

SOCIAL CONCERNS	ACTIVITIES 2017-2018	FUTURE OBJECTIVES
<b>The economic slowdown</b>	<ul style="list-style-type: none"> <li>• 2018 closed with a turnover of €1,655 million.</li> <li>• Portfolio expanded to €4,516 million.</li> <li>• 59 contracts awarded, worth almost 2,000 million euros.</li> <li>• Projects awarded to FCC Construcción for the expansion of the “Jorge Chavez” new international airport (Peru); six-lane extension of sections 1 and 2 of the inter-American highway (Panama); buildings of the Dublin Institute Centre of Technology on the campus of Grange Gorman (Ireland) and the Loeches environmental recycling complex (Spain).</li> <li>• Signature of the concession contract for the Haren prison complex (Brussels).</li> </ul>	<ul style="list-style-type: none"> <li>• Promote synergies between different business areas, to act as a single company and be even more efficient.</li> <li>• Improve production processes and optimise costs.</li> <li>• Continue making progress in our international expansion, while strengthening the presence in the consolidated markets of FCC Construcción.</li> <li>• Submit bids for tenders in markets where our historical experience and our technical capacity differentiate us and allow us to achieve a higher profitability.</li> </ul>
<b>Responsible construction</b>	<ul style="list-style-type: none"> <li>• Dissemination of the organisation’s performance by publishing the 2017-2018 Sustainability Report and the Communication on Progress submitted to the United Nations.</li> <li>• Participation in over 45 workgroups related with sustainability, innovation and environmental issues in construction.</li> <li>• FCC Construcción’s participation in forums, discussion groups, working groups and other organisations related to sustainability, innovation and environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Raising awareness among company personnel in sustainability assessment methodologies.</li> <li>• Development and proposal of indicators regarding ISO and CEN international standards as a balanced scorecard for assessing sustainability. Internal application in the company.</li> <li>• Improvement of our own methodology for the assessment of sustainability in civil engineering works, SAMCEW®, and its application to ongoing construction projects.</li> </ul>
<b>SDG compliance and Corporate Social Responsibility</b>	<ul style="list-style-type: none"> <li>• Dissemination and training of employees on SDGs, through the training pill “FCC Construcción and its commitment to the Sustainable Development Goals”.</li> <li>• Linking 2017-2020 Management objectives to the SDGs.</li> <li>• Analysis of CSR-related trends to ascertain the implications for the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Draw up the new procedure “PR-FCC-410 Corporate Social Responsibility” to define the CSR-related actions carried out by the organisation.</li> <li>• Implement SDG monitoring mechanisms.</li> <li>• Raise awareness among employees on CSR matters.</li> </ul>
<b>Ethics and Good Governance</b>	<ul style="list-style-type: none"> <li>• Approval of the new Code of Ethics and Conduct to reinforce the culture of compliance in the organisation.</li> <li>• Training related to the Code of Ethics and compliance for the management team and users of controls and processes of FCC Construcción.</li> <li>• Development of a criminal offence prevention manual.</li> <li>• Creation of the compliance department and appointment of a compliance officer in FCC Construcción.</li> <li>• Approval of the anti-corruption policy of the FCC Group.</li> <li>• Development of a Human Rights Policy within the framework of the CSR Master Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Provision of training in relation to the Code of Ethics and Conduct to all personnel in the Construction Area.</li> <li>• Preparing a scheme that sums up the due diligence process for FCC Construcción regarding human rights, ethics and integrity, procurement practices, the environment and OH&amp;S.</li> <li>• Submitting the Human Rights Policy for consideration by the Board of Directors.</li> <li>• Development of a counterpart assessment system, including agents, business partners, suppliers and third parties.</li> <li>• Development of a Collaborative Business Relationship Management System and its certification in accordance with the ISO 44001 standard.</li> </ul>
<b>ESG Risk Identification and Prevention</b>	<ul style="list-style-type: none"> <li>• Environmental and social risk identification in tender and construction stage of new projects.</li> <li>• Planning of PETRA audits for worksites with special technical risks.</li> </ul>	<ul style="list-style-type: none"> <li>• Risk Map Update.</li> <li>• Conducting risk assessments for all construction work stages.</li> <li>• Adaptation of risk management to the new international standard ISO 31001:2018.</li> </ul>

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<b>Health and safety</b>	<ul style="list-style-type: none"> <li>• Adaptation of the Management System to the new ISO 45001 Standard, which will replace the OHSAS Standard.</li> <li>• Continuous implementation of good practices in occupational health and safety, related to the execution of activities, work teams and auxiliary means, road safety and health promotion.</li> <li>• ACEX National Prize for Road Conservation Safety for the Vehicle Adaptation Project, which involved installing MATINSA's safety improvement system for rail operators</li> <li>• Continuous implementation of good practices in occupational health and safety, related to the execution of activities, work teams and auxiliary means, road safety and health promotion.</li> <li>• 37% reduction of the accident frequency rate compared to the previous fiscal year.</li> <li>• 20 million hours worked without accidents with lost time in the Riyadh metro project.</li> <li>• Zero accidents with lost time in 2018 during the assembly of signs (Megaplas), tasks carried out through subcontractors.</li> </ul>	<ul style="list-style-type: none"> <li>• Certify the Health and Safety Management System based on the ISO 45001 standard.</li> <li>• Promote the implementation of good practices related to health and safety, road safety and the promotion of well-being and health.</li> <li>• Implement a program to monitor the safety status of work centres.</li> <li>• Make a diagnosis on the healthy habits of workers through surveys.</li> <li>• Keep accident rates lower than the established target.</li> <li>• Develop an awareness campaign on the correct use of ladders</li> </ul>
<b>Promoting talent</b>	<ul style="list-style-type: none"> <li>• Increase in the number of employees.</li> <li>• Talent retention: priority for covering positions with the company's employees instead of outsourcing.</li> <li>• Integration of almost all of the construction area staff in the same personnel control system.</li> <li>• Average increase in training hours received per worker.</li> <li>• Average increase in training hours received per worker.</li> </ul>	<ul style="list-style-type: none"> <li>• Promote training in BIM methodology to designated personnel.</li> <li>• Identify and train internal training staff to develop their activity through specific actions that allow the development of their skills.</li> <li>• Continue with the Young Talent Program and the Scholarship Program, in order to enhance the career progress of talented students and ease their entrance in the job market.</li> <li>• Create a welcome handbook for new hires.</li> <li>• Increase online training.</li> <li>• Remain steadfast in our commitment to internal talent retention to fill vacancies.</li> <li>• Strengthen the workforce and stabilise it, providing the best professionals for the construction projects.</li> </ul>
<b>Equal opportunities and diversity</b>	<ul style="list-style-type: none"> <li>• Wide diversity of gender and nationalities on the FCC Board of Directors.</li> <li>• Adhesion to the "Women Empowerment Principles", of the United Nations' Global Compact and to the Diversity Charter.</li> <li>• New information channel on diversity and equal opportunities, in collaboration with the Adecco Foundation, to inform employees about diversity and equal opportunity initiatives.</li> <li>• Renewal of the "Business equality" seal.</li> <li>• Round table debate to observe the International Day for the Elimination of Violence against Women.</li> <li>• New hires and integration of people with disabilities in the Construction area.</li> </ul>	<ul style="list-style-type: none"> <li>• Spread a corporate culture committed to equal opportunities.</li> <li>• Promote equality in access to management positions.</li> <li>• Participate in executive development programmes for management to identify and retain the best female talent.</li> <li>• Disability awareness-raising through training actions.</li> </ul>

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<b>Professionalism</b>	<ul style="list-style-type: none"> <li>• The professional capacity of our work teams is given a very high rating, as well as catering to customer requirements (3.6 out of 4) by our customers in the final work surveys.</li> <li>• Global benchmark in the execution of large-scale infrastructures, with more than 8,500 km of roads, more than 2,600 km of railways, more than 4,500,000 m2 of airport runways, 48 dams and 1,650 bridges executed.</li> </ul>	<ul style="list-style-type: none"> <li>• Select flagship and singular projects in which FCC Construcción can provide a differential value.</li> <li>• Implementation of a knowledge management system, being its first stage the improvement of the document management.</li> <li>• Development of guidelines for maintenance and operation activities to be applied in the contracts extending the presence of FCC Construcción beyond the date of completion of the work (Commissioning).</li> </ul>
<b>Innovation and new technologies</b>	<ul style="list-style-type: none"> <li>• Over €2 million invested in R&amp;D.</li> <li>• Creation of a coordination department for the implementation of the BIM methodology in the Technical Services of FCC Construcción.</li> <li>• Publication and dissemination of the Technological Surveillance Newsletter.</li> <li>• Definition of Knowledge Management as a strategic line of R&amp;D for FCC Construcción.</li> <li>• Focus of the R&amp;D activity on large-scale projects.</li> <li>• Start of the "BIMCHECK" project, combining BIM and Blockchain technologies for quality management at FCC Construcción.</li> </ul>	<ul style="list-style-type: none"> <li>• Consolidation and reinforcement of customer and Public Authority involvement in the development of innovation projects.</li> <li>• Assisting the company in gaining access to international R&amp;D funding programmes.</li> <li>• Promotion of the involvement and participation of different organisations in the certification of projects.</li> <li>• Boosting participation in R&amp;D projects related to digital transformation at the company and the adoption of new technologies (drones, internet of things, laser-scanners, etc.).</li> <li>• Backing the strategy and implementation of BIM at worksites through BIM-related projects and partnerships with BIM engineering firms.</li> <li>• Promotion of R&amp;D projects related to Health and Safety and the circular economy.</li> </ul>
<b>Environmental care</b>	<ul style="list-style-type: none"> <li>• Implementation and development of good environmental practices in the projects of FCC Construcción and FCC Industrial.</li> <li>• Identification of environmental risks and opportunities in 98% of the construction worksites and premises of FCC Construcción.</li> <li>• Consideration of the life cycle stages in environmental planning procedures.</li> </ul>	<ul style="list-style-type: none"> <li>• Incorporation of good social practices to the current Good Environmental Practices, seeking compatibility and synergies, and rating the two dimensions of sustainability.</li> <li>• Raising the environmental awareness of own workers, suppliers and subcontractors.</li> </ul>
<b>Circular economy</b>	<ul style="list-style-type: none"> <li>• Reuse of more than three million cubic metres of soil in the construction projects executed in 2018.</li> <li>• Replacement of plastic on caisson launching and laying processes of FCC Construcción's maritime works.</li> </ul>	<ul style="list-style-type: none"> <li>• Incorporation of new circular economy criteria to the processes of the company.</li> </ul>
<b>Climate change</b>	<ul style="list-style-type: none"> <li>• Obtaining "Calculo y Reduzco" (calculate and reduce) seal of the Carbon Footprint, Compensation and CO2 Absorption Projects Register, granted by the Spanish Ministry for the Ecological Transition to FCC Construcción.</li> <li>• Approval and publication of the FCC Construcción climate change strategy.</li> <li>• Training the staff on the climate change strategy and the quantification methodology of the GHG emissions of the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Expanding the verification of the inventory of greenhouse gas emissions to 100% of the countries in which FCC Construcción is located, by adding firstly the construction sites and premises of Panama, Peru and Portugal.</li> <li>• Establishment of strategies for adapting the company's operation to climate change.</li> </ul>

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<b>Supply chain and responsible purchases</b>	<ul style="list-style-type: none"> <li>• Hiring local suppliers.</li> <li>• Development of an explanatory guide for subcontractors on the Information Security Management System (ISMS) of FCC Construcción.</li> <li>• Creation of the Materials Master of the FCC Group.</li> </ul>	<ul style="list-style-type: none"> <li>• Initiating the supplier approval process.</li> <li>• Completing the computer development of the purchasing tool, for its homogenisation in the FCC Group.</li> <li>• Establishment of greater control over international purchases.</li> </ul>
<b>Transparency and communication</b>	<ul style="list-style-type: none"> <li>• Completion of the structure and content review process, in all languages, of the FCC Construcción and FCC Industrial website, making them more visual, agile and dynamic.</li> <li>• Design and launch of the CONVENSA website.</li> <li>• Creation of a Twitter account.</li> <li>• Participation in numerous events for sharing and promoting knowledge.</li> <li>• Launching of dissemination campaigns to internally promote actions that could interest the people of the organisation.</li> <li>• Issue of 12 information capsules, to communicate to employee news of special interest within the organisation.</li> </ul>	<ul style="list-style-type: none"> <li>• Continuing to boost FCC Construcción's presence on social networks.</li> <li>• Reviewing the websites of the countries and of the FCC City..</li> </ul>
<b>Local impact</b>	<ul style="list-style-type: none"> <li>• Implementation of several social initiatives that benefit local and nearby communities of the construction projects of FCC Construcción.</li> <li>• Continuing with the initiatives aimed at involving local communities in company activities.</li> <li>• 10 years of the Family Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Incorporation of social criteria into the company's management and sustainability system (procedures, guides and IT tools).</li> <li>• Continuing with the initiatives aimed at involving local communities in company activities.</li> <li>• Modification of the DISCON incident module to register claims from stakeholders, additional to those of customers.</li> </ul>