescadores quays. How has the company evolved since then?

FCC Construcción is indeed a company with 120 years' experience undertaking and developing civil engineering works and special building projects. The FCC group leads a full international supply of services focusing on the public. Over all this time the company has been able to adapt and overcome many different circumstances, having achieved a model of sustainable growth which is based on creating value.

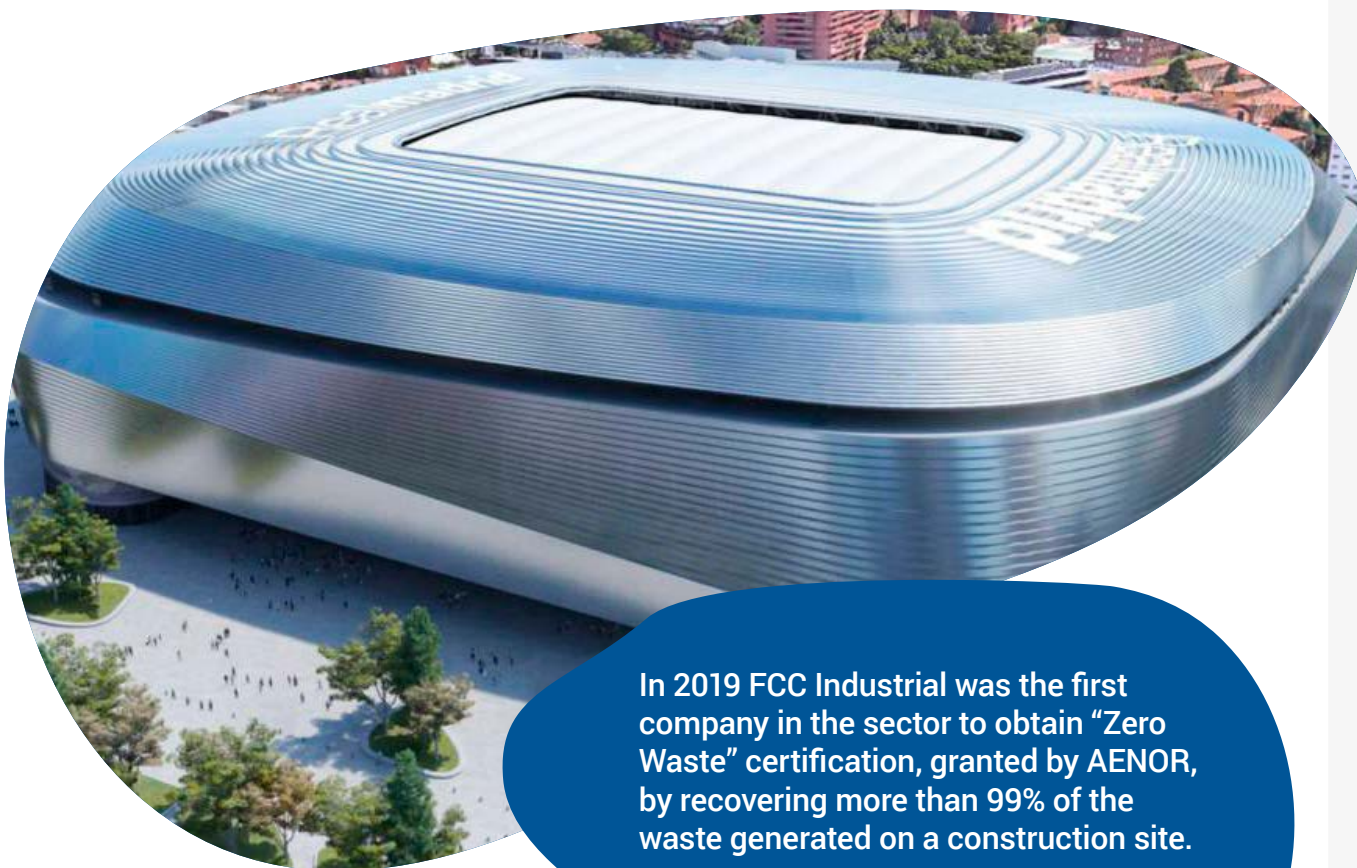
Thus, the company has become a benchmark for the sector, not only in Spain but also internationally, where we have undertaken extremely highly complex projects calling for the highly specialised knowledge that characterises the people who work at FCC Construcción. Projects such as the Riyadh Metro in Saudi Arabia or the Mersey Bridge in the UK are clear demonstrations of the company's experience. Therefore, our customers have complete trust in our ability, based in large part on the increasing digitisation and sustainability of building processes.



From your viewpoint, how would you rate FCC Construcción's performance in 2019?

The company's performance 2019 has highlighted and consolidated the trend for stable growth that began a few years ago, with good results for both our Spanish and international divisions. FCC Construcción has been awarded with a number of highly significant contracts. In Spain these include, among many others, the refurbishment of Real Madrid's Bernabéu stadium and the construction of the Tenerife island circular road in the Canary Islands. Particularly worthy of mention internationally is the award of our first contract in the Netherlands, to build the extension of the A9 motorway between Badhoevedorp and Holendrecht.

Sustainability plays a major role in all these projects and is present in all our processes, which permanently include responsibility criteria throughout the life of the project, significantly reducing environmental impact and maximising social benefits. In this regard, the projects of Haren Prison (Belgium) and the Grangegorman University Campus (Ireland) have received awards that recognise the alliances with the public sector in their development and their excellence as infrastructures that contribute to the society's welfare.



In 2019 FCC Industrial was the first company in the sector to obtain "Zero Waste" certification, granted by AENOR, by recovering more than 99% of the waste generated on a construction site.

Real Madrid's Santiago Bernabéu Stadium refurbishment, Madrid.



Europe and the rest of the world are making progress in the design of plans for a more sustainable planet, a process in which the role of construction and infrastructure is highly relevant. How does FCC Construcción address the associated challenges and opportunities?

Sustainability is very important for FCC Construcción and it is now an inherent part of the company's production processes and day-to-day activities. We are aware that we have significant impacts on the environment, due to the nature of our sector and business; that is why we keep working not only to minimise negative impact but also to maximise FCC Construcción's positive contribution to society. Challenges such as climate change or natural resources scarcity enable us to position ourselves and make a commitment towards developing actions to fight them. This is why, aiming to intensify our involvement with these global challenges, we have taken steps such as calculating, verifying and publishing our greenhouse gas emissions, to improve our impact management on climate, or investing in resources to protect and restore natural areas and areas with high biodiversity value.

When seeking all our solutions we take an innovative approach, such as applying the BIM methodology, which is a transversal tool across the company that helps us to optimise the use of material and human resources in all areas of construction. The R&D department is also constantly working and participating in projects that contribute towards meeting the circular-economy targets based on the methodology proposed by the Ellen McArthur Foundation and the EU's Circular Economy Plan. As a result of these efforts, in 2019 FCC Industrial became the first company in the sector to obtain "Zero Waste" certification, granted by AENOR, by recovering more than 99% of the waste generated on a construction site.

Moving beyond sustainability, it is key to analyse our relations with our partners. In 2019 progress has been made in the supplier assessment process, by including environmental and social criteria.

With regard to our workforce, the company promotes equality, diversity and social inclusion at all levels, paying particular attention to the potentially most vulnerable groups. Moving beyond sustainability, it is key to analyse our relations with our partners. In 2019 progress has been made in the supplier assessment process, by including environmental and social criteria. Partnerships are a cornerstone of FCC Construcción's performance, and in line with SDG 17 "Partnerships for the goals" we have made partnerships and synergies with all our stakeholders one of the core components of our strategy, and we are the first Spanish firm to obtain certification for our innovative collaborative business relationships management system.



Regarding the 2030 Agenda, how would you describe FCC Construcción's contribution towards the achievement of the Sustainable Development Goals?

Back in 2004 the company joined the UN Global Compact — as a founder member of the Spanish Network — and since then we have been working to align ourselves with its ten principles regarding human rights, anti-corruption, environment and labour. This report demonstrates our willingness to renew our ongoing commitment to these principles. These days, in the framework of the 2030 Agenda, we are aware that our business has, by nature, more direct impact on achieving the SDG targets related to Industry, Innovation and Infrastructure (SDG 9), Sustainable Cities and Communities (SDG 11) and Responsible Consumption and Production (SDG 12).

One of the objectives of the company's management system since 2017 has been to achieve the verification of greenhouse gas emissions in 100% of the countries where the company operates.

We also feel that in an emergency climate situation such as the one we are currently threatened by, SDG 13, Climate Action, is the fourth cornerstone on which to build FCC Construcción's direct contribution towards compliance with the 2030 Agenda. I personally

attended the 2019 UN Climate Action Summit in New York last September, which is a further demonstration of our level of commitment in this regard. Indeed, one of the objectives of the company's management system since 2017 has been to achieve the verification of greenhouse gas emissions in 100% of the countries where the company operates. In 2019 we added the emissions of four more countries, which entailed that 56% of our turnover was verified.

To ensure that our contribution is oriented effectively in this area, at FCC Construcción we stress the need to build awareness of the importance of the Sustainable Development Goals across the whole company, with initiatives to share with employees the importance of aligning ourselves with the SDGs and working towards its achievement. We also identify those goals where we add the most added value and those where we contribute the most through our business.

For example, the *enpositivofcc* campaign, launched last year, is committed to reducing inequality and promoting gender equality, which are two of the Sustainable Development Goals. Some of the measures developed include the strategy of social inclusion when recruiting the workforce, campaign for women or against gender-based violence, and programmes to boost the career development of our youngest workers.

Also in 2019, FCC Construcción became the first company in the construction sector to join the sustainable-finance group (CFO Taskforce) promoted by the UN Global Compact. In the framework of this working group, we bring together with other world-leading firms to explore ways of fostering alliances and orienting capital flows towards achieving the 2030 Agenda (SDG 17).

Colviha-Guarda railway line (Portugal)



FCC Construcción became the first company in the construction sector to join the sustainable-finance group CFO Taskforce for the SDGs, promoted by the UN Global Compact.

?

In the current context we are experiencing, with the uncertainty caused by the health crisis, how do you see the sector evolving on the short and medium term? What are the company's future prospects?

There is no doubt that we are facing extraordinary times, not only as a company but also as part of society as a whole. The current COVID-19 health crisis presents us with a paradigm with many unknowns in terms of how we will relate and work in the immediate future.

However, despite this situation, which has disrupted many aspects of our production, we understand that we must do our bit to encourage the continuity of the projects we are currently involved in.

In this sense, what we do is essential, contributing towards the development of infrastructure to improve our quality of life as citizens and to progress in the places where we operate, by creating jobs and other associated positive impacts.

Therefore we took from the beginning of the crisis the appropriate steps to carry on working without compromising what is most important: our workers' health. We have been leaders in the sector-wide initiative to assure the continuance of our activities under strict safety conditions and complying with all the recommendations issued by the health authorities.



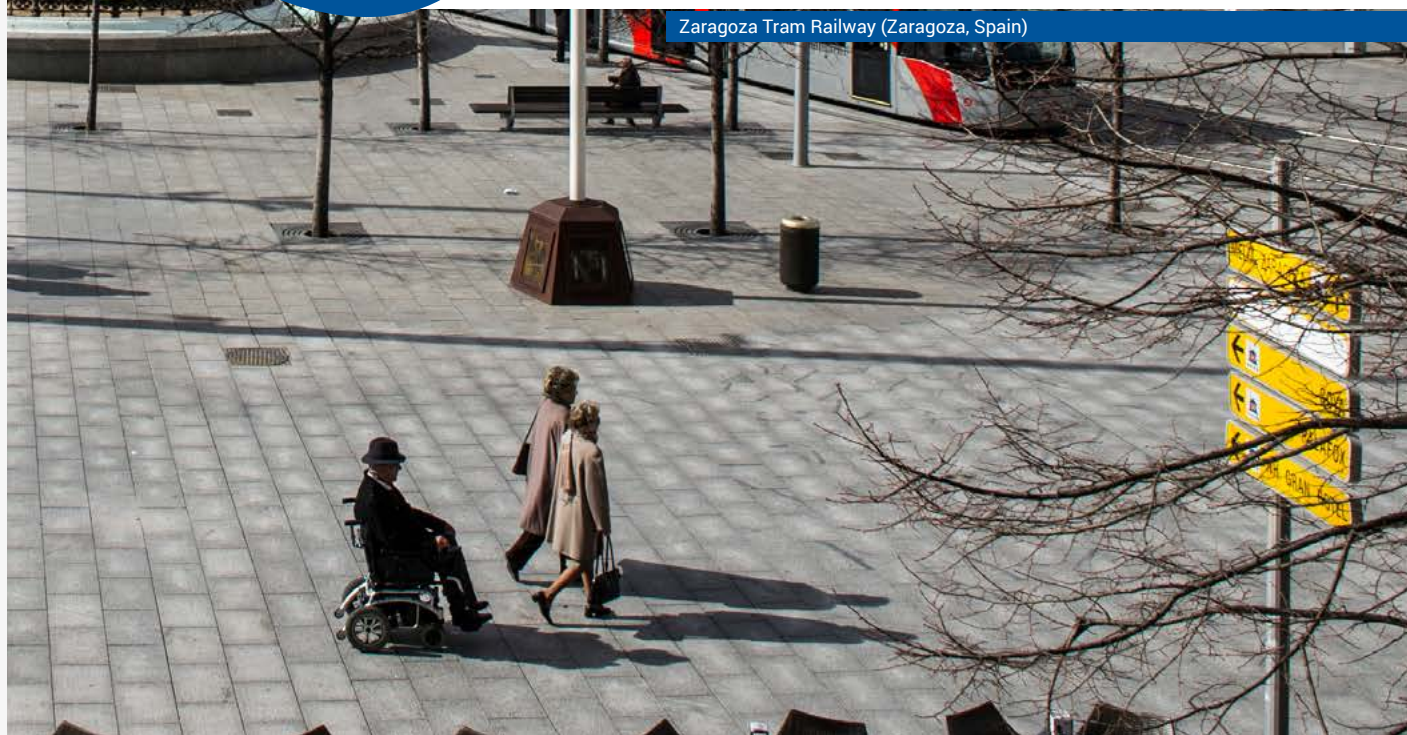
2.

Who we are

Profile of FCC Construcción 11

FCC Construcción worldwide 14

Zaragoza Tram Railway (Zaragoza, Spain)



Line 2 of Panama Metro (Panama)



2.1

Profile of FCC Construcción

FCC Construcción is the benchmark company for infrastructure development and civil engineering works, industrial and building works.

Working with you for
120 years



Civil engineering works

- Rail infrastructure
- Roads
- Bridges
- Tunnels
- Maritime infrastructure
- Airport infrastructure
- Water infrastructure



Building

- Housing and urban development
- Non-residential buildings
- Rehabilitation



Industrial

- Industrial construction
- Electromechanical installations
- Power distribution networks
- IT systems
- Facilities maintenance and efficiency
- Infrastructure maintenance
- Prefabrication in construction
- Corporate image

What we have built in the last 50 years

700 km
tunnels

326 km
of metro systems

We are currently the fourth-largest construction firm in Spain, in terms of turnover, and one of the top 40 in the world.

48
dams

2.3 M m²
airports terminals

8,500 km
motorways and dual-carriageways

98
drinking-water and wastewater treatment plants

2,600 km
railway tracks

76 km
quays and docks

1,650
bridges and viaducts

41 mill m²
residential and non-residential buildings

3,000 km
gas and oil pipelines

4.5 M m²
of airport runways

The FCC Group's construction division is made up of a group of companies focused on construction and other activities related to the sector.

FCC Construcción is a benchmark for transport infrastructure, as well as for residential and non-residential building. We are currently the fourth-largest construction firm in Spain, in terms of turnover, and one of the top 40 in the world, according to the ranking by the international journal Engineering News-Record (ENR).

The construction business area of FCC Group has proven experience in the development of concession projects and has a number of companies specialising in the industrial sector, grouped together under the umbrella brand FCC Industrial¹, as well as other activities associated with the construction sector, such as industrial and energy-related activities, prefabrication of materials and infrastructure maintenance.

¹ FCC Industrial is a brand that groups together various specialised companies; specifically FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas.

Companies in the construction business area of FCC Group



Design and execution of building projects (residential and non-residential buildings, and rehabilitations) and civil engineering works (railway infrastructures, roads, bridges, tunnels, maritime, airport and hydraulic infrastructures).



Specialised in railway construction works (both infrastructure and superstructure). Services include the maintenance and renovation of existing lines and the construction of new stations.



Design and build projects in the industrial and energy sectors. Services range from construction by lots or turnkey supply of facilities.



Activities for the conservation of large-scale infrastructure, such as roads, railways, water works and forestry works, as well as services to improve energy efficiency.



Integrated corporate-image services all over the world.



Prefabrication of a wide range of construction products.

Thus, FCC Construcción is able to generate added value for clients – offering them a full, specialist service – and positive impact in the communities where the company operates, maintaining the sustainability of operations as its strategic focus.

The future strategy of FCC Construcción hinges on shaping a solid portfolio of projects, with international presence on specialised projects to ensure the flow of earnings in the medium and long term, while maintaining the company's business in Spain and demonstrating the technical capacity and experience that has been gained over the course of our 120-year history.

FCC: a global operator for infrastructure and services

[More information on the FCC Group](#)

FCC Construcción is a member of the FCC Group, a global firm with more than a century's experience and a vocation for public service, operating in more than 30 countries.

The company is present in the fields of infrastructure development, environmental services and end-to-end water-cycle management.

The FCC Group also holds concessions to operate motorways, tunnels and other infrastructure. The Group is also active in housing development and office leasing in the property sector, through the company F-C y C, S.L.U. and its holding in Realia Business S.A.



Design, build, operation, maintenance and concessions for infrastructures connecting people.



Municipal services including maintenance and cleaning of public spaces, integrated waste management and contaminated-soil recovery.



Production of cement, concrete, aggregate and mortar.



End-to-end water cycle to supply homes and businesses.

Key financial figures 2019



€6,276 M
billings



€1,025.8 M
EBITDA



59,000
employees

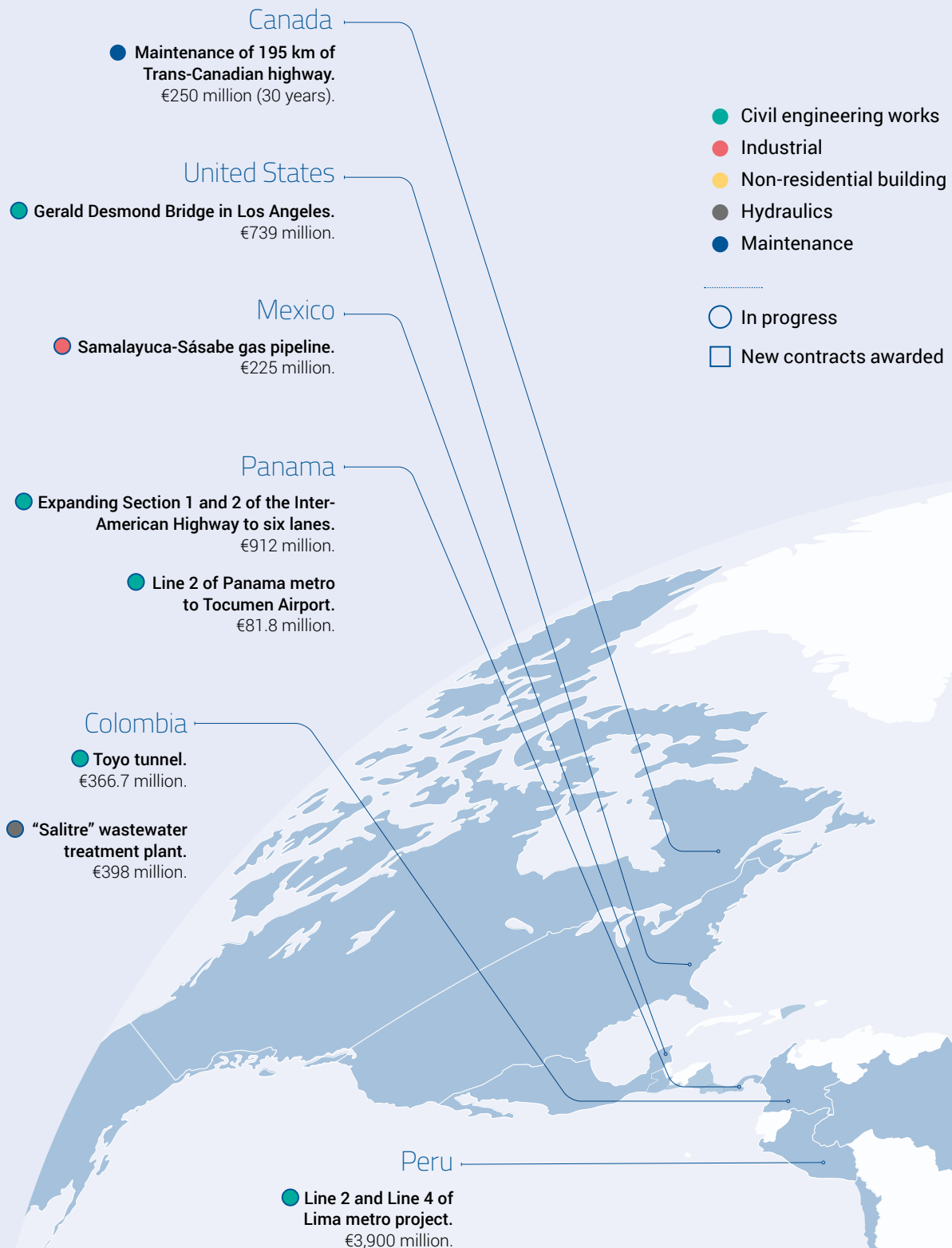


44.8 %
of revenues from
international markets

2.2

FCC Construcción worldwide

FCC Construcción is an international benchmark, located in more than 25 countries.



Portugal

- **Gouvães dam.**
€17.6 million.
- **Tárnega and Oura Bridges.**
€11.3 million.
- **Renewal of Covilhã and Guarda Railway Line.**
€61.4 million.
- **Extension of the A4 Highway in Aguas Santas.**
€13.4 million.

Spain

- **Real Madrid's Santiago Bernabéu Stadium refurbishment, Madrid.**
- **Plaza de España full refurbishment, Madrid.**
€62 million.
- **Sea club "Palma de Mallorca"**
- **Construction of the circular road in Tenerife, in the Canary Islands.**
€240.4 million.
- **Sections of the Mediterráneo Corridor (Levante)**
- **Castrovido dam**
€223 million.
- **New hospital in Salamanca**
€169 million.

Norway

- **E6 highway Ulsberg–Vindasliene highway.**
€263 million.

Ireland

- **Buildings of the higher education centre of Dublin's Institute of Technology, on the Grangegorman campus.**
€220 million.
- **New "North Runway" at Dublin airport.**
€130 million.
- **Remodelling of airport and the hydrant system in Dublin Airport.**
€41.5 million.

The Netherlands

- **A9 motorway section from Badhoevedorp–Holendrecht.**
€845 million.

Belgium

- **Haren prison.**
€322 million.

Romania

- **Bucharest Metro Line 5.**
€470 million.
- **Railway lines in Transilvania and new railway awards.**
€1,480 million.
- **Design and construction of the wastewater treatment plant and sludge incinerator in Glina, Bucharest.**
€113 million.
- **Modernisation of Bacau Airport runway.**
€30 million.

Egypt

- **Abu Rawash wastewater treatment plant in El Cairo.**
€281 million.

Saudi Arabia

- **Additional stations in line 4 of Riyadh metro project. Park and Ride in Line 4 and Science Park in Line 5.**
€612 million.
- **Lines 4, 5 and 6 of the Riyadh metro project.**
€7,528 million.

3.

FCC Construcción in 2019

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Gerald Desmond Bridge (USA)

Porta Fira hotel (Barcelona, Spain)



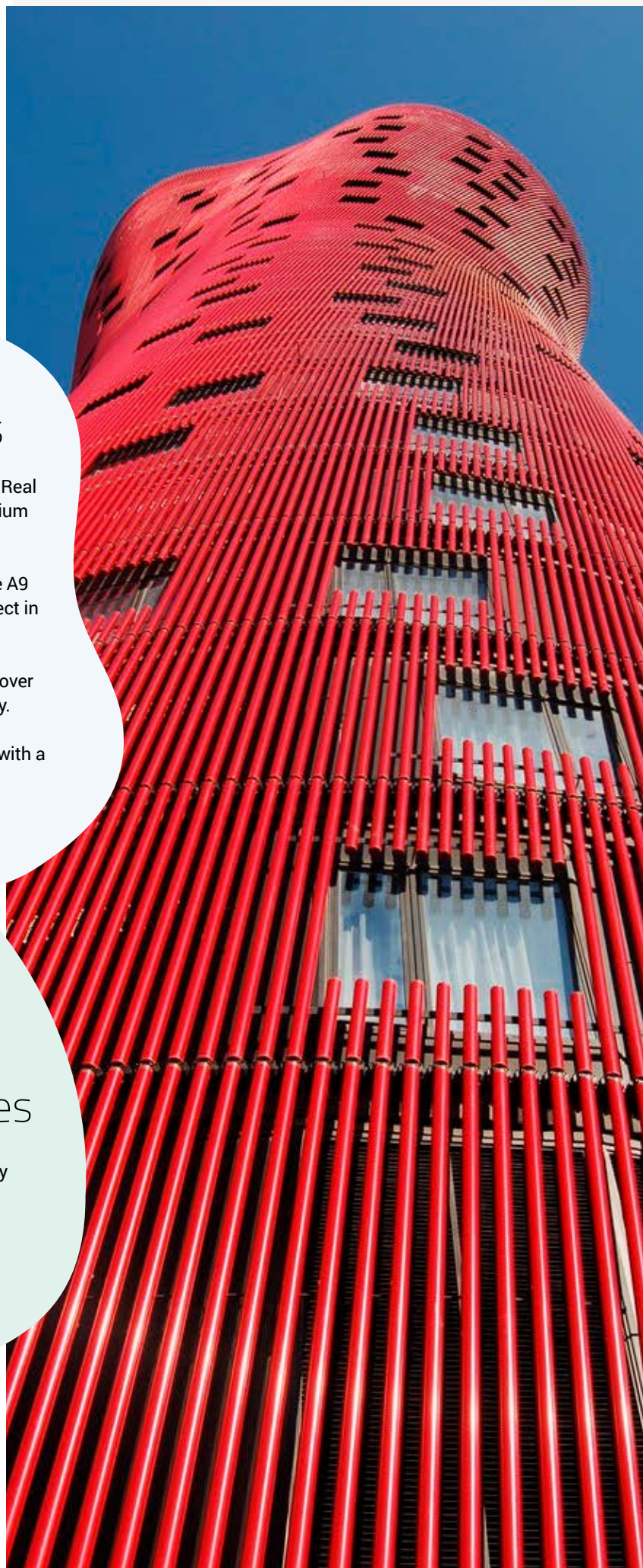
Achievements

- Contract for the refurbishment of Real Madrid's Santiago Bernabéu Stadium (Spain).
- Contract to build a section of the A9 motorway, the company's first project in the Netherlands.
- Consolidation and growth of turnover both in Spain and internationally.
- EBITDA of more than €100 million with a margin of 5.8%.



Future challenges

- Consolidate long-term solvency through project selection.
- Extending our portfolio in strategic regions.



3.1 2019 Highlights



Award of the contract for full refurbishment of the Plaza de España in Madrid (Spain).



Extension of San Juan de Dios Hospital in Seville (Spain).



Haren Prison (Belgium) wins the IJ Global Awards, in the social-infrastructure category.



Start of traffic tests on the Riyadh Metro's main line by the FAST consortium, led by FCC Construcción.



Development of the BiciSendas R&D project for modular, self-sufficient cycle lanes with sustainable materials.



Award of the refurbishment of Real Madrid's Santiago Bernabéu Stadium (Spain).



Opening of the red line of the Doha Metro (Qatar).



Grangegorman University (Ireland) and Haren Prison (Belgium) win gold Partnership Awards.

January

March

May

February

April

June



Recording the carbon footprint, offsetting and CO₂ absorption projects at the Spanish Ministry for Ecological Transition and Demographic Challenge.



Launch of the project for the new "North Runway" at Dublin Airport (Ireland).



Partial opening of lines 1 and 2 of the Panama Metro, with capacity for more than 2.6 million passengers.



Completion of the works for Panama Metro line 2.



Award of the contract to build the Nijar-Andarax river section of the Mediterranean HST Corridor between Murcia and Almería (Spain).



FCC Construcción, pioneer in the development of a Collaborative Business Relationships Management System and in obtaining ISO 44001 certification by AENOR.



Launch of the Safety4D innovation project for BIM-based OHS, in partnership with the Industrial Technological Development Centre (CDTI) and the firm INGECID.



Contract award



Sustainability



Projects in progress



Recognition



The international journal ENR recognises the Doha Metro and Wanda Metropolitan Stadium among the world's best metro and sports-infrastructure projects, respectively.



The Mersey Bridge recognised as the best bridge in the world by the International Bridges and Structural Engineering Association.



FCC Construcción achieves certification under the new standard ISO 45001:2018 (OHS Management Systems).



FCC Construcción extends the scope of verification of the GHG emissions inventory to include the emissions of Portugal, Peru, Panama and Spain.



The CEO of FCC Construcción attends the 2019 UN Climate Action Summit.



FCC Construcción joins the #ODSéate and #aliadosdelosODS campaigns promoted by the High Commission for the 2030 Agenda and the Spanish Network of the UN Global Compact.



MATINSA implements its first equality plan.



Award of the contract to modernise the runway at Bacau Airport (Romania).



Launch of a training programme for women on the "Improvement of Camino Los Chinamos-El Ayote" project (Nicaragua).

July

September

November

August

October

December

Completion by FCC Construcción of the El Alamein desalinisation plant in Egypt and launch of O&M activities.

Award of the A-33 dual-carriageway; C-3223-Yecla to N-344 junction in Murcia (Spain).

Award of the contract to build the road section to close the Tenerife island circular road (Spain).

FCC Construcción becomes the first construction company in the world to join the CFO Taskforce for the SDGs of the UN Global Compact.

FCC Industrial, the first construction company to obtain the "Zero Waste" certification for waste-management tracking systems, granted by AENOR.

Award of the contract for the design, build and maintenance of a section of the A9 motorway (the Netherlands).



María Carrasco, CFO of FCC Construcción, at the UN's SDG Investment Forum (December 2019)

FCC Construcción joins the CFO Taskforce for the SDGs of the UN Global Compact

In 2019 FCC Construcción became the first construction company to join the group to encourage sustainable finance brought together by the UN Global Compact network.

In the framework of this initiative, the company took part in the SDG investment Forum, organised by the United Nations at the Milan Stock market, where business and institutional leaders stressed the important role of companies' finance departments in

the transition towards sustainable funding models and achieving the Sustainable Development Goals.

Thus, the company is making progress in creating an ecosystem according new developments in this area, such as the "Proposal for a Regulation of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment" and the "Action Plan to finance sustainable growth".



A9 motorway (Netherlands)

FCC Construcción awarded its first project in the Netherlands

In 2019 FCC Construcción won its first contract in the Netherlands with the award of the design, build and maintenance of a section of the A9 Badhoevedorp–Holendrecht motorway, near Amsterdam.

With an investment of more than €845 million, the project has a completion time of seven years, plus fourteen years of maintenance, two years of which will be handled by FCC Construcción.

The project consists of refurbishing 10.4 km of the A9 motorway, including extending

the platform from three to four lanes on each carriageway, as well as connections to other roads, bridges and underpasses.

A decisive factor in securing the award of this contract has been FCC Construcción's definition of environmental and social criteria in the process, requested by the client as part of the BVP (Best Value Procurement) competitive dialogue.

These criteria are associated with risk management and corrective measures to minimise impact:

Risk management

on impact, involving local administrations and citizens:

- Presentation of the project design to the local administration.
- Training for civil servants to enhance cooperation and working in partnership.
- Involvement of the local administration in the process of obtaining licences for the project to enhance transparency.

Mitigation Plan

to mitigate the traffic impact:

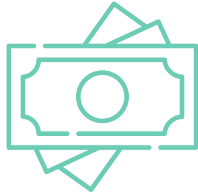
- Minimising temporary structures.
- Improving the logistics for the execution of the works, such as, for instance, by ensuring that the materials transportation to the site does not interfere with common traffic routes.
- Increasing the recycling of structures to avoid demolition work and the nuisance caused by the works.
- Nature conservation, maintaining access to recreation areas and avoiding felling trees for temporary tasks.

Defining sustainability targets

and monitoring indicators for the consumption of resources:

- Reducing the consumption of raw materials such as asphalt concrete, cement and steel.
- Drawing up a strategy to reduce 1–5% of the net present value (NPV) of scope 1, 2 and 3 of CO₂ emissions.
- Minimising energy consumption during the maintenance phase
- Installing solar panels to boost the use of renewable energy sources.
- Studying and setting targets to reduce scope 3 CO₂ emissions.
- Regular dissemination of the steps taken to reduce emissions.

3.2 Key figures

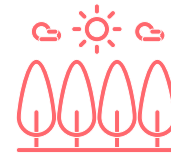


BUSINESS AREA

€1,719 M
Turnover

€5,623 M
Business portfolio

€100 M
EBITDA*



ENVIRONMENT

1.08 Mm³
Water consumption



GHG emissions

294,111
tCO₂eq



2.5% Reduction of
GHG emissions
(vs. 2018)

5,544 tCO₂eq of
GHG emissions
avoided

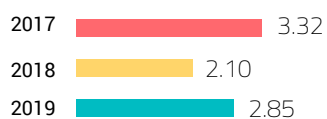
* Earnings Before Interest, Taxes, Depreciation and Amortisation.



INNOVATION

€2.85 M

Investment in R&D



Priority lines

- BIM - Building Information Modeling
- Knowledge management
- Railway infrastructure
- Maritime construction work
- Sustainable construction



TEAM

8,201

Employees



12%
Women



88%
Men

13%

Of top management positions held by **women**

80,434

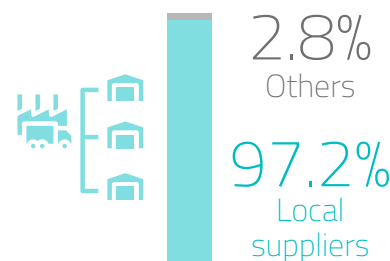
Hours of training



COMMUNITY

€818,531

Investment in the community



41

Educational partnership agreements with universities

256,200

Website visits

4

Active social-media

3.3 Certified activity

Management division	Standard	2018		2019				
		Total Construction area	Construction in Spain	Total Construction area	Total FCC Construcción	Total FCC Industrial	International construction	Construction in Spain
Quality	ISO 9001	93.5%	99.4%	91.0%	99.4%	63.6%	85.7%	99.2%
Environment	ISO 14001	92.9%	99.4%	90.2%	99.4%	60.3%	84.4%	99.2%
Occupational Health and Safety*	ISO 45001	93.3%	99.9%	94.9%	93.6%	96.3%	80.3%	99.4%
GHG emissions	ISO 14064	44.5%	64.0%	53.8%	70.3%	0.0%	47.8%	63.0%
Information security	ISO 27001	29.1%	78.3%	29.7%	29.2%	31.5%	0.0%	76.0%
Collaborative Business Relationships**	ISO 44001	NA	NA	22.3%	29.2%	0.0%	0.0%	57.1%
R&D Management***	UNE 166002	NA	59.1%	NA	NA	NA	NA	57.1%

* The data correspond to the percentage of certified turnover, except in the case of Occupational Health and Safety, where the employee cover percentage is considered.

** ISO 44001 Standard of Collaborative Business Relationships was implemented within the company in 2019.

*** It does not apply, since the scope of this standard applies to Spain only.

3.4 Business performance

In 2019 FCC Construcción's turnover stood at €1,719 million, i.e., 3.9% higher than the previous year. The steady growth of this figure in recent years is backed by the good completion rates of the construction projects in progress and their on-time delivery, as well as by an order book of projects worth €5,623 million.

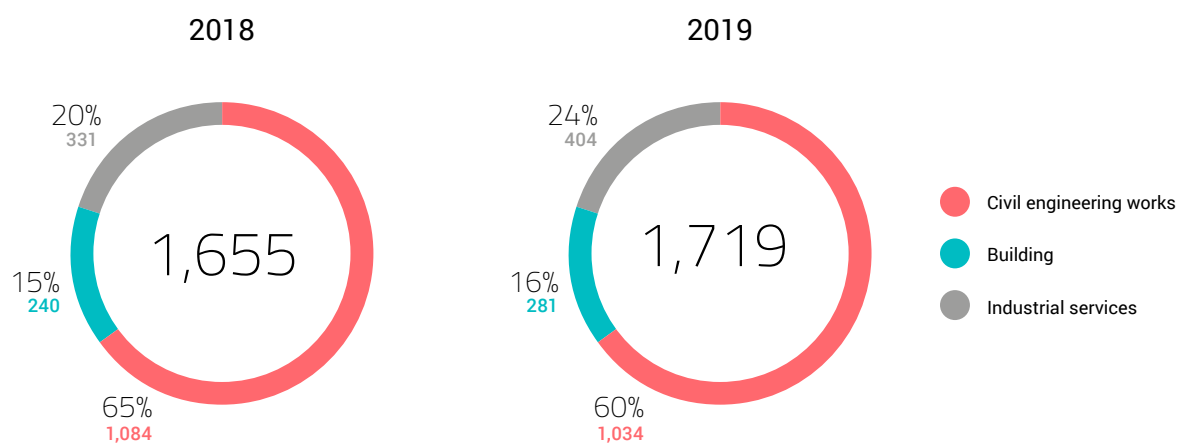
The gross operating profit in 2019 was more than €100 million, i.e. 54.1% higher than in 2018.



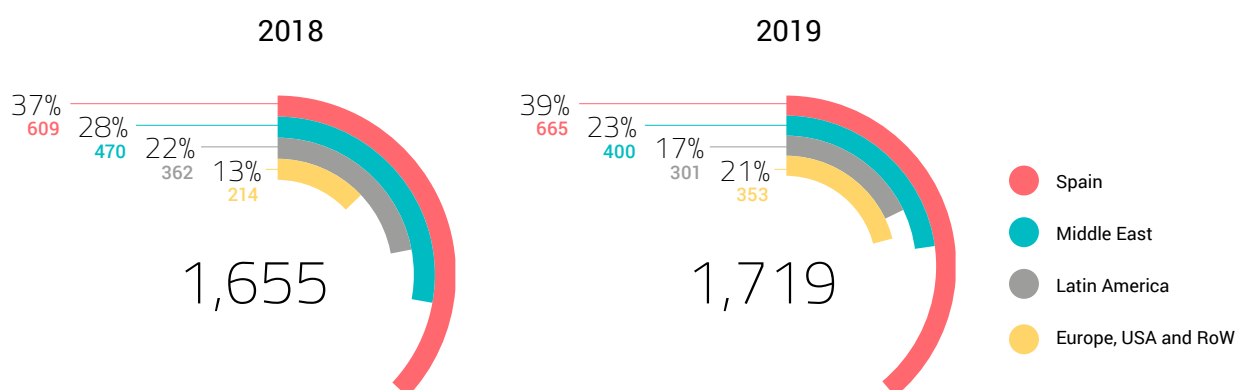
León Auditorium (León, Spain)

Turnover trends and distribution

Turnover by activity (€M, %)



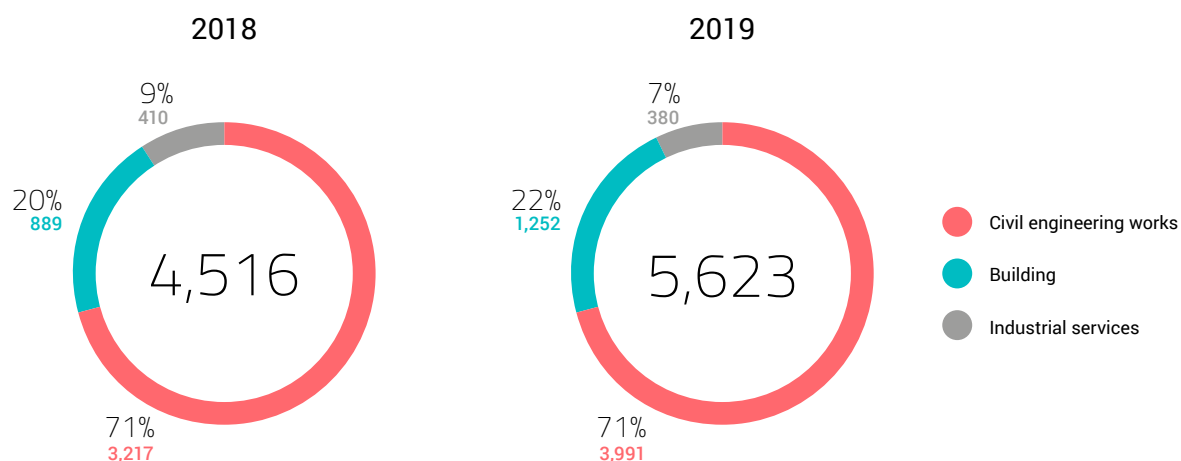
By geographical region (€M, %)



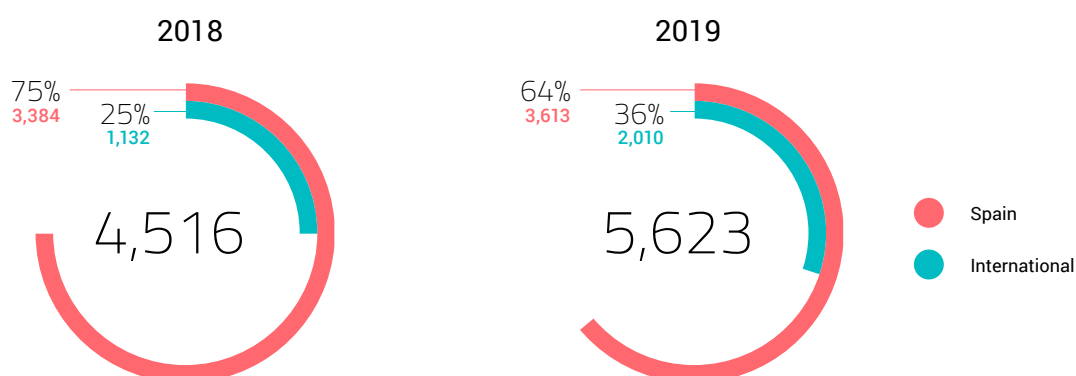
Turnover grows to €1,759 million, in line with previous years.

Portfolio trends and distribution

Portfolio by activity (€M, %)

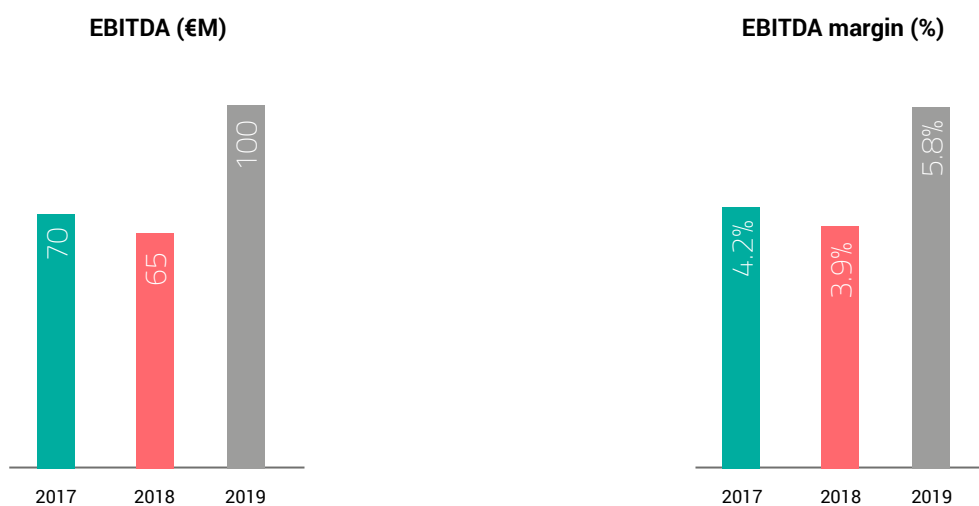


Portfolio by geographical region (€M, %)



The growth of the portfolio in Spain has been largely due to the award of the contracts for the full refurbishment of Real Madrid's Santiago Bernabéu Stadium and the construction of the Tenerife island circular road.

Trends in EBITDA



In 2019, EBITDA reached an improvement in its margins by 1.9 p.p.

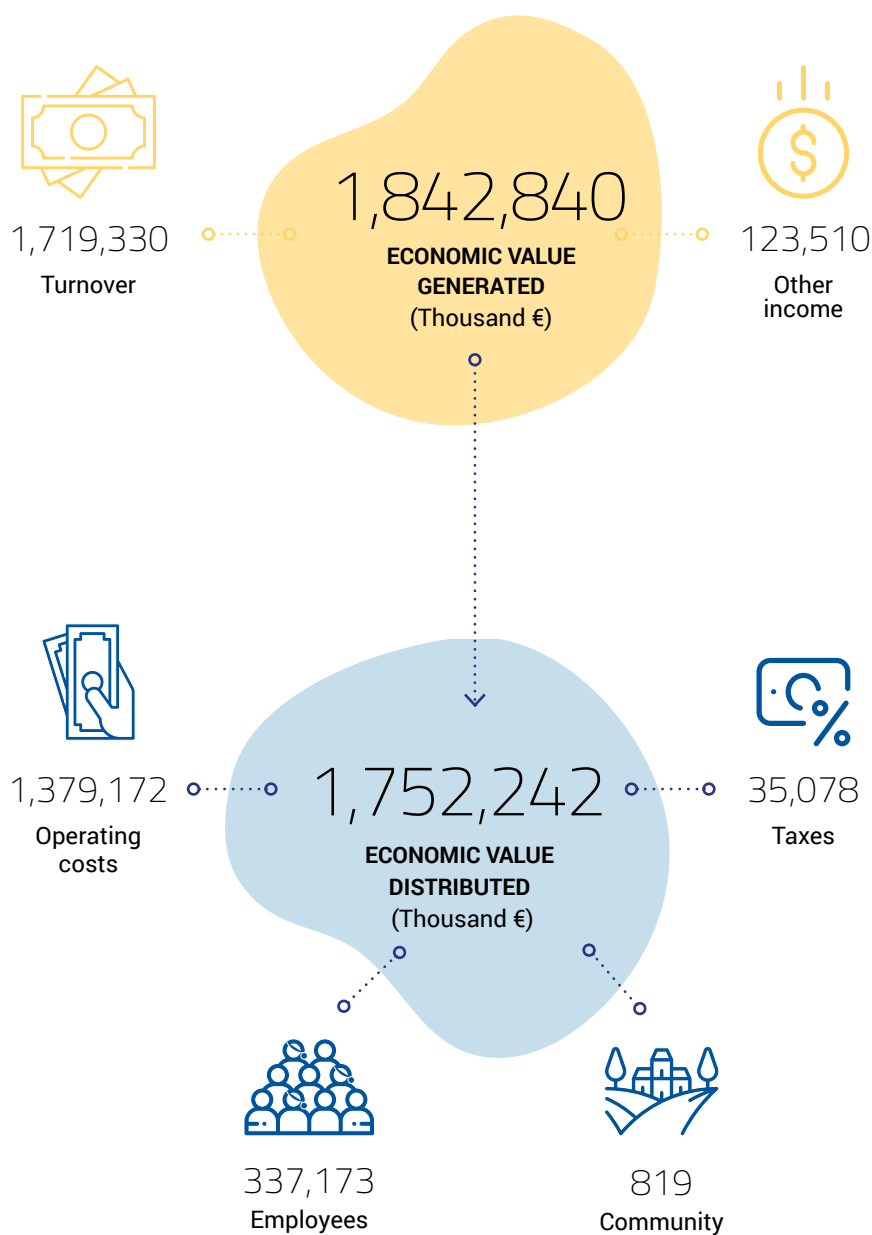


Pajares Tunnel (Asturias, Spain)

Economic value generated and distributed in 2019

FCC Construcción's business contributes towards improving people's life quality in the communities where we operate, stimulating the company's sustainable economic growth. The company's economic value can be viewed

from two angles: the economic value generated and the economic value distributed. The latter quantitatively demonstrates the company's contribution.



3.5

Awards and recognition prizes

Mersey Bridge (UK)



Mersey Bridge (UK)

"World's Best Bridge" award from the International Association for Bridge and Structural Engineering (IABSE)

Haren Prison (Belgium)

IJ Global Awards 2018:
Social Infrastructure Project

Gold Partnership Award for the *Best Social Infrastructure Project*

Doha Metro (Qatar)

Agustín de Betancourt International Prize for Public Works

World's Best Metro (2018) at the ENR Global Best Project Awards

Grangegorman Campus (Ireland)

Gold Partnership Award for the *Best Education and Higher Education Project*

Refurbishment of the sea front at Santa Cruz de La Palma (Spain)

Agustín de Betancourt Prize runner-up

Wanda Metropolitano Stadium (Spain)

World's Best Stadium (2018) at the ENR Global Best Projects Awards

Undergrounding of M-30 highway (now Calle 30) and "Madrid Río" restoration project (Spain)

III National Albert Serratos City and Territory Award 2019



FCC Construcción awarded the "Committed to Equality" prize from the Castilla y León Chamber of Contractors



FCC Construcción wins an award from "Fundación ONCE", a Spanish founding entity, in recognition of the company's commitment to improving the life quality of disabled people

4.

FCC Construcción aligned with the Sustainable Development Goals (GRI 102-44)

MUSAC modern art museum (León, Spain)

Approved in 2015 by the UN General Assembly, the 17 Sustainable Development Goals (SDGs) of the 2030 Agenda are a route map and common guideline for reducing social, environmental and economic issues and inequalities on a global scale.

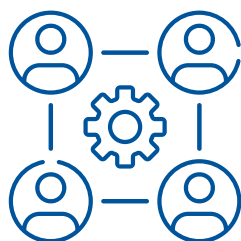
FCC Construcción has integrated the SDGs into the company's business and value-creation model, with a view to boosting the socio-economic development of the local communities that will be served by the buildings and infrastructure that we build, and also preserving the environment, from the design stages, by opting for more efficient building processes and more robust infrastructure. Thus, they are included both in the FCC Group's CSR Plan for 2017–2020, which establishes links to the goals that the company makes the greatest contribution towards, and FCC Construcción's Management Targets for 2017–2020.

Driving sustainability in construction is one of the company's main areas of action, responding to SDG 9 "Industry, Innovation and

Infrastructure", SDG 11 "Sustainable Cities and Communities", and SDG 12 "Responsible Consumption and Production". To foster sustainable construction beyond our own business, at **FCC Construcción we share our knowledge and experience via national and international working groups**, encouraging greater cooperation between companies in the sector to establish new concepts for sustainable construction.

Through these partnerships with sector organisations or working groups, we contribute towards defining new concepts and standards, with guidelines and technical reports for application on projects in the construction sector. Methods for the environmental, social and economic assessment of works are also determined, sustainability indicators are defined and parameters for the life cycle of infrastructure and buildings are established, among other measures.

Some of the most significant partnerships in which FCC Construcción is involved



International Technical Committee ISO/TC 59/SC17
"Building construction/Sustainability in building construction"

International Technical Committee CEN/TC350
"Sustainability of Construction Works"

Standardisation Technical Committee AEN/CTN198
"Sustainable Construction"

International Initiative for a Sustainable Built Environment (iiSBE)

Green Building Council Spain (GBCe)
Spanish Council of the international World Green Building Council

BREEAM Spain Advisory Council

More direct contribution to the Sustainable Development Goals



Construction of water-management infrastructure, contributing towards access to water-supply and sanitation services.



Contribution towards more sustainable and resilient communities ready to face global challenges.



Development of more efficient energy installations and providing energy services through the infrastructure projects.



Fostering responsible corporate management of resources and waste in the framework of a circular economy.



Innovation, as a cornerstone of the construction and development of sustainable infrastructures.



Driving a business model and carrying out actions that are more energy-efficient, moving to a low-carbon economy.

Madrid-Extremadura High Speed Line (Spain)



Contribution to other Sustainable Development Goals



Creation of direct and indirect employment for the inhabitants of local communities.



Fostering employees' health and well-being.



Training employees.

Career-development schemes for young people and women.



Driving effective participation by women and equal opportunities.

Preparing corporate Equality Plans.



Innovative tools to strengthen the response to Occupational Health and Safety risks and to promote economic growth of the local communities where we operate.



Initiatives to foster social inclusion and gender equality.



Monitoring of effluent discharges into water bodies.



Nature-based solutions.

Protecting biodiversity when undertaking projects.



Rules and control mechanisms to safeguard the ethics and integrity of operations.



Working with other organisations and institutions on R&D.

Certification of the Collaborative Business Relationship Management System.

The company has also been building internal **awareness of the SDGs**. In this regard, in 2019 specific training was given to employees regarding the Corporate Social Responsibility and the UN's 2030 Agenda, with the five campaigns run by the company having been accessed a total of 58,252 times by employees. Two campaigns of the company were directly related to SDGs and other initiative provided was the "UN Global Compact Academy" education platform, which features course oriented towards building skills and knowledge in various topic areas related to sustainability.

The company is also involved in a broad set of initiatives related to the SDGs and working to achieve them within the sector. This, FCC Construcción has adhered to the *#aliadosdelosODS* campaign by the Spanish Global Compact Network and *#ODSéate* by the High Commission for disseminating and promoting the 2030 Agenda commitments, marking the fourth anniversary of their approval. In June 2019, the company's Quality, Corporate Social Responsibility and R&D Department also hosted an intersector meeting on Corporate Social Responsibility (CSR) and "Integrating the Sustainable Development Goals into Organisations' Management and Reporting", organised by the CSR Community of the Spanish Quality Association (AEC). As part of this event,

FCC Construcción's sustainability division took part in a roundtable to share how the company is aligned with the Sustainable Development Goals (SDGs) and how we communicate our actions via the Sustainability Report.

We should also highlight the commitment by senior management to the framework of the Sustainable Development Goals. Evidence of this is the fact that Pablo Colio, the CEO of the FCC Group and General Manager of FCC Construcción, took part, during the UN Climate Action Summit in New York in September 2019, in the "High-Level CEO Roundtable on Corporate SDG Finance and Investment". During his intervention he explained the initiatives being developed by the company to work towards integrating the SDGs into our corporate strategy.

Throughout this report, FCC Construcción identifies the specific targets of each goal to which we contribute with the various activities and projects in which we are involved.

FCC Construcción has adhered to the *#aliadosdelosODS* campaign by the Spanish Global Compact Network and *#ODSéate* by the High Commission for disseminating and promoting the 2030 Agenda commitments.



Castrovido Dam
(Burgos, Spain)



Salamanca Hospital (Salamanca, Spain)

5.

From challenge to opportunity

Our commitment to the environment 37

Adapting to and mitigating climate change 52

Construction and circularity 61

Innovation in construction:
approach to sustainability 68

MUSAC modern art museum (León, Spain)

Driving sustainability is part of one of FCC Construcción's priority action areas, applied through actions to minimise the environmental impact of our operations and the development of guidelines to foster sustainable construction in the sector.

5.1 Our commitment to the environment

Proactive environmental management for more efficient processes and less negative impact on the natural environment.

At FCC Construcción environmental management is structured around the efficiency and optimisation of the resources used on projects — specifically

water, energy and materials — and the waste minimisation, while protecting the environment and biodiversity where we operate.



Achievements

- Significant reduction in water and energy consumption, which fell by 24.5% and 23.5%, respectively, compared with 2018.
- 6,972 tonnes of particles not emitted into the atmosphere as a result of applying good environmental practices.
- Innovative initiatives to protect biodiversity.
 - FCC Construcción joins the campaign "Earth Overshoot Day 2019", to build awareness among employees of our planet's ecological deficit.
 - Preparation of the Environmental Report 2019.



Future challenges

- Optimising the consumption of materials and generation of waste.
- Fostering new initiatives to build environmental awareness among stakeholders, addressing our own workers, suppliers and subcontractors.
- Strengthening engagement and involvement in domestic and international working groups on environment-related topics.
- Incorporating good social practices in the current register of good environmental practices, by seeking compatibility and synergies and by addressing both dimensions of sustainability.

The implementation of good practices on FCC Construcción sites is used as an indicator to assess the company's environmental performance, further details of which can be found in our Environmental Report.

Environmental Report

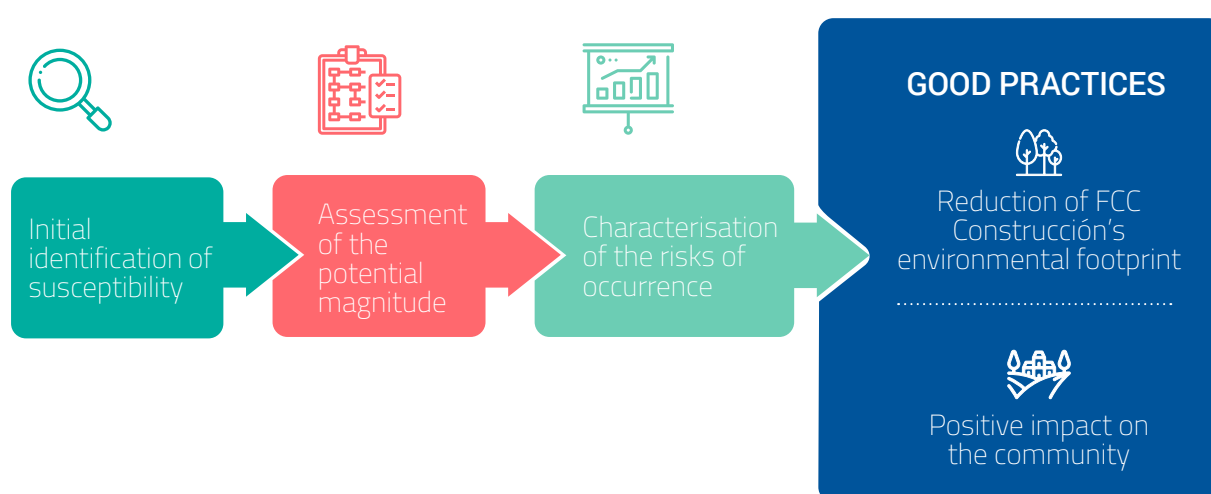
More information on the Environmental Report

FCC Construcción publishes its Environmental Report every two years. This report analyses the actions and good practices developed by the company anywhere in the world related to our environmental performance. It presents quantitative results, initiatives, successful stories and the contribution made by FCC Construcción towards the environment.

Also, with a view to strengthening the positive impact of our effects on the environment, FCC Construcción's **Good Practices System**² defines a set of environmental actions for each project, selected from an initial identification of any environmental issues that could have an impact on the project, assessing their potential magnitude and risk.

This Good Practices System® – our own model that has been a pioneer in the sector since 2009 – not only materialises the company's commitment to minimise environmental impact and focus prevention efforts on issues where the potential impact is most intense, but goes beyond compliance with the legislative and contractual requirements for projects.

Environmental aspects of a project



Application of good practices in 2019

Identifying and assessing the potential impact of FCC Construcción's works enables us to establish preventive measures proactively for each of the company's projects:

- Average application of 89% of the relevant Environmental Good Practices, thereby

planning and improving our environmental performance on projects in progress.

- 100% of the worksites have met the environmental target set by the organisation, showing a substantial improvement in the company's environmental performance.

Application of good practices*

Worksites supplying data on good practices

Application of good practices on construction worksites

Worksites meeting the environmental target

2018

2019

81/84	96%	92/93	99%
24/27	89%	24/27	89%
79/81	98%	92/92	100%

* Data of the projects executes by FCC Construcción (excluding FCC Industrial) It corresponds both to the company's own worksites and also to Joint Venture construction projects where the FCC Construcción management system is applied.

² FCC Construcción 2009: "System for assessing of environmental performance through good practices".

Efficient management of natural resources

Although consumption is a necessary inherent part of the projects we undertake, at the construction business area of FCC Group we encourage the rational and efficient use of resources by quantifying and applying good practices to optimise its management.



León Auditorium (León, Spain)



Diligent management to preserve water resources

Water consumption totalled 1,077,536 m³ in 2019, i.e., 24.48% less than the previous year. This is mainly due to the nearly completion of several of our largest projects, as well as to the increasing number of building projects which need less concrete, a material that involves an intensive use of water.

The main water-supply source is surface water, accounting for 51.53% of the company's total consumption. Water from rivers is the main source for infrastructure projects, which are often located away from urban areas.

Water consumption (m³)

	2018	2019					
	Total	Total	FCC Industrial*	Spain	FCC Construcción		
					Europe	Americas	Middle East
Surface water	664,002	555,242	0	509,259	45,616	367	0
Groundwater	120,903	136,795	10,591	1,543	15,191	109,470	0
Municipal water supply	566,355	308,138	74,251	63,623	29,745	38,777	101,742
Recycled or reused water	78,119	77,338	0	76,733	3	602	0
Water from other sources	0	23	3	0	20	0	0
TOTAL	1,429,379	1,077,536	84,845	651,158	90,575	149,216	101,742

* FCC Industrial is a brand that groups together various specialised companies. It includes the data of the centres of FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas that are located in Spain. FCC Industrial does not report environmental data of its overseas activity, which entails 1.2% of the organisations turnover and is located in Colombia, Ireland, Italy, Portugal and Dominican Republic.

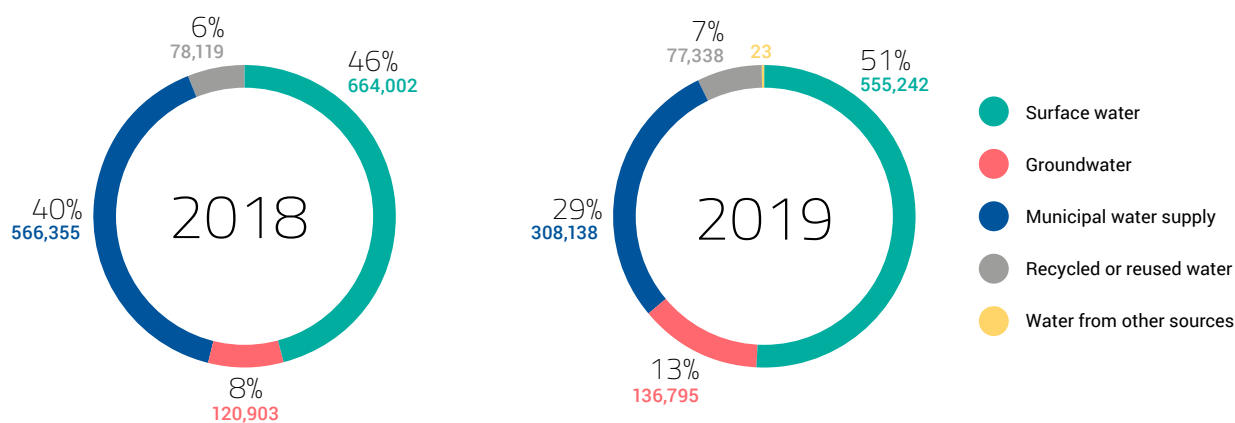


Castrovido Dam
(Burgos, Spain)

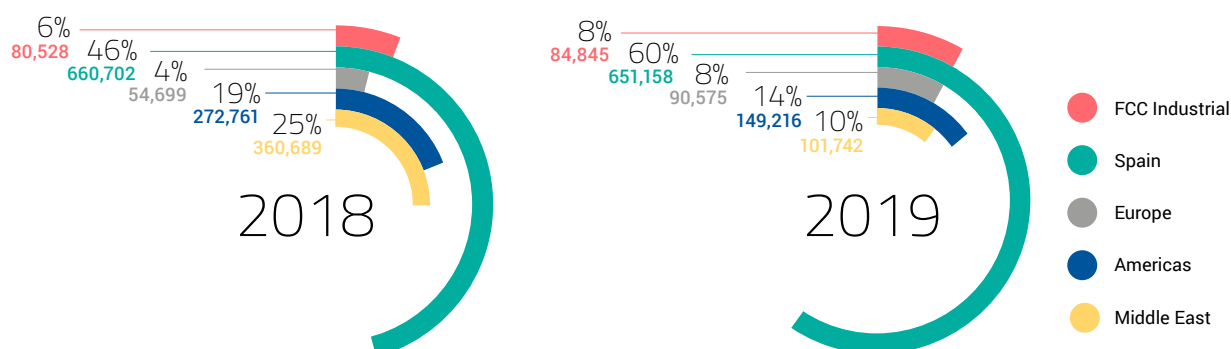
Trends in water consumption (millions of m³)



Water consumption by sources (m³)



Water consumption by geographical region (m³)





Efficiency in energy consumption

The energy consumption of the construction business area of FCC Group in 2019 was 1,024,993 GJ, i.e., 23.47% less than the previous year and 45.45% less than 2017. This significant drop is due to the swing towards building works rather than civil engineering works, which generally requires higher energy consumption to manufacture and transport materials and to power generator units. Diesel is the most commonly used fuel, mostly for activities related to the transport of materials and powering generator units, accounting for 92.15% of the total energy consumed.

By geographical area, our business in the Middle East accounts for 51.87% of the total, largely as a result of the size of the Riyadh Metro project in Saudi Arabia.

To improve energy efficiency and the performance of conventional systems, FCC Construcción uses alternative systems to optimise energy consumption, including such actions as installing presence detectors, replacing halogen or fluorescent lights with LED lighting, and optimising the use of natural light in enclosed spaces.

Energy consumption (GJ)

2018

2019

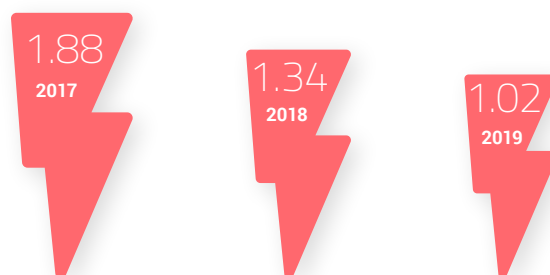
	Total	Total	FCC Industrial*	Spain	FCC Construcción		
					Europe	Americas	Middle East
Direct energy consumption	1,232,225	960,398	120,982	74,354	119,413	115,955	529,694
Fuel-oil consumption	58,566	2,845	869	924	0	1,052	0
Natural gas consumption	1,814	1,385	15	111	1,259	0	0
Diesel consumption	1,155,275	944,524	118,664	72,406	117,650	108,729	527,074
Petrol consumption	16,489	11,563	1,352	913	504	6,174	2,620
Propane and butane consumption	81	81	81	0	0	0	0
Indirect energy consumption	107,110	64,595	13,651	19,354	9,941	19,656	1,993
Electricity consumption	107,110	64,595	13,651	19,354	9,941	19,656	1,993
TOTAL	1,339,335	1,024,993	134,633	93,708	129,354	135,611	531,687

* FCC Industrial is a brand that groups together various specialised companies. It includes the data of the centres of FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas that are located in Spain. FCC Industrial does not report environmental data of its overseas activity, which entails 1.2% of the organisations turnover and is located in Colombia, Ireland, Italy, Portugal and Dominican Republic.

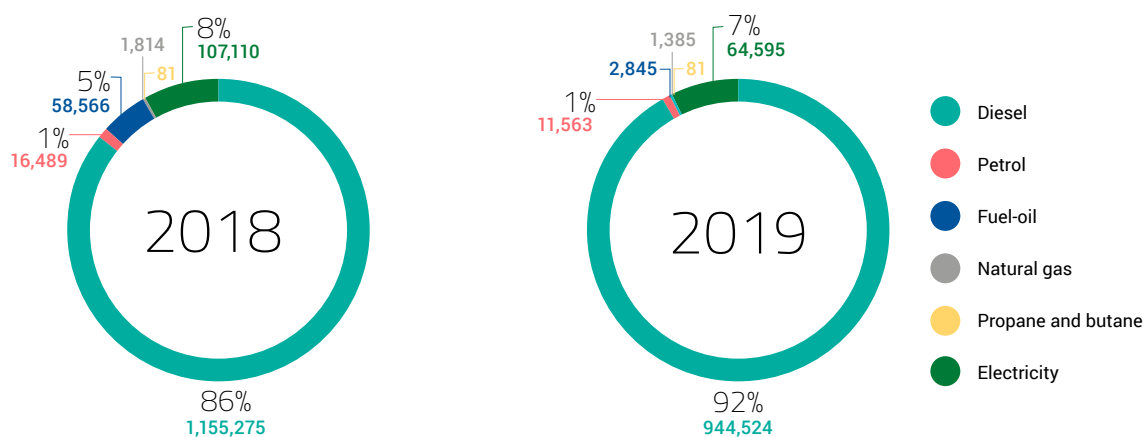


Zaragoza Tramway
(Zaragoza, Spain)

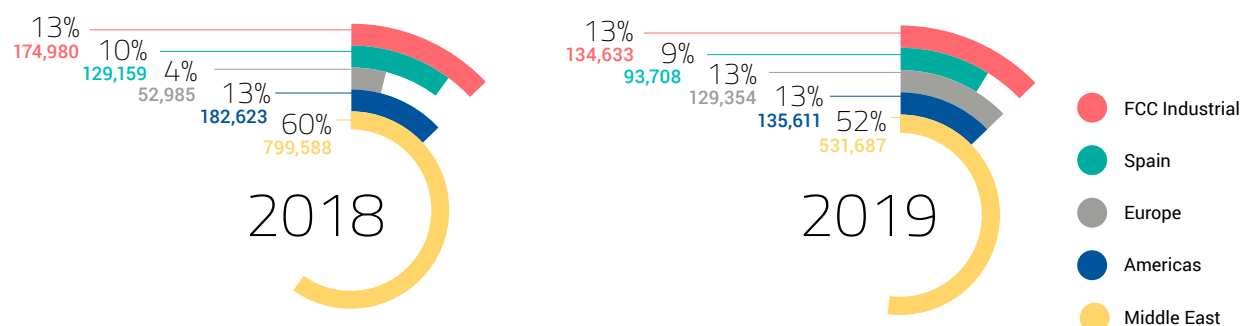
Trends in energy consumption (million GJ)



Energy consumption by sources (GJ)



Energy consumption by geographical region (GJ)





Optimising the use of materials

The total volume of materials used in our construction business increased by 27.05% in 2019 compared with the previous year, as a result of the execution of several new projects, mostly in Spain. However, if we analyse the evolution over the last three years, our total consumption of materials has fallen by 8.81% since 2017.

The most significant figures correspond to the consumption of aggregates, soil, graded aggregates, marl and limestone. To optimise their use, the measures implemented include

offsetting cuttings and embankments by using materials extracted from the same site, reusing topsoil removed previously when clearing land, using inert material from other sites, choosing recycled aggregates, and recycling construction and demolition wastes for a later use as aggregate.

Going further, FCC Construcción uses other techniques to reuse materials on projects, such as those for contaminated containers or recycling rubble and other surplus materials generated³.

Materials consumption (t)

	2018			2019			
	Total	Total	FCC Industrial*	Spain	FCC Construcción		
					Europe	Americas	Middle East
Aggregate, soil, graded aggregate, marl and limestone	6,052,898	9,949,508	154,462	2,840,660	2,331,355	2,931,379	1,691,652
Concrete	2,447,291	2,844,777	108,173	1,173,627	325,726	678,911	558,340
Asphalt concrete	1,813,209	402,919	95,652	64,382	32,960	187,651	22,274
Topsoil	209,789	194,241	946	95,996	93,512	0	3,787
Steel	123,546	131,819	27,049	36,444	16,382	37,095	14,849
Bricks	6,236	20,643	5,058	13,746	1,779	60	0
Glass and non-ferrous metals	5,229	4,892	462	1,767	2,361	95	207
Paint, solvents, release agents, concrete-curing liquids, accelerants, concrete liquefiers, antifreeze and epoxy resins	6,626	6,590	1,364	1,029	2,730	465	1,002
Oil, grease and other harmful or hazardous substances	6,293	2,039	142	1,728	46	117	6
TOTAL	10,671,117	13,557,428	393,308	4,229,379	2,806,851	3,835,773	2,292,117

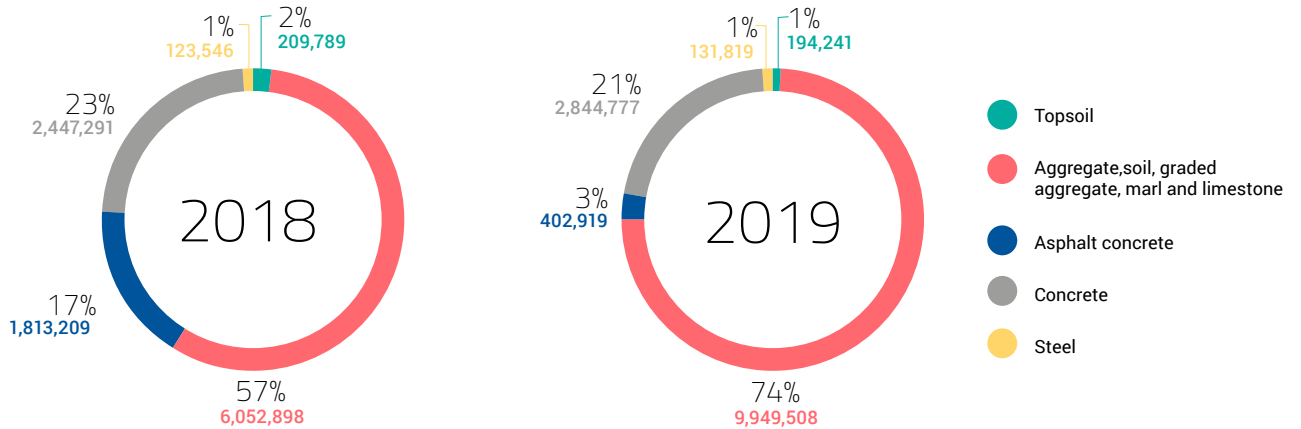
* FCC Industrial is a brand that groups together various specialised companies. It includes the data of the centres of FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas that are located in Spain. FCC Industrial does not report environmental data of its overseas activity, which entails 1.2% of the organisations turnover and is located in Colombia, Ireland, Italy, Portugal and Dominican Republic.

³ For more information on the reuse and recycling of materials, see section 5.3. Construction and circularity.

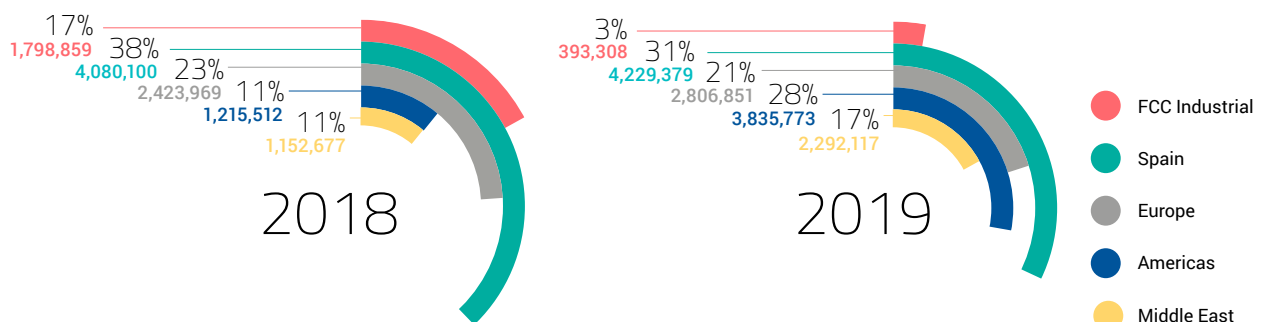
Trends in the use of materials (millions of tonnes)



Consumption of materials by type (t)*



Consumption of materials by geographical region (t)



* Types of materials representing less than 1% of the total for each year are excluded from the graph: bricks, glass and non-ferrous metals, paint, solvents, release agents, concrete-curing liquids, accelerants, concrete liquefiers, antifreeze and epoxy resins, and oil, grease and other toxic or hazardous substances.



WASTE

Minimising the waste and effluents

The construction business is, by its very nature, prone to generating waste and effluents, mostly as a result of handling construction materials and the production of demolition waste (CDW). This waste is characterised by being mostly non-hazardous and having high potential for subsequent recycling and reuse.

The company's environmental-management system facilitates identification of the associated risks and establishes appropriate procedures to reduce impact, giving priority to waste reuse, recycling and reclamation, and only when there is no other option, waste is disposed of in authorised landfills.

Thus, in 2019 the total waste generated by the company was 2,851,894 tonnes. The increase of 66% compared with the previous year is a result of the increase in the non-hazardous waste generated, mostly inert waste, which is found in high volumes on construction sites, due to the number of major projects that started in 2019 and the volume of earthworks involved during their early stages. The volume of hazardous waste fell by 24.68% compared with the previous year.

By geographical area, the higher increase in Spain and the Americas corresponds to the increase in construction activities over the period.

Waste generated (t)

	2018	2019					
	Total	Total	FCC Industrial*	Spain	Europe	Americas	Middle East
Hazardous waste	78,642	19,407	173	1,905	13,172	4,112	45
Non-hazardous waste	1,641,539	2,832,487	80,782	1,547,025	392,987	528,422	283,271
TOTAL	1,720,181	2,851,894	80,955	1,548,930	406,159	532,534	283,316

* FCC Industrial is a brand that groups together various specialised companies. It includes the data of the centres of FCC Industrial e Infraestructuras Energéticas (FCC IIE), Matinsa, Prefabricados Delta and Megaplas that are located in Spain. FCC Industrial does not report environmental data of its overseas activity, which entails 1.2% of the organisations turnover and is located in Colombia, Ireland, Italy, Portugal and Dominican Republic.

It is crucial for hazardous waste to be handled and treated appropriately during projects, given its harmful nature and negative impact on the environment and on human beings. The hazardous waste generated on the company's sites is subjected to a strict protocol and carefully stored in designated areas that are properly labelled and defined with adequate spaces. If hazardous waste is to be stored temporarily, the applicable regulations are followed, wastes are labelled with the corresponding hazard pictogram, and the producer and storage start date are identified, before they are delivered to an external authorised waste manager.

If we analyse the waste disposal methods of the wastes generated by FCC Construcción in 2019, we can conclude that 100% of the hazardous wastes were managed by an authorised waste manager. Regarding the non-hazardous wastes,

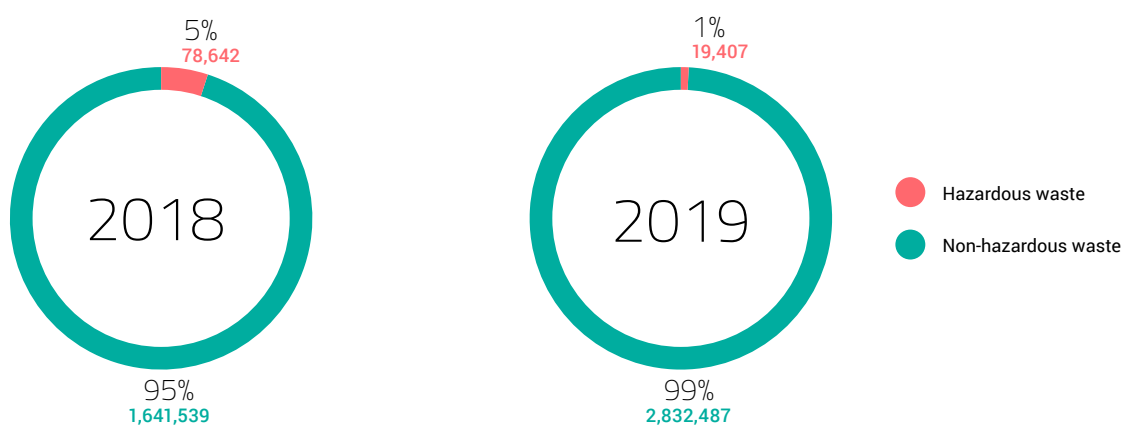
landfill was the disposal method for 58% of them, while the other 42% was recovered, either through an external recovery installation, at the same site, or in other worksite of the company. FCC Construcción also records any accidental spills located on sites where the company is operating, in order to assure the necessary mechanisms to avoid their occurrence whenever possible and optimise the response if they do occur. In 2019 there were 47 accidental spills, involving a volume of approximately 57.13 m³.

To minimise the risks associated with effluents discharged into watercourses, FCC Construcción treats the effluents in water treatment plants, neutralises the pH of water, and additionally adopts measures for an appropriate site erosion control, which minimises the amount of suspended solids in effluents and runoff reaching water bodies.

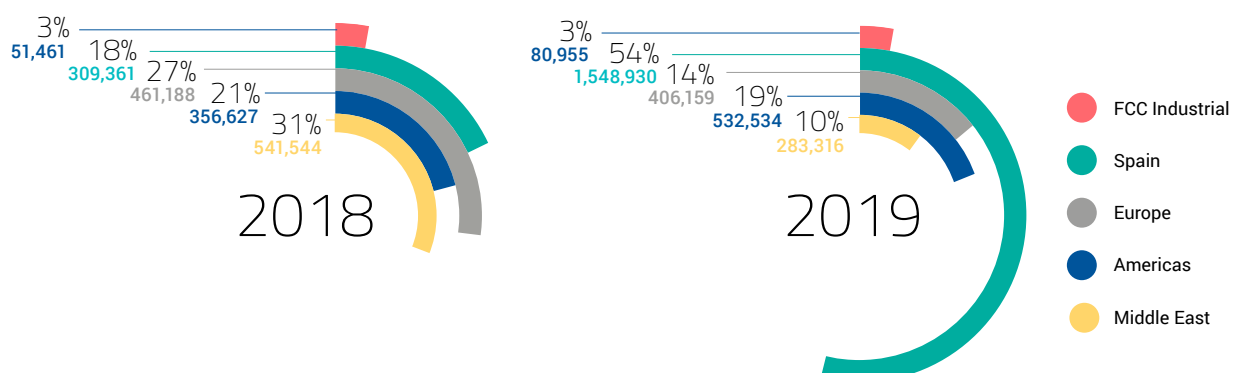
Trends in the generated waste (millions of tonnes)



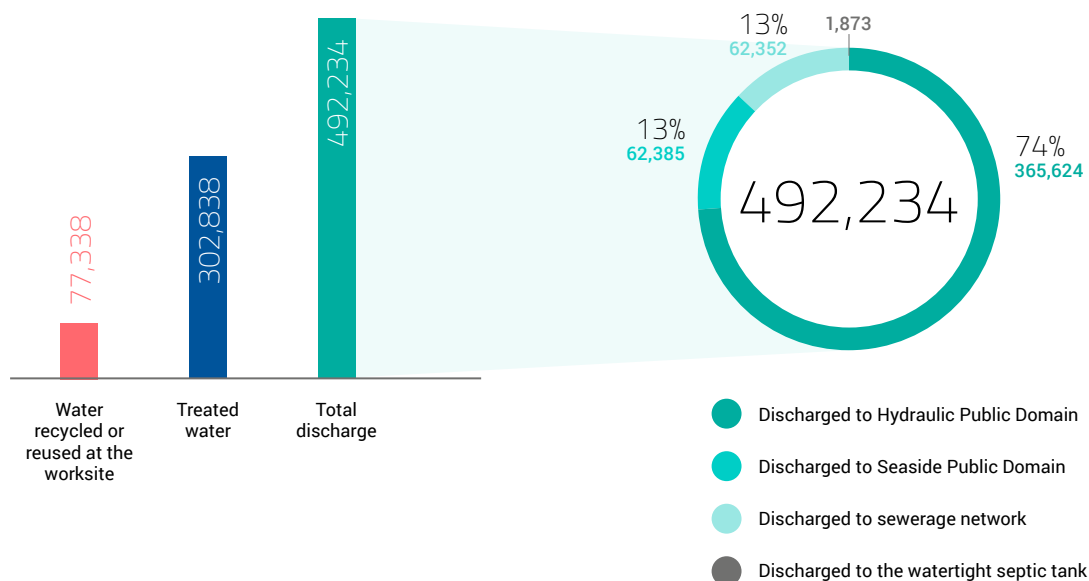
Waste generated by type (t)



Waste generated by geographical region (t)



Effluent discharges (m³)



FCC Construcción constantly monitors water discharge parameters to “prevent and reduce marine pollution from land-based activities”, thereby protecting aquatic biodiversity in the natural environments where we operate (Target 14.1).

14 LIFE BELOW WATER



The company holds the relevant official permits and is supervised by the relevant environmental bodies whenever such direct or indirect water discharge is done, giving priority to actions and processes that make possible to reuse the effluents generated on site.

FCC Construcción also records other significant air emissions different from the GHGs, since they also have environmental and social impact on the places where we operate. In 2019 FCC Construcción recorded 218,476 kg of nitrogen oxides (NOx), 4,483 kg of sulphur oxides (SOx) and 956,850 kg of dust particles.



Sea club “Club de Mar de Palma de Mallorca” (Mallorca, Spain)



case study • case study • case study • case study

Integrated concept for pumping, decanting and discharging surplus water of construction sites.

Drainage system at Dublin airport (Ireland)

The works undertaken by FCC Construcción consisted of the full refurbishment of the fuel-supply plant at Dublin Airport.

Due to the local climate conditions, during the digging of trenches and drilling work, water often needed to be pumped in order to be able to perform the necessary tasks. The team therefore needed to find a solution to treat the surplus water, which was sometimes mixed with demolished stonework, before discharging it near the site, because the airport authority would not allow it to be pumped directly to the soil.

The solution adopted consisted of using a **decant system for water** for treatment prior to its discharge, thereby avoiding discharging the water into the airport's drainage system or any nearby areas, as required by the authorities.

The process involved pumping the water found in trenches or pits directly to the decant system cleaning the water, and finally discharging it into the scupper of the airport's drainage system.



The decanting system implemented at Dublin Airport has contributed towards "reducing the volume of untreated wastewater" prior to returning it to the environment (Target 6.3)

6 CLEAN WATER AND SANITATION



It is important to mention that in 2019 FCC Construcción became the first construction firm to obtain "Zero Waste" certification for one of its sites (executed by FCC Industrial), which assures the traceability of waste management and sets minimum requirements for recovered quantities during the project.



Protecting biodiversity where we operate

The impact resulting from FCC Construcción's activities may alter the landscape, and impact on the species living in ecosystems located near the site of a project.

In this regard, the company develops actions to care for, preserve and repair the effects of our activities on biodiversity. FCC Construcción carries out preliminary studies on potential environmental impact in order to establish preventive measures by appropriate planning the sequence of actions, the size of the area to be occupied and the duration of the works. During the course of works and on their completion, mechanisms are set in place to preserve natural ecosystems located near the site, such as implementing protective measures and restoring ecosystems that have been disturbed by the company's activities.

FCC Construcción also prepares specific biodiversity-protection plans for projects located on sensitive areas. Once the project areas have been assessed and the wildlife species found there have been identified, paying particular attention to any protected species, the company aims to take appropriate measures to preserve, conserve and offset the impact on local biodiversity.

Going further, some of the actions to protect the biodiversity of ecosystems include physical protection of individual items, transplanting plant species, relocating nests or animal species, setting-up of fauna shelters, and adapting the project planning to the life cycles of species.

Land adjacent to or located in natural protected areas or areas of high-biodiversity value outside protected areas

	2018		2019	
	Number of construction sites	Surface area (M m ²)	Number of construction sites	Surface area (M m ²)
Location in natural protected areas or areas of high biodiversity value	9	5.22	9	5.14
Location in area with landscape listed as relevant	10	13.76	10	13.64
Impact on natural watercourses in protected area	6	0.30	3	0.12
Impact on natural watercourses in areas of high biodiversity value	4	8.44	6	8.87
Impact on watercourses of very high or relevant value for local communities or indigenous populations	13	8.90	9	9.06
Impact on catalogued or protected vegetation	12	13.85	11	13.71
Impact on catalogued or protected animal species	12	13.67	14	14.64

* In 2019, the sites located in the most relevant areas for biodiversity or local communities were in Belgium, Spain, Panama, Peru, Portugal and Romania.

According to this, various initiatives have been launched to protect and restore the areas where the projects are developed. Actions to restore the land affected by works are key factors in avoiding and minimising impact on the landscape in the short, medium and long term. These interventions included cleaning and removing foreign objects from the environment, preparing the land to recover its morphology and re-vegetating the area. Thus, the company has restored a total of 540.26 hectares of affected areas and implemented protective measures on 521.88 hectares of sensitive areas.

Restoration or protection measures (ha)

521.88

Protected vulnerable areas

540.26

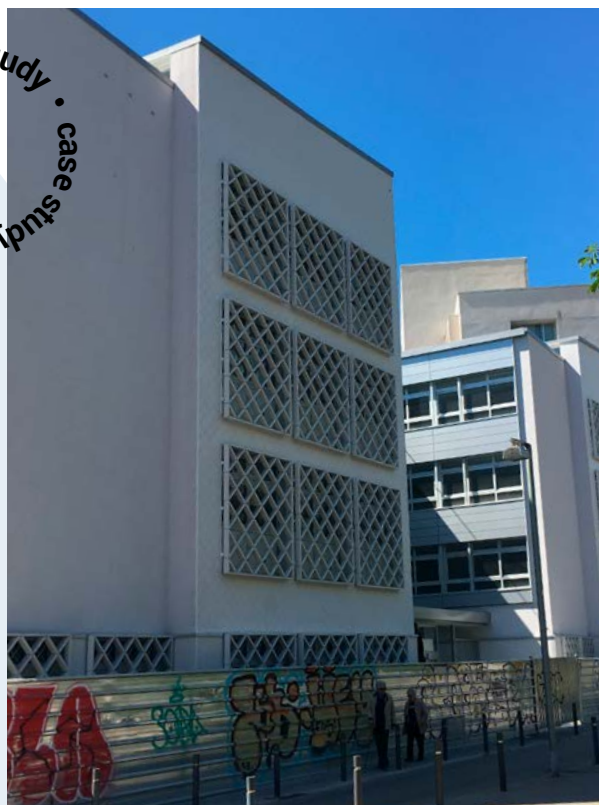
Restored affected areas

case study • case study • case study

Adaptation of exterior wall to allow swifts to nest (Spain)

During the building of María Espinalt secondary school in Barcelona, the need to protect a population of swifts, which passed through the area during their spring migration, was detected.

To this end, we liaised with Barcelona City Council and the Biodiversity Programme of the Department of Green Spaces and Biodiversity (Urban Ecology) to adapt the building's façade to local biodiversity needs.



Adaptation of the building façade for nesting swifts during their migration across the region.

The measure implemented consisted of including **components to facilitate nesting** for the swifts on the building's façade:

- The opening proposal was made using a 3D-printing model.
- Six units were installed, with entrance frames, 60x200 mm in size, giving access to an open space.
- Nesting space protected from other birds and invasive species by means 88 mm of headroom and a width of 130 mm.
- A second brick wall was prepared to partially close the nesting space and prevent nesting birds from occupying the whole roof.

When the works were completed, by spring time, the swifts were observed using the structures, which reaffirms the expected positive impact on local biodiversity.



This initiative to protect the swifts nesting on the façade of María Espinalt secondary school (Barcelona) is an example of FCC Construcción's commitment to "taking actions to protect species and halt the loss of biodiversity, reducing the degradation of natural habitats" (Target 15.5)

15 LIFE ON LAND



5.2

Adapting to and mitigating climate change

FCC Construcción continues to make progress adapting to and mitigating climate change in the projects it executes

The Paris Climate Conference (COP21), held in December 2015 and at which 195 countries signed the first-ever universal, legally binding global climate change agreement, the Sustainable Development Goals and the European Green Deal recently approved by the EU Commission are evidence of the global desire to make progress to halt and reverse the adverse effects of climate change. The actions undertaken intend to define a route map with specific actions to transform and reposition the world economy towards a scenario that is environmentally sustainable in the long term.

The COVID-19 health crisis has raised the topic of the sustainable recovery of the economic model. Investment in activities that consider climate-related risks and opportunities will lead us towards more resilient⁴ societies, capable of facing global challenges and situations of uncertainty with a stronger response capacity and long-term stability.

FCC Construcción is working to develop climate resilient infrastructures from a viewpoint of adaptation and mitigation, which in turn involves being more environment-friendly. These initiatives include optimisation of the natural resources used in our construction activities, innovation and the implementation of climate-resistant materials and designs, or the efficiency of processes, with the objective of reducing the company's impact.

During the most recent Climate Summit (COP 25), held in Madrid in 2019, FCC Construcción was invited to participate in several events in the multilateral-negotiation field, where meeting points were also reserved for dialogue and roundtables.



Achievements

- Participation of FCC Construcción's CEO at the 2019 UN Climate Action Summit.
- Extending the scope of activities verified under the standard 14064-1 to include Portugal, Panama and Peru.
- Obtaining "Calculo y Reduzco" (calculate and reduce) seal of the Carbon Footprint and CO₂ Compensation and Absorption Projects Register, awarded by the Spanish Ministry for Ecological Transition to FCC Construcción.
- Promoting training sessions for employees on climate change and environmental sustainability.
 - Design of the FCC Group's "Climate Change Strategy 2050".



Future challenges

- Innovating to make materials, technology, processes and building methods more efficient, with a smaller carbon footprint.
- Establishing strategies for the company to adapt to climate change.
- Extending verification of the GHG inventory to cover all the countries where FCC Construcción operates.
- Studying alternatives to set quantitative emission-reduction targets.

⁴ Resilience can be defined as the ability to withstand, absorb, adapt and recover from disturbances to our environment.

Nature-based solutions are “measures to protect, sustainably manage and restore natural or modified ecosystems, addressing society’s problems in an effective, adaptable way, while simultaneously assuring human welfare and benefits for biological diversity.”

FCC Construcción and nature-based solutions

As part of COP 25, FCC Construcción was invited to a roundtable to share our experience of the use of nature-based solutions in development of climate-resilient infrastructure and specific practical case studies:



Design and management of new ecosystems in the framework of the river Bogotá dredging project (Colombia)

These project designed actions aims at recovering the disturbed land and improving the river’s environmental conditions, including:

- The treatment of contaminated dredged material;
- Improving the river’s water quality and morphology;
- The recovery of areas of ecological interest.

Protection of the Mersey Estuary (UK)

During the construction of the bridge, following actions were undertaken:

- Restoring wetlands and nearby reed communities;
- Establishing a biodiversity laboratory to compile data on the wildlife located in the project area;
- Environmental awareness-building for university students and local communities.



FCC Construcción develops environmental awareness-building initiatives that contribute towards “improving education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning” (**Target 13.3**), with a local approach in the framework of the projects we undertake, such as during the building of the Mersey Bridge in the UK.

13 CLIMATE ACTION



Actions such as those to improve water quality on the river Bogotá dredging project in Colombia or the restoration of wetlands near the Mersey Bridge in the UK contribute towards “ensuring the conservation of inland freshwater ecosystems and services provided the natural environment” (**Target 15.1**)

15 LIFE ON LAND



TCFD recommendations

FCC Construcción reports on climate change in accordance with the recommendations made by the working group on climate-related financial reporting of the Financial Stability Board. This working group, under the name Task Force on

Climate Related Financial Disclosures (TCFD), establishes the framework for understanding and quantifying risks and opportunities of climate change from an economic perspective.

The TCFD recommendations establish the report on the risks and opportunities of climate change in the following areas:



GOVERNANCE



STRATEGY



RISK
MANAGEMENT



METRICS AND
TARGETS



Wanda Metropolitano Stadium (Madrid, Spain)



GOVERNANCE

Since 2010 at FCC Construcción we have included the climate variable in our management system, assessing the main risks and opportunities for the company. The results of the analysis and development of actions to address climate change were used as the basis for the publication of our climate change strategy in 2017.

Climate change is also included in our Management Targets for 2017–2020, involving verification of GHGs for 100% of the company's business.

Also in 2019 the FCC Group – whose first climate change strategy was approved in 2012 – has designed a new, more ambitious Strategy with a horizon of 2050, to explore new opportunities for adaptation to climate change.

The inclusion of mitigating and adapting to climate change at senior-management levels has been exemplified by the participation of Pablo Colio, FCC Construcción's General Manager and the CEO of the FCC Group, at the UN Climate Action Summit held in New York in September 2019.



case study • case study • case study • case study • case study

This innovative energy concept will avoid the emission of more than 2.000 tCO₂ per year.

Ecodesign of Haren Prison (Belgium)

The design and construction of Haren Prison was undertaken by integrating into the project concept measures to improve energy performance and mitigate climate change, with a major component of energy efficiency and renewable energy sources:

– Use of **solar panels** for the power supply

– **Geothermal-energy storage system:**

- There are 250 drill holes for storing cold or heat or for direct extraction of energy from the ground.
- This is one of the largest systems of this type in Belgium.

– **Energy co-generation installations:**

- First, these generate electricity.
- The residual heat produced is also used to supply hot water for the prison.



The “implementation of energy-efficiency measures and a firm commitment to renewable energy sources” rather than using conventional sources makes a direct contribution to SDG 7 for affordable and clean energy. (Targets 7.2 and 7.3)



STRATEGY

In 2017 FCC Construcción published its climate change strategy, aligned with the company's commitment to incorporate into its business the management of the risks and opportunities resulting from global warming.

After preparing a study of the company's value chain, the risks and opportunities were identified to establish actions and measures to mitigate and adapt to climate change, together with the relevant measurement and control instruments.

This strategy is based on four pillars: climate mitigation, adaptation, communication and innovation. Some of the specific actions include sustainable planning studies; improved design of construction structures; efficient and circular waste management; the use of sustainable, resilient materials; and participation in events related to climate change and sustainable construction.

By building climate-change measures into the company's strategy, plans and policies, FCC Construcción directly responds to target 13.2 of SDG 13 on Climate Action.



FCC Construcción's approach to adapting infrastructure to climate change

-○ Using heavy-duty structural strengthening systems.
-○ Using structures and materials that withstand higher maximum temperatures and heat oscillations.
-○ Strengthening existing infrastructure to improve its ability to withstand climate change.
-○ Promoting innovative solutions.



FCC Construcción's Climate Change Strategy shows the company's commitment towards aligning its efforts with the Sustainable Development Goals and "strengthen resilience and adaptive capacity to climate-related hazards and natural disasters" (Target 13.1)

13 CLIMATE ACTION





RISK MANAGEMENT

Climate change involves a set of risks for FCC Construcción, whether physical – failure to mitigate and adapt is now considered to be one of the most significant risks, according to the global risks report⁵ published annually by the World Economic Forum – or because of their implications and impact for financial and regulatory questions.

The most significant risks in the construction sector include impact and damage to infrastructure caused by increasingly frequent extreme climatic phenomena and alterations to climate patterns and their consequences. FCC Construcción addresses these risks by including them in our management and taking them into account in decision-making processes.

However, the existence of new sector-wide and global requirements for the implementation of measures to adapt to and mitigate climate change also presents a number of future opportunities for the company. Thus, there is now more willingness to invest in resilient structures by multilateral institutions – among others – and long-term investment programmes, such as green bonds and other financial instruments, which support and positively value firms who include mitigating and adapting measures to climate change as part of their business.

Below we present a SWOT analysis to show FCC Construcción's efforts to combat climate change, broken down into strengths, weaknesses, threats and opportunities.

Weaknesses

- Full implementation of climate-change strategies within the company to meet competitors' progress.
- Use of natural resources with an increasing lack of availability.
- Stagnation of the sector in conventional markets.

Strengths

- Integrating climate risks into the company's business.
- Development and use of more resilient and sustainable materials.
- Strategic alliances with clients and other stakeholders to deal with climate change.

SWOT Analysis

Threats

- Increase in the magnitude and intensification of the effects of climate change.
- Vulnerable infrastructures due to their materials, design or location.
- Rising costs of production and operation and maintenance processes.
- Changing economic situation and development of new market trends.

Opportunities

- Increase in R&D investment to develop innovative solutions to climate change.
- Building new infrastructure and adapting the design of existing infrastructure to withstand pressure caused by climate change.
- Support from investment firms and multilateral organisations to fund robust infrastructure-construction projects.

⁵ Global Risks Report 2019. World Economic Forum.



METRICS AND TARGETS

FCC Construcción quantifies and reports on the company's GHG emissions and also measures other environmental parameters that could affect our contribution towards climate change⁶.

In 2010 the company defined and implemented a robust protocol to quantify GHGs emissions in construction, in accordance with the requirements established in the GHG Protocol, the standard ISO 14064 and the ENCORD sector guidelines⁷. Since then, the company has prepared, published and verified an annual GHG emissions report. We were the first Spanish company to have it verified by AENOR, having, in addition, since 2012 AENOR's Environmental certificate "CO₂ verified".

The carbon footprint verified by the company has been registered since 2012 in the "Carbon footprint, offsetting and carbon sequestration project Register" created by the Spanish Ministry for Ecological Transition and the Demographic Challenge.

FCC Construcción includes among its Management Targets for 2017–2020 the extension of the verification of the GHG emissions inventory to 100% of our business activity, both in Spain and abroad, in accordance with the standard ISO 14064-1. Consequently, in 2019 Panama, Peru and Portugal have been added to the external verification by AENOR of GHG emissions, as was already being done in Spain.



Museum of Royal Collections (Madrid, Spain)

⁶ For more environmental information, see section "5.1. Our commitment to the environment".

⁷ European Network of Construction Companies for Research and Development.

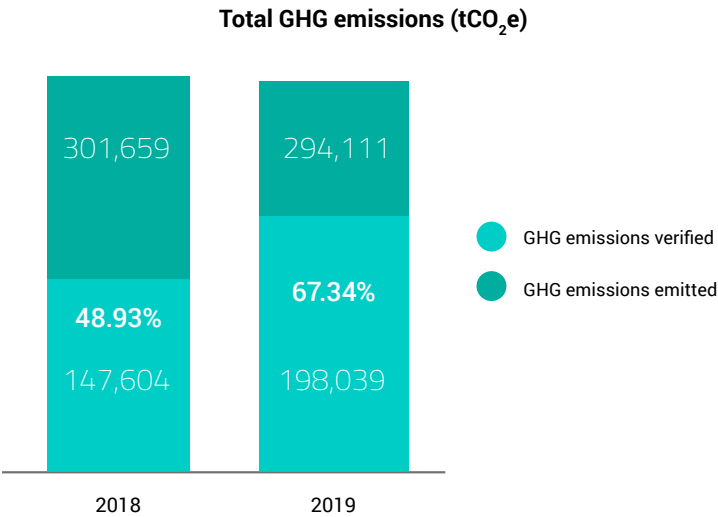
Greenhouse gas emissions

FCC Construcción's carbon footprint is measured using a centralised approach, integrating the data received from all our construction sites and production centres. Each workplace compiles and uploads its data using a corporate tool where the emission factors are defined, and that is used by FCC Construcción to quantify scope-1, -2 and -3 emissions. Emissions can be broken down by site, geographical region, organisational area, type of project, etc.

In 2019 the company recorded a total of 294,111 tCO₂e, of which 198,039 tCO₂e have been verified, 67% of the company's emissions. These emissions are 2.5% lower than the previous year, despite the growth of the company's business activities.

FCC Construcción is directly responsible for certain emission sources associated with its performance and controlled by the company. These sources include the use of machinery, boilers, gensets, auxiliary plants, and the use of vehicles using fuel billed to FCC Construcción and generating direct emissions (scope 1). To these we must add the indirect emissions resulting from electricity consumption on sites and at premises (scope 2).

However, we find that most of the GHG emissions in 2019 (74.2%) fell outside the company's operational control: these are the scope 3 emissions. These emissions are produced as a result of the company's activities, but occur from sources that are not owned or controlled by the company. They include emissions associated with the production and transport of materials used on site, emissions associated with the subcontracted works units (e.g., earthworks), and emissions associated with the transport and management of waste and surplus materials.



Greenhouse gas emissions (tCO₂e)

	2018	2019	2018	2019
	Total*		Total verified**	
GHG emissions emitted	301,659	294,111	147,604	198,039
Direct emissions (Scope 1)	98,611	70,579	17,791	21,234
Indirect emissions (Scope 2)	10,972	5,379	4,212	3,250
Other indirect emissions (Scope 3)	192,076	218,153	125,601	173,555
Avoided GHG emissions by implementing good practices	8,899	5,544	3,813	5,271

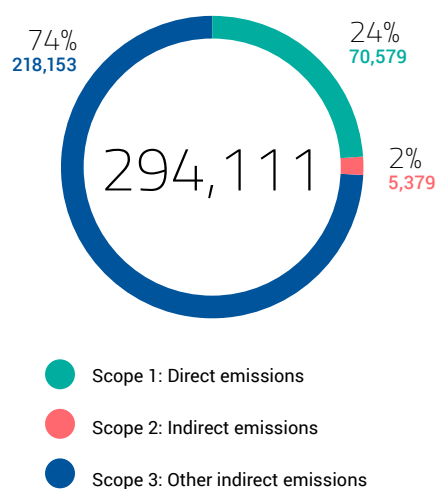
* Emissions reported by different organisations and countries, but not verified by third parties.

** Emissions verified by AENOR. In 2018 the data included verified emissions from sites and premises in Spain, Panama, Peru and Portugal, whereas in 2019 the data includes verified emissions from sites and premises in Spain, Portugal, Romania, the UK, Nicaragua, Costa Rica, Panama, El Salvador, Mexico, Colombia, Chile and Peru.

Trends in GHG emissions (tCO₂e)



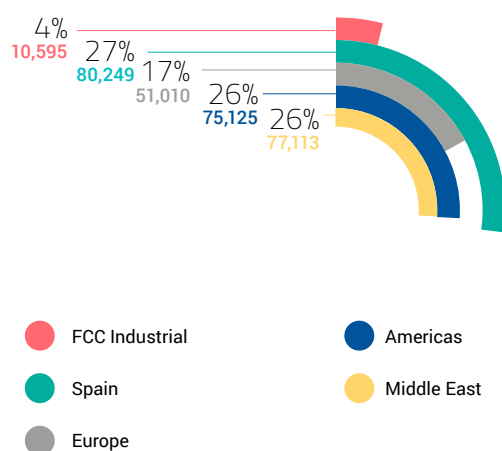
Greenhouse gas emissions by scope (tCO₂e)



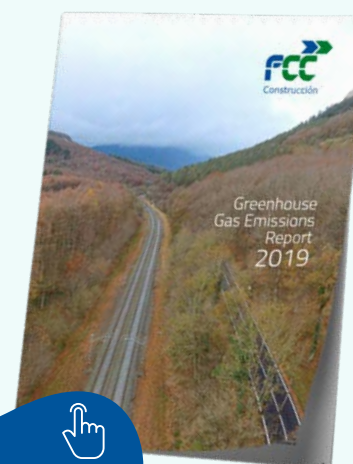
Going further, via the Best Practices System®, every year the company is able to avoid emitting a large number of greenhouse gases into the atmosphere. In 2019 a total of 5,544 tCO₂e were avoided, thanks to such measures as the reuse of surplus materials, proper maintenance of machinery, vehicle speed control on site and pH neutralisation with CO₂.

FCC Construcción is currently exploring the best way to set new, ambitious reduction targets in the medium term, in line with the Science-Based Target Initiative and complying with the roadmap established in SDG 13: Climate Action. The company is also working on new developments to achieve a more in-depth strategic vision for adapting to climate change, assessing impact, and studying the company's vulnerability and opportunities in the locations where we operate.

Greenhouse gas emissions by geographical region (tCO₂e)



Greenhouse Gas Emissions Report 2019



More information on the report

5.3 Construction and circularity

At FCC Construcción the circular economy is a key strategy for minimising the impact of our activities on the environment.

The circular-economy concept means transforming the current linear production model into a new approach based on reincorporating waste into the production cycle, thereby contributing towards reducing the consumption of resources. In the construction sector it is essential to develop and drive initiatives that explore this concept while also bringing to the fore the principles of the minimisation, reuse, recycling and recovery of the products that are generated and consumed during projects.

In this regard, FCC Construcción is working in the field of the circular economy by focusing on innovation to encourage new sustainable and reusable materials. In 2017, the company, among other economic and social actors, signed a Pact for a Circular Economy, promoted by the Spanish Ministry of Agriculture and Fisheries, Food and the Environment and the Ministry of Finance, Industry and Competitiveness.



Achievements

- Fostering digitisation, via the BIM methodology, as a key factor in optimising the consumption of resources when projects are still in their early stages.
- FCC Industrial, the first construction company to obtain “Zero Waste” certification.

Future challenges

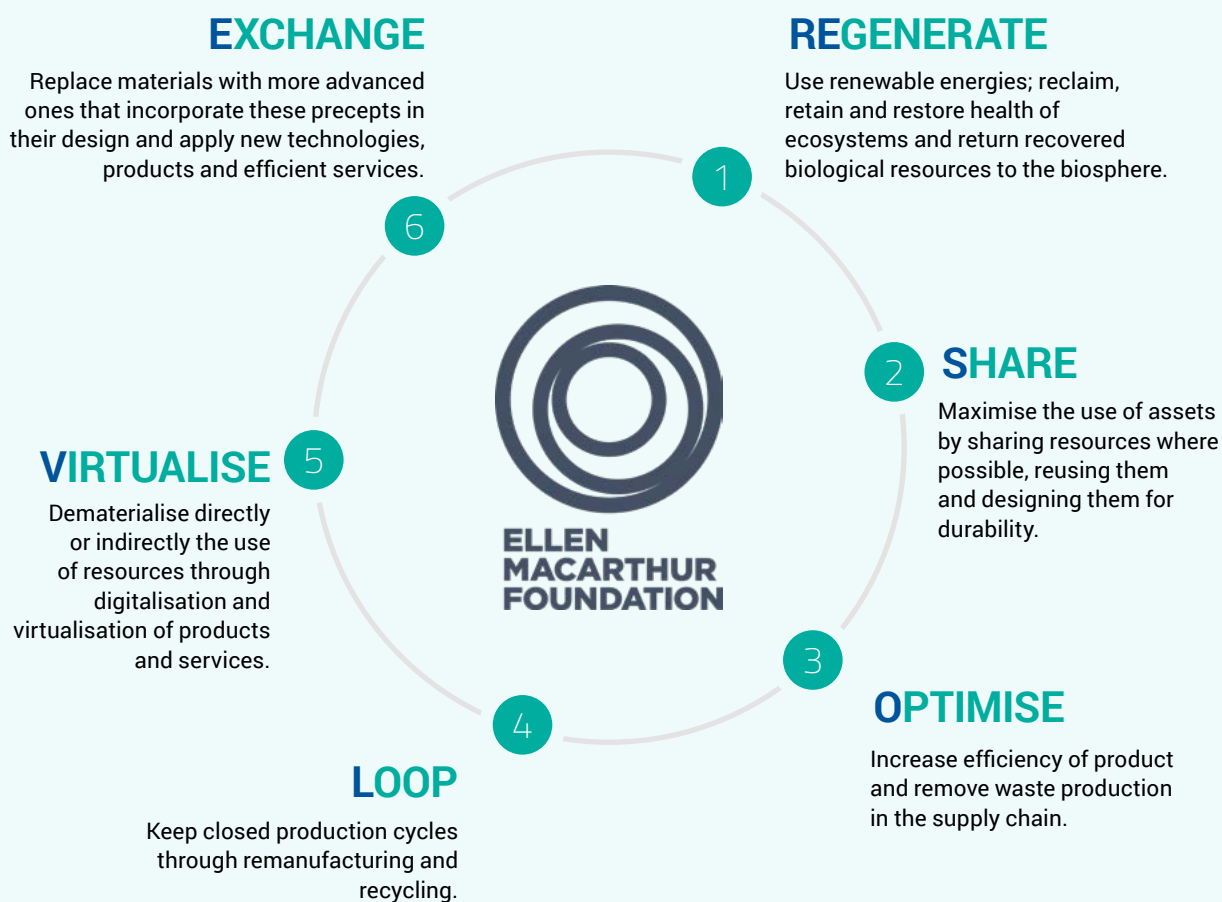


- Incorporating circular-economy criteria into procurement processes.
- Sharing “lessons learned” from the “Zero Waste” certification process with other projects, thereby encouraging measures to minimise waste.
- Building the awareness of employees and other stakeholders regarding the circular economy.

ReSOLVE Methodology of the *Ellen MacArthur Foundation*

Since 2017, FCC Construcción has structured its circular-economy strategy around the six actions areas defined by the ReSOLVE framework, which was set up in 2012 by the Ellen MacArthur Foundation, a world benchmark in this topic area.

This framework facilitates the control and measurement of the evolution of organisations in this sphere, encouraging the identification of business opportunities linked to the process of transitioning towards a circular production model.



The measures developed by FCC Construcción for the recovery and reuse of the waste generated on our sites contribute towards compliance with the Sustainable Development Goals, by “substantially reduce waste generation through prevention, reduction, recycling and reuse” (**Target 12.5**)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



1 Regenerate

“Regenerating” includes the recovery of natural systems where we operate, using recyclable and reused materials and transitioning to renewable energy sources.

Undertaking projects in vulnerable ecosystems calls for regeneration and recovery measures to be implemented. FCC Construcción identifies sites located in protected natural areas, ensuring that these particularly sensitive areas are protected and restored.

Also, by integrating reused materials and renewable-energy systems into the projects we undertake, we encourage regeneration and minimise the impact on natural systems.

2 Share

Prolonging product and resources lifetimes by optimising their use and reuse, working transversally across the company and its projects.

By having its own machinery parks, the company is able to manage and reuse equipment across different sites, thereby reducing the need to buy or hire it, as well as using common spaces for different projects or even for different areas within the same organisation.

Donating equipment and materials, as is done on certain sites, also provides additional environmental benefits and social and economic returns for beneficiary communities.

3 Optimise

Seeking higher productivity of resources, while increasing the efficiency of the company and its processes by making optimal use of materials and resources.

Optimisation is part of a process of continuous improvement, which, together with measures for the reuse of materials and products, fosters innovation and ecodesign within the company, aiming to achieve new forms of sustainable consumption.

In this regard, we are working on innovative techniques including smart deconstruction and selective demolition, as well as the manufacture, modular design and 3D printing of construction materials, and a procedure for manufacturing components and products according to an efficient, open system of subsequent assembly on site, reducing the waste that is generated.

4 Loop

Maximising recycling and reuse of materials and minimising the need for raw materials.

Every project at FCC Construcción is planned from this perspective, covering both the way products and materials are handled during their life cycle and the re-manufacturing of products and components, as well as recycling materials and the reuse of natural resources.

Also noteworthy is the company's efforts to build awareness to avoid disposal of reusable materials to landfills, as well as to reuse materials and use recycled products.

5 Virtualise

Fostering digitisation as a key component of the strategy to reduce the consumption of resources, as long as technology can facilitate maintenance tasks, minimising the necessary resources and their associated costs.

The BIM (Building Information Modelling) methodology, implemented throughout the company, is one of the most significant contributions for digitisation. BIM enables a project to be planned remotely, optimising use of the natural and human resources that works require. The digitisation of processes is also applied to other areas, such as automating the monitoring of infrastructure by using drones and standardising training initiatives for all employees across standardised digital platforms.

6 Exchange

The notion of “exchange” covers the whole life cycle of projects: replacing materials with others that are more advanced, applying new technology to materials and choosing new products.

By prioritising the use of renewable energy sources at all stages requiring an energy supply, or promoting the use of new materials that are more efficient and easier to recycle, value is created not only for FCC Construcción but also for other industrial firms that could integrate recycled products into their projects.

Replacing traditional solutions with the latest technology also means that products and developments will have longer life cycles, lower maintenance costs and more flexible enhancement potential.

The specific measures carried out by the company include the reuse of inert materials from other sites, effluents and process wastewater and topsoil previously removed. The use of recoverable items is also maximised, for

example by using removable walls rather than concrete ones, using portable treatment plants that can be used on different projects, and using recycled materials, such as aggregate or water for irrigation.



Recycling

Products with the same use



Construction and demolition waste

Reuse as fill material on other construction projects



Plastic

Recycling of 100% of plastic packaging giving it a new life



Paper and cardboard

100% Recycling, re-introducing it into the production process



Wood

Recycling through crushing and subsequent manufacturing of chipboard



Pallets

Recycling of broken pallets to obtain chipboard and reuse of those that were in better condition



Metals

Casting and subsequent reuse

Products with different uses



Cement sacks

Segregation and recovery of materials for the manufacture of recycled paper



Organic

Production of compost to fertilize the garden areas



Used Clothing

Energy recovery, diverting it away from landfill

Process stages for obtaining the certificate

- 01. Study of the different waste fractions generated in the project
- 02. Fitting out of site storage areas for the different waste typologies
- 03. Sorting of metal and wood waste for reuse in the project
- 04. Training and environmental awareness of site personnel
- 05. Collaboration with local waste managers to minimise the environmental impact of waste transport
- 06. Improving the quality of waste to achieve greater recovery
- 07. Reduction of more than 60% of transport routes, avoiding CO₂ emissions

Reuse



Pallets

Recycling of broken pallets for chipboard and reuse of those that were in better condition



Soils and natural stones

Reuse of topsoil on the site



Classification and storage of waste recovered during works

case study • case study • case study

"Zero Waste" certification

In 2019 FCC Construcción, through its subsidiary FCC Industrial, achieved certification for its waste management under the "Zero Waste" traceability system, granted by AENOR. As a result, we were the first construction company to achieve this certification.

The certification determines that an internal waste-management tracking system is in place to ensure that waste is being recovered and diverted from landfills. The methodology establishes certain criteria to be met, requiring at least 90% of the waste generated by a project to be recovered.

The construction sector has traditionally been characterised by the high volume and heterogeneity of the waste generated. This achievement has meant that FCC Industrial has not only obtained environmental, economic and social benefits, but has been able to recover every fraction of the waste generated, which is an even greater challenge for a construction company.

The pilot project where this initiative has been applied, in Guadalajara (Spain), managed to recover 99.99% of the waste generated by the works.

The Zero Waste system consisted of five stages:

1. Study and classification of waste fractions potentially generated.
2. Study of containers and management of collections with authorised waste managers.
3. Training and information of site personnel.
4. Implementing Zero Waste management adapted to each work team.
5. Final AENOR certification.

Recovered materials

FCC Construcción applies measures for the reuse of materials on its projects. Nevertheless, in 2019 the total amount of materials valued on site was 1,878,699 m³, which was less than the previous year. Specifically, the surplus soil or stones reused on site was 1,776,285 m³, while the clean rubble generated during works and reused on site or for other projects totalled 102,414 m³.

These figures mean that more than 50% of the volume of earth necessary for backfilling FCC Construcción works uses surplus materials from the same project or from other sites, thereby avoiding the need to extract these materials from borrow sites or quarries.

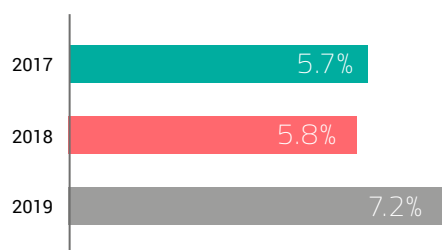
Recycled/used materials (m³)*

	2018	2019
Surplus soil and stones		
Obtained from borrow-pit	885,340	1,652,622
Used from other projects	322,074	553,224
Used in the same project (compensation-excavation-fill)	2,785,626	1,223,061
Temporary stockpiling (prior to its final use)	514,997	819,379
Disposed in landfill (on or off site)	1,297,817	2,125,879
Used in other projects	84,736	204,238
Total excavation	4,339,369	4,371,609
Total fill	3,650,434	3,428,907
Surplus clean rubble		
Disposed in landfill	383,135	346,069
Used in the same project	7,991	86,045
Used from other projects	3,000	16,369
Used in other projects	8,004	1,834
Delivered to a recovery installation (external plant)	279,015	68,739

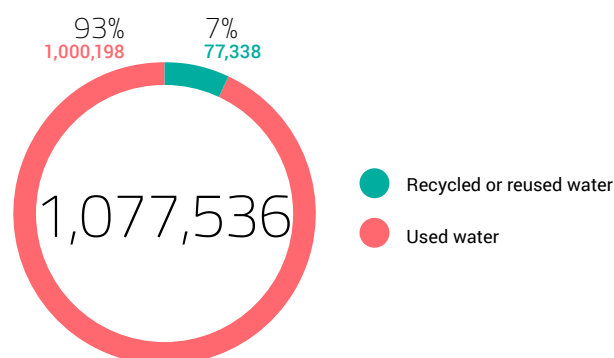
* Data of the projects executed by FCC Construcción (does not include data of FCC Industrial).

The company also strives to reuse some of the water it consumes. In 2019, 7.2% of the water consumed on all the company's projects was recycled or reused on the same site.

Trends in water reuse on site (%)



Water reuse in 2019 (m³)



The demolition of the structure generates recyclable materials which, when reused on the same site, contribute towards minimising the project's environmental impact.



Platform for crushing cement from the demolition of the superstructure



case study • case study • case study • case study

Reuse of materials for the refurbishment of Pan-European IV Corridor in Romania

For the project to refurbish the Frontiera–Curtici–Simeria section of the Pan-European IV Corridor railway line, an environmental target was set to reuse at least 50% of the materials generated by processes such as excavation, demolition and the decontamination of products.

The track-refurbishment works generated large quantities of cement waste from posts, either reinforced or simple cement, which is by nature difficult to reuse for other purposes.

During the course of the project, a solution was implemented to meet the environment target set and enable the cement materials from the demolition of the railway superstructure to be reused. Platforms were developed to crush this material, and storage units were prepared for the crushed materials so that they could be reused for specific project tasks, such as tracks or technology platforms.

The total quantity reused of the cement pieces crushed during the works was 58,577 tonnes, all of which was used to build technology platforms and road works.



This project has fostered “the environmentally sound management of chemicals and all wastes throughout their life cycle”, and “significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.” (Target 12.4)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



5.4

Innovation in construction: approach to sustainability

The development and use of innovative technology when undertaking works and projects at FCC Construcción creates intrinsic added value.

FCC Construcción encourages the development of innovation-based solutions, focusing on research, optimising processes and sustainability, with a view to contributing towards improving the quality of life for society through sustainable construction.

FCC Construcción's R&D management system is certified under the UNE 166002:2014 standard, and our R&D policy is regularly reviewed in order to guide and align efforts to address new challenges in the construction sector by working on sustainable innovation.



Achievements

- 35.55% increase in R&D investment, which currently stands at €2.8 million.
- Preparing R&D proposals on cybersecurity, knowledge management and sustainability assessment for civil engineering works.
- Broadening the scope of BIM methodology within the company, supporting our strategy and on-site implementation with specific projects in partnership with firms specialising in the BIM methodology.
- Incorporating industrial-protection measures into strategic construction processes for the company.
- Involvement in organisations and working groups related to innovation and sustainability.
 - Involving clients and public authorities in the development of innovation projects.



Future challenges

- Extending the incorporation of the BIM methodology into new areas at FCC Construcción.
- Establishing a feasibility process for participation in international R&D proposals.
- Encouraging involvement and participations by the various organisations in certifying projects.
 - Encouraging participation in R&D projects related to the company's digital transformation, the implementation of new technology and cybersecurity, and other security and OHS matters.
- Ongoing involvement in projects related to strategic topics of technological leadership, leading new R&D partnership initiatives within the sector, both in Spain and abroad.

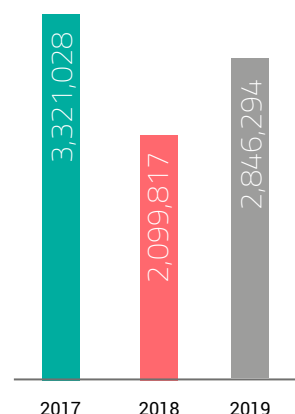
In 2019 the total investment in R&D stood at €2.8 million, i.e., 35.5% more than in 2018. This increase is due to the size of certain projects and to the commitment made to develop innovative activities during the execution stage of works, which is the phase at which most projects

were at in 2019. This investment is channelled around the priority action areas defined by the company, with a transversal approach across the organisation to enable technical knowledge to be shared and skills to be optimised.

R&D investment (€)

	2018	2019
	Total	Total
Total investment in the year	2,099,817	2,846,294
Percentage of investment allocated to Sustainability- and Environment-related projects	49.2%	43.3%
Received grants	122,307	89,039
Credits obtained under advantageous conditions	1,179,252	1,869,634

Trends in R&D investment (€)



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



FCC Construcción's investment in R&D over the years has contributed towards "enhancing scientific research and upgrading the technological capabilities of the construction sector, encouraging innovation and involvement of the private sector" (Target 9.5)

Priority R&D topics at FCC Construcción

Every year FCC Construcción sets priority topics for its R&D strategy, after analysing the organisation's context, the needs and expectations of its interested parties, the R&D policy and the senior management involvement.

R&D proposals are studied based on these strategic approaches, giving priority to those that focus on these topic areas to help define issues of interest for the technological-surveillance process.



Knowledge management

- GAUDÍ



Rail infrastructure

- CYRENE
- In2Rail



Maritime works

- StarPort
- SAFE



Digitisation of the construction sector (BIM – Building Information Modelling and Processes)

- BIMCHECK
- PWDRON
- ROBIM
- SAFETY4D
- ONLYBIM



Sustainable construction

- REFORM2
- CALA
- POTAMIDES
- RESALto
- Bicisendas
- NanoFASE
- Life Impacto Cero

BIM methodology at the core of innovation

Building Information Modelling (BIM) has become a tool for leveraging transversal change as part of FCC Construcción's journey towards full digitisation of the company's processes. The use of digital models across the company's various divisions and projects promotes a more efficient and sustainable management approach, by fine-tuning the allocation of the necessary resources and enhancing the control of works planning.

Within the department responsible for BIM management, an expert team carries out diverse tasks, ranging from managing information at the organisational level to providing support during the course of works, focusing on implementing BIM throughout the company.

This department cooperates with the BIM coordinators of the various divisions and sites, assisted by technological tools that are continuously upgraded.

Also with a view to facilitating the multidirectional exchange of BIM knowledge between departments, FCC Construcción is making progress standardising the protocols included in its BIM Manual. In recent years, training initiatives for employees have also been intensified, with a view to extending the implementation of the methodology at all company levels.

Recent advances in this innovation area have widened its spectrum of application, giving rise to new projects that combine BIM with technology, such as blockchain, or the use of drones to monitor works.



BIM / Information Management



Management of international tenders



Management of national tenders



High-quality technical support



Training



Project launching



Staff and equipment provision



Modelling support



Systems integration



Support to R&D projects
Technological surveillance

BIMCheck

More information on BIMCheck

In 2019, FCC Construcción was involved in setting up a platform to combine BIM with blockchain methodology to optimise the efficiency and security of the QA management processes for its projects and works.

BIMCheck assures full quality control through the digitisation of processes, data-flow immutability and standardisations of processes for all equipment. Its application will improve the accessibility and traceability of everything related to on-site materials and document-control processes, resulting in better operational efficiency and enhanced trust by customers.

The project has been tested on a pilot building project for 85 homes in Tres Cantos, Madrid (Spain), and is the first experience in the world to combine the two types of technology – BIM and blockchain – on site.

This project has been funded by the Industrial Technological Development Centre (CDTI).

ROBIM

More information on ROBIM

ROBIM is self-contained technology for the inspection and assessment of building projects using BIM. The aim is to obtain detailed information on works in progress and any deficiencies found in the projects analysed. In this CDTI-funded project, FCC Construction is working in partnership with a consortium between GEOCISA, TPF INGENIERÍA, INSYTE, IMATIA and IBIM.

This automated, multidisciplinary technology consists of a robot that moves around the envelope of the building being analysed, capturing relevant data for subsequent assessment and diagnosis of the condition and energy efficiency of the existing property. This data is used to obtain a detailed analysis of the building's status and pathologies, with the option of linking to other BIM tools already available.

ONLYBIM

More information on ONLYBIM

ONLYBIM is a design tool for non-linear projects, such as concourses, ponds and treatment plants, developed by FCC Construcción in partnership with BUHODRA. This tool enables different projects to be interconnected with BIM technology, integrated into the ISTRAM®/ISPOL® Non-linear Works package.

The company's aim is to facilitate the design and building of non-linear works, in accordance with the BIM requirements of projects and 5D connectivity.

The ONLYBIM innovation project, funded by IDEPA (Principado de Asturias), is currently in its preliminary stages.

PWDRON

More information on PWDRON

This is a system for the automated monitoring of linear civil-works infrastructure, based on the use of high-technology drones, developed by FCC Construcción in partnership with IDP and Hovering Solutions, and funded by the CDTI (Centre for the Development of Industrial Technology).

The pilot project for implementation has been run on the Vallirana-bypass section of the N 340 road from Cadiz and Gibraltar to Barcelona.

With this project, data of the work site are automatically collected, using tri-dimensional models based on the technology of drones, and then exported to topographical, design or trace apps and integrated with GIS technologies (GeoBIM model).

Integrated approach to innovation: from the bidding phase right through to completion

At FCC Construcción we prioritise innovation from the very earliest stages of the projects that we undertake (bidding and contracting), right through to completion. The company constantly monitors new construction technology, materials and procedures appearing on the market and the latest developments related to our areas of innovation, via a technology surveillance process that enables the information compiled to be combined with the company's experience. The purpose is to anticipate changes and reorient our

R&D strategy towards areas that present a greater opportunity for the company.

Innovation during the early stages ranges from the digitisation of contract-management processes, the study and standardisation of values submitted during bidding processes, facilitating the modification of data, through to the monitoring and management of reporting. These tools are offered to clients as added-value solutions when undertaking projects.

Innovation examples at early stages



CENTRE FOR COMMUNICATIONS

The centre for communications is established with the citizens and people affected by the project.

Possibility of developing a communication system as part of the project to serve the users of works or people who are otherwise affected by them.

Some of the measures that may be implemented, depending on each project, include information panels, brochures, specific responses to users' queries, public presentations and press releases.



VIRTUAL REALITY

Visualisation of construction processes and completed works for the presentation of prototypes of major works.

This is supplemented by further documentation included in tenders, such as explanatory videos on project stages, to further explore the detailed information provided and offer a more visual presentation of the projects.



QR CODES

The QR-code methodology is applied as a link to interactive drawings of the works, to provide an overview of any given project.

This technology may also be used to check that building documents are up to date. This self-control system assures quality for tasks being undertaken remotely.

During the course of works, FCC Construcción incorporates innovative components and techniques for such things as the materials used and matters related to building processes or Occupational Health & Safety (OHS).

As an example of OHS activity, the patent developed by FCC Construcción to establish a unique method for the unloading, transport and installation of railway track means that it is no longer necessary for the track-laying truck to approach after every cycle of unloading welded long bars, making the task safer for workers. This system also cuts costs and

improves environmental impact by avoiding the combustion-gas emissions from conventional systems associated with the engines of track-laying locomotives.

The CDTI-funded Resalto project, the aim of which is to develop a smart speed bump with its own safety signage and data transmission, also exemplifies the use of such innovative technology to enhance users' safety. This infrastructure is also capable of self-generating electricity from the vehicles' friction and braking, thereby strengthening environmental benefits of the project.



The design of the sheet-pile enclosure on a rocky substrate enables works to be adapted to the conditions of the land.

Sheet-pile enclosure for the bridge over the Mures river (Romania)

Sheet-pile enclosure (Romania)

As part of the construction of the bridge over the Mures river in Romania, FCC Construcción has developed a system to assure the foundations of the works while also improving workers' safety during the building work.

Due to the soil conditions, it was necessary to excavate a rocky substrate with a stable system below the water table and, on dry land, with a sheet-pile enclosure.

To solve structural problems on the project to refurbish section 3 (Gurasada–Simeria) of the Frontiera–Curtici–Simeria railway line, it

was decided to undertake an innovative project consisting of a circular sealed enclosure resting on the rocky substrate, to which a strong ring of soil cement was fitted by jet grouting. Also, taking into account the characteristics of the terrain, reinforcement rings were designed to be fitted at different heights, thereby avoiding the need for junctions and eliminating any obstacles from the interior of the enclosure. This novel design of a sheet-pile enclosure lying on a rock substrate represents a significant technical development in the building of bridge foundations below the water table. The system simplifies operations and cuts completion times for works of this type.



The innovative sheet-pile design applied to the bridge over the Mures river in Romania is in line with the specific target of “developing quality, reliable, sustainable and resilient infrastructure” (**Target 9.1**)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



case study • case study • case study

Bici Sendas

Funded by the CDTI and led by FCC Construcción, in partnership with FCC Ámbito, IDNEO, IMPLASER, KOMPUESTOS, TEX and TRADIA, the Bici Sendas project represents a new generation of modular cycle lanes, built with sustainable materials, from polymers obtained from industrial waste and by-products, and integrating energy-generation

systems such as magneto-restrictive materials.

These innovative cycle lanes reduce environment impact when they are being built and enhance users' comfort and safety, as well as encouraging bicycle use as a sustainable transport alternative.

More information on Bici Sendas

Bici Sendas: sustainable, energy-self-sufficient and smart cycle lanes



Security and SmartCities Module



- Safety Signs
- Environmental sensory
- EH (own back-up signalling)



Self-generator integrated into the cycle path environment

Power for sensor and light signal supply



Power for communication gateway supply



Power for sensor node supply



Magnetostrictive energy to the IDNEO storage system



Sending data from:

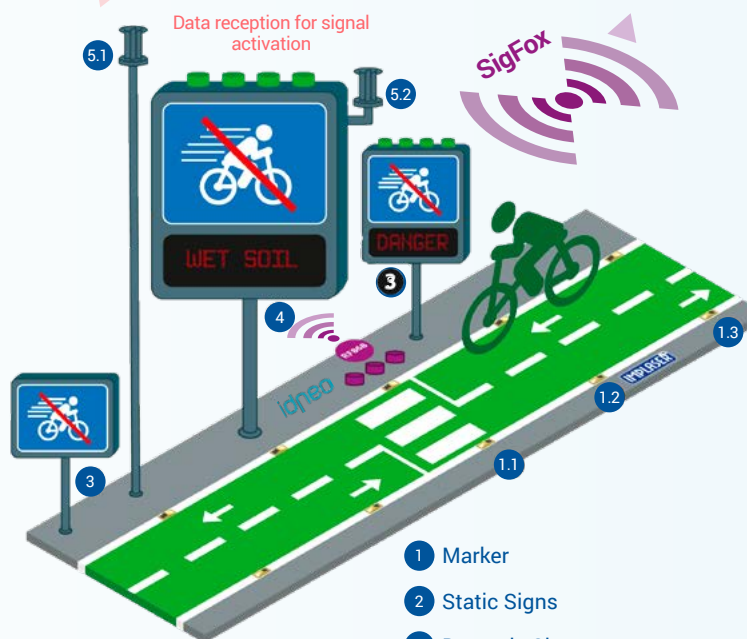
- Environmental sensors
- Bicycle traffic information
- Beacons



SmartCity



- Getway
- Control of data flow to the network
- SigFox Network in Smart City



- 1 Marker
- 2 Static Signs
- 3 Dynamic Signs
- 4 Variable information panel
- 5 Wind Generator



The Bici Sendas project contributes towards "providing access to sustainable transport systems for all" and "improving road safety", as part of the objective of creating inclusive, safe, resilient, sustainable cities and communities. (Target 11.2)

11 SUSTAINABLE CITIES AND COMMUNITIES



Visual information for the user



R&D in partnership

Within the framework of institutional and corporate partnerships, FCC Construcción and its subsidiaries arrange agreements and joint projects with universities, technology centres and other firms to develop R&D initiatives.

It is important in this regard to highlight our partnerships with SMEs, mostly operating in the technology sector, to undertake open-modality

innovation projects to foster active participation in the value chain and horizontal cooperation. Some of the projects are also undertaken in partnership with public entities, as in the case of the “Zero Impact” European LIFE project, the development and demonstration of an anti-bird-strike tubular screen for High Speed Rail lines, in partnership with the Spanish Railway Infrastructure Administration (ADIF).

Recognition for innovation in partnership: OPTIPORT

More information on OPTIPORT

In 2019 Optiport was classified as a runner-up in the NCE (New Civil Engineer) awards, in the “innovation operator” category.

With this project, developed jointly by FCC Industrial and the firm PROES, in partnership with the Algeciras Bay Port Authority (Cadiz), the traffic and climatic conditions affecting ports can now be simulated with our own software, thereby optimising port management and improving the planning of the available resources.

Port of Tarragona (Tarragona, Spain)



R&D partnerships with other organisations and institutions “enhances regional and international cooperation and access to science, technology and innovation by facilitating knowledge sharing on mutually agreed terms” (Target 17.6)

17 PARTNERSHIPS FOR THE GOALS



FCC Construcción is also actively involved in working with different national and international organisations related to R&D, with a view to strengthening the company's positioning as a benchmark for innovation in the construction sector.

Presence within R&D organisations

PTEC

(Spanish Construction Technology Platform)

The aim of the PTEC is to contribute towards the improvement of the construction sector through public-private partnerships for research, development and innovation, between firms, business associations, universities, research centres, technology centres and clients.

FCC Construcción's involvement with platform includes playing an active role on the PTEC Foundation, Standing Committee and working groups.

es.BIM (BIM Implementation in Spain)

It drives the implementation of BIM in the Spanish construction sector, building awareness among public authorities of the inclusion of BIM requirements in tender processes for infrastructure, etc.

FCC Construcción is a member of this organisation, with a view to detecting BIM-related innovations in Spain.

SEOPAN R&D Committee

The purpose of the committee is to represent member companies regarding innovation.

FCC Construcción is a founder member of the SEOPAN R&D Committee.

ADIF Rail Technology Centre

An open, multidisciplinary innovation centre with stable presence as a member of research groups. The aim is to strengthen the position of the Spanish rail system as a benchmark at the forefront of technology in Europe and all over the world.

FCC Construcción plays an active role at the ADIF Rail Technology Centre at the Andalusian Technology Park in Malaga.

ECTP

(European Construction Technology Platform)

The ECTP acts as a channel for innovation for the European construction sector, liaising with EU bodies and sector platforms with shared fields of innovation.

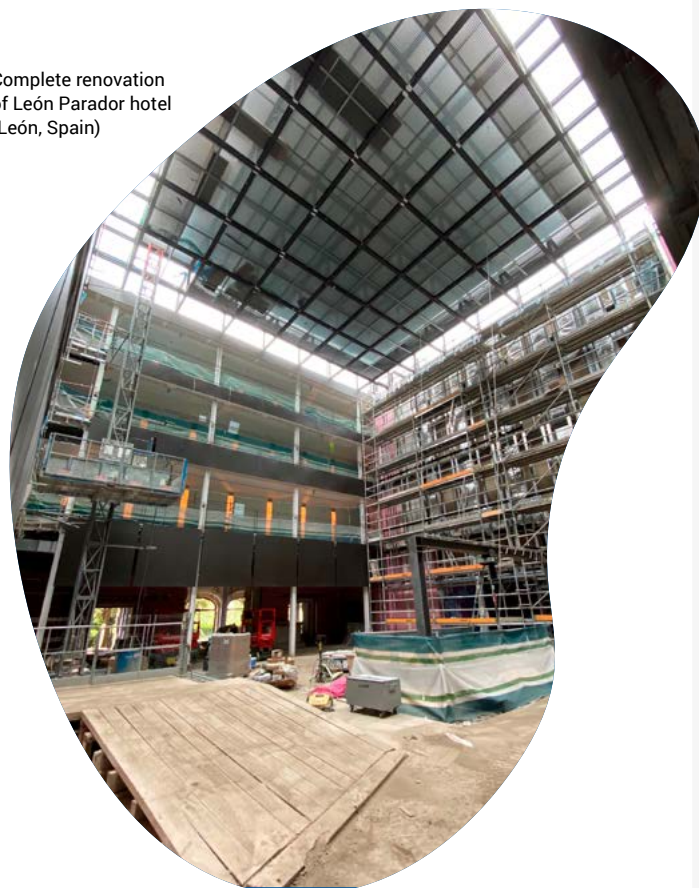
FCC Construcción is a member of the ECTP.

ENCORD Group

European network of construction companies to develop and foster research and development. The main aim is to highlight the R&D-related interests of Europe's construction company.

FCC Construcción is actively involved on the Council and working groups on CO₂ emissions and OHS, coordinated by the QA and CSR department and other organisations within the company.

Complete renovation of León Parador hotel (León, Spain)



CEOE

(Spanish Business Organisations Federation)

A private non-profit entity whose main aim is to defend and represent the interests of business in dealings with public authorities and society at large.

FCC Construcción sits on the R&D Committee, the International Development Committee and the Digital Society Committee.

AENOR

(Spanish Standards and Certification Association)

Certification entity for management systems, products and services, responsible for the development and dissemination of UNE standards.

FCC Construcción is a member of the AENOR Forum for Standards for the Connected Industry 4.0. This is an initiative to respond to the strategic area 4.2 regulatory framework and standardisation of the industry initiative 4.0 of the Ministry of Industry, Energy and Tourism.

Spanish Quality Association (AEC)

The AEC is a private entity with aim of promoting quality as a driving force for the competitiveness and sustainability of the private sector in Spain. The AEC community provides knowledge tools to help professionals and firms to implement quality transversally.

FCC Construcción is a member of the AEC community, sitting on the Innovation, Environmental and CSR Committees.

RIH (Railway Innovation Hub)

An association that fosters technology and knowledge in the international railway sector through R&D partnership projects, the marketing of technology, promoting entrepreneurship and the provision of services.

FCC Construcción is an associate member of the Railway Innovation Hub, whose aim is to promote and contribute towards the competitiveness of the railway sector in order best to be able to deal with globalisation, by fostering its members' innovation and international development and improving conditions within the sector.

Madrid City Council cluster

A cluster led by the Madrid City Council, bringing together more than 20 public and private entities to position Spain's capital as a benchmark enclave for the construction, engineering and architecture sector.

FCC Construcción is a member of the working group on training, skills building and R&D, in the field of markets and financing, and on the working group on sustainability.

Building Smart

An association composed of institutions, firms and organisations in the construction sector to foster efficiency through open standards of interoperability on BIM, with a view to reducing costs and completion times and increasing the quality of processes.

PTFE

(Spanish Rail Technology Platform)

The aim of the PTFE is to make scientific and technological progress to assure the competitiveness, sustainability and growth of Spanish railways, aligning the strategy and knowledge of different actors in the field of R&D.

6.

Our visioning: how we work

Our people 79

Third-party relationships 98

Good governance and effective risk management 113

Zaragoza-Delicias High Speed Train Station (Zaragoza, Spain)

The construction activity of FCC Construcción helps to meet the challenges that define the future of society, focusing on our employees' well-being, fostering the development of communities and complying with the company's ethical framework.

6.1 Our people

FCC Construcción's employees foster a participatory, professional working environment, focused on health and safety and a responsible approach to risk prevention.

The employees of FCC Construcción are committed to developing infrastructure with the highest levels of qualifications and technical knowledge, with efficiency and excellence.

Our people promote values such as health and safety, teamwork or preservation of the natural environment on every project.



Achievements

- Renewal of the FCC Group's health, safety and well-being policy.
- Certification under the ISO 45001 standard (migrating from OSHAS 18001) in six countries: Spain, Portugal, Panama, Costa Rica, Romania and Peru.
- Continuous reporting on OHS-related best practices at workplaces, with subsequent publication of an annual report for the entire organisation.
- Success of the "Live Healthy" campaign.
- Landmark achievement of 5 million hours worked with no accidents requiring sick leave on the Abu Rawash treatment-plant site in Egypt.
- Development of a dynamic map of the workforce's job positions and duties.
- Holding the one-day conference for the Construction Area managers.
- Increase in training investment and in training hours.
 - Digitising technical courses in HTML5 format and updating its content.
 - Increasing online skills training.
- Launching various campaigns to communicate with employees on equality, sustainability and corporate values.
- Creating the "FCC Campus", the FCC Group's own corporate university.



Future challenges

- Extending the scope of the ISO 45001 standard to cover all the countries where we operate.
- Driving sector-wide collaboration to foster OHS at specific business forums and organisations.
- Increasing involvement by senior and middle level managers on OHS matters by implementing the "Safety Moment" at meetings and arranging visits to assess working conditions on sites/projects.
- Giving brief talks before critical tasks to strengthen awareness of the existing risks and corresponding preventive measures.
- Assigning job positions and duties for employees to complete the dynamic map of the workforce.
 - Implementing the corporate virtual training platform "FCC Campus" in the Construction Division.
 - Strengthening training in BIM methodology for designated personnel.
 - Identifying and training in-house trainers to develop through specific actions to build their skills.
- Continuing with training in the Code of Ethics for all new recruits.
 - Increasing presence of women among the workforce and in management positions.

Profile of FCC Construcción's workforce

At year end 2019 FCC Construcción had a total workforce of 8,201 employees. The variation in this figure since last year is mostly due to the types of services provided during the course of

works, some of which are temporary, such as additional electro-mechanical services during the construction of the Riyadh Metro.



8,201

Employees

Trends and distribution of employees

Total trends of employees



Distribution of employees by gender

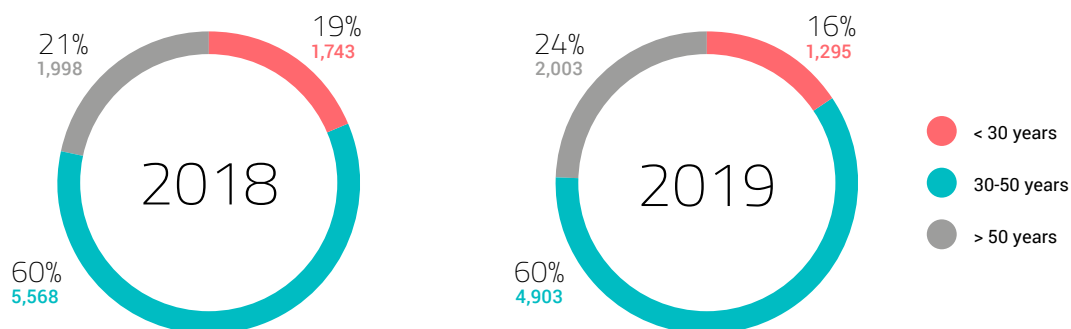
2018



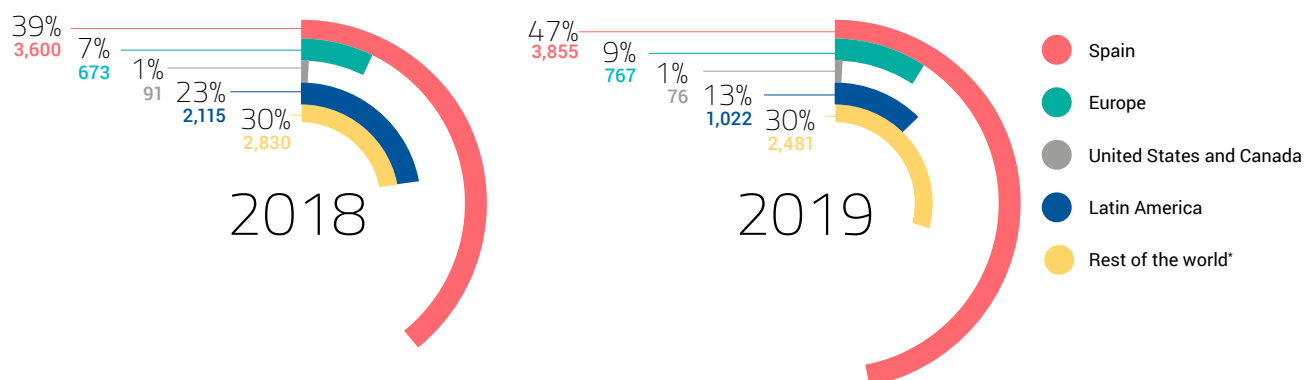
2019



Distribution of employees by age group



Distribution of employees by geographical area

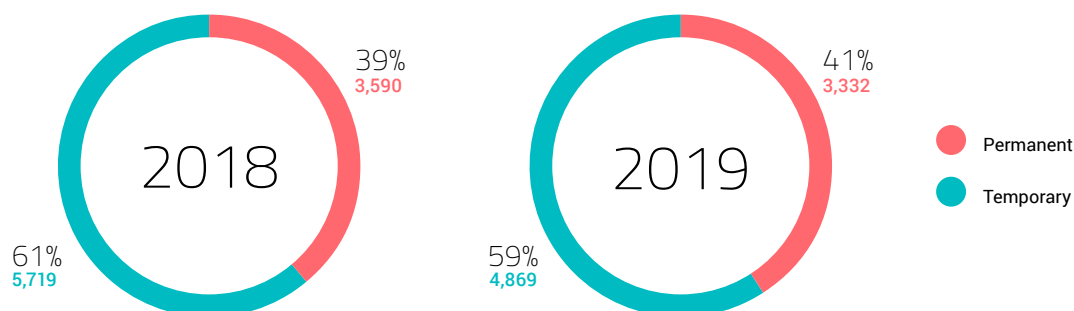


* Rest of the world includes Saudi Arabia, Qatar and Algeria.

Samalayuca gas pipeline
(Sásabe, Mexico)



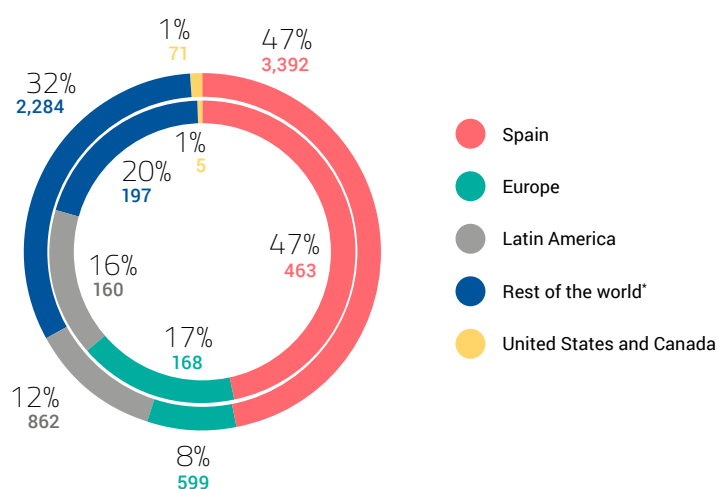
Distribution of employees by contract type



Distribution of employees by gender, type of contract and geographical area

	2018	2019				
	Total	Total	Distribution by gender		Distribution by contract type	
			Women	Men	Permanent	Temporary
Spain	3,600	3,855	463	3,392	2,256	1,599
Europe	673	767	168	599	214	553
United States and Canada	91	76	5	71	17	59
Latin America	2,115	1,022	160	862	629	393
Rest of the world*	2,830	2,481	197	2,284	216	2,265
TOTAL	9,309	8,201	993	7,208	3,332	4,869

Distribution of employees by geographical area and gender (2019)**



* Rest of the world includes Saudi Arabia, Qatar and Algeria.

** Inner circle: women. Outer circle: men.

Voluntary Staff turnover (Spain)*

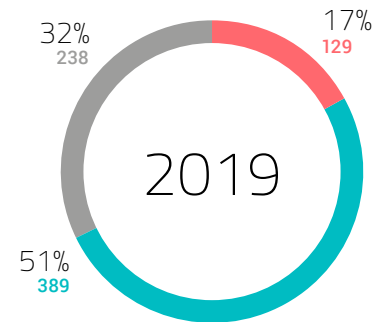
3.4%



* The voluntary turnover data corresponds to the number of employees who voluntarily leave the company.

Distribution of staff turnover by age range **

- < 30 years
- 30-50 years
- > 50 years



** The turnover data include the employee that leave the company, both voluntarily and due to dismissal, retirement, death or expiration of contract.

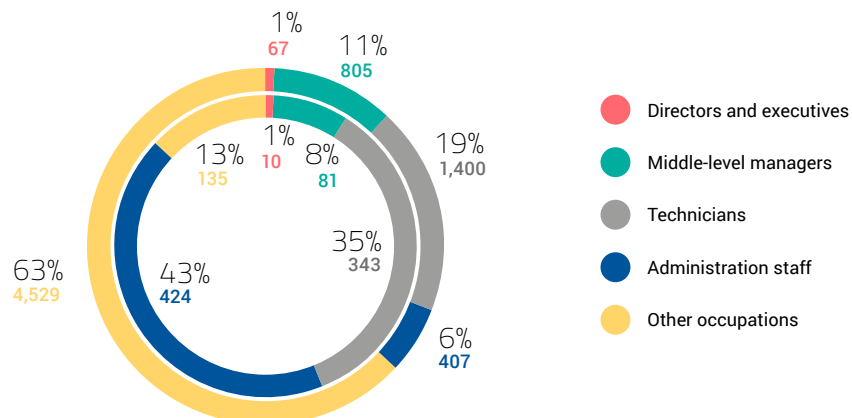
The 2019 rate of voluntary employee turnover in Spain was 3.4%, similar than the rate of voluntary employee turnover in Spain in 2018, which was 3.9%. Other employee termination in the Company occurred due to termination of contract (13.7%) or other reasons, such as dismissal, retirement or death (2.5%).

Distribution of employees by gender, age group and professional category

2019

	Total	Distribution by gender		Distribution by age		
		Women	Men	< 30 years	30-50 years	> 50 years
Directors and executives	77	10	67	0	31	46
Middle-level managers	886	81	805	38	460	388
Technicians	1,743	343	1,400	165	1,086	492
Administration staff	831	424	407	295	365	171
Other occupations	4,664	135	4,529	797	2,961	906
TOTAL	8,201	993	7,208	1,295	4,903	2,003

Distribution of employees by professional category and gender (2019)*



* Inner circle: women. Outer circle: men.

Employee health and safety

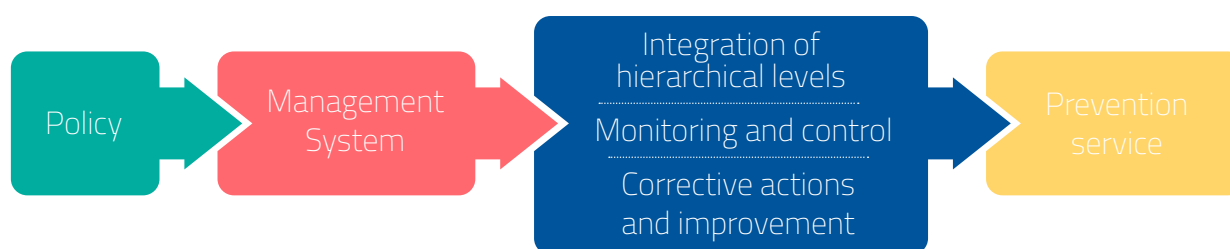
The premise of always maintaining maximum safety in all that we do is set out in FCC Construcción's Health and Safety Policy. Beyond mere compliance with the applicable legislation in every country where we operate, workers' health, safety and well-being is a top priority for FCC Construcción, demonstrating our strong leadership and commitment to OHS activities within the organisation, by making the necessary provisions for continuous improvement.

In 2019, certification was obtained under the international standard ISO 45001: 2018 "OHS Management Systems" in six countries where we operate, making us one of the first Spanish companies to achieve this new international accreditation. Currently, as we migrate between

standards, the OHS-management system is currently standardised under OHSAS 18001 and ISO 45001, covering 94.9% of the company's personnel.

ISO 45001 assures the integration of best OHS practices throughout the corporate structure, including senior level managers, while minimising work-related risks and fostering a prevention culture in the company's management.

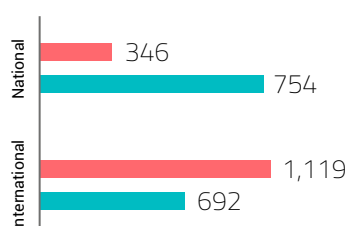
The OHS management system includes procedures that apply to all hierarchical levels at FCC Construcción, establishing mechanisms for monitoring and control, and providing guidelines for adjusting and improving OHS indicators.



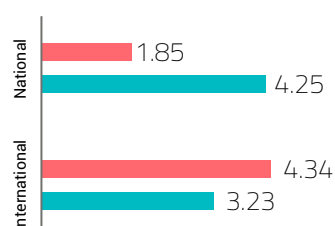
Injury rates of FCC Construcción

● 2018 ● 2019

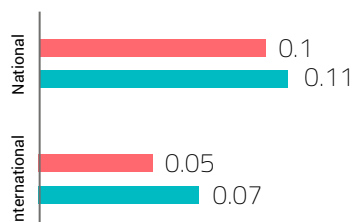
Incidence index*



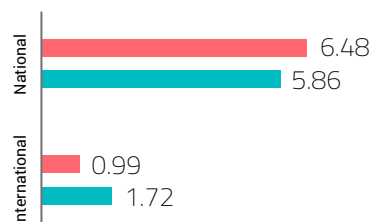
Frequency index**



Seriousness index***



Absenteeism index⁴



* Number of accidents with sick leave per 100,000 workers, divided by the average number of workers.

** Number of accidents with sick leave per 1,000,000 hours worked.

*** Number of working days lost per accident recorded and with sick leave per 1,000 hours worked.

⁴ Actual days lost by an absent worker, expressed as a percentage of the total number of working days scheduled for workers over the same period.

COVID-19 health crisis

So far in 2020 at FCC Construcción we have been working actively on initiatives developed by the construction sector to safeguard our employees' health and safety in view of the situation caused by the COVID-19 health crisis.

Thus, in line with Spain's leading trade unions and the National Construction Federation, the company has drawn up guidelines for action on COVID-19 on work sites.

Also, works were suspended for the period ordered by the authorities, giving priority to working from home when the state of alarm was implemented.

The company has also organised in-house training sessions for all employees on action measures to deal with COVID-19. It has as well provided employees with the internal assessment of the company's performance to address this extraordinary situation.

The action protocol includes these measures:



Prevention

Cleaning and sanitising workplaces and encouraging actions to maintain personal hygiene



Protection

Action protocols for employees with symptoms and those in contact with people possibly infected by COVID-19



Training

Information for all workers on the action procedures to deal with the situation



Organisation

Establishing shifts for specific times and work areas and maintaining the recommended social distancing

Hand in hand with the main trade unions in Spain and the National Construction Federation, the company has drawn up an action guide to COVID-19 in construction.



Construction team for the refurbishment of Santiago Bernabéu Stadium (Madrid, Spain)

The preventive approach to OHS management

FCC Construcción regularly holds training sessions on health and safety matters for employees to foster a prevention-based OHS culture. In 2019 the number of awareness-building and information sessions following with the implementation of the new standard

ISO 45001 was increased for executives, OHS technicians and health and safety officers. A 20-hour workshop was also held on the industrial-hygiene and ergonomics measures required for OHS technicians.

Report on best OHS practices

Among the OHS targets set by FCC Construcción, the implementation of best practices fosters proactive OHS management at all workplaces.

In 2019, a total of 40 best practices were implemented in Spain and a further 25 abroad.

The company is currently working on disseminating these best practices across all divisions of the organisation by means of in-house communication campaigns and our Best Practices report, which is published annually and made available to all employees.



"Safety Time"

Driven by FCC Construcción's international division, this initiative consists of short talks to build awareness of specific questions related to health and safety. They take place at the beginning of meetings and call for the person moderating the discussion to be prepared in advance, inviting the attendees to share their thoughts.



Suggestion boxes

These give workers the opportunity to report potential risk or danger situations on sites and make their own suggestions. They have already been implemented on the site of the Dublin Airport runway project.



Ladders with perimeter railings

These allow workers to work on a safe platform, reducing the risk of falls and accidents.

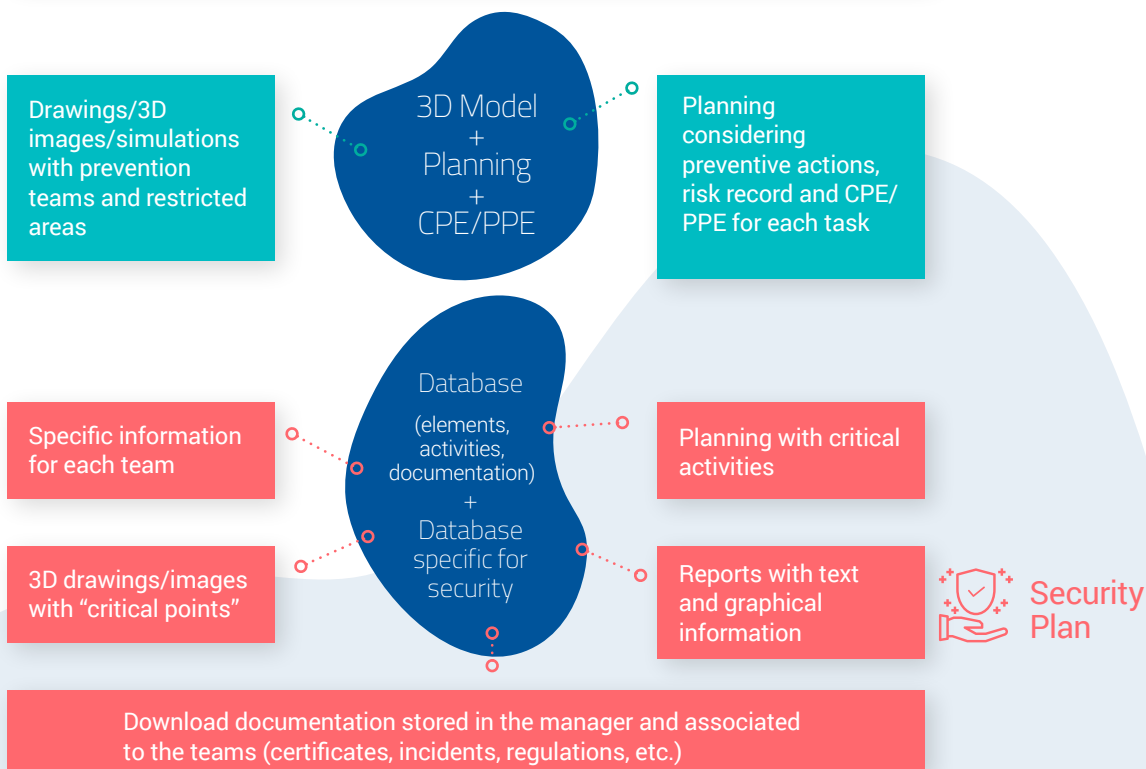


Drone inspections

Making use of the latest technology by using drones in high-risk areas to inspect infrastructure of all kinds. Thus the risk is eliminated at source of falling from heights or being run over, as well as other risks associated with places that are hard to access.

Internally, every two years the FCC Group holds its health and safety awards. These awards acknowledge those initiatives and actions of the company's employees and different divisions related to aspects such as a culture of prevention or promoting health, safety and well-being in the workplace.

Centralization, automation, greater connection between parts



Safety4D: BIM methodology in the field of OHS

Based on the BIM methodology, the Safety4D OHS app seeks to significantly reduce the risk of on-site accidents and minimise the use of resources in this area.

This is achieved thanks to a preliminary virtual analysis of the works, during the stage of planning the tasks to be carried out, in order for the appropriate decisions to be taken on the application of preventive measures and the protective equipment necessary for each task. Safety4D also designs the management of OHS systems during the execution stage, thanks to its control of risks and coordination of technical site, OHS and BIM teams.

FCC Construcción is working on this CDTI-funded project in partnership with INGECID.

BIM methodology applied to the health and safety of employees at FCC Construcción.

More information on Safety4D

case study • case study • case study



The Safety4D technology tool strengthens the capacity to respond to OHS risks, fostering "safe and secure working environments of all workers" (Target 8.8)

8 DECENT WORK AND ECONOMIC GROWTH



Fostering the health and well-being of our workers

With a view to extending healthcare and healthy lifestyles among employees, resulting in an optimal working environment, and beyond, in 2019, FCC Construcción carried out a study of psychosocial factors among our employees. This study identified situations and working conditions within the organisation that have a significant influence and effects on risks of this type. Based on the results of this assessment, internal-communication actions will be developed, driving the training policy on such matters and conflict mediation and resolution or stress management.

The company is actively involved in a number of corporate campaigns focusing on specific healthcare issues. In 2019 special mention should be made of the celebrations for the World Nutrition Day or World No Tobacco Day, plus the voluntary blood-donor campaigns organised with the Spanish Red Cross, and the campaigns to prevent and build awareness of breast and prostate cancer at the company's subsidiaries in Panama, Costa Rica and Nicaragua. Also in Panama, essential personal-hygiene items were collected and donated to the National Oncology Institute (ION) for the people who were most in need of them.



The initiatives to develop people's health and well-being strengthen "early warning, risk reduction and management of health risks" (Target 3.d.)

3 GOOD HEALTH AND WELL-BEING



HEALTHY LIVING

In 2019 the FCC Group developed LIVE HEALTHY, a corporate initiative to strengthen people's welfare.

This annual action plan is developed from the company's HR department and own medical services, and it is implemented transversally across the whole organisation.

It includes awareness-building campaigns and programmes on such topics as health and well-being, healthy eating, emotional well-being, social participation and culture.

This initiative has its own website to facilitate access for all the group's employees.

OHS in partnership

The company maintains a significant presence and works with health and safety associations and other organisations both in Spain and abroad.

SPAIN

Spanish Quality Association (AEC)

FCC Construcción is the deputy chair of the AEC's OHS Committee. At this association we lead several working groups related to health and safety, including the working group on "OHS organisation and management".

Association of Infrastructure Contractors and Concessionaires (SEOPAN)

Madrid Construction Companies Association (AECOM)

National Occupational Health and Safety Commission

National Occupational Health and Safety Institute

Complete rehabilitation of the Parador de León (León, Spain)

INTERNATIONAL

European Construction Industry Federation (FIEC)

FCC Construcción is actively involved in the European Construction Industry Federation (FIEC), representing the National Construction Federation (CNC).

The Company chairs the FIEC Health and Safety Committee, on the social subcommittee, leading many of the debates of interest in Europe on health and safety in the construction sector.

European Agency for Safety and Health at Work



Committed to retaining top talent

Achieving the organisation's goals depends on being able to count on reliable, technically qualified workers who constantly put into practice their firm commitment towards quality in their field.

FCC Construcción is drawing up a dynamic map of job positions to define and identify the duties of each employee, with a view to managing the knowledge and skills available within the company in the most efficient and precise way.

An example of how talent is valued at the company is the award of Loyalty Prizes to people who have been with us for 40 and 25 years. The FCC Group awarded these prizes in 2019 in advance of the celebrations for the company's 120 years in business.

In this regard, the **International Young Talent Programme** provides recently qualified young people the opportunity to start their careers internationally by filling itinerant positions in different countries where the company operates. This programme is organised in partnership with universities related to the construction sector, where the recruitment processes take place. Candidates must have specific language and technical skills in order to take part in the programme.

The second edition of the programme was held in 2019, involving eight young people for a period of 12 months. At the end of the programme, FCC Construcción assigns them to the new international projects that are being developed by the company.

Career-development opportunities

The construction business area of FCC Group bases its talent strategy on professional growth, and the design of careers and itineraries that optimise the development of professional skills and drive the international development of the workforce, with a focus on creating spaces for intergenerational coexistence and the balance between men and women.

Another of the challenges that the construction sector has historically had to face is the incorporation of female talent into the business. FCC Construcción participates in initiatives to encourage a greater presence of women in the sector, including the Promociona Project (an initiative of the Ministry of Health, Social Services and Equality, the CEOE, and ESADE Business School), with the goal of easing the access of women to Top Management positions.

Code of Ethics and Conduct approved by the Board of Directors of the FCC Group



The Young Talent Programme contributes towards "increasing the number of youth who have technical and vocational skills, for decent jobs" (Target 4.4)

4 QUALITY EDUCATION





This programme promotes the skills of high-potential women for management positions.

Closing event of the tenth edition of the EOI programme "High-potential women"

High-potential women: Development of Senior Management

The "High-potential women" management-development programme is an initiative organised by the Industrial Organisation School (EOI), providing structured, comprehensive training for women to take on new management challenges in the organisational ambits to which they belong.

The multidisciplinary approach to training, with modules on management skills and operational management, strengthens the acquisition and development of skills with a view to their practical application.

The programme also encourages personal and professional development, highlighting teamwork and the interrelation between participant professionals in the sector.

In 2019, three women from FCC Construcción took part in the programme.



More information on the EOI programme



This programme, led by the EOI, contributes towards the Sustainable Development Goals by "ensuring women's full and effective participation and equal opportunities for leadership in economic life" (**Target 5.5**)

5 GENDER EQUALITY



Specialised training

Employee training is the company's main tool for growth both in Spain and abroad. It improves workers' performance and effectiveness in the course of their jobs, as well as helping employees to achieve their own career-development goals.

FCC Construcción's annual training plan catalogues the training actions planned in different knowledge areas that all employees have access to. This plan covers such topics as technical, legal and financial training, IT, quality, HSE, innovative technology (e.g., BIM), anti-corruption and the Code of Ethics, as well as the development of personal skills. Constant updating of training content and the digitisation of processes furthers our employees' personal and professional development.

In 2019 the digitisation of training initiatives was completed with the setting-up of the FCC Campus

platform, the company's corporate university, which brings together all the training sessions, courses and workshops that are organised for employees. Homogenisation of the training system facilitates workers' participation in all countries where FCC Construcción and the FCC Group operate. This in-house platform, which is committed to talent in today's global context, new technology and new ways of working, will be implemented transversally across the whole company in 2020.

Particularly worth highlighting is the quality of the company's training initiatives, which achieve 90% attendance rates and a score of 3.4 out of 4 for users' satisfaction.

In 2019 a total of 80,434 hours of training was given to 6,798 participants, requiring an investment of €1.79 million, i.e., 7.63% more than the previous year.



80,434
Hours of training

35,460
Hours of online
training



1,789,363
Euros invested in training



6,798
Attendees



The efforts made by the company to provide training for all its employees are oriented towards "ensuring equal access for all women and men to affordable and quality technical, vocational and tertiary education" (Target 4.3)

4 QUALITY
EDUCATION



Trends in training hours

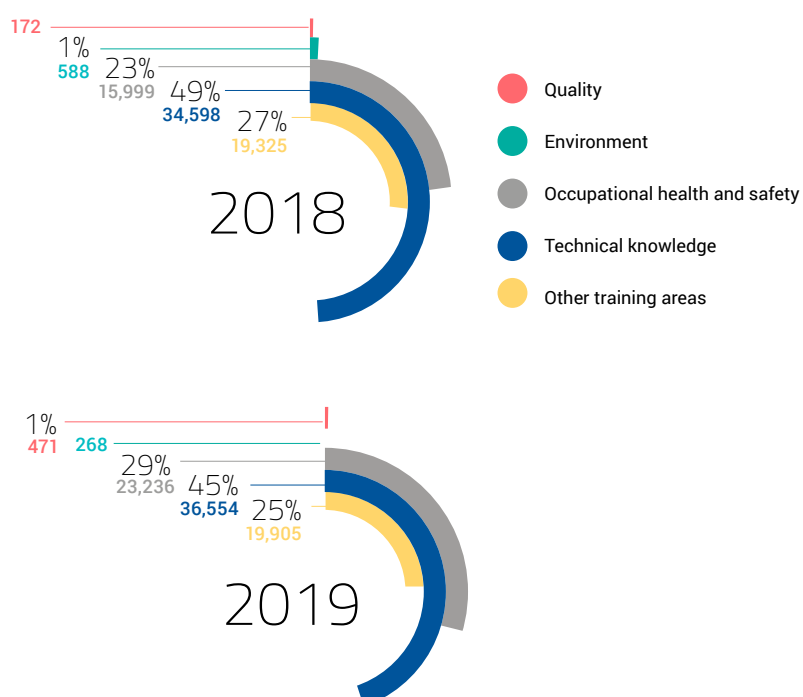


Distribution of the number of training hours and the average training hours per employee, by gender and employee category

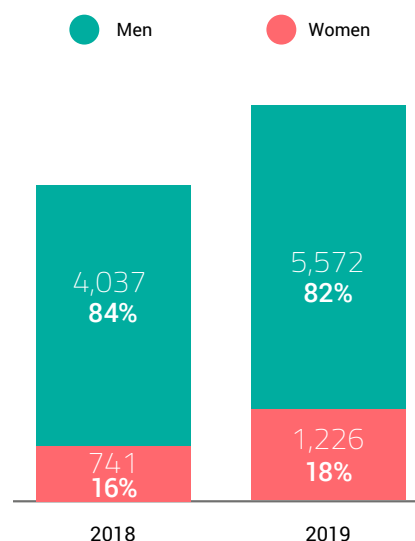
2019

	Total training hours			Average training hours per employee		
	Total	Women	Men	Total	Women	Men
Directors and executives	1,510	568	942	19.6	56.8	14.1
Middle managers	10,347	2,134	8,213	11.7	26.3	10.2
Technicians	36,162	9,377	26,785	20.7	27.3	19.1
Administration staff	4,007	2,368	1,639	4.8	5.6	4.0
Other occupations	28,408	893	27,515	6.1	6.4	6.1
TOTAL	80,434	15,340	65,094	9.8	15.5	9.0

Number of training hours by topic



Number of training attendees, distributed by gender



Equality and diversity principles

The FCC Group's Equality and Diversity Policy establishes the corporate philosophy of ensuring that the criteria for the recruitment and professional development of employees are based on gender equality and the inclusion of people with disabilities. This commitment is also safeguarded by the FCC Group's Code of Ethics and Conduct.

To identify room for improvement, the company compiles information on minority groups among the workforce and the gender distribution of executive positions and the Board of Directors.

Going further, "Diversity Adds" has been established as FCC Construcción's strategy to make room for a set of different talents, using partnership models that acknowledge and uphold identity, uniqueness and dignity. Thus, FCC Construcción constantly strives to strengthen this strategy by carrying out internal analyses of recruitment processes and HR management, identifying any unconscious biases and other corporate barriers, under-represented groups and new areas of opportunity to bring about a cultural change that is integrated into the company's model.

As a result of the application of equality and diversity policies, the Spanish Ministry of Health, Social Services and Equality has awarded FCC Construcción with its Equality Mark, which acknowledges the excellence of companies who have made commitments in this area. In 2019 the FCC Group also renewed its agreement with the Spanish Diversity Charter for the 2019–2021 period, in recognition of the group's equality policies and firm commitment towards social inclusion.

Encouraging equality within the company

At year end 2019 the workforce of the construction division of the FCC Group includes a total of 993 women, 12% of the company's employees. Moreover, women occupy 13% of management positions. The company also fixes basic wages in accordance with the relevant collective-bargaining agreements and

the internal remuneration policy, which does not consider the gender of employees as a criterion. The wage gap between men and women within the company is indicated in the Group's Non-financial Report. In 2019 the adjusted wage gap in Spain, which considers a comparison including comparable factors as functional level, seniority and the applicable collective-bargaining agreement, was 6.59%.

These figures are influenced by external factors, such as the traditionally male-dominated sector in which the company operates. Nevertheless, the distribution of the workforce and drafting of gender-equality policies show the efforts being made by the company to include women at all levels of the organisation.

FCC Construcción's Equality Plan has been in force since 2008. Today, the company is working on the third update of this plan, which will be applicable not only within the company itself but also for any subsidiaries and joint ventures that do not have an equality plan of their own. FCC Industrial, one of the subsidiaries, has been implementing its own Equality Plan since 2015. In 2019 Matinsa, which is a subsidiary company of FCC Construcción specialised in infrastructure maintenance, signed its first Equality Plan.

As usual, in 2019 the construction division of the FCC Group took part in the celebrations for International Women's Day. With the campaign "[Committed to You](#)", the company has disseminated among its employees the various actions undertaken by women workers at FCC Construcción, with a view to sharing the company's values and visions by showing the role that women play in the construction sector.

As part of the events organised on 25 November for the international day to end violence against women, FCC Construcción presented its campaign "[Don't normalize it and say NO](#)". This awareness-building video, in which company employees have taken part, shows solidarity with the day's cause by drawing attention to the negative social implications of the lyrics of some popular songs.

Full service maintenance
Metro de Madrid (Madrid, Spain)

Distribution of women employees

	2018	2019
As percentage of total workforce	11%	12%
As percentage of management positions	18%	13%
On the Board of Directors	27%	29%

Minority or vulnerable groups of employees*

2019

	Total	Distribution by gender		Distribution by age		
		Women	Men	< 30 years	30–50 years	> 50 years
Directors and executives	0	0	0	0	0	0
Middle managers	4	0	4	0	0	4
Technicians	15	3	12	1	9	5
Administration staff	23	12	11	0	13	9
Other occupations	20	1	19	0	11	10
TOTAL	62	16	46	1	33	28

* Vulnerable groups include disabled people. The provided data corresponds to employees on the payroll in Spain.

Protocol for prevention of situations of bullying, mobbing and sexual harassment



The protocol for the prevention of situations of bullying, mobbing and sexual harassment fosters the active struggle to combat gender-based violence, enforce compliance with the rules and develop ethical behaviour in business activities, in line with the principles set out in the group's Code of Ethics and Conduct.

FCC Construcción also regularly launches campaigns to build awareness of gender-based violence.



Signing of the first Matinsa Equality Plan

The first Matinsa Equality Plan promotes the integration of gender equality into the company's management.

Matinsa signs its first equality plan

Matinsa, a subsidiary of FCC Construcción specialising in infrastructure maintenance, has implemented its first Equality Plan.

This is a milestone for integrating gender equality on a permanent, transversal basis across the organisation's whole structure.

The plan includes the desire to assure the right to equal treatment and opportunities for

women and men and the adoption of necessary preventive and corrective measures to ensure that no discrimination situations occur within the organisation.

On implementing this plan, Matinsa reinforces its commitment to equity and reduces stereotype threat, implementing positive strategies to help eliminate inequities detected within the company.



Matinsa thus "adopts and strengthens its policy for the promotion of gender equality and the empowerment of women" (Target 5.c)

5 GENDER EQUALITY



In 2019 the company also organised a training scheme for women on the “Los Chinamos–El Ayote Road Improvement” project in Nicaragua. This was part of an initiative to create jobs taking gender equity into consideration. The initiative was promoted jointly by FCC Construcción and the Nicaraguan Ministry of Transport and Infrastructure.

Integrating people with disabilities

Assuring access for people with disabilities into the labour market contributes towards their integration and normalisation in society. FCC Construcción works with specialist advisory entities on managing the recruitment of persons with disabilities and supporting workers with disabled family members, developing programmes and events that help make this group more visible.

The FCC Group's actions to encourage diversity and inclusion in the labour market include the direct recruitment of persons with disabilities through specialist entities, making purchases and contracting services from Special Employment Centres, developing education and entrepreneurship programmes with internships for disabled students and entrepreneurs, and running social-inclusion campaigns.

In 2019 FCC Construcción's initiatives to improve the quality of life of disabled people received a special recognition from the ONCE Foundation. The initiatives developed by the company include holding a *Disability Day*, in partnership with the Adecco Foundation, in the framework of the *enpositivofcc* strategy; participation in the forum “The Dimension of Disability in the UN Sustainable Development Goals”, organised by Foro Inserta; and holding events to celebrate the International Day of Persons with Disabilities.



FCC Construcción fosters social equality and gender equality by “empowering and promoting the social inclusion of all, irrespective of gender, disability, race or other status” (Target 10.2)



Bus and underground station (Toronto, Canada)



6.2 Third-party relationships

Meeting our stakeholders' expectations regarding the company's business and its impact on the environment, enables long-lasting trusting relationships to be forged.

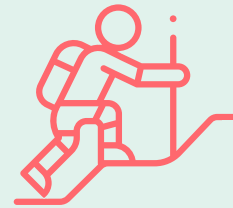
The company's stakeholders are identified aiming at determining their challenges and needs when dealing with the company. This enables us to give an appropriate response to their expectations, so that added value is generated for all agents involved.

In 2019, FCC Construcción became the first company in Spain to achieve certification under the ISO 44001 standard for business relationship management systems. This achievement sets the foundation for strengthening alliances to work towards achieving the company's goals and forging more robust relationships, based on the World Alliance for Sustainable Development, as indicated in the UN's SDG 17.



Achievements

- First company in Spain to achieve certification under the ISO 44001 standard for collaborative business relationships.
- Development of a project to improve the company's knowledge management, launching tasks for the identification of resources and document management at the first stage.
 - Hiring local suppliers.
- Launch of supplier certification process.
- Developing an inventory of materials for the FCC Group to improve the information available on procurement.
- Implementing measures to minimise local impact during works and social projects with benefits for local communities.
- Participation in events to disseminate and publicise knowledge.



Future challenges

- Making changes to the DISCON incidents module to enable stakeholders complaints to be registered (other than the clients ones).
- Developing a guide for maintenance and operation tasks to be applied to contracts in which FCC's involvement extends beyond the commissioning date.
 - Maintaining certification under UNE 15896 on responsible procurement.
- Completing development of the procurement IT tool to homogenise it across the whole FCC Group.
 - Creating new rules for international procurement.
- Restructuring the corporate intranet to adapt it to the latest trends in communication.
- Implementing a local communication policy targeted at the communities where we operate.
- Continuing to develop actions and initiatives to involve local communities in the company activity.
 - Developing the FCC360 mobile app, with implementation scheduled for 2020.

FCC Construcción, a pioneer in collaborative business relationships

AENOR certification under the standard ISO 44001 endorses the implementation and effective performance of the company's collaborative business relationships management system (CBRMS), addressed to engage with high-impact strategic relationships with clients, suppliers, internal and external partners and shareholders, identified and managed as part of the collaborative business relationships programme.

The benefits of ISO 44001 certification include increased business opportunities, control of the transfer of knowledge between parties, the ability to consolidate relationships with suppliers, clients and partners based on a win-win philosophy, optimising costs and creating value, and the capacity to strengthen competitiveness to gain access to international markets.

In 2019 two topic courses were organised at FCC Construcción to give information on this new standard. An initial launch course was run in April and another was held in November, with presence and online versions, attended by a total of 41 people.



Award of the AENOR ISO 44001 certificate

ISO 44001 certification means that partnerships with stakeholders are strategic and effective.



The establishment and certification of a partnerships system within the company "encourages and promotes effective public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships" (**Target 17.17**)

17 PARTNERSHIPS FOR THE GOALS



Reaching out to stakeholders

(GRI 102-40, 102-42, 102-43)

Our stakeholders' needs and expectations



Employees

- Values, objectives and action standards.
- Occupational health and safety.
- Degree of achievement of targets.
- Career development.
- Business results.
- The company's activities.



Suppliers and subcontractors

- Requirements for quality, price, service capacity and environmental and social responsibility of products and services under contract.



Public Administrations

- Statistical data.
- Legal compliance.



Shareholders and investors

- Business results and targets.
- Legal compliance.
- Corporate strategy.
- Degree of achievement of targets.



Customers

- Technical and project-development queries during execution stages.
- Environmental impact of the project and compliance with environmental-management plans.
- Quality assurance in the execution of the different works units.
- Safety in construction and implemented preventive measures.



Business sector

- Impact on the organisation due to new regulations.
- Business strategy and results.
- Safety and environment-related policies and actions.
- Technological innovation.



Foundations, NGOs and other external organisations

- Legal compliance.
- Social and environmental performance.
- Transparency.
- Environmental policies and actions.
- Technological innovation.



Local community

- Completion deadlines.
- Disruptive activities.
- Utility shut-offs.
- Project objective.
- Risks of affecting surrounding environments.



Trade unions

- Occupational health and safety.
- Recruitment and promotions policy.
- Training plans.

In order to avoid the loss of knowledge and information acquired from works once they have been completed, FCC Construcción is working on the development of a system to manage the company's knowledge base. This will involve altering the company's systems and processes to some extent, beginning by developing software and other tools necessary for the conservation and dissemination of information and knowledge.

In advance of this, the starting position was analysed, compiling all the information necessary to locate the documentation on completed works and drawing up a common index for the digital works file for all projects in all geographical locations.

The company establishes several channels with stakeholders to assure the two-way communication flow. This constant dialogue improves the integration of stakeholders' expectations into the decision-making process at FCC Construcción.

FCC One Construcción

The main internal channel for communication amongst company employees, featuring company news, statements, internal procedures, publications, videos and technical documentation.

In 2019 the FCC360 mobile app was developed for channelling information between the company and employees and other in-house queries. It will be launched in 2020.

1

Corporate communications

The company's corporate communication actions are materialised in press articles, publications, posters, brochures, the Friday newsletter, the "Information capsule" channel, thematic videos or corporate videos, manuals, presentations and reports, both as hard copies in paper and in digital platforms.

1

FCC City

Online channel with two ways of interaction: a virtual city and a world map, showing more than 120 singular projects undertaken by FCC Construcción, organised by continents and countries.

2 5 6

Sustainability Report and Environmental Report

Publications for internal and external communications with all stakeholders, presenting our organisation's economic, environmental and social performance.

1 2 5 6
7 8 9

Customer-satisfaction surveys

Customer satisfaction is measured by works-completion surveys, where our clients assess a number of different aspects of the works carried out by FCC Construcción, with a score from 1 to 4 and grading their importance.

5

Websites and social media

[FCC Construcción](#) and [FCC Industrial](#) websites in different countries and for the company's subsidiaries.

FCCo Live (videoblog for external communications), [FCCo Youtube](#) channel and FCC Construcción [LinkedIn](#) and [Instagram](#) accounts.

1 2 4
5 6

Trade fairs, conferences, courses and workshops

Presence at many forums, conferences, courses, talks, public presentations and other events, to share knowledge and disseminate the information and experience acquired in our day-to-work and research activities.

1 6

Customer liaison

Person in charge of establishing partnerships, address any suggestions received, process the information compiled at meetings with customers and subsequently communicate any actions undertaken as a result of their suggestions.

5

Associations

FCC Construcción is a member and active participant of numerous sector associations and organisations, including AENOR, Global Compact Spanish Network and SEOPAN.

2 3 6 7 8

Addressing our customers' needs

FCC Construcción's dealings with customers are based on a specialised service and constant dialogue to ensure that their expectations are met on every project and site where we are involved.

In this regard, a differentiating factor in the company's business is the figure of the customer liaison, whose purpose is to facilitate communication and provide a response that is in accordance with customers' stated needs. This contact person must at all times coordinate requests and actions to be carried out, based on the suggestions received.

The company also organises works-completion surveys to enable customers to assess FCC Construcción's performance on their projects.

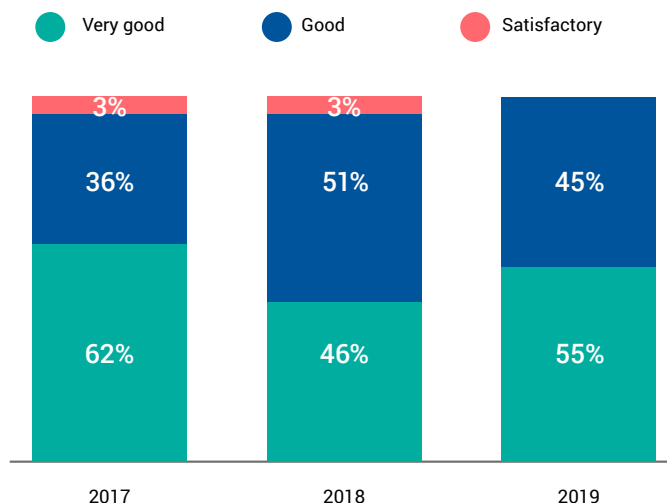
In 2019 all the customers surveyed assessed FCC Construcción's performance as good or very good. Customers valued more aspects related to quality of professional team, commitment compliance, the project quality plans, and environment-friendliness.

Similar results were recorded by the company's subsidiaries over the course of the year. Of those who were asked about their satisfaction with Prefabricados Delta's services, 100% said they would contract the firm again. At Megaplas, 93% of respondents said they were highly satisfied. The factors most highly valued by Megaplas's clients were the inclusion of customer service as part of the products and services offered and the flexibility of adapting to the customer's needs. Matinsa implements its own in-house system for information on customer satisfaction, with direct and indirect surveys and monitoring and analysis of response indicators.

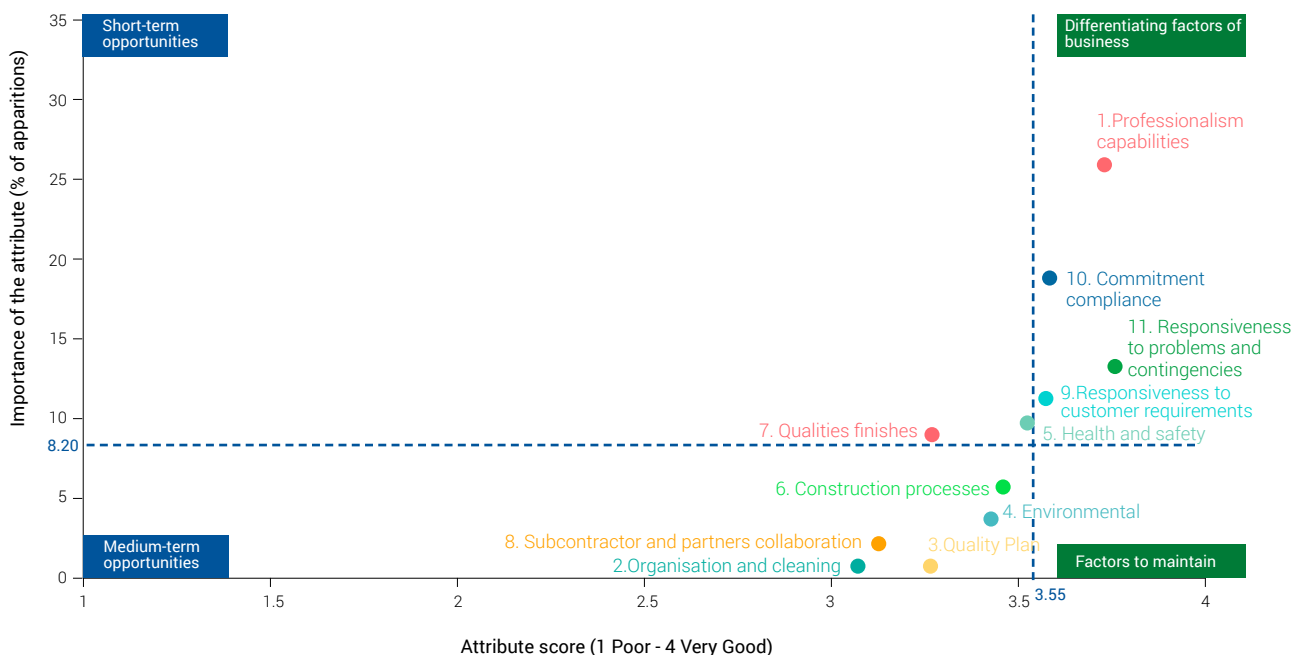
Based on the scores obtained from customer-satisfaction surveys, the company draws up a decision-making chart of areas with room for improvement identified and factors to be maintained when dealing with customers and managing projects.

FCC Construcción also has a system to handle complaints and claims which enables the company to monitor them, having a database for developing improvement plans. In 2019 a total of 141 claims were received, of which 85.8% were minor (which at the company means they involved a cost of less than €1,000).

Trend of FCC Construcción's global rating by the customers



Decision dashboard*



* Chart applicable for FCC Construcción, including FCC Industrial.

Working closely with customers on the design and execution of projects

Customers relationships vary depending on the market where they operate. Certain tender processes are based on competitive dialogue. i.e., the client's wishes and needs fine-tune the model to determine the final design of the project jointly among the bidders. FCC Construcción's extensive experience of the international market has enabled the company to play a key role in providing innovative solutions adapted to the needs and requirements of each client.

Also, under the "Early Contractor Involvement" modality, which is more common in northern Europe, the client offers bidders the option of changing certain criteria during the phases of the works, increasing their involvement at every stage, from bidding through to completion.



The supply of services and projects is adapted to each client and their specific requirements

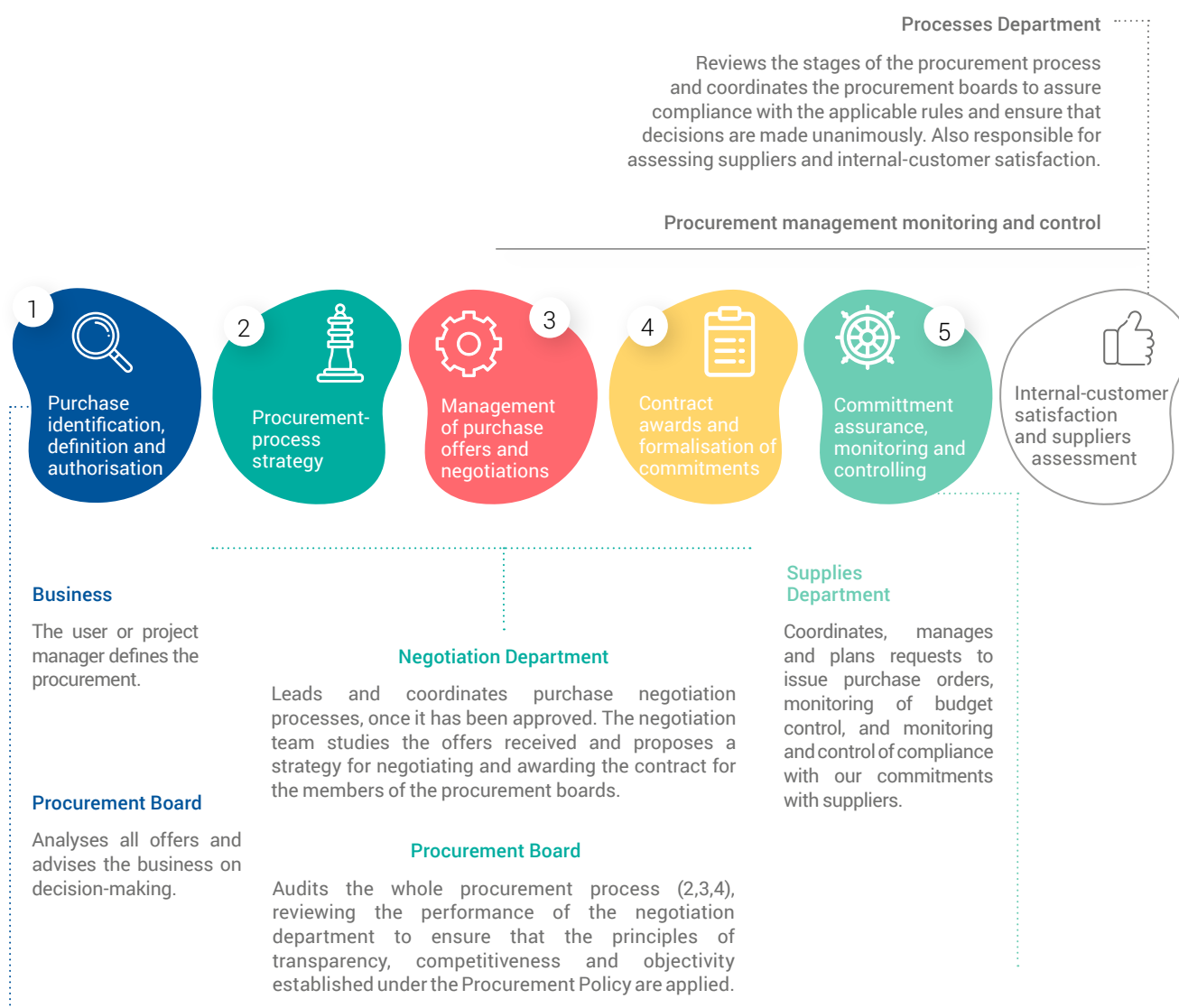
In Spain, thanks to the extensive experience in the sector, collaborative relationships are established with customers, often using our own technical skills, building confidence in FCC Construcción's capacity to undertake projects.

Responsible procurement

The FCC Group's procurement process is based on the standard UNE 15896 on Value Added Purchasing Management, giving priority to contracting local suppliers, provided that they meet the company's requirements. Evidence of this is the fact that the percentage of local suppliers contracted in 2019 stood at 97.24% of the 11,805 suppliers we worked with.

The procurement process for delegated purchases at site level follows the requirements established in procedure PR-FCC-310 (Procurement and Subcontracting), which sets out all the requirements applicable to procurement and subcontracting at FCC Construcción. It includes the steps to be followed, such as procurement planning, selecting suppliers, approval of the proposal and signing of the contract, the delivery of materials, equipment and items, and suppliers regular assessment.

Procurement process of the FCC Group



Distribution of suppliers by geographical region

	2018				2019			
	Total suppliers	Local suppliers*	Total cost of suppliers (€M)	Cost of local suppliers (€M)	Total suppliers	Local suppliers	Total cost of suppliers (€M)	Cost of local suppliers (€M)
Spain	8,406	8,279	581	518	8,821	8,792	558	536
Europe	1,486	1,293	112	91	1,708	1,492	207	180
USA and Canada**	129	110	12	10	41	20	-1	-2
Latin America	790	763	95	91	830	805	101	94
Rest of World ^{4*}	913	870	664	638	405	370	83	69
TOTAL	11,724	11,315	1,464	1,348	11,805	11,479	948***	877***

* The suppliers are defined as "local" if they are based in the same country where the product or service is purchased.

** In the United States and Canada the cost quoted by suppliers has a negative component, corresponding to cost adjustments computed during the previous year.

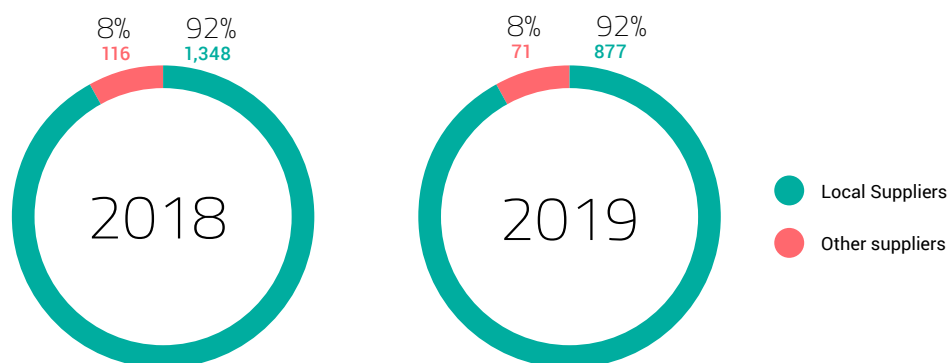
*** The sums for 2019 do not include taxes, as in the case of the 2018 figures.

^{4*} Rest of the World: Northern Africa, the Middle East and Australia.

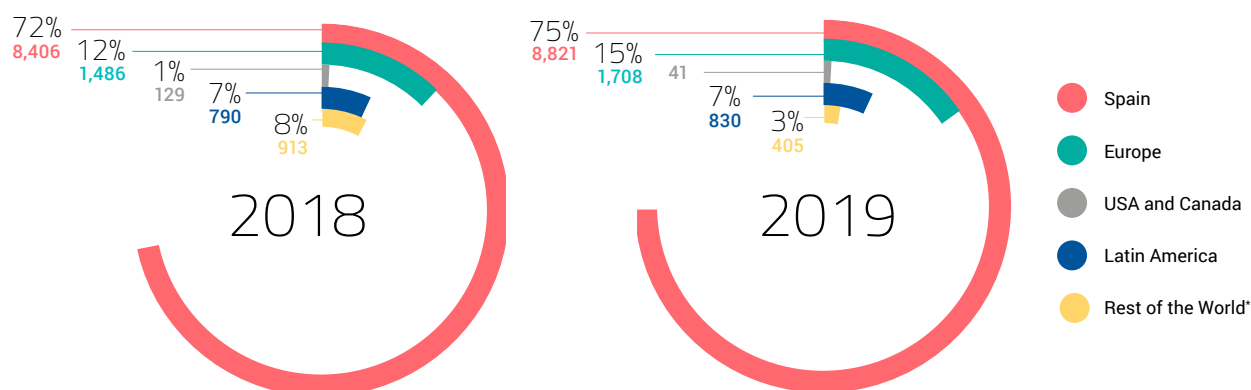
Local suppliers compared with total (number of suppliers)



Cost of local suppliers



Suppliers by geographical region (number of suppliers)



* Rest of the World: Northern Africa, the Middle East and Australia.

In 2019 the company has made progress in the classification of its suppliers by supply and type of materials, facilitating access to such information as expenditure, the specific characteristics of materials and suppliers' current status in the approval process. FCC Construcción is also currently working on drawing up an inventory of certifiable services, for its inclusion on the company's platform and subsequent monitoring. Finally, progress is also being made in the development of rules for procurement abroad, based on the procedures already in place within the group and including such specific aspects as actions on sites, procurement needs and how information is organised.

The FCC Group is exploring the application of binding sustainability-related criteria, such as ethics, and social and environmental factors for suppliers. With this in view, the Procurement Manual is currently being reviewed as part of the CSR Master Plan for 2020. Additionally, the environmental, social and governance risks map for suppliers and contractors is currently being analysed.

The Code of Ethics and Conduct is applicable to all partners, associates and suppliers in order to demonstrate an ethical behaviour in their business relationships, to protect human rights and to assure occupational health and safety at every stage of the company's value chain. In 2019, the ethics-related clauses of the General Terms and Conditions of Contracting for suppliers were redrafted to include references to the FCC Group's new Anti-corruption Policy.



case study • case study • case study

The suppliers certification process system includes environmental, social and corporate-governance aspects (ESG).

Lines 4, 5 and 6 of the Riyadh Metro (Saudi Arabia)

Development of suppliers certification process

In 2019, the FCC Group's Procurement Department began the suppliers certification process, applying assessment criteria related to financial, environmental, social and compliance aspects. During this first phase of implementation, priority has been given to certify the most relevant suppliers for the company. Throughout 2020 and in future years this requirement will be extended to the rest of our suppliers.

The suppliers certification process includes sustainability related criteria, such as:

- The existence of a code of conduct.
- Measures to foster equality.
- OHS-management system.
- Greenhouse gas emissions.
- Waste-management procedures.

Based on the criteria compiled during the suppliers certification process, a due-diligence process will be established for new business relationships. Consequently, any suppliers who fail to meet the suppliers certification requirements will be barred from providing services to FCC Construcción.

With regard to our suppliers and contractors, the company offers customers, site or production managers and users the possibility of assessing performance, in order to get feedback from the different projects in which they are involved.

Supplier assessment*

Suppliers in the database
Irregular
Problematic
Banned

2018 2019

Suppliers in the database	123,699	133,293
Irregular	4,299	4,370
Problematic	672	670
Banned	80	80

* Accumulated data at origin.

Maximising the positive community impact

The company's area of business inherently contributes towards improving communities' access to basic services, by building water infrastructure, new buildings and communication routes. Taking this further, the company

takes into account a broad set of aspects and initiatives to contribute towards the economic and social development of the communities where we operate.

The many different contributions made to communities can be grouped into the following main areas:

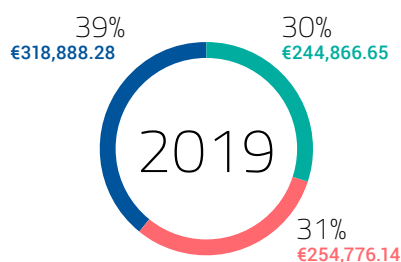
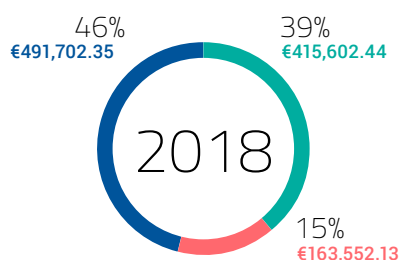


Community investment

€818,531

Total community investment of FCC Construcción in 2019

- Donations ●
- Sponsorships ●
- Associations ●



Creating jobs is the most relevant contribution of the company to the progress of communities. The construction business directly generates jobs needed to undertake projects and indirectly creates wealth by contracting local suppliers of materials and subcontractors.

Social and environmental improvements in local communities

The company carries out many different actions to improve people's social conditions and protect the environment of the local communities we are associated with. FCC Construcción takes into account the specific characteristics of each site and geographical area, and implements training, dissemination and public-participation plans.

Some of the most noteworthy actions in 2019 are related to environmental protection, including our involvement in the annual cleaning of beaches in more than 50 locations in Panama, and our support for the Million Hectares Alliance, also in Panama, where volunteers from FCC Construcción are helping to plant trees.

One of the main ways in which FCC Construcción contributes towards communities is through educational cooperation, either by partnering with education entities or by taking part in

training events and conferences, such as those held in Peru and Panama. In communities near La Chorrera, in Panama, where the company is working, environmental-education and recycling initiatives have been launched at local schools, in partnership with the Panamanian Education and Environment Ministries. In addition, FCC Construcción, FCC Industrial and Matinsa signed more than 50 agreements with Spanish universities in 2019.

Regarding the Sustainability Management System of FCC Construcción, the worksites identify the environmental and social aspects of the projects, defining the most significant ones for the local communities in which they operate. For each of these aspects, an action plan comprising measures resulting from legal and contractual requirements, and the consultations to the affected communities is prepared. Moreover, during the construction stage of the project, local communities are engaged by establishing communication channels for reporting complaints and claims and for informing them about the project progress and the measures implemented to minimise the potential adverse impacts. This system is used to develop participation processes that reflect the needs and concerns of stakeholders in the areas where we operate, increasing their influence in decision-making on projects. Consequently, measures and initiatives are devised to minimise the impact on local residents and solutions to protect the environment.



Educational initiatives on environmental education and recycling in communities foster the acquisition of "knowledge and skills needed to promote sustainable development, including through education for sustainable development" (Target 4.7)

4 QUALITY EDUCATION



Minimising impact of the project activities on the community

FCC Construcción identifies the potential impacts that the construction projects may cause on the nearby environment, assessing its significance. Once this necessary preliminary process has been done, each site determines which measures have to be implemented to minimise impact on daily life in local communities. This case study details the actions undertaken for this purpose by two projects in 2019.

During the construction of the Riyadh Metro in Saudi Arabia actions were implemented to minimise the disruption caused in nearby areas, establishing fixed site entrances and exits, regularly checking the efficiency of the environmental-control system, and preventing waste from accumulating on the site. Environmental impact assessment has also been undertaken to delimit the issues caused on the site. This limited area has controlled equipment emitting fumes and noise levels, with a view to protecting people's health and minimising the impact on local properties.

When undertaking the extension and refurbishment of **Soria Hospital in Spain**, the company has been able to keep the hospital open throughout the works. The measures implemented to avoid disrupting hospital services were divided into two stages:

Measures developed by FCC Construcción during the construction project help to minimise impacts on local communities.



Noise control on the Riyadh Metro site (Saudi Arabia).



Diversion of the Soria Hospital (Spain) existing sanitation system

PHASE 1

Preliminary preparatory tasks, diverting the existing sanitation system, building a provisional car park and preparing a provisional entrance to the hospital.

PHASE 2

Beginning of demolition and construction works at different stages and in different hospital blocks.

In the specific case of the demolition of the 33-metre-high chimney of the old power station on the site of the current hospital site, it was noted that bringing it down would interfere with hospital's activities. To minimise the interruptions to services, the work was done on a Saturday, outside the hospital's hours for outpatients, and the necessary protective measures were implemented to minimise the impact on third parties.



The measures to minimise impact during the Riyadh Metro works contribute towards "reducing the adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management" (Target 11.6).



case study • case study • case study • case study

Conservation of the local archaeological heritage was developed before the beginning of the project.

Maintenance of the historical heritage during the course of the works

In the project to refurbish the Pan-European Corridor IV, crossing various parts of Romania, 11 archaeological sites were identified.

Striving to ensure that the impact of the works would not be negative in these areas, we carried out a preventive investigation to conserve the scientific heritage and value the archaeological information and materials found. An archaeological dig was undertaken at the Vetel–Lunca–In Vie site, at the site of the new railway line.

This site contains materials from different historical periods, overlaid in various soil strata. For the excavation and data collection, which lasted two months, we worked with archaeologists from the Deva Museum of Dacian and Roman Civilisation. Samples of the artefacts and materials found were collected, logged and taken to the museum.

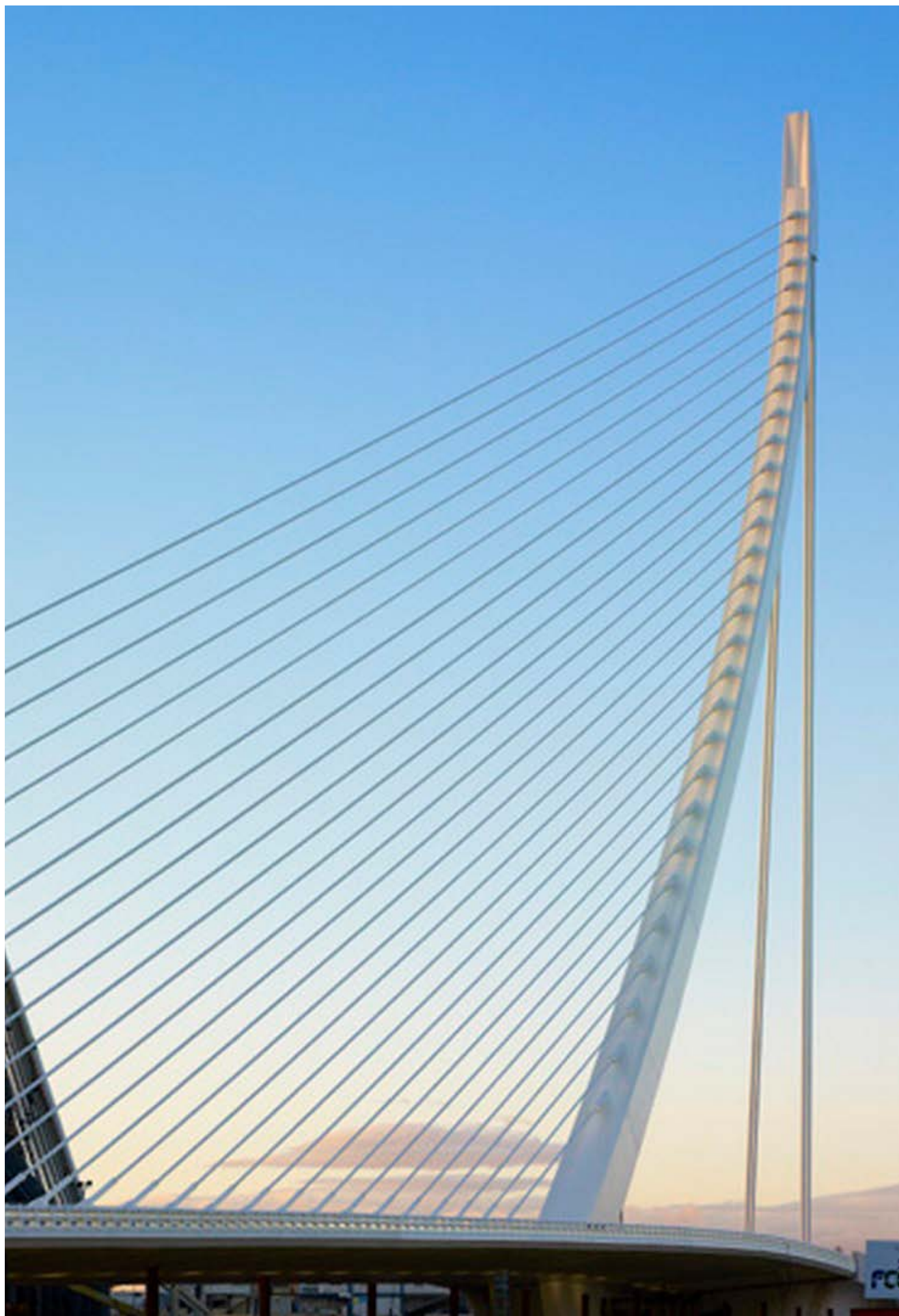
This preventive archaeological investigation prior to the beginning of the project, provides an overview of the region historical evolution over several periods, from the Bronze Age to medieval settlements.



Sample of the archaeological materials found during excavation work



Location of the railway works and the archaeological site



Ciudad de las Artes y las Ciencias bridge (Valencia, Spain)

6.3 Good governance and effective risk management

Due diligence defines how FCC Construcción behaves and manages its relationships and activities, safeguarding the company's integrity and that of the Group as a whole.

FCC Construcción assumes the governance structure and management policy of the FCC Group, supported by behaving ethically across the whole organisation and being transparent and accountable to our stakeholders.



Achievements

- Increasing diversity in terms of gender and nationalities on FCC's Board of Directors.
- Formally adhesion to the Code of Ethics and Conduct by the parent construction companies.
- Acceptance of the Code of Ethics and Conduct by more than 95% of employees with corporate email accounts.
- Training on the Code of Ethics and Conduct for the entire workforce with corporate email accounts.
- Dissemination, training and adhesion to the FCC Group's Compliance Model.
- Approval of the FCC Group's Human Rights, Agent and Gift Policy.
- Identifying environmental risks and opportunities at 99% of FCC Construcción's worksites and premises.

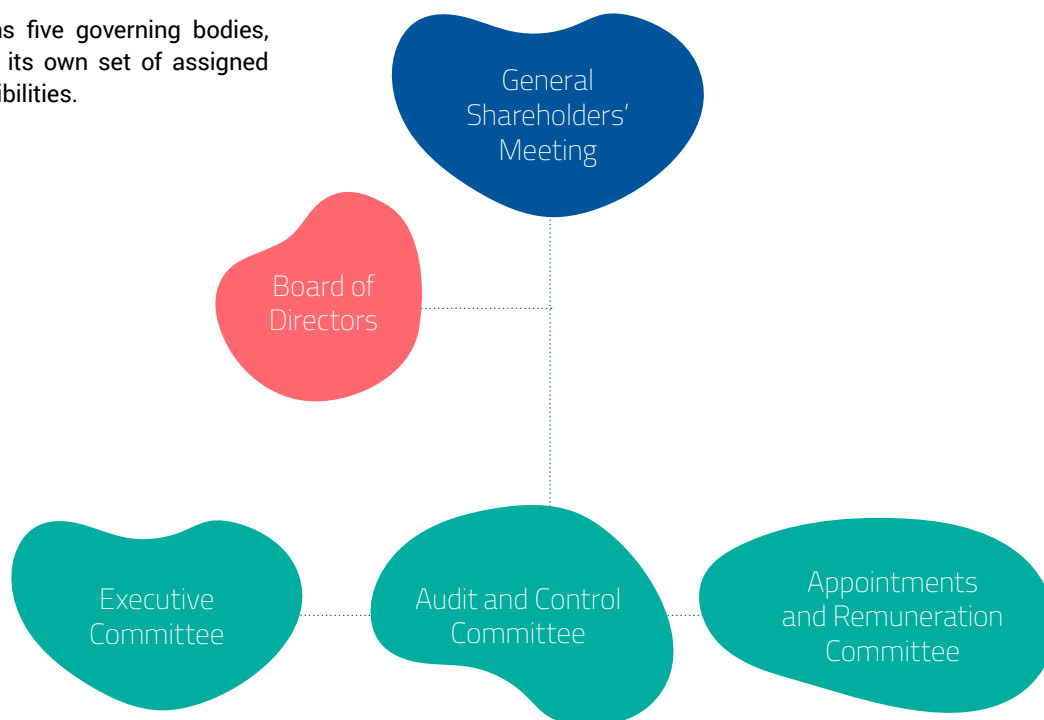
Future challenges



- Providing training on subjects such as anti-corruption, human rights or the policy for the use of technological media for employees of FCC Construcción.
- Preparing, implementing and disseminating the new Due Diligence Procedure for third parties and the Sponsorships and Donations Procedure.
- Approving the new Bidding Policy.
- Implementation of the Compliance Model at some local offices and subsidiaries: Megaplas in Italy and subsidiaries in Mexico.

Corporate-governance model

The FCC group has five governing bodies, each of them with its own set of assigned duties and responsibilities.



The FCC Group aligns its corporate-governance guidelines with the recommendations of the Good Governance Code of Listed Companies of the Spanish National Stock Market Commission (CNMV). 84.5% of the recommendations made in that Code have been implemented in the Group's corporate governance.

Recommendations 53, 54 and 55, on internal codes of conduct and corporate social responsibility (CSR), state that compliance should be controlled and supervised from the company's Board of Directors. The FCC Board applies the principles of representativeness of the structure and balance of corporate governance. These recommendations also include dealings with the company's stakeholders based on CSR.

Corporate Good-Governance documents



Annual Report of the FCC Group

Information on corporate-governance management is available in the Corporate Governance section of the [Annual Report](#) of the FCC Group, and also in the [Non-Financial Reporting Statement](#).

The [company by-laws](#) and [Rules of the Board of Directors](#) formally include:

- Responsibilities of the company's governing body.
- Identification of risks affecting the business.
- Supervision of proper operational functioning.
- Decision-making to assure that long-term interests are protected.
- Compliance with procedures that safeguard gender equality on the Board.
- The agreement on members' remuneration, based on the Remunerations Policy.

Compliance, ethics and integrity

The framework of ethics and integrity as defined by the FCC Group sets the cornerstone for how the whole organisation behaves, assuring compliance with the applicable legislation and regulations.



FCC Code of Ethics and Conduct

The highest-level rules within the Group. It establishes guidelines to establish an ethical and compliance culture that guarantee due diligence towards ethical, social and environmental matters.

Fostering behavioural guidelines for people associated with the company based on compliance with legislation and regulations, contracts, procedures and ethical principles.



Anti-corruption Policy

Implementation of ethical behaviour in business activities, excluding fraud and corruption. It is applicable to all areas of the company and all employees.



Human Rights Policy

Protecting human rights throughout the company, within its area of influence, and in accordance with the legal framework applicable in each country.



Crime Prevention Manual

Design, structure and functional guidelines of the Crime Prevention Model and the regulation of bodies and procedures.



Harassment Prevention and Eradication Protocol

Assuring a working environment free of any abuse of authority and all kinds of harassment, whether physical, psychological or moral, and any conduct that could cause people to be intimidated, offended or sense hostility.

Other policies

With regard to stakeholders, the FCC Group implements a [Policy on relationship with Partners in relation to compliance](#), an [Agent Policy](#), and a [Gift Policy](#).

A Compliance Committee has been set up to assure that the Compliance Model functions correctly. Its president is the corporate Compliance Officer. The departments delegated to support this monitoring and control of ethics and integrity within the company are Human Resources, Internal Auditing, Legal Advice, and Compliance and Corporate Social Responsibility. Also, in 2018 each of the group's businesses, including FCC Construcción, created the position of Compliance Officer for regulatory compliance, to oversee ethics and integrity at each company and to monitor actions for reporting incidents or making comments to other hierarchical levels within the organisation. These officers also attend and participate as guests in the meetings of the corporate Compliance Committee.

In 2019 the Compliance Department of FCC Construcción carried out actions to develop and implement the corporate Compliance Model in an appropriate way. Two certifications of the model were completed through the Group's Compliance Tool, a software platform for these procedures. Dissemination, training and adhesion to the model approved in 2018 have also defined the department's efforts regarding compliance. The most significant landmark achieved in 2019 has been the formal adhesion by the Boards of Directors of the parent construction companies in Spain and abroad to the Code of Ethics and Conduct.

The FCC Group's mechanisms for risk control and ensuring compliance regarding ethics and integrity are detailed below.

Control mechanisms for regulatory compliance

Ethical Channel

The Ethical Channel is a tool that is available for everyone at the company for reporting any breaches of the Code of Ethics and Conduct or the applicable regulations, thereby helping to avoid such situations.

This channel is confidential and so excludes the possibility that any employee reporting a situation may suffer from reprisals. For details of how the channel works, see the [Whistle-blowing channel procedures](#).

In 2019 fourteen reports were received, all of which were resolved by the end of the year.



14

Reports were received and resolved

Compliance Committee

A high-level internal body with autonomous powers of control for overseeing the proper functioning of the Ethical Channel and assessing any possible improvements that could be made to the controls and systems in place within the company, being able to recommend corrective actions whenever they are considered necessary. It reports directly to the Auditing and Control Committee of the Board of Directors.

The FCC Construcción Committee is composed of the Compliance Officer of the business area, the Legal Advice Department and the Human Resources Coordination and Development Department.

It has its own [Compliance Committee Regulations](#).

Auditing and Control Committee

Its main role is to support the Board of Directors in its supervisory tasks, with measures that include regular reviews of internal controls. In turn, it reports this information to the Compliance Committee.



The corporate rules and control mechanisms on ethics ensure that the company is an institution that is "effective, accountable and transparent" (**Target 16.6**) and, specifically, "reduces corruption and bribery in all their forms" (**Target 16.5**)

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



case study • case study • case study

FCC Construcción has organised information campaigns and training sessions on ethics and integrity.



More information on the Code of Ethics and Conduct

Information and training in the Code of Ethics and Conduct

The FCC Group's CSR Master Plan for 2020 includes the development of a plan for dissemination and training in the Code of Ethics and Conduct for employees, with a view to fostering a culture of ethics and compliance with the code at all company levels.

This communication was reinforced in 2019 by putting up new information posters of the Code of Ethics and Conduct at offices on worksites and at premises, including the code in the company's Welcome Pack, and strengthening campaigns for online communication to employees, achieving acceptance of more than 95% among the workers of de FCC Construcción and its subsidiaries in all geographical areas.

In addition, significant efforts have been made to develop face-to-face training at regional offices, in order to disseminate the Group's compliance model and present the Code of Ethics and Conduct to employees.

In 2019, 1,789 employees took the online course on this subject and 137 employees received face-to-face training. Spain, Portugal, Peru, Panama, Colombia, Belgium, the UK, Saudi Arabia and Qatar are the counties where training on the Code of Ethics was held.



Information posters at FCC's head office in Chile



Information posters at FCC Construcción's offices at the Ciudad de la Salud in Panama

Upholding human rights

The FCC Group approved its Human Rights Policy in 2019, which is applicable to all its member companies. The Executive Committee of the Board of Directors is responsible for approving the Human Rights Policy and enforcing its compliance.

This policy includes complying with and upholding the principles of freedom of association and collective bargaining, decent paid employment, forced and child labour, diversity and inclusion, health and safety, data privacy and respect for the communities where the company operates. The policy is aligned

with the Guiding Principles on Business and Human Rights, endorsed by the UN Human Rights Council in 2011, and with the UN Global Compact, to which FCC Construcción has adhered since 2004.

FCC Construcción applies this policy to all activities involving financial or operational control, regardless of the nature of the operations involved or where they are located. The company also requires the same degree of protection from its partners, associates and suppliers, as established in the Code of Ethics and Conduct.

FCC Construcción also adheres to international human-rights standards, including:

The United Nations Global Compact

It includes the OECD Guidelines for Multinational Enterprises among its guiding principles.

Framework of the Universal Declaration of Human Rights and Declaration of the Rights of the Child

International Labour Organisation (ILO)

Declaration on Fundamental Principles and Rights at Work, set out in the ILO's eight core labour standards.

Negotiating agreements with the International Federation of Building and Wood Workers (BWINT)

In countries where the ILO agreements have not been ratified.

Work team for Line 2 and Line 4 branch of the Lima metro project (Peru)

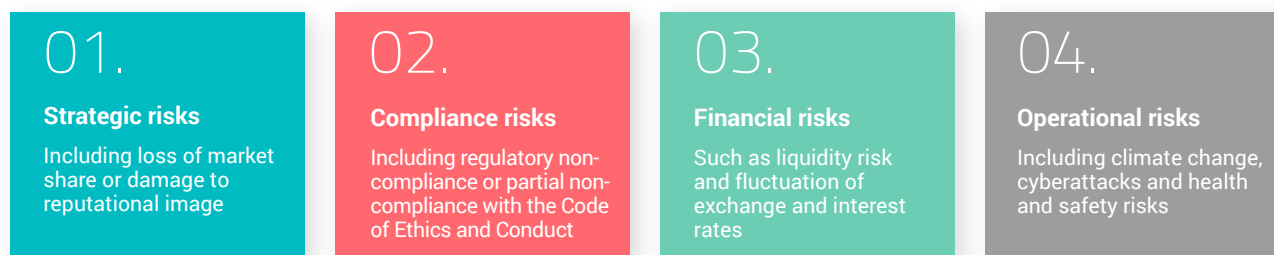


Learn more about the Human Rights Policy

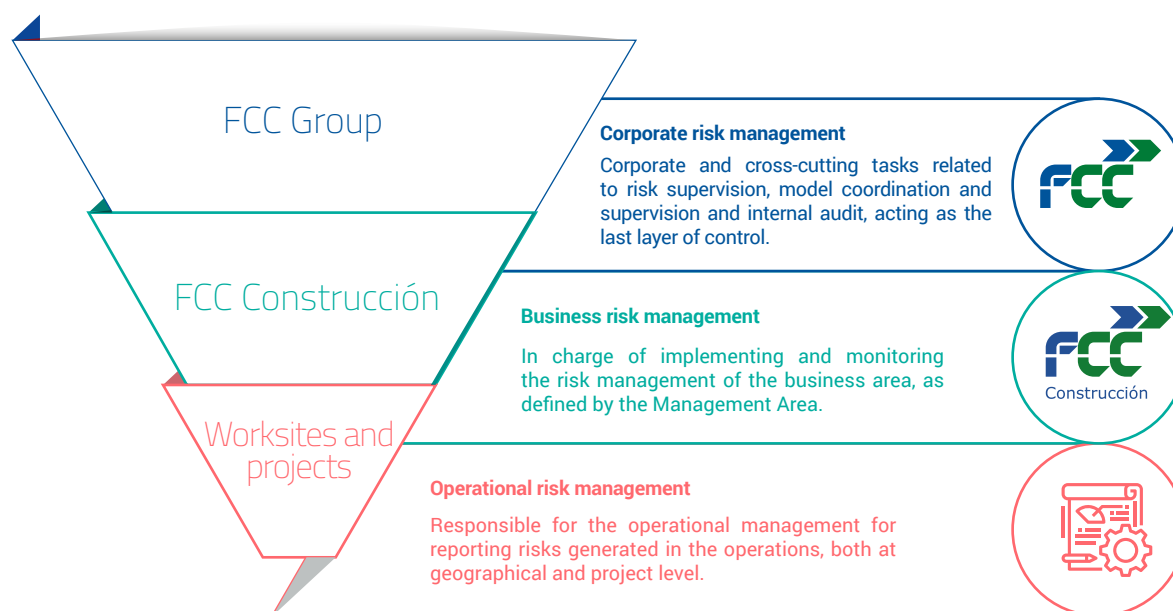
ESG risks identification and prevention

The FCC Group implements a Risk Management Policy and Model, approved by the Board of Directors, which is applied to all the Group's companies, including FCC Construcción. This system identifies potential events that could hinder achieving the company's goals,

establishing a working framework and including actions to be implemented aiming at managing uncertainty. The FCC Group's Risk Management Model identifies four risk categories:



The Risk Management of FCC Construcción is undertaken at three hierarchical levels: corporate, by business area and operational.



Risk-management at the FCC Group level is handled by the corporate officers who report to Senior Management and/or the Audit and Control Committee. The *Compliance Officer*

carries out internal audits to monitor procedures and risks. The FCC Group also draws up the corporate risks map.

Risk management at FCC Construcción

The internal risk-assessment process is based on the guide for the application of Standard UNE-ISO 31000:2018, on guidelines for risk management, which calls for the proper identification and monitoring of potential risks, in order to establish the most appropriate set of mitigation measures for each project task.

The Management Area of FCC Construcción implements the Risk Management Model. This management is applied at all stages of a project, from the tender process through to the completion of FCC Construcción's work. Every year the company analyses the context of the organisation for defining risks and opportunities, using the SWOT analysis. The person responsible for compliance is also backed by support, control and supervision teams for risk management, assisting the corporate *Compliance Officer* in the risk identification and control monitoring.

In the tendering stage, when the project has not started, an initial qualitative risk assessment is carried out, which helps to decide whether to continue with the tender. Specific reports are then issued by the various services and a dynamic matrix of qualitative risks is drawn up, including legal, contractual, financial, tax, technical and economic risks, applicable on sites that account for 85% of the company's turnover.

From a sustainable angle, the company assesses the social and environmental risks associated with its projects. This analysis is also carried out during tendering stages, enabling projects being bid for to be categorised according to the risks identified and their appropriate management. In 2019 this has been applied to 1,136 projects studied and bid for during the year, i.e., 3.93% more projects assessed than the previous year.



San Juan de Dios Hospital (Seville, Spain)

The Management Area of FCC Construcción is implementing the Risk Management Model.

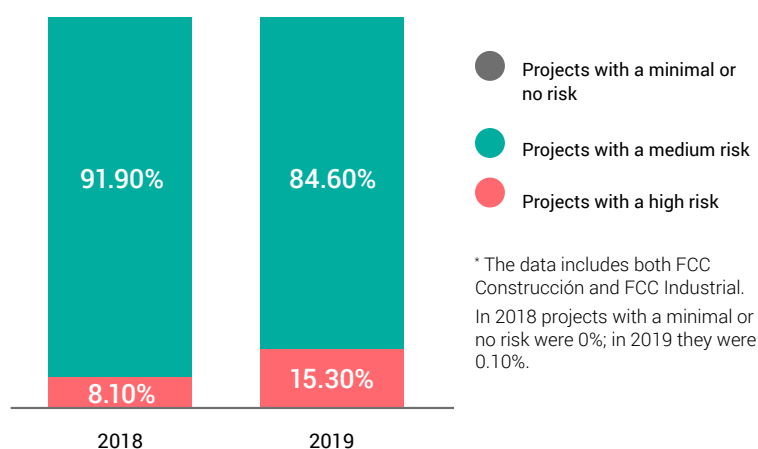
This management is applied at all stages of a project, from the tender process to the completion of the work.

For contracts that have already been won, we ensure that completion times are correct and that the risks matrix will remain valid over the whole course of the works, by means of work schedules.

At the operational level, the various activities undertaken on site are classified according to their corresponding risks. Thus, projects are categorised according to whether they require greater control and monitoring as way of reducing and minimising risks. The management of on-site risks is supplemented by the PETRA Programme for the projects with a serious risk of accidents or projects with significant media coverage. On certain international projects management is supplemented by what is known as the Monte Carlo system, which enables site risks to be presented theoretically and based on statistical methods.

Also, in accordance with the environmental management standard ISO 14001, the company requires the identification of environmental and social risks at all worksites and premises. In 2019, data was compiled on environmental risks and opportunities at 92 worksites and 39 premises.

Social and environmental risk of projects at the tender stage*



Environmental risks and opportunities of projects in the construction stage

	2018	2019
Number of identified risks/opportunities	2,664	3,438
Average of identified risks/opportunities	23	26
Number of identified actions	5,099	6,457
Average of identified actions	44	49
Total	117	131

The main identified impacts of the construction projects are related to noise pollution, impact on the health and safety of workers and people nearby, and possible contamination of the soil or water. Therefore, the risks included in this analysis feature fines for leaving site entrances and exits dirty, polluting water and

complaints about excessive or annoying noise levels. The main opportunities identified by the worksites are building awareness of the subcontracting chain and reducing water and energy consumption.



Annexes

7

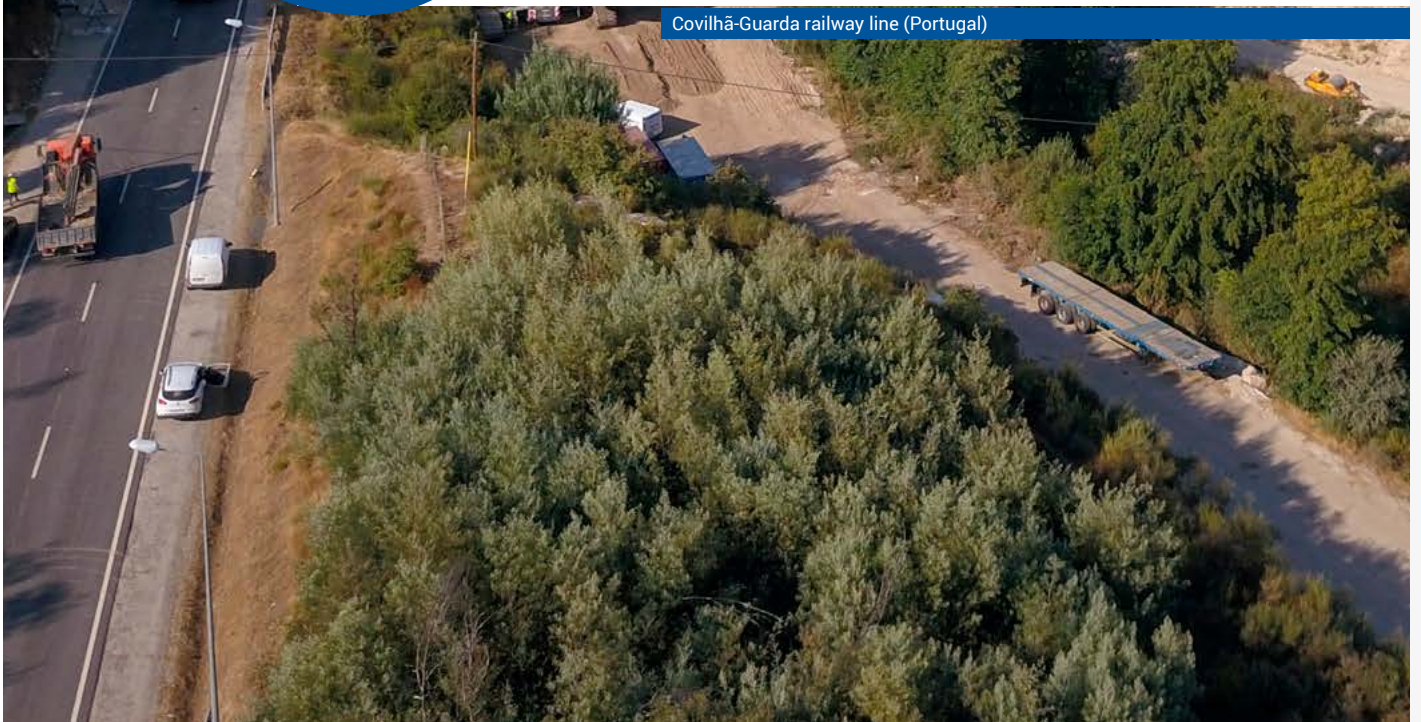
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Covilhã-Guarda railway line (Portugal)



7.1 About this report

Reporting principles and scope (GRI 102-46)

FCC Construcción has prepared its Sustainability Report every two years since 2003. This report presents the data corresponding to the 2019 financial year. However, with a view to maintaining our commitment to transparency and reporting to our stakeholders, for the years when no Sustainability Report is published the company draws up an executive summary, presenting updated indicators and reporting on any significant events during the period.

This Sustainability Report has been drawn up in accordance with GRI Standards (Comprehensive option). Additionally, the supplement GRI G4 "Construction and Real Estate" has been used in order to give more content to some company's aspects. The version of all GRI Standards used is 2016, except for Standard "GRI 403 Occupational Health and Safety", which has been used in its 2018 version.

This report has been validated and verified by an independent third party (AENOR).

This report has been drawn up in accordance with the following principles:

- **Materiality and stakeholders' participation:** The result of the materiality study undertaken by the FCC Group in accordance with the standard AA1000 has been taken into account in the preparation of this report.
- **Sustainability context:** The report analyses the company's results, establishing any links between sustainability and the organisation's strategy.
- **Comprehensiveness:** The information contained in the report allows the organisation's economic, ethical, social and environmental performance to be assessed. Throughout the report other sources are cited for further information.
- **Reliability:** The information included in this report has been obtained from reliable sources that have been validated and verified by independent third parties. The environmental figures reported have been obtained from invoices, delivery advice notes and measurements. Whenever an estimate has been used, this is clarified in the corresponding section of the report.

Boundaries (GRI 102-46, 102-48, 102-49)

Unless stated otherwise, the information contained in this report refers to all the activities of FCC Construcción, its subsidiaries and its holdings. In the case of any aspects for which information is available on the performance of the supply chain, this is included in the relevant sections of the report.

In the case of the consortia or joint ventures (JVs) of which FCC Construcción is a member, the full environmental figures are cited for those over which the company has operational control, regardless of its percentage stake.

Any changes in calculations or the scope of the information provided in respect of previous years are mentioned in each particular case.

7.2 Materiality study (GRI 102-43, 102-44)

In the framework of the tasks carried out in advance of the preparation of corporate reports, every year the FCC Group prepares a materiality study on the company's business, based on the specific material topics defined by GRI.

Consequently, prior to the preparation of FCC Construcción's Sustainability Report, the company has updated its materiality analysis, focusing on those aspects of a social, environmental, ethical and/or economic nature that are relevant for our business.

For this study an assessment has been made of how relevant the environmental, social and good governance topics are for the company's internal and external stakeholders, including competitors, leading associations in the sector, conflicts analysis in the media, assessed criteria by Dow Jones Sustainability Index (DJSI)⁸, reports by relevant external organisations such as SASB⁹ or GRI Topics¹⁰, which identify material topics for the stakeholders of a construction firm and valuation by the persons responsible for FCC Construcción's business. Subsequently, the aggregate of the results of these assessments is used to prioritise and determine the material

topics included in the materiality matrix. The y-axis of the matrix represents the relevance for the external company stakeholders and the x-axis of the matrix shows the relevance for the business managers of FCC Construcción.

The results of this materiality analysis are shown in the resulting materiality matrix, which prioritises material topics by classifying them into four quadrants — maintain, watch carefully, observe and drive — depending on the action to be taken by the company to manage them appropriately. For example, any matters of great external significance but also high levels of maturity in terms of their management by FCC Construcción must be watched carefully. However, matters of high external relevance but intermediate or low maturity in terms of their management must be fostered.

In addition to these topics of most relevance for the company, the Sustainability Report also covers certain topics which, although not covered by the materiality report, FCC Construcción has been compiling and verifying in recent years.



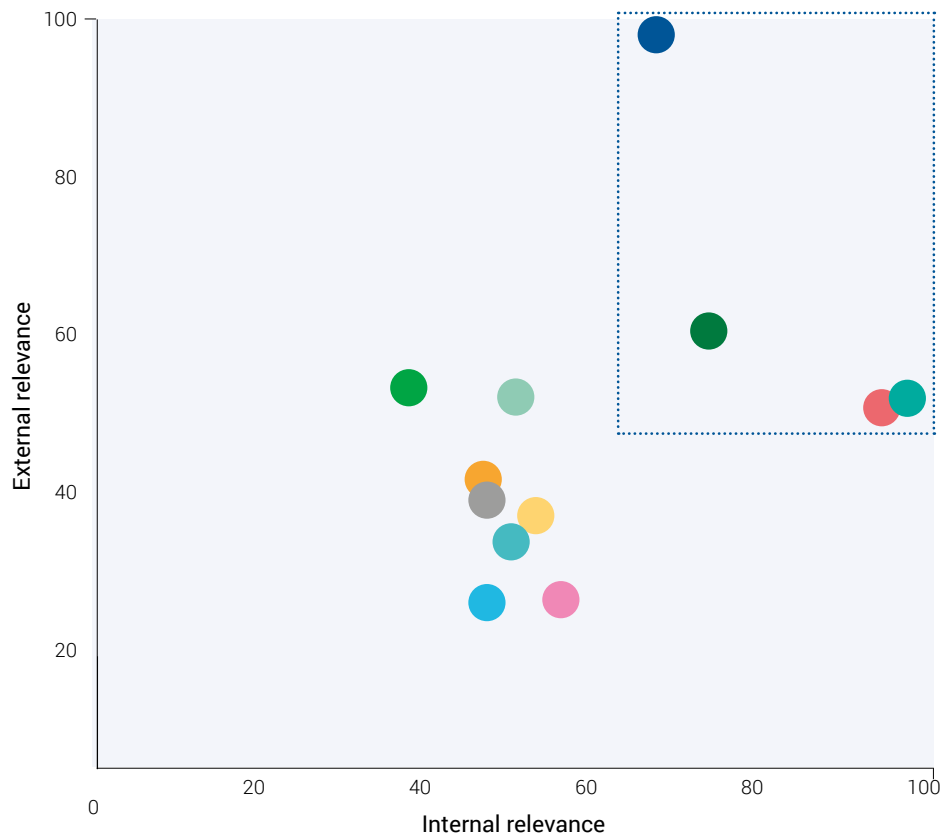
Access to Altet airport (Alicante, Spain)

⁸ Down Jones Sustainability Index. Corporate Sustainability Assessment Construction & Engineering Criteria.

⁹ SASB Sustainability Accounting Standard for Engineering & Construction services.

¹⁰ Sustainability Topics for Sectors: What do stakeholders want to know?. Industry: Construction and Home Building.

FCC Construcción materiality matrix 2019 (GRI 102-47)



● Protection of scarce natural resources (GRI 301, GRI 303, GRI 304, GRI 306)

● Employee well-being and career development (GRI 401, GRI 402, GRI 404, GRI 405)

● Systems to prevent and mitigate corruption (GRI 205, GRI 206, GRI 415)

● Occupational health and safety of employees and contractors (GRI 403)

● Liability for suppliers and contractors (GRI 308, GRI 414)

● Promotion of and respect for human rights (GRI 412)

● Policies to contain the effects of climate change (GRI 302, GRI 305)

● Innovation and sustainability

● Local development (GRI 413)

● Customer experience (GRI 417)

● Responsible contracting criteria (GRI 204)

● Technological development and cyberattacks prevention

SDG-related material topics

The figure below shows the priority material topics identified by FCC Construcción, ordered by relevance, with regard to the Sustainable Development Goals (SDGs).

Relevance	Material topics in 2019	Relation to the SDGs
VERY HIGH	<ul style="list-style-type: none"> Employee well-being and career development. Occupational health and safety of employees and contractors. Systems to prevent and mitigate corruption. Protection of scarce natural resources. 	     
HIGH	<ul style="list-style-type: none"> Liability for suppliers and contractors. Policies to contain the effects of climate change. Promotion of and respect for human rights. Innovation and sustainability. 	      
AVERAGE	<ul style="list-style-type: none"> Local development. Customer experience. Responsible contracting criteria. Technological development and cyberattacks prevention. 	     

Other relevant information

This Sustainability Report can also be used as **FCC Construcción's Communication on Progress report on the 10 principles of the United Nations Global Compact**.

To address any matter related to this report, please contact the Quality, CSR and R&D Director by email (calidad_rsc_construc@fcc.es).

7.3

External assurance of the Sustainability Report

AENOR

VERIFICATION OF SUSTAINABILITY REPORT

VMS-2020/0038

AENOR has verified the Report by the organization

FCC CONSTRUCCIÓN, S.A.


TITLE: Sustainability Report 2019-2020

In accordance with: GRI STANDARDS

GRI option applied: Comprehensive

Verification Process: To grant this Verification Document, AENOR has verified that the report complies with GRI requirements and the correlation of the GRI Standards with the ODS linked by the organization and has checked the data and information contained in the report.

Issue date: 2020-08-05



Rafael GARCÍA MEIRO
Chief Executive Officer

Original Electrónico

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7.4 GRI content index



This report was drawn up in accordance with GRI standards: Comprehensive option.

With the Materiality Disclosures Service, GRI Services has revised that the GRI content index has clear references to the location of materiality-related disclosures (Disclosures 102-40 to 102-49) and that these disclosures are clearly labelled and referenced, so that they are easily found within the body of the report.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
Basic general content					
GRI 101: Foundation 2016					
GRI 102: General Disclosures 2016					
Organisational profile					
102-1	Name of the organisation		FCC Construcción		✓
102-2	Activities, brands, products and services		2.1. Who we are: Profile of FCC Construcción (pp. 10-13)		✓
102-3	Location of headquarters		Avda. Camino de Santiago 40 28050 Madrid (Spain).		✓
102-4	Location of operations		2.2. Who we are: FCC Construcción worldwide (pp. 14, 15)		✓
102-5	Ownership and legal form		FCC Construcción is a member company of the FCC Group. More information at https://www.fccco.com/en/corporate-area/construction-company		✓
102-6	Markets served		2.2. Who we are: FCC Construcción worldwide (pp. 14, 15)		✓
102-7	Scale of the organisation		3.2. FCC Construcción in 2019: Key figures (pp. 22, 23)		✓
102-8	Information on employees and other workers		6.1. Our people (pp. 79-83)		✓
102-9	Supply chain		6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
			The main elements of the supply chain are construction materials, equipment and specialist subcontracting necessary to undertake, maintain and operate construction projects.		✓
102-10	Significant changes to the organisation and its supply chain		6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
Basic general content					
102-11	Precautionary principle or approach		6.3. Good governance and effective risk management: ESG risks identification and prevention (pp. 119-121)		✓
			FCC Group Annual Corporate Governance Report. 2019 Financial year . Section E. Risk Control and Management Systems (pp. 71–78).		✓
102-12	External initiatives		4. FCC Construcción aligned with the Sustainable Development Goals (pp. 30-34)		✓
			5.4. Innovation in construction: approach to sustainability: R&D in partnership (pp. 75-77)		✓
			6.2. Third-party relationships (pp. 108, 109)		✓
102-13	Membership of associations		4. FCC Construcción aligned with the Sustainable Development Goals (pp. 30-34)		✓
			5.4. Innovation in construction: approach to sustainability: R&D in partnership (pp. 75-77)		✓
			6.1. Our people: Employee health and safety (p. 89)		✓
			6.2. Third-party relationships (pp. 100, 101)		✓
			6.3. Good governance and effective risk management: Upholding human rights (p. 118)		✓
Strategy					
102-14	Statement from senior decision-maker		1. Interview with the CEO (pp. 5-9)		✓
102-15	Key impacts, risks and opportunities		5.1. Our commitment to the environment (pp. 37, 38)		✓
			6.2. Third-party relationships: Addressing our customers' needs (pp. 102, 103)		✓
			6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118); ESG risks identification and prevention (pp. 119-121)		✓
Ethics and integrity					
102-16	Values, principles, standards and norms of behaviour		6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
102-17	Mechanisms for advice and concerns about ethics		6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115, 116)		✓
			The FCC Group's Code of Ethics and Conduct sets out guidelines for ethical, legal conduct.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
Governance					
102-18	Governance structure		6.3. Good governance and effective risk management: Corporate-governance model (p. 114)		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
102-19	Delegating authority		6.3. Good governance and effective risk management: Corporate-governance model (p. 114)		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
102-20	Executive-level responsibility for economic, environmental and social topics		Yes, Deputy Managing Director for Technical Services and QA, CSR and R&D Director.		✓
			6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115, 116)		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
102-21	Consulting stakeholders on economic, environmental and social topics		6.2. Third-party relationships: Reaching out to stakeholders (pp. 100, 101)		✓
102-22	Composition of the highest governance body and its committees		FCC Group Annual Corporate Governance Report. 2019 Financial year . Section C. The Company's Administration Structure (pp. 19–65)		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
102-23	Chair of the highest governance body		FCC Group Annual Corporate Governance Report. 2019 Financial year . Section C.1.2. Board members (pp. 19–20)		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
102-24	Nominating and selecting the highest governance body		FCC Group Annual Corporate Governance Report. 2019 Financial year . Section C.1.10 Board members holding executive positions (pp. 32–33)		✓
102-25	Conflicts of interest		FCC Group Annual Corporate Governance Report. 2019 Financial year . Section D.6. Mechanisms in place to detect, determine and resolve any conflicts of interest (p. 68)		✓
102-26	Role of highest governance body in setting purpose, values and strategy		6.3. Good governance and effective risk management (pp. 114–116)		✓
			FCC Group Annual Corporate Governance Report. 2019 Financial year . Section F. Internal Risk Control and Management Systems in relation to the financial-reporting process. F.1.2. (pp. 81–84)		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
102-27	Collective knowledge of highest governance body		The competencies, knowledge and experience that the directors need to have are assessed, by defining the roles and skills that any candidates to cover vacancies should have and by assessing the appropriate amount of time and degree of dedication necessary in order for them to properly fulfil their roles. FCC Group Annual Corporate Governance Report. 2019 Financial year. Section C.1.3 Profile of board members (pp. 21–28)		✓ ✓
102-28	Evaluating the highest governance body's performance		FCC Group Annual Corporate Governance Report. 2019 Financial year. Section C.1.17 Process for annual assessment of the Board (pp. 37–38) 2019 Annual Report of FCC Group: Good Governance section (pp. 9–14)		✓ ✓
102-29	Identifying and managing economic, environmental and social impacts		6.3. Good governance and effective risk management: ESG risks identification and prevention (pp. 119-121)		✓
102-30	Effectiveness of risk management processes		6.3. Good governance and effective risk management: ESG risks identification and prevention (pp. 119-121) FCC Group Annual Corporate Governance Report. 2019 Financial year. Section E. Risk Control and Management Systems (pp. 71–78)		✓ ✓
102-31	Review of economic, environmental and social topics		All FCC Construcción's committees meet every four months, as established in the organisation's internal procedures.		✓
102-32	Highest governance body's role in sustainability reporting		General manager of FCC Construcción. 1. Interview with the CEO (pp. 5-9)		✓
102-33	Communicating critical concerns		<i>Ad hoc</i> meetings between the General Manager of FCC Construcción and members of the FCC Group's Board of Directors.		✓
102-34	Nature and total number of critical concerns		Identified by the Sustainability Committee and forwarded to the Board Executive Delegate of the FCC Group. 6.3. Good governance and effective risk management: ESG risks identification and prevention (p. 119)		✓ ✓
102-35	Remuneration policies		FCC reports on Board members' remuneration via the Annual Report on the Remuneration of Directors of Listed Companies of the FCC Group. 2019 Annual Report of FCC Group: Good Governance section (pp. 9–14) Rules of the Board of Directors of the FCC Group. – Art. 38 Remuneration.		✓ ✓ ✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
102-36	Process for determining remuneration		FCC reports on Board members' remuneration via the Annual Report on the Remuneration of Directors of Listed Companies of the FCC Group .		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
			Rules of the Board of Directors of the FCC Group . – Art. 38 Remuneration.		✓
102-37	Stakeholders' involvement in remuneration		Annual Report on the Remuneration of Directors of Listed Companies of the FCC Group .		✓
			2019 Annual Report of FCC Group : Good Governance section (pp. 9–14)		✓
			Rules of the Board of Directors of the FCC Group . – Art. 38 Remuneration.		✓
102-38	Annual total compensation ratio		Not available.	*	✓
102-39	Percentage increase in annual total compensation ratio		Not available.	*	✓
Stakeholder engagement					
102-40	List of stakeholder groups		6.2. Third-party relationships: Reaching out to stakeholders (pp. 100, 101)		✓
102-41	Collective bargaining agreements		All members of the workforce of FCC Construcción in Spain are covered by collective-bargaining agreements. Also, in countries where the ILO collective-bargaining agreements have not been ratified, FCC has negotiated agreements with the International Federation of Building and Wood Workers (BWINT), complying with the requirements under the applicable local legislation.		✓
102-42	Identifying and selecting stakeholders		6.2. Third-party relationships: Reaching out to stakeholders (pp. 100, 101)		✓
102-43	Approach to stakeholder engagement		6.2. Third-party relationships: Reaching out to stakeholders (pp. 100, 101)		✓
			7.2. Materiality study (pp. 124, 125)		✓
102-44	Key topics and concerns raised		7.2. Materiality study: FCC Construcción materiality matrix (p. 125) and SDG-related material topics (p. 126)		✓

* Also published is the relationship between the criteria to be met by the company's remuneration policy (section 28 of the Regulations), which is reasonable in proportion to the company's size, its financial situation at any given time and the market standards of comparable companies, and the fact that the remuneration system established must be oriented towards promoting the company's long-term profitability and sustainability.

The quantitative relationship between senior management and the workforce in each country is not published, as it would not be representative given the large variation found from one site to another, different volumes of subcontracting, percentage stakes in consortia, and simply because detailed information is not always available when works are undertaken as joint ventures.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
Reporting practice					
102-45	Entities included in the consolidated financial statements		2019 Annual Report of FCC Group . Appendix I Financial Statements (pp. 280–313)		✓
102-46	Defining report content and topic boundaries		7.1. About this report (p. 123)		✓
			2019 Annual Report of FCC Group . Appendix II: FCC Group consolidated non-financial information (pp. 451–452)		✓
102-47	List of material topics		7.2. Materiality study: FCC Construcción materiality matrix (p. 125)		✓
102-48	Restatements of information		There are no reformulations of the information provided in other reports.		✓
102-49	Changes in reporting		7.1. About this report: Boundaries (p. 123)		✓
102-50	Reporting period		7.1. About this report (p. 123)		✓
102-51	Date of most recent report		Published in 2018 (with data corresponding to 2017).		✓
102-52	Reporting cycle		7.1. About this report (p. 123)		✓
102-53	Contact point for questions regarding the report		7.2. Materiality study: Other relevant information (p. 126)		✓
102-54	Claims of reporting in accordance with the GRI standards		7.1. About this report: Reporting principles and scope (p. 123)		✓
102-55	GRI content index				✓
			7.4. GRI content index (pp. 128-149)		
102-56	External assurance		7.1. About this report: Reporting principles and scope (p. 123)		✓
			7.3. External assurance of the Sustainability Report (p. 127)		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
ECONOMIC STANDARDS					
GRI 103: Management approach 2016					
103-1	Explanation of the material topic and its boundary		3.4 FCC Construcción in 2019: Business performance (pp. 24-28)		✓
103-2	The management approach and its components		3.4 FCC Construcción in 2019: Business performance (pp. 24-28)		✓
103-3	Evaluation of the management approach		3.4 FCC Construcción in 2019: Business performance (pp. 24-28)		✓
GRI 201: Economic performance 2016					
201-1	Direct economic value generated and distributed		3.4. FCC Construcción in 2019: Business performance (pp. 24-28)		✓
201-2	Financial implications and other risks and opportunities due to climate change		5.2. Adapting to and mitigating climate change (pp. 54-58)		✓
201-3	Defined benefit plan obligations and other retirement plans		There are no retirement plans for employees.		✓
201-4	Financial assistance received from government		R&D grants: €1,958,674.		✓
GRI 202: Market presence 2016					
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		FCC Construcción pays its employees in accordance with the applicable legislation and the collective-bargaining agreements specific to the sector in the countries where we operate. Certain bonuses are applied in the case of expat assignments, however, calculated according to living costs and criteria related to the quality of life. FCC Construcción complies with the guidelines of the International Labour Organisation.		✓
202-2	Proportion of senior management hired from the local community		Understanding "Senior Management" as the Country Manager level, no senior manager is hired from the local community in countries other than Spain.		✓
GRI 203: Indirect economic impacts 2016					
203-1	Infrastructure investments and services supported	SDG 9	All investment in infrastructure and services rendered is part of the main business.		✓
203-2	Significant indirect economic impacts	SDG 8	3.4. FCC Construcción in 2019: Business performance (pp. 24-28)		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 204: Procurement practices 2016 (Associated material topic for FCC Construcción: Responsible contracting criteria)					
103-1	Explanation of the material topic and its boundary	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
103-2	The management approach and its components	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
103-3	Evaluation of the management approach	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
204-1	Proportion of spending on local suppliers	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
GRI 205: Anti-corruption 2016 (Associated material topic for FCC Construcción: Systems to prevent and mitigate corruption)					
103-1	Explanation of the material topic and its boundary	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
103-2	The management approach and its components	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
103-3	Evaluation of the management approach	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
205-1	Operations assessed for risks related to corruption	SDG 16	6.3. Good governance and effective risk management: ESG risks identification and prevention (pp. 119-121)		✓
205-2	Communication and training about anti-corruption policies and procedures	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
205-3	Confirmed incidents of corruption and actions taken	SDG 16	In 2019 fourteen incidents of several subjects were reported via the Ethics Channel. All were resolved by the end of the year.		✓
GRI 206: Anti-competitive behaviour 2016 (Associated material topic for FCC Construcción: Systems to prevent and mitigate corruption)					
103-1	Explanation of the material topic and its boundary	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
103-2	The management approach and its components	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
103-3	Evaluation of the management approach	SDG 16	6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-118)		✓
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	SDG 16	No legal actions were filed in this respect in 2019.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
ENVIRONMENTAL STANDARDS					
GRI 301: Materials 2016 (Associated material topic for FCC Construcción: Protection of scarce natural resources)					
103-1	Explanation of the material topic and its boundary	SDG 12	5.1. Our commitment to the environment: Optimising the use of materials (pp. 44, 45) Environmental Report 2019 (pp. 103-106)		✓ ✓
103-2	The management approach and its components	SDG 12	5.1. Our commitment to the environment: Optimising the use of materials (pp. 44, 45) Environmental Report 2019 (pp. 103-106)		✓ ✓
103-3	Evaluation of the management approach	SDG 12	5.1. Our commitment to the environment: Optimising the use of materials (pp. 44, 45) Environmental Report 2019 (pp. 103-106)		✓ ✓
301-1	Materials used by weight or volume	SDG 12	5.1. Our commitment to the environment: Optimising the use of materials (pp. 44, 45) Environmental Report 2019 (p. 105)		✓ ✓
301-2	Recycled input materials used	SDG 12	The surplus earth or rock that is reused on the construction sites represents 22% of the total raw materials used, and the surplus clean rubble that is reused accounts for 4% of the total semi-manufactured goods. 5.3. Construction and circularity: Recovered materials (p. 66)	*	✓ ✓
301-3	Reclaimed products and their packaging materials	SDG 12	5.3. Construction and circularity: Recovered materials (p. 66) Environmental Report 2019 (pp. 65, 94)		✓ ✓
GRI 302: Energy 2016 (Associated material topic for FCC Construcción: Policies to contain the effects of climate change)					
103-1	Explanation of the material topic and its boundary	SDG 7	5.1. Our commitment to the environment: Efficiency in energy consumption (pp. 42, 43) Environmental Report 2019 (p. 102)		✓ ✓
103-2	The management approach and its components	SDG 7	5.1. Our commitment to the environment: Efficiency in energy consumption (pp. 42, 43) Environmental Report 2019 (p. 102)		✓ ✓
103-3	Evaluation of the management approach	SDG 7	5.1. Our commitment to the environment: Efficiency in energy consumption (pp. 42, 43) Environmental Report 2019 (p. 102)		✓ ✓
302-1	Energy consumption within the organisation	SDG 7	5.1. Our commitment to the environment: Energy consumption (pp. 42, 43) Environmental Report 2019 (p. 102)		✓ ✓
302-2	Energy consumption outside the organisation	SDG 7	The energy consumption outside the organisation was 178,016 GJ in 2019. The energy associated with losses from the transport of the electricity and energy used for earthworks (subcontractors) has been taken into account.		✓ ✓

* Data of FCC Construcción. Data of FCC Industrial are not included.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
302-3	Energy intensity	SDG 7	The energy intensity in 2019 was 596.2 GJ/€M. (Based on the energy consumption within the organisation).		✓
302-4	Reduction of energy consumption	SDG 7	5.1. Our commitment to the environment: Efficiency in energy consumption (pp. 42, 43)		✓
			Environmental Report 2019 (pp. 97, 108)		✓
302-5	Reductions in energy requirements of products and services	SDG 7	5.1. Our commitment to the environment: Efficiency in energy consumption (pp. 42, 43)		✓
CRE1	Building energy intensity	SDG 7	Not applicable.	**	✓
GRI 303: Water 2016 (Associated material topic for FCC Construcción: Protection of scarce natural resources)					
103-1	Explanation of the material topic and its boundary	SDG 6 and 14	5.1. Our commitment to the environment: Diligent management to preserve water resources (pp. 40, 41)		✓
			Environmental Report 2019 (p. 103)		✓
103-2	The management approach and its components	SDG 6 and 14	5.1. Our commitment to the environment: Diligent management to preserve water resources (pp. 40, 41)		✓
			Environmental Report 2019 (p. 103)		✓
103-3	Evaluation of the management approach	SDG 6 and 14	5.1. Our commitment to the environment: Diligent management to preserve water resources (pp. 40, 41)		✓
303-1	Water withdrawal by source	SDG 6 and 14	5.1. Our commitment to the environment: Diligent management to preserve water resources (pp. 40, 41)		✓
			Environmental Report 2019 (p. 103)		✓
303-2	Water sources significantly affected by withdrawal of water	SDG 6 and 14	Withdrawal of surface water from natural watercourses in protected areas or areas that are highly valuable to local communities: 119,244 m³.	*	✓
			Withdrawal of surface water from watercourses in unprotected areas which have a high biodiversity value or are relevant for local communities: 15,843 m³.		✓
303-3	Water recycled and reused	SDG 6 and 14	5.3. Construction and circularity: Recovered materials (p. 66)		✓
			Environmental Report 2019 (p. 103)		✓
CRE2	Building water intensity	SDG 6	Not applicable.	**	✓

* Data of FCC Construcción. Data of FCC Industrial are not included.

** This content applies to real estate, which is not a business of FCC Construcción.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 304: Biodiversity 2016 (Associated material topic for FCC Construcción: Protection of scarce natural resources)					
103-1	Explanation of the material topic and its boundary	SDG 15	5.1. Our commitment to the environment: Protecting biodiversity where we operate (pp. 50, 51) Environmental Report 2019 (pp. 83-89)		✓ ✓
103-2	The management approach and its components	SDG 15	5.1. Our commitment to the environment: Protecting biodiversity where we operate (pp. 50, 51) Environmental Report 2019 (pp. 83-89)		✓ ✓
103-3	Evaluation of the management approach	SDG 15	5.1. Our commitment to the environment: Protecting biodiversity where we operate (pp. 50, 51) Environmental Report 2019 (pp. 83-89)		✓ ✓
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	SDG 15	5.1. Our commitment to the environment: Protecting biodiversity where we operate (p. 50) Environmental Report 2019 (pp. 83-89)		✓ ✓
304-2	Significant impacts of activities, products and services on biodiversity	SDG 15	5.1. Our commitment to the environment: Protecting biodiversity where we operate (pp. 50, 51) Environmental Report 2019 (pp. 83-89)		✓ ✓
304-3	Habitats protected or restored	SDG 15	5.1. Our commitment to the environment: Protecting biodiversity where we operate (p. 50) Environmental Report 2019 (pp. 83-89)		✓ ✓
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	SDG 15	Currently this information is not being compiled for all the countries where FCC Construcción operates. However, all the company's production centres keep a register of endangered species. For examples related to biodiversity management plans, see the Environmental Report 2019 (pp. 83-89)		✓
GRI 305: Emissions 2016 (Associated material topic for FCC Construcción: Policies to contain the effects of climate change)					
103-1	Explanation of the material topic and its boundary	SDG 13	5.2. Adapting to and mitigating climate change (pp. 52-58) Environmental Report 2019 (pp. 90-97)		✓ ✓
103-2	The management approach and its components	SDG 13	5.2. Adapting to and mitigating climate change (pp. 52-58) Environmental Report 2019 (pp. 90-97)		✓ ✓
103-3	Evaluation of the management approach	SDG 13	5.2. Adapting to and mitigating climate change (pp. 52-58) Environmental Report 2019 (pp. 90-97)		✓ ✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
305-1	Direct (scope 1) GHG emissions	SDG 13	5.2. Adapting to and mitigating climate change: Greenhouse gas emissions (pp. 59, 60) Environmental Report 2019 (p. 95)		✓
305-2	Energy indirect (scope 2) GHG emissions	SDG 13	5.2. Adapting to and mitigating climate change: Greenhouse gas emissions (pp. 59, 60) Environmental Report 2019 (p. 95)		✓
305-3	Other indirect (scope 3) GHG emissions	SDG 13	5.2. Adapting to and mitigating climate change: Greenhouse gas emissions (pp. 59, 60) Environmental Report 2019 (p. 95)		✓
305-4	GHG emissions intensity	SDG 13	Intensity of GHG emissions by turnover: 171.1 tCO ₂ e/€M.		✓
305-5	Reduction of GHG emissions	SDG 13	5.2. Adapting to and mitigating climate change: Greenhouse gas emissions (pp. 59, 60) Environmental Report 2019 (p. 94)		✓
305-6	Emissions of ozone-depleting substances (ODS)	SDG 13	Not applicable.	*	✓
305-7	Nitrogen oxides (NO _x), sulphur oxides (SO _x) and other significant air emissions	SDG 13	5.1. Our commitment to the environment: Minimising the waste and effluents (p. 48) Environmental Report 2019 (pp. 45-46)		✓
CRE3	GHG emissions intensity from buildings	SDG 13	Not applicable.	**	✓
CRE4	GHG emissions intensity from new construction and redevelopment activity	SDG 13	Intensity of GHG emissions by turnover: 171.1 tCO ₂ e/€M.		✓
GRI 306: Effluents and waste 2016 (Associated material topic for FCC Construcción: Protection of scarce natural resources)					
103-1	Explanation of the material topic and its boundary	SDG 6 and 14	5.1. Our commitment to the environment: Minimising the waste and effluents (pp. 46-48) Environmental Report 2019 (pp. 52-57 and 63-67)		✓
103-2	The management approach and its components	SDG 6 and 14	5.1. Our commitment to the environment: Minimising the waste and effluents (pp. 46-48) Environmental Report 2019 (pp. 52-57 and 63-67)		✓
103-3	Evaluation of the management approach	SDG 6 and 14	5.1. Our commitment to the environment: Minimising the waste and effluents (pp. 46-48) Environmental Report 2019 (pp. 52-57 and 63-67)		✓
306-1	Water discharge by quality and destination	SDG 6 and 14	5.1. Our commitment to the environment: Minimising the waste and effluents (pp. 46, 48) Environmental Report 2019 (p. 55)		✓

* No emissions of this type are produced in the construction sector.

** This content applies to real estate, which is not a business of FCC Construcción.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
306-2	Waste by type and disposal method	SDG 6 and 14	5.1. Our commitment to the environment: Minimising the waste and effluents (pp 46, 47) Environmental Report 2019 (pp. 65-67)		✓ ✓
306-3	Significant spills	SDG 6 and 14	5.1. Our commitment to the environment: Minimising the waste and effluents (p. 46) Environmental Report 2019 (p. 55)		✓ ✓
306-4	Transport of hazardous waste	SDG 6 and 14	Not applicable.	*	✓
306-5	Water bodies affected by water discharges and/or runoff	SDG 6 and 14	<ul style="list-style-type: none"> Significant discharges in protected natural areas: 3 sites. Significant discharges in areas of high value for biodiversity: 4 sites. Significant discharges into watercourses with very high value for local communities and indigenous populations: 1 site. Significant discharges into watercourses of relevant value for local communities and indigenous populations: 9 sites. Significant discharges on natural coastlines: 7 sites. The sites are located in Spain, Portugal, Romania, Panama and Costa Rica.	**	✓ ✓ ✓ ✓
CRE5	Land remediated and in need of remediation for the existing or intended land use, according to applicable legal designations	SDG 15	<ul style="list-style-type: none"> 86,026 m² of remediated land. 619,379 m² of land in need for remediation. The relevant construction sites are located in Spain, Peru, Romania and Belgium.	**	✓ ✓ ✓
GRI 307: Environmental compliance 2016					
307-1	Non-compliance with environmental laws and regulations	SDG 15	In 2019 ten sanction investigations for non-compliance with environmental laws or regulations were recorded.		✓
GRI 308: Supplier environmental assessment 2016 (Associated material topic for FCC Construcción: Liability for suppliers and contractors)					
103-1	Explanation of the material topic and its boundary	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
103-2	The management approach and its components	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
103-3	Evaluation of the management approach	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
308-1	New suppliers that were screened using environmental criteria	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107) All FCC Construcción suppliers are assessed considering environmental criteria.		✓ ✓
308-2	Negative environmental impacts in the supply chain and actions taken	SDG 12	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓

* The Construction business area of FCC Group does not itself transport any hazardous waste as part of its business, but rather contracts authorised waste carriers and managers to ensure that it is handled correctly.

** Data of FCC Construcción. Data of FCC Industrial are not included.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
SOCIAL STANDARDS					
GRI 401: Employment 2016 (Associated material topic for FCC Construcción: Employees well-being and career development)					
103-1	Explanation of the material topic and its boundary	SDG 5, 8 and 10	6.1. Our people: Profile of FCC Construcción's workforce (pp. 79-83)		✓
103-2	The management approach and its components	SDG 5, 8 and 10	6.1. Our people: Profile of FCC Construcción's workforce (pp. 79-83)		✓
103-3	Evaluation of the management approach	SDG 5, 8 and 10	6.1. Our people: Profile of FCC Construcción's workforce (pp. 79-83)		✓
401-1	New employee hires and employee turnover	SDG 5, 8 and 10	<p>New employee hires in 2019: 2,290</p> <ul style="list-style-type: none"> • Distribution by gender: 400 women and 1,890 men. • Distribution by age group: 701 employees under 30 years old; 1,219 employees from 30 to 50 years old and 369 employees over 50 years old. <p>There is no information of new employee hires in 2018, because this information is not available in SAP.</p>	*	✓
			6.1. Our people: Profile of FCC Construcción's workforce (pp. 83)		✓
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	SDG 5, 8 and 10	All employees enjoy the same social benefits, regardless of their working hours.		✓
401-3	Parental leave	SDG 5, 8 and 10	<p>In 2019 all the employees in Spain who were entitled to maternity (20) or paternity (94) leave returned to work after parental leave ended.</p> <p>Likewise, the return to work rate in 2018 was also 100% (30 employees entitled to maternity leave and 115 employees entitled to paternity leave).</p>	**	✓
GRI 402: Labour/Management relations 2016 (Associated material topic for FCC Construcción: Employee well-being and career development)					
103-1	Explanation of the material topic and its boundary	SDG 8 and 10	6.1. Our people: Profile of FCC Construcción's workforce (pp. 79, 80)		✓
103-2	The management approach and its components	SDG 8 and 10	6.1. Our people: Profile of FCC Construcción's workforce (pp. 79, 80)		✓
103-3	Evaluation of the management approach	SDG 8 and 10	6.1. Our people: Profile of FCC Construcción's workforce (pp. 79, 80)		✓
402-1	Minimum notice periods regarding operational changes	SDG 8 and 10	As specified in the different collective-bargaining agreements of Spain and the applicable laws of other countries.		✓

* The employee turnover rate is calculated for the employees being on the payroll in Spain.
There are no tools available for processing the data of other countries.

** Return to work rates of employees that took parental leave are calculated for the employees being on the payroll in Spain.
There are no tools available for processing the data of other countries.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 403: Occupational Health and Safety 2018 <i>(Associated material topic for FCC Construcción: Occupational health and safety of employees and contractors)</i>					
103-1	Explanation of the material topic and its boundary	SDG 3, 8 and 10	6.1. Our people : Employee health and safety (pp. 84-86)		✓
103-2	The management approach and its components	SDG 3, 8 and 10	6.1. Our people: Employee health and safety (pp. 84-86)		✓
103-3	Evaluation of the management approach	SDG 3, 8 and 10	6.1. Our people: Employee health and safety (pp. 84-86)		✓
403-1	Occupational health and safety management system	SDG 3, 8 and 10	<p>The OHS management system is based on the specific legislation in each country and on the international standards ISO 45001 and OSHAS 18001.</p> <p>Health and safety committees have been set up, as established under Act 31/1995 in Spain and the corresponding legislation in each country.</p> <p>Our OHS professionals are mostly employees of the organisation; they are university graduates (engineering/architecture) who have received specific training (Master's Degree in OHS).</p>		✓
403-2	Hazard identification, risks assessment and incident investigation	SDG 3, 8 and 10	6.1. Our people: Employee health and safety (pp. 84-86)		✓
			<p>In order to identify hazards and assess risks on a regular or sporadic basis and to apply the control hierarchy, the INSTT assessment methodology is used, as well as other methodologies established by clients on an <i>ad hoc</i> basis for specific works.</p>		✓
			<p>Workers wishing to report work-related hazards or hazardous situations must report them to their line manager, being protected from suffering any reprisals by the FCC Group's Code of Ethics.</p> <p>An investigation is launched to check any unsafe conditions or actions involved in incidents, identifying the basic causes and immediately adopting and explaining ways to prevent them from reoccurring. The measures adopted are monitored and subsequently closed.</p>		
403-3	Occupational health services	SDG 3, 8 and 10	In Spain, FCC Construcción has its own medical services in Asturias, Barcelona, Madrid, Gran Canaria, Tarragona, Valencia and Zaragoza. Elsewhere an agreement with the Quirónsalud Hospital Group is in place. In other countries medical services are contracted with specialist firms in accordance with the local legislation.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
403-4	Worker participation, consultation and communication on occupational health and safety	SDG 3, 8 and 10	<p>FCC Construcción allows workers to participate in OHS-related matters and consults with workers when making decisions on:</p> <ul style="list-style-type: none"> • Planning and organisation of the company's work and introduction of new technology, whenever such decisions could have consequences for workers' health and safety. • Organising and carrying out health protection and occupational-risk-prevention within the company. • Designating workers to be responsible for emergency measures. <p>OHS committees have been set up as established under Act 31/1995 in Spain and the corresponding legislation in each country. In Spain these meetings are held on a quarterly basis.</p>		✓
403-5	Worker training on occupational health and safety	SDG 3, 8 and 10	Training is provided to workers, in accordance with the courses established under the current General Collective-Bargaining Agreement for the Construction Sector, with the different countries' laws and with the organisation's management system.		✓
403-6	Promotion of worker health	SDG 3, 8 and 10	The FCC Group's medical services are available to treat any medical conditions (work-related or otherwise) reported by workers. FCC Construcción organises internal health promotion campaigns (stopping smoking, eating habits, physical exercise, etc.).		✓
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	SDG 3, 8 and 10	Annex III "Supplier assessment" of the internal procedure "PR-FCC-310 Procurement and Subcontracting" takes into account health and safety criteria for the previous and final supplier assessment.		✓
403-8	Workers covered by an occupational health and safety management system	SDG 3, 8 and 10	3.3. FCC Construcción in 2019: Certified activity (p. 24)		✓
403-9	Work-related injuries	SDG 3, 8 and 10	6.1. Our people: Employees' health and safety (p. 84)	*	✓
403-10	Work-related ill health	SDG 3, 8 and 10	Not applicable.	**	✓
CRE6	Percentage of the organisation operating in verified compliance with an internationally recognised health and safety management system.	SDG 3 and 8	3.3. FCC Construcción in 2019: Certified activity (p. 24)		✓

* Data of FCC Construcción, S.A.

** There are no work-related illnesses.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 404: Training and education 2016 (Associated material topic for FCC Construcción: Employee well-being and career development)					
103-1	Explanation of the material topic and its boundary	SDG 4,5 and 8	6.1. Our people: Committed to retaining top talent (pp. 90-93)		✓
103-2	The management approach and its components	SDG 4,5 and 8	6.1. Our people: Committed to retaining top talent (pp. 90-93)		✓
103-3	Evaluation of the management approach	SDG 4,5 and 8	6.1. Our people: Committed to retaining top talent (pp. 90-93)		✓
404-1	Average hours of training per year per employee	SDG 4,5 and 8	6.1. Our people: Committed to retaining top talent (p. 93)	*	✓
404-2	Programmes for upgrading employee skills and transition-assistance programmes	SDG 4,5 and 8	6.1. Our people: Committed to retaining top talent (pp. 90, 91)		✓
404-3	Percentage of employees receiving regular performance and career development reviews	SDG 4,5 and 8	Not available.	**	✓
GRI 405: Diversity and equal opportunity 2016 (Associated material topic for FCC Construcción: Employee well-being and career development)					
103-1	Explanation of the material topic and its boundary	SDG 5, 8 and 10	6.1. Our people: Equality and diversity principles (pp. 94-97)		✓
103-2	The management approach and its components	SDG 5, 8 and 10	6.1. Our people: Equality and diversity principles (pp. 94-97)		✓
103-3	Evaluation of the management approach	SDG 5, 8 and 10	6.1. Our people: Equality and diversity principles (pp. 94-97)		✓
405-1	Diversity of governance bodies and employees	SDG 5, 8 and 10	6.1. Our people: Equality and diversity principles (p. 95)		✓
405-2	Ratio of basic salary and remuneration of women to men	SDG 5, 8 and 10	Basic pay is fixed under the different collective-bargaining agreements that apply in Spain and under the applicable laws of other countries. There are no significant differences between men and women.		✓

* The provided information considers the training organised by the corporate Training Department and included in the company's Training Plan. Awareness-raising talks or microlearning sessions organised at local or project level are not considered.

** The FCC Group is working on the design and implementation of the development function through a skills model, covering performance assessments, career plans and succession plans. We are working on the implementation of a streamlined system across the board to support performance assessments and selection processes.

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 406: Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken	SDG 5, 8 and 10	<p>In 2019 fourteen incidents of several subjects were reported via the Ethics Channel. All were resolved by the end of the year.</p> <p>The corrective mechanisms are as defined in the FCC Group's Code of Ethics and Conduct.</p>		✓
			6.3. Good governance and effective risk management: Compliance, ethics and integrity (p. 116)		✓
GRI 407: Freedom of association and collective bargaining 2016					
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	SDG 5, 8 and 10	<p>In 2019 no operations or suppliers in which the right to freedom of association and to collective bargaining may be at risk were identified.</p> <p>The corrective mechanisms are as defined in the FCC Group's Code of Ethics and Conduct.</p>		✓
GRI 408: Child labour 2016					
408-1	Operations and suppliers at significant risk for incidents of child labour	SDG 5, 8 and 10	<p>In 2019 no operations or suppliers at significant risk for incidents of child labour were recorded.</p> <p>The corrective mechanisms are as defined in the FCC Group's Code of Ethics and Conduct.</p>		✓
GRI 409: Forced or compulsory labour 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	SDG 5, 8, 10 and 16	<p>In 2019 no operations or suppliers at significant risk for incidents of forced or compulsory labour were recorded.</p> <p>The corrective mechanisms are as defined in the FCC Group's Code of Ethics and Conduct.</p> <p>In 2019 fourteen incidents of several subjects were reported via the Ethics Channel. All were resolved by the end of the year.</p>		✓
GRI 410: Security practices 2016					
410-1	Security personnel trained in human rights policies or procedures	SDG 3, 4 and 10	FCC's workforce includes no security personnel.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 411: Rights of indigenous peoples 2016					
411-1	Incidents of violations involving rights of indigenous peoples	SDG 16	In 2019 no incidents of violations involving rights of indigenous peoples were recorded.		✓
GRI 412: Human rights assessment 2016 (Associated material topic for FCC Construcción: Promotion of and respect for human rights)					
103-1	Explanation of the material topic and its boundary	SDG 16	6.3. Good governance and effective risk management: Upholding human rights (p. 118)		✓
103-2	The management approach and its components	SDG 16	6.3. Good governance and effective risk management: Upholding human rights (p. 118)		✓
103-3	Evaluation of the management approach	SDG 16	6.3. Good governance and effective risk managements: Upholding human rights (p. 118)		✓
412-1	Operations that have been subjected to human rights reviews or impact assessments	SDG 16	FCC Construcción is a signatory to the Ten Principles of the UN Global Compact and upholds human rights and the applicable legislation in the countries where it operates. These principles have been included into the management system and are monitored by systematic scheduled audits, covering all the organisations workplaces and sites. Projects funded by entities who adopt the Equator Principles are also subjected to an annual audit by a third party.		✓
412-2	Employee training on human rights policies or procedures	SDG 8 and 10	6.3. Good governance and effective risk management (p. 117)		✓
			All employees at FCC Construcción must receive training on the FCC Group's Code of Ethics and Conduct .		✓
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	SDG 5, 8, 10 and 16	All the company's contracts include clauses related to compliance with the UN Global Compact, including principles related to upholding labour rights and human rights.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 413: Local communities 2016 (Associated material topic for FCC Construcción: local development)					
103-1	Explanation of the material topic and its boundary	SDG 4 and 16	6.2. Third-party relations: Maximising the positive community impact (pp. 108, 109)		✓
103-2	The management approach and its components	SDG 4 and 16	6.2. Third-party relations: Maximising the positive impact on the community (pp. 108, 109)		✓
103-3	Evaluation of the management approach	SDG 4 and 16	6.2. Third-party relations: Maximising the positive community impact (pp. 108, 109)		✓
413-1	Operations with local community engagement, impact assessments and development programmes	SDG 4 and 16	Number of construction sites with local community engagement: <ul style="list-style-type: none"> • Consultations with local communities that may be affected by the project: 17 • Inclusion of public participation in the process: 17 		✓
413-2	Operations with significant actual and potential negative impacts on local communities	SDG 4 and 16	In 2019, the company identified that 24 projects could affect the nearby local communities (in Belgium, Costa Rica, Spain, Ireland, Nicaragua, Panama, Peru, Portugal and Romania). The main impact on local communities include expropriations, occupation of farmland, road closures, effluent discharges into watercourses, generation of noise by circulation of vehicles and machinery, dust emissions, vibration, damage to biodiversity, displacement of the local population, visual impact on local residents and disturbance of local tourism.		✓
CRE7	Number of persons voluntarily and involuntarily displaced and/or resettled by development, broken down by project		<ul style="list-style-type: none"> • Number of persons displaced: 85 • Number of persons resettled: 0 		✓
GRI 414: Supplier social assessment 2016 (Associated material topic for FCC Construcción: Liability for suppliers and contractors)					
103-1	Explanation of the material topic and its boundary	SDG 16	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
103-2	The management approach and its components	SDG 16	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
103-3	Evaluation of the management approach	SDG 16	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
414-1	New suppliers that were screened using social criteria	SDG 16	6.2. Third-party relationships: Responsible procurement (pp. 104-107)		✓
			All FCC Construcción's suppliers are assessed considering social criteria.		✓
414-2	Negative social impacts in the supply chain and actions taken	SDG 16	Not available.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
GRI 415: Public policy 2016 (Associated material topic for FCC Construcción: Systems to prevent and mitigate corruption)					
103-1	Explanation of the material topic and its boundary	SDG 16	FCC Construcción makes no contributions towards public policy.		✓
			6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-116)		✓
103-2	The management approach and its components	SDG 16	FCC Construcción makes no contributions towards public policy		✓
			6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-116)		✓
103-3	Evaluation of the management approach	SDG 16	FCC Construcción makes no contributions towards public policy		✓
			6.3. Good governance and effective risk management: Compliance, ethics and integrity (pp. 115-116)		✓
415-1	Political contributions	SDG 16	FCC Construcción makes no financial or in-kind contributions to any political party.		✓
GRI 416: Customer health and safety 2016					
416-1	Assessment of the health and safety impacts of product and service categories	SDG 3 and 4	FCC Construcción's sites are constantly subjected to assessments to identify any potential health and safety risks.		✓
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	SDG 3	<p>Due to our business features, FCC Construcción does not directly deal with end-users, but with intermediate customers whose customers are the end-users (users of civil engineering works, homeowners, etc.). The customer ensures compliance concerning these requirements via its specifications in projects, Terms Of Reference and contractual conditions.</p> <p>FCC Construcción complies with current regulations in all its processes and projects, Our customers have the guarantee that health and safety requirements are complied with in all the construction projects where we work. Additionally, compliance monitoring of these requirements is undertaken (project or contract revisions) as an additional commitment to the users, going beyond contractual requirements.</p>		✓
GRI 417: Marketing and labelling 2016 (Associated material topic for FCC Construcción: Customer experience)					
103-1	Explanation of the material topic and its boundary	SDG 9 and 17	6.2. Third-party relationships: Addressing our customer's needs (pp. 102-103)		✓
103-2	The management approach and its components	SDG 9 and 17	6.2. Third-party relationships: Addressing our customer's needs (pp. 102-103)		✓
103-3	Evaluation of the management approach	SDG 9 and 17	6.2. Third-party relationships: Addressing our customer's needs (pp. 102-103)		✓
417-1	Requirements for product and service information and labelling	SDG 9	For residential building: Building Book.		✓

Content	Description	SDG ref.	Page / Direct answer	Omissions	External assurance
417-2	Incidents of non-compliance concerning product and service information and labelling	SDG 9 and 16	No incidents of this kind occurred in 2019.		✓
417-3	Incidents of non-compliance concerning marketing communications	SDG 9 and 16	No incidents of this kind occurred in 2019.		✓
CRE8	Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	SDG 9	<ul style="list-style-type: none"> Total number of sites with energy-efficiency certification: 32 sites. Total number of sites with voluntary environmental certification: 11 sites (six BREEAM certifications, four LEED certifications and one "Cleaner Production" certification by the Panama Ministry of the Environment). 		✓
GRI 418: Customer privacy 2016					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	SDG 9 and 16	No complaints of this kind were received in 2019.		✓
GRI 419: Socioeconomic compliance 2016					
419-1	Non-compliance with laws and regulations in the social and economic area	SDG 9 and 16	No incidents of this kind occurred in 2019.		✓
Material topic for FCC Construcción: Innovation and sustainability					
103-1	Explanation of the material topic and its boundary	SDG 9, 11 and 17	5.4. Innovation in construction: approach to sustainability. (pp. 68-77)		✓
103-2	The management approach and its components	SDG 9, 11 and 17	5.4. Innovation in construction: approach to sustainability. (pp. 68-77)		✓
103-3	Evaluation of the management approach	SDG 9, 11 and 17	5.4. Innovation in construction: approach to sustainability. (pp. 68-77)		✓
Material topic for FCC Construcción: Technological development and cyberattacks prevention					
103-1	Explanation of the material topic and its boundary		FCC Group Annual Corporate Governance Report. 2019 Financial year . Sections E.3. Risks which may achieve the achievement of business objectives and E.6. Response and supervision plans (pp. 72-78).		✓
103-2	The management approach and its components		FCC Group Annual Corporate Governance Report. 2019 Financial year . Sections E.3. Risks which may achieve the achievement of business objectives and E.6. Response and supervision plans (pp. 72-78).		✓
103-3	Evaluation of the management approach		FCC Group Annual Corporate Governance Report. 2019 Financial year . Sections E.3. Risks which may achieve the achievement of business objectives and E.6. Response and supervision plans (pp. 72-78).		✓

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