

INFORMATION STATEMENT NON-FINANCIAL CONSOLIDATED




AFIRMAMOS
AL PACTO MUNDIAL

Esta es nuestra Comunicación sobre el Progreso en la aplicación de los principios del Pacto Mundial de las Naciones Unidas.
Agradecemos e invitamos a los interesados a consultar su contenido.

2018

CONTENT

1. Scope and Objectives of the Consolidated Non-Financial Information Statement	Page 3
2. Description of the Group.	Page 7
2.1. Mission, vision and values	
2.2. Parent company	
2.3. Business areas	
2.4. Grupo Ortiz in the World	
2.5. Triple bottom line	
3. Materiality analysis	Page 15
4. Grupo Ortiz's commitment	Page 18
5. Good governance	Page 20
5.1. Shareholders - General Meeting	
5.2. Board of Directors	
5.3. Management Committee	
5.4. Coordination Committee	
5.5. Ethics Committee	
5.6. Compliance programme	
5.7. Transparency and communication	
6. Society and communities	Page 37
6.1. Responsible behaviour	
6.2. Clients	
6.3. Supply chain	
6.4. Local communities	
6.5. Social action	
7. People	Page 54
7.1. Employment	
7.2. Equality	
7.3. Training	
7.4. Human rights	
7.5. Health and safety	
8. Environment	Page 77
8.1. Environmental management policy	
8.2. Circular economy and waste management	
8.3. Energy efficiency	
8.4. Climate change	
8.5. Protection of biodiversity	
8.6. Main risks	
9. Innovation	Page 86
9.1. Innovation policy	
9.2. Innovation in Grupo Ortiz	
10. Most relevant projects	Page 91
10.1. Construction projects	
10.2. Energy projects	
APPENDIX I. Quantitative data on the workforce	Page 98
APPENDIX II. Table showing relationship between legal requirements and GRI Standard indicators	Page 106

1. Scope and objectives of the Consolidated Non- Financial Information Statement



1. Scope and objectives of the Consolidated Non-Financial Information Statement

This report contains Group Ortiz's Annual Consolidated Non-Financial Information Statement (NFIS) on Sustainability, addressed to all our stakeholders.

It includes the Group's activities and main results for the 2018 financial year, together with its economic, environmental and social performance.

The content has been prepared jointly by management and employees, thus encouraging improvement and responsible growth, as well as bringing value to the group of companies.

By means of the general summary contained in this 2018 Report, we will address GRUPO ORTIZ's progress in our relationship with society, good governance, commitment to human rights, innovation, respect for the environment and caring for people.

“At these times of change and uncertainty across our society, we can proudly say that our companies’ activities make a great contribution to economic and social development in the areas of influence of our projects, generating employment, clean energy, infrastructures and social wealth, thus enhancing the quality of life in our local communities.

Our companies must adapt to new trends and current approaches so as to grow responsibly and remain useful to the society that demands our knowledge.

To create a strong business and to build a better world are not conflicting goals; both are essential ingredients for long-term success and to build trust in our stakeholders.

Ethics and good governance are indispensable in the new business environment, so the implementation of our Code of Ethics and the preparation of procedures in each area must be communicated and observed by all those who form part of Grupo Ortiz.

Each person in GRUPO ORTIZ works because she or he is able to do something that is useful and necessary for society”.

(Mr. Juan Antonio Carpintero
GRUPO ORTIZ's Chairman, 2018)

1. SCOPE AND OBJECTIVES OF THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

The purpose of this document is to set out, clearly and in detail, all relevant sustainability information on GRUPO ORTIZ for its different stakeholders and our commitments to society, the environment, good governance, climate change, people and innovation.

This Non-Financial Information Statement (NFIS) forms part of the Consolidated Management Report of Ortiz Construcciones y Proyectos, S.A. and Subsidiaries (the Group or Grupo Ortiz) and has been prepared in accordance with prevailing legislation (Law 11/2018) and following the Global Reporting Initiative's Sustainability Reporting Standards (GRI Standards), selected as explained in APPENDIX II.

It also covers GRUPO ORTIZ's performance in 2018, the challenges faced and how they were overcome. A description is provided of the progress achieved during the year in connection with human rights, the environment, employment and combating corruption, as addressed in the Ten Principles of the United Nations Global Compact, as well as GRUPO ORTIZ's contribution to the Sustainable Development Goals.

We identify the matters most relevant to each of our business areas by analysing materiality so as to establish our priorities and become familiar with our risks.

By preparing this report, we strengthen the concepts and values that serve to enhance our company's approach to responsibility by generating synergies between business results and ethical behaviour.

This document also seeks to identify and integrate in the Company's strategic planning the social and environmental initiatives undertaken voluntarily by the organisation and to foment our human team's motivation through engagement in these activities.

The information contained in this document will be checked externally pursuant to the new **Law 11/2018 of 28 December on Non-Financial Information**. External verification will be carried out by the firm: Grant Thornton



1. SCOPE AND OBJECTIVES OF THE CONSOLIDATED NON-FINANCIAL INFORMATION STATEMENT

As this document has been adapted to the new legal criteria provided by Law 11/2018 of 28 December, it contains the information that is most relevant and useful to our stakeholders, meaning that immaterial information has been excluded.

The information contained in section **7. People** and **APPENDIX I** includes the workforce in Spain, expatriate personnel and the international structural workforce.

Some indicators and tables of statistics do not include the international project personnel, since they cover temporary project needs and turnover is high; were they to be included, the actual characteristics of the global workforce could be distorted.

The international local workforce assigned to projects is subject to production needs and to labour relations in less mature markets that do not provide for other forms of productive organisation such as subcontracting.

In addition, there are indicators for which environmental measurements are reported at the level of the parent company or even headquarters.

Nonetheless, Company management is beginning to define policies to ensure that the information is generated for inclusion in the next Non-Financial Information Statement.

As this is the first Non-Financial Information Statement published by GRUPO ORTIZ, it may only include information for the previous year where there are comparable indicators.

The companies included in this Consolidated NFIS are the same as those forming part of the Ortiz Group's financial information. The information published in this document is supplemented by the content of the Group's other reports:

- Consolidated Annual Accounts.
- Consolidated Management Report.

2. Description of the Group:

Mission, vision and values

Business areas

Triple bottom line

Grupo Ortiz in the World



2. Description of the Group

2.1. Mission, vision and values

Mission

To provide society with integrated solutions by means of effective and highly technical engineering, energy, construction, environment and concession services.

To add value so as to satisfy all our stakeholders through each activity and to make investments that contribute towards long-term sustainable development.

To provide our services to optimal standards of quality, cost and time, always acting as a socially responsible company.

Vision

To be a reference for the creation and management of solutions and services in engineering, energy, construction, environment and concessions that contribute to sustainability and well-being in society, generating value for all our stakeholders and promoting their economic development.

Our aim is to furnish the most efficient solutions to our clients and, by extension, to society by continuously improving our approach to seeking excellence. Our goal is to make progress in diversification to achieve solid, globalisation-based growth.

“A socially responsible company is one that conducts a profitable business, taking into account all economic, environmental and social effects generated for society and applying the strictest levels of integrity and transparency.”

Values

- Responsible growth.
- Commitment to society.
- Proximity, compliance and commitment to our clients.
- Corporate social responsibility.
- Occupational health and safety.
- Swift decision-making.
- Promotion of human capital talent.
- Environmental responsibility.
- Corporate stability.
- Independence.
- Flexibility and adaptation to change.



2.2 Parent company

GRUPO ORTIZ is a group dating back 58 years. It is currently diversified in five business areas and has a significant international presence.

The BUSINESS GROUP's parent company is ORTIZ CONSTRUCCIONES Y PROYECTOS S.A., with tax code A.19001205. Ortiz y Cía, S.L. was incorporated in 1961. In 1995, the Company's Bylaws were amended, changing the name to ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A. The Annual General Meeting of 24 June 2010 moved its registered office to Madrid, Avda. Ensanche de Vallecas, 44.

The corporate objects are described in the Bylaws as follows:

- The contracting, management and execution of all kinds of public and private works and construction.
- All types of construction, installation and works for buildings, roads, railways, tracks, ports, hydraulic works and any other installation work having a special nature.
- Real estate and urban development activities, sale and purchase of properties and developments.
- Acquisition, holding and possession of all kinds of transferable securities for its own account and incorporation of or holding of interests in other companies having analogous objects.

GRUPO ORTIZ stands out due to its business diversification and globalisation, economic and financial solvency, and the capacity and experience to undertake large projects from a technical, financial, design, maintenance and operation viewpoint.

The Group's business areas, as described in point 2.2 below, are as follows:

- **Concessions.**
- **Energy.**
- **Construction.**
- **Services.**
- **Holding.**



Website: www.grupoortiz.com

2.3. Business areas

GRUPO ORTIZ, which now has nearly 60 years' experience, is formed by a group of companies diversified in five business areas, all of which undertake projects having a considerable social, economic and environmental impact.

In the past decade, GRUPO ORTIZ has evolved its core business from construction at the domestic level to generate most of its revenue from renewable energies, concessions and construction, particularly in the international arena.

This diversification of business areas allows us to meet all market needs and has positioned us among the leading companies for domestic and international energy, construction and concession projects.



Grupo Ortiz's headquarters
Bioclimatic buildings
"La Gavia" business complex
Avda. Ensanche de Vallecas, 44 28051 Madrid

Our business areas

Concessions

- Roads
- Health
- Energy
- Car parks
- Environment
- Culture and sports
- Service stations

Services

- Road maintenance
- Green zone maintenance
- Waste collection
- Conservation and maintenance of buildings

Energy

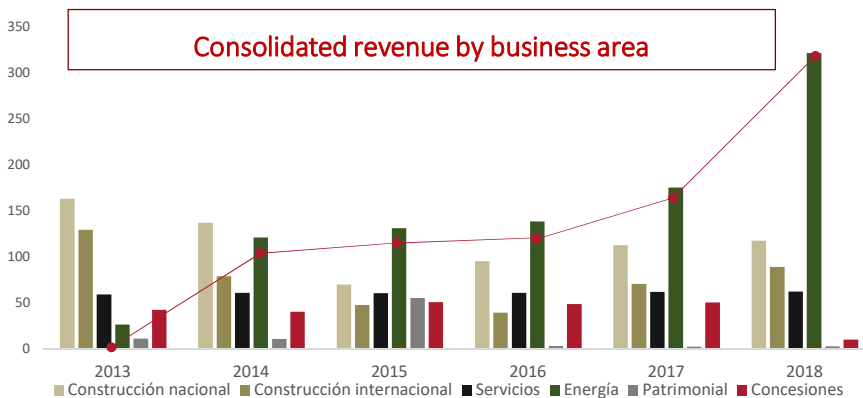
- **Ortiz Energía**
 - Solar thermal
 - Wind
 - Photovoltaic
 - Cogeneration plants
 - Hydraulic power plants
 - Biomass
- **Elecor**
 - Electrical installations
 - Mechanical installations
 - Thermal installations
 - Maintenance
 - Energy services and efficiency
- **Juan Galindo**
 - Transmission and distribution lines
 - Network maintenance

Construction

- Building
- Civil works
- Railways
- Rehabilitation
- Integrated water management
- Environmental works
- Engineering and prefabrication

Holding

- Offices
- Rented housing
- Commercial premises and garage spaces
- Ortega y Gasset car park
- Service station



66% of the Group's revenue is generated by international business, almost all of which comprises social projects.

Financial highlights

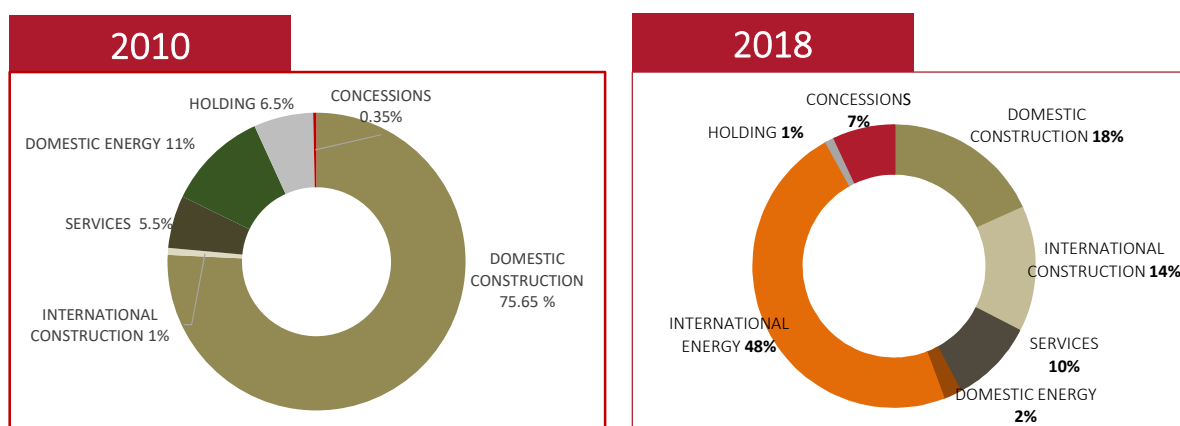
GRUPO ORTIZ posted the highest revenue of its 58 years of history in 2018: **605.31 M€**

	2018 REVENUE	% 2017-18	2018 EBITDA
BUSINESS AREA			
DOMESTIC CONSTRUCTION	117.90	+7%	3.07
INTERNATIONAL CONSTRUCTION	89.94	+31%	4.40
SERVICES	62.50	+1%	3.05
DOMESTIC ENERGY	13.24	+23%	0.45
INTERNATIONAL ENERGY	309.04	+89%	13.23
HOLDING + SOCIMI SALE	2.77	+25%	13.00
CONCESSIONS HELD BY SUBSIDIARIES	9.92	+6%	2.17
CONSOLIDATED GROUP TOTAL	605.31	+41%	39.37

Data in million euro.

(*) Includes concession data that are not consolidated in the annual accounts in the relevant proportions (they are equity-consolidated). Unaudited data.

The following tables reflect changes as regards the Group's diversification of business areas and globalisation in the last 10 years, evolving from domestic construction as the core business to generate over 50% of revenue from the energy area, particularly in the international arena.



In 2016, Grupo Ortiz Properties SOCIMI was formed, a property investment company with a long-term strategy based on the leasing of assets throughout Spain that is listed on the Alternative Stock Market.

Corporate structure

- ✓ Ortiz = **48.81%**
- ✓ Institutional investors = **22.29%**.
- ✓ 130 investors = **28%**.



Tax information

In line with our transparency policy, in 2018 GRUPO ORTIZ made economic and social contributions through the payment of taxes to public administrations in all the countries in which we operate for a total amount of €31,423 thousand.

The main countries in which taxes were paid were Spain, Mexico, Japan, Colombia, Panama and Peru, as follows:

TOTAL BY COUNTRY 2018		TOTAL BY TAX 2018	
Spain	20,279	Personal income tax (PIT)	9,033
Guatemala	127	Social security and similar	3,693
Panama	2,196	Value added tax (VAT)	8,798
Colombia	1,123	Corporate income tax	6,558
Japan	683	Other taxes	3,341
Peru	1,195		
Italy	90		
Honduras	232		
El Salvador	4		
Chile	86		
Bolivia	232		
Mexico	5,176		
		Total	31,423

Thousand euro

Thousand euro

* The amounts include refunds.

** Taxes paid include both amounts declared in tax returns and taxes withheld and interim payments made during the period in question (from 1/1/2018 to 31/12/2018), whether or not they relate to prior-year taxes.

The reduction of approximately 19% in the VAT payment in 2018 with respect to 2017 is due mainly to a one-off situation involving VAT assessed in 2017 on an advance payment from clients collected in November that year in Mexico.

GRUPO ORTIZ received the following grants in the last two years.

(thousand euro)	2018	2017
Grants	17.02	17.46

2.4 Grupo Ortiz in the World

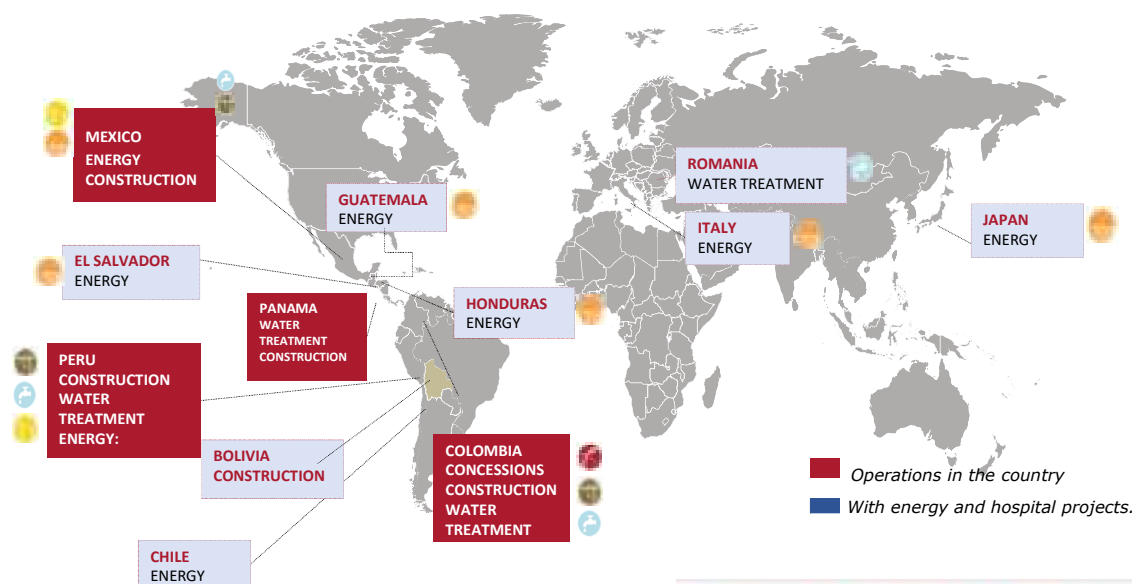
Our activities are currently centred around five business lines: energy, construction, concessions, services and holding, operating on three continents and in 12 countries, with regional offices in the form of subsidiaries and branches in Mexico, Colombia, Peru, Panama and Japan. We offer solutions with a high technological value to create sustainable infrastructures that improve well-being in communities, are environmentally friendly and are increasingly focused on investment at the international level.

The most growth in our projects relates to activities involving renewable energies, mainly in Mexico, Central America and Japan. We also have a large portfolio of concessions in transport and sanitary infrastructures that improve access to services and communication between local communities within the so-called green economy.

Our commitment to responsibility in our companies, together with respect for human rights and the environment, have boosted the Group's progress and sustainability in the geographic areas in which we operate.

- **The Group's international revenue: 66%**
- **International revenue in the Energy area: 96%.**
- **Group's investment 100% international**

- **GRUPO ORTIZ's international portfolio accounts for 77% of the total (59% in Construction and 80% in Energy)**



INTERNATIONAL EXPANSION STRATEGY:

- Operations in Latin America in countries where there is growth and legal certainty (Colombia, Peru, Panama and Mexico)
- Energy EPCs for clients around the world projects in Japan, Chile, Honduras, Guatemala, El Salvador and Mexico)
- Hospital construction in Peru, Mexico and Bolivia.

Distribución geográfica de la facturación 2018



2.5 Triple bottom line

GRUPO ORTIZ's triple bottom line reflects measurements for the main economic, environmental and social indicators at December 2018.

The figures relate to consolidated data for Spain, unless stated otherwise.

Economic performance	
• Sales (million €)	605.31
• EBITDA (million €)	39.37
• Profit before tax (million €)	17.69
• Total innovation (million €)	1.77
• ISO 9001 certified activities (%)	95%
• ISO 14001 certified activities (%)	95%

Environmental performance	
• Primary energy saving at headquarters (%)	18.73%
• Natural gas saving at headquarters (%)	26% increase*
• Water saving at headquarters (%)	7.1%
• Total CO ₂ emissions avoided (thousand Tn)	804,742 Tn
• Soil recycled in Spain	187,100 m ³
• Hazardous waste recycled in Spain (Kg)	3,815 Kg
• Inert waste recycled in Spain (m ³)	24,624m ³
• Paper recycled in Spain (kg)	6,740 Kg
• Metal recycled in Spain (kg)	564,710 Kg

Social performance	
• Group's total average workforce at year end	2,083
• Total training hours in Spain	25,358 hours
• People with different abilities in Spain (%)	2.47%
• Women employees in Spain (%)	28%
• Group's total no. of fatal accidents (own employees and subcontracted)	1
• Permanent contracts as % of total	74%
• Social contributions in Spain (million €)	1.25 **
• Group's total investment in social security (million €)	4.18

* This increase is due to the use of new humidifier equipment in the past year.

** Includes: Donations, sponsorship, training, pension plans, childcare allowance, luncheon vouchers and medical insurance.

3. Materiality analysis



3. Materiality analysis

GRUPO ORTIZ has five business areas engaged in a wide variety of activities, so it is necessary to identify and focus on the most relevant sustainability matters that must be addressed and resolved, both in our projects and for our stakeholders. In short, we try to analyse the benefits we can bring through our business activities and related risks in each case. The most relevant aspects are analysed for each stakeholder.

Stakeholder identification

In order to promote and disseminate long-term sustainability, Grupo Ortiz analyses our stakeholders' needs and expectations, engaging in a dialogue and communicating to improve our relationships.

All our Group companies take the view that the correct identification of stakeholder expectations and demands, followed by the integration of these aspects into the Company's strategy, is one of the most powerful socially responsible positioning tools.



Having analysed the matters that are most relevant to our activities as regards both business profits and potential impacts, we have distinguished the following aspects, which will be addressed in more detail later in this report:

- Society and communities
The potential impact of our projects on society at large and on the local communities in which Grupo Ortiz operates in particular.
- People
Measures, rights, obligations and fringe benefits affecting GRUPO ORTIZ's entire workforce and the people who are our stakeholders.
- Environment
Consequences and measures implemented to mitigate the adverse effects on climate change, biodiversity, CO2 emissions avoided, waste management...
- Innovation
Investment in new innovation projects in the interests of project performance and adaptation.

3. THE GROUP'S MATERIALITY

The following table contains the aspects identified as relevant to GRUPO ORTIZ's materiality and the associated GRI indicators.

GRI	GRUPO ORTIZ MATERIALITY ANALYSIS	SCOPE
GRI 102-43 GRI 103	SERVICE QUALITY AND CLIENT SATISFACTION Internal procedures and tools to facilitate communication between clients and companies and to evaluate client satisfaction.	INTERNAL EXTERNAL
GRI 102-8 GRI 103 GRI 202-1 GRI 405-406	HUMAN CAPITAL AND EQUALITY Investment in training and internal procedures for evaluating professional progress and for talent retention. Equality plan in place to foment a work-life balance and reduce the wage gap	INTERNAL
GRI 103 GRI 403	HEALTH AND SAFETY Implementation of awareness building protocols, training and controls to reduce occupational accidents.	INTERNAL EXTERNAL
GRI 103 GRI 406,407, 408, 409, 410	HUMAN RIGHTS A relevant aspect to reduce the risk of infringing human rights in relation to matters such as child labour, discrimination or freedom of association. Implementation of measures and controls to guarantee these rights.	INTERNAL EXTERNAL
GRI 103 GRI 302 GRI 305	CLIMATE CHANGE Policy and measures established by the Group in connection with energy efficiency, carbon footprint, greenhouse gas emissions, biodiversity, etc. to combat climate change.	INTERNAL EXTERNAL
GRI 103 GRI 201	INNOVATION Adaptation to new technologies and increase in R&D&i investment to undertake new business projects.	INTERNAL EXTERNAL
GRI 102-15 GRI 103	NON-FINANCIAL RISKS The detection and analysis of risks in all our business activities in each country from a social, environmental and good governance viewpoint is deemed relevant to promote the responsible expansion of the business.	INTERNAL
GRI 102-16-17 GRI 103 GRI 205	ETHICS AND GOOD GOVERNANCE Preparation of an internal code of ethics and policies on anti-corruption and good governance as stipulated in applicable legislation and observance of the code and policies.	INTERNAL EXTERNAL
GRI 103 GRI 203 GRI 204 GRI 413	LOCAL COMMUNITIES The Group's business has positive impacts on the local communities in which it operates, providing social wealth, employment and access to infrastructures. It also entails risks and negative impacts due to disruptions caused by construction work, such as the alteration of biodiversity, temporary noise pollution, population movement, etc. which must be managed and minimised by means of Social Management Plans and dialogue with the local community.	INTERNAL EXTERNAL
GRI 103 GRI 303, 304,306	ENVIRONMENT The necessary internal policies and procedures are in place to guarantee adequate environmental management, assessing possible adverse impacts on the environment and complying with applicable regulations, as well as obtaining Environmental Management System Certification as applicable to each project.	INTERNAL EXTERNAL
GRI 103 GRI 306-2-4	WASTE MANAGEMENT AND CIRCULAR ECONOMY Implementation and update of policies for appropriate waste management, reuse and recycling, to the extent possible, thus contributing to a circular economy through the efficient use of natural resources.	INTERNAL EXTERNAL
GRI 103 GRI 201	ECONOMIC PERFORMANCE A relevant aspect forming part of the Group's triple bottom line as it includes sustainability factors such as economic value generated, cost efficiency and profitability.	INTERNAL EXTERNAL
GRI 103 GRI 204 GRI 308 GRI 414	SUPPLY CHAIN Each mandatory policy and procedure applicable to our companies' activities must be applied to our supply chain and our suppliers must in turn observe ethical, social and environmental criteria when contracting.	INTERNAL EXTERNAL
GRI 102-43 GRI 103 GRI 201	RENEWABLE ENERGIES AND ELECTRICITY SERVICE QUALITY The new business opportunities and investment models are resulting in renewable energy project strategies that involve public and/or private entities to guarantee returns. Clients must be offered access to facilities that guarantee safety and quality in the electricity supply.	INTERNAL EXTERNAL

4. Grupo Ortiz's commitment



Our commitments

GRUPO ORTIZ is aware that the business growth and development achieved are closely tied to the capacity to provide better, more sustainable solutions on a daily basis, so our governing bodies continue to promote our Group's commitments to improve in relevant areas such as good governance, quality of life, combating climate change, innovation, caring for our environment and value creation for society.

- One of GRUPO ORTIZ's decisive pledges is to assure long-term stakeholder trust in GRUPO ORTIZ through continuous improvement while enhancing transparency, effectiveness and rigour in **corporate governance**. The Group's institutional, business and organisational principles form a set of minimums that are mandatory for all GRUPO ORTIZ's companies and people.
- **Society and communities.** In view of the Group's obligation to generate value and improve living conditions for people, we acknowledge the growing need for social plans and enhanced communication with the communities affected by our activities. Infrastructure projects can improve access to essential services such as water or electricity, sanitation and communications.

As regards **social action**, the Ortiz Group has always responded as a business organisation, cooperating with charities and encouraging the engagement of employees and collaborators, while pledging to increase these contributions every year.

- **People.** The clear commitment to personal development and health and safety already demonstrated by the Group does not prevent us from pressing on with improvements for professional growth by promoting training plans on new work methods and tools, management skills and professional skill-building. At present, equal opportunities are a focus of attention in the organisation so as to turn the existing plan into a specific plan per sector/company.
- **Climate change and the environment.** The organisation has pledged to improve environmental management as a basis for suitable environmental behaviour so as to help to reduce the negative impacts of our activities. This entails making a greater contribution to the circular economy, optimising the use of resources and minimising risks in the system. We will carry on developing the renewable energies that so effectively help to combat climate change.
- **Innovation:** Grupo Ortiz undertakes to invest, investigate and improve in all aspects of R&D&i and to develop new technologies that will bring access to new business opportunities.

5. Good governance:

Shareholders - General Meeting
Board of Directors
Management Committee
Coordination Committee
Ethics Committee
Compliance programme
Transparency and communication



5. Good governance

Governance structure. Transparency. Ethics and integrity.

One of GRUPO ORTIZ's commitments relates to continuous improvement by seeking greater transparency, effectiveness and rigour in corporate governance. This is a decisive factor to build long-term trust in and commitment to stakeholders.

The Board of Directors of ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A. (the Company) is the body with competence to approve corporate policies, general strategies and, in particular, the corporate governance policy of the Company and its Group ("ORTIZ" or "GRUPO ORTIZ").

The Corporate Governance Policy lays down the essential aspects of GRUPO ORTIZ's commitments in this area.

It forms part of GRUPO ORTIZ's corporate governance framework, the policy guidelines being supplemented by ORTIZ's Institutional, Business and Organisational Principles, which are the set of minimums that must be observed by all the Group companies and their governing bodies.

In the interests of continuous improvement and the increased effectiveness of our corporate governance, our main objective is to draw up the Group's Materiality Map on the basis of the stakeholders already defined for CSR purposes in prior years.

This will allow us to identify which corporate governance functions and their policies require the most attention.

Once all these factors have been identified, we will update the non-financial data measurement indicators for an annual analysis of progress made in each area.

Good governance is a decisive factor to build long-term trust in and commitment to GRUPO ORTIZ's stakeholders.

Corporate governance
Good governance
Communication
Business ethics
Transparency

PRINCIPLES OF CORPORATE GOVERNANCE

Corporate Good Governance is founded on the following principles:

- **Corporate governance strategy.**

The Company has a set of principles and values reflecting our commitment to corporate good governance, business ethics and corporate social responsibility.

The Code of Ethics contains these principles and values and is applicable to all the companies controlled directly or indirectly by the Group.

- **Shareholder relations.**

The Company's priority is to bolster shareholder relations through transparency, access to information and freedom of choice.

- **Corporate social responsibility.**

Our CSR policy favours an overall culture that helps to improve personal well-being and create sustainable value for shareholders, employees, clients and suppliers.

- **Risk management and regulatory compliance.**

The Company is permanently committed to applying corporate governance practices and to maintaining, developing and overseeing effective compliance policies. The Company also pledges to watch out for and penalise fraudulent acts and conduct, implement and develop awareness building mechanisms in all workers and build a business culture of ethics and honesty, as reflected in our Criminal Offence Prevention Plan and Code of Ethics.

PRINCIPLES OF CORPORATE GOOD GOVERNANCE

- Strategy and ethics
- Transparent shareholder relations
- CSR policy
- Risk management and regulatory compliance.

CORPORATE GOOD GOVERNANCE STRUCTURE.

The corporate governance structure is developed in the Company's Bylaws. A company's bylaws are the basic rules and fundamental pillar of corporate good governance.

GRUPO ORTIZ's Bylaws do not lay down any kind of restriction or maximum limit on the exercise of voting rights by shareholders. Neither are there any legal or bylaw restrictions on the acquisition or transfer of shares, besides the pre-emptive acquisition right reciprocally recognised by all shareholders in accordance with the Spanish Companies Act.

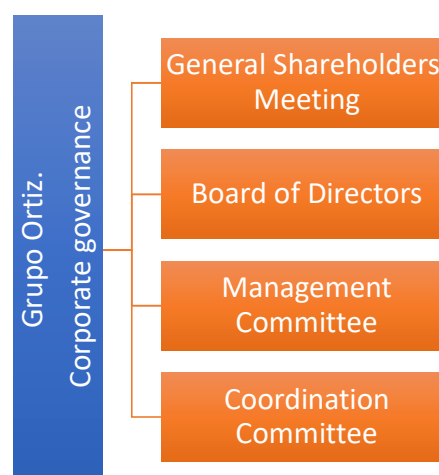
Corporate governance is structured around the following bodies:

1.- *SHAREHOLDERS - GENERAL MEETING.*

2.- *BOARD OF DIRECTORS.*

3.- *MANAGEMENT COMMITTEE.*

4.- *COORDINATION COMMITTEE.*



5.1. Shareholders – General Meeting.

At the preparation date of this Non-Financial Information Statement (NFIS), the share capital of the parent company (ORTIZ) consists of 1,913,226 fully-subscribed and paid-up registered shares with a par value of €30.05 each.

Since it was incorporated in 1961, ORTIZ's capital has been held by people closely related to the Company, mainly workers and managers, who still own their shares or have passed them on to their direct heirs. This highlights the authentic profile, loyalty and continuity of GRUPO ORTIZ's shareholders.

These are shareholders who, since ORTIZ was formed, have made and carry on making a firm commitment to this business group, where importance is given to both the business and the human team, in which our shareholders feel they belong.

The spirit of continuity has been passed down from generation to generation, so those that inherit the shares remain loyal and trusting, assuring a stable shareholder structure with no need for para-corporate agreements on relations with the Company and the Group.

Shareholdings are as follows:

- *Participaciones la Cartuja, S.L. holds 48.88%.*
- *Carpingran Sociedad Participada, S.L. holds 7.17%*
- *Participaciones CGA 2014, S.L. holds 7.53%.*
- *26 minority shareholders own 36.42%*

The Company (ORTIZ) has no beneficial owner because no natural person directly or indirectly owns more than 25% of share capital.

Grupo Ortiz's shareholders form part of the business project through a relationship of trust and loyalty

5.2. Board of Directors

The Board of Directors is the ultimate management and representative body.

The Board's composition is designed to ensure that shareholders are represented in the fairest way possible based on their interest in the Company's capital.

ORTIZ's Board of Directors currently has eight members:

- Mr. Juan Antonio Carpintero López
- Mr. Javier Carpintero Grande
- Mr. Emilio Carpintero López
- Ms. Sara Carpintero Grande
- Mr. Raul Arce Alonso
- Mr. Juan Luis Dominguez Sidera
- Mr. Carlos Cuervo Arango
- Mr. Gerardo Vicente Recuero /Alejandro Moreno Alonso

Board members are in the following categories:

Executive nominee directors 3/8

External nominee directors 1/8

Executive directors 2/8

Independent external directors 2/8

Board director categories.

It should be noted that the Group's Board has included two professional independent external directors since 18 December 2002, by resolution of the Extraordinary General Shareholders' Meeting of ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A.

Women account for 12.50% of the total number of Board members, as in the previous year.

The directors receive an attendance allowance for each Board meeting the amount of which is determined by the Annual General Meeting in accordance with the Spanish Companies Act.

The average remuneration of Board directors and senior management is reflected in Note 31 of the notes to GRUPO ORTIZ's Consolidated Annual Accounts.

The Board of Directors has delegated all its powers, barring those that may not be delegated, to the Chief Executive Officer.

The Occupational Risk Prevention functions were delegated in the Board meeting of 15 April 2015 to the Joint Manager of GRUPO ORTIZ's Prevention Service.

The Board of Directors has the broadest powers for all matters related to Company administration, representation and management, as well as the administration and management of its assets and all powers not attributed by law or the Bylaws to the General Shareholders' Meeting.

According to the Bylaws, the Board is required to meet quarterly and may be convened at any time by the chairperson. The following meetings were held in 2018: 18/1/1/18, 15/3/18, 10/5/18, 18/7/18, 20/7/18, 25/7/18, 26/7/18, 28/9/18, 2/10/18, 25/10/18 and 20/12/18. All the meetings were attended by all the directors.

2018 Board meetings, announcements and agendas:

The Board meetings were called sufficiently in advance and all the agenda items were included in the announcements. Certain matters, in particular the follow-up of the business plan and regulatory compliance, were repeated.

Duration of Board meetings and documentation furnished:

The duration of the Board meetings was sufficient to address the agenda items to the depth required.

The Board directors were provided, sufficiently in advance, with all the information and documents necessary in relation to each agenda item to ensure that they could participate actively in deliberations and decision-making.

Minutes of the meetings, deliberations and Board secretary's role:

The minutes of each Board meeting were approved at the start of the following meeting.

The non-executive directors considered the information received in 2018 to be complete and to have been furnished sufficiently in advance to form an informed opinion.

The Board secretary acted objectively and impartially, playing a key role in assuring that the Board's procedures were followed and reviewed regularly.

In addition to this advisory and support function, the Board is responsible for overseeing the Management Committee's activities, representing the interests of shareholders and of all those involved with the Company, and assuring compliance with prevailing legislation.

In fact, these two governing bodies complement and obtain feedback from each other. Both the Board of Directors and the Management Committee have responsibilities in common areas of good governance and business management, but each has its own specific functions on two levels, approval and execution:



FUNCIONES	CONSEJO DE ADMINISTRACIÓN	COMITÉ DIRECCIÓN
Misión, Visión y Valores	Definición	Implantación
Estrategia	Aprobación	Diseño/ Implantación
Plan de Negocio	Aprobación y seguimiento	Diseño/ Implantación
Desarrollo Negocio	Impulso	Ejecución
Desarrollo Equipo	del comité de Dirección	De toda la empresa
Inversiones/desinvers	Aprobación	Propuestas

The Board of Directors proposes the inclusion of new Board directors and removal of existing ones, as well as directors' remuneration, for ratification by the General Meeting. Board directors are selected avoiding conflicts of interest so as to facilitate the resolution of conflicts of interest between the Company and its significant shareholders, directors or managers.

On 10 May 2018, the nominee Board director MR. GERARDO VICENTE RECUERO submitted a letter of resignation to the Board Chairman for health reasons. The Annual General Meeting of 24 May 2018 accepted his resignation and, at the Board's proposal, appointed MR. ALEJANDRO MORENO ALONSO as a new independent Board director. This appointment was intended to enrich Board meetings by including one more independent director, particularly in this case, in view of his reputation.

The Group fulfils the transparency principle, not only in formal terms but also from a qualitative perspective by providing the shareholders with complete and accurate information on the Board's management of the Company's affairs, activities and figures, paying special attention to related-party transactions and conflicts of interest.

5.3. Management Committee

The Management Committee is formed by the executive team and led by the Chief Executive Officer. Its main mission is to project the Company into the future, focusing on financial and non-financial objectives that are defined by the Board of Directors.

The members of GRUPO ORTIZ's Management Committee are as follows:

- Chief Executive Officer
- Corporate General Manager (finance and business)
- General Secretary (legal)
- Corporate Development Director (organisation)
- Department directors are also occasionally invited to meetings.

The Management Committee's specific tasks include:

- Proposing the five-year Business Plan and the annual budget to the Board of Directors.
- Defining and promoting the corporate culture.
- Regularly assessing the degree of fulfilment of GRUPO ORTIZ's objectives and taking decisions in the event of non-fulfilment.
- Proposing improvements and investments to the Board of Directors.
- Assessing and analysing certain projects which require oversight in view of their size, timeline and strategic significance.
- Aligning sustainability strategies and commercial actions with general strategies.
- Leading and developing the entire Group's human team.

5.4. Coordination Committee

The Coordination Committee plays a secondary role in ORTIZ with respect to the Board of Directors. It is formed by professionals with different posts and responsibilities in the Company, all of whom have broad multidisciplinary experience.

It meets once a week and liaises between the Board and the rest of the Group.

The Coordination Committee is responsible for promoting a high level of financial management in the Group.

It also seeks to ensure that all activities undertaken in pursuit of its objectives are efficient and in line with the Company's strategies, such as the policies on procurement, human resources, criminal risk prevention, ethics and conduct.

In recent years, GRUPO ORTIZ has changed its business and management approach to projects.

The Coordination Committee, chaired by the Chief Executive Officer, addresses all the production and general services areas and is in charge of defining priorities for the projects undertaken by the Group so as to enhance efficiency and speed during the day-to-day management of activities in each area, in line with the Group's principles and values.

5.5. Code of Ethics

GRUPO ORTIZ has a Code of Ethics and Conduct signed and approved by the Chairman and posted on the website.

For the purposes of the code, “Group” or “Ortiz” refer both to Ortiz Construcciones y Proyectos, S.A. and to its group of companies, which includes all those controlled directly or indirectly. “Control” is understood to exist when the majority of voting rights in the administrative body are held.

The code is an example of the professionalism with which the Group does business and that is expected of its employees and collaborators.

The purpose is to lay down and consolidate an ethical culture that already exists in the Group and to guide us on the best way to do things.

It does not seek to cover all possible situations that might arise. The code is intended to be a reference framework against which to measure all our activities.

The Group affords the most priority to the fair treatment of our employees, clients, suppliers, authorities, investors and the general public.

There are mandatory regulations that may be reflected, in whole or in part, in some of the principles of this code, but the Group's aim on approving it is to go beyond the provisions of legislation and observe and demand compliance with the code, irrespective of the laws in force at a given moment.

Any laws, practices or internal procedures applicable to the natural and legal persons that come under our code which are stricter than the code itself will take precedence.

GRUPO ORTIZ will ensure that the principles set out in our code are observed in all the companies in which it holds interests.

The code is an example of the professionalism with which the Group does business and that is expected of its employees and collaborators.

Internal work regulations

GRUPO ORTIZ has Internal Work Regulations issued in accordance with the legislation of the countries in which our projects are executed.

They specify the labour obligations and rights of employers and workers, working hours and compliance with occupational health and safety requirements.

This document must be reviewed by our project teams and duly approved for application as soon as the work begins.

In 2018, various actions were taken to strengthen all the aspects of our code and disseminate its significance:

- Communication of GRUPO ORTIZ's Code of Ethics and Internal Regulations to new hires and to international personnel.
- Ongoing update of and training in the internal procedures, regulations and manuals.
- Special training plan on internal procedures.
- Management of the whistleblower channel.
- Submission of documents in response to all compliance requirements from bodies such as "IFC- World Bank".
- Analysis of operations that could be affected by a potential conflict of interests.
- Review and update of the Prevention Manual.
- Transparency in communications and information obligations.



The text of the Group's Code of Ethics and Conduct is fully accessible in the following link:

<http://www.grupoortiz.com/es/responsabilidad/codigo-etico/>

5.6 Compliance programme

2018 actions

- Approval of new crime prevention procedures.
- Approval of the review of the Crime Prevention Protocol. Adaptation to the new protocols.
- Internal and external audits and verification of the compliance system.
- Processing of three cases reported through the whistleblower channel.
- Study of:
Domestic partners: 20
Domestic clients: 28 (+1 under analysis)
International partners: 15 (+2 under analysis)
International clients: 6 (+1 under analysis)
All were found to be SUITABLE.

2019 objectives

- Optimisation of whistleblower channel management.
- Further adaptation of the protocols to different international scenarios.
- Ongoing assessment of the system by means of audits.
- Improvement of the audit procedures based on 2018 findings.
- Preparation and approval of a non-financial data report. (2018 Sustainability Report)
- Appointment of non-financial report auditors pursuant to Law 11/2018 of 28 December 2018.

The start-up of our compliance programme began in 2016, assisted by specialised consultants chosen by the Board of Directors in the meeting of 16 March 2016, in response to the reform of the Criminal Code establishing the criminal liability of companies for offences committed by their management and employees. The programme covers all the Group's companies.

It is based on a set of procedures that had already been implemented in the Group plus improvements and additions to bring them into line with the new legislation.

At the initiative of the Group's Board and in order to implement an effective, core manual of organisational and management guidelines to mitigate the risk of offences being committed, the Company created an Ethics and Crime Prevention Committee to coordinate the regulatory compliance process.

Grupo Ortiz's regulatory compliance process is coordinated and controlled through our Compliance Programme and by the Ethics and Crime Prevention Committee

The Ethics and Crime Prevention Committee reports directly to the Board of Directors on all compliance matters, the main purpose being to ensure that all the Group companies show a commitment to human rights, sustainability and the fight against corruption. The Ethics and Crime Prevention Committee has the following members:

- CHAIR. Ms. Virginia Garcia Martín. Internal Audit Director
- MEMBER Ms. Sara Carpintero Grande. Corporate Development Director
- MEMBER Mr. Raul Arce Alonso. Corporate General Manager
- MEMBER Mr. Gonzalo de la Torre Díaz. Human Resources Director
- VOTING SECRETARY. Mr. Juan Luis Domínguez Sidera General Secretary

In order to comply with regulations and the organisation's values to the greatest extent possible, certain national and international procedures that are in place are reviewed and updated continuously based on needs, experience or relevant changes in the Group.

Through the Training and Communication Departments, GRUPO ORTIZ assures that the employees are aware of and familiar with the relevant procedures applicable to their performance.

All those who form part of GRUPO ORTIZ must familiarise themselves with our **Code of Ethics** and Compliance Programme, consulting these documents if necessary. The Code of Ethics is available in the website and the compliance procedures may be consulted by all the Group's personnel in our internal digital files.

This programme includes a **Whistleblower Channel** to report infringements of requirements, procedures and policies, as a direct, anonymous hotline.

The whistleblower channel may be used by both employees and stakeholders, through a website form.

The members of the Ethics and Crime Prevention Committee are responsible for conducting any investigations that may be necessary.

Code of Ethics. Our values:

- Responsible growth.
- Commitment to society.
- Proximity and commitment to our clients.
- Social responsibility.
- Swift decision-making.
- Promotion of human capital talent.
- Environmental responsibility.
- Corporate stability.
- Independence.
- Flexibility and adaptation to change.

The main activities carried out by GRUPO ORTIZ in **2018** under the Crime Prevention and Detection Model are as follows:

I. Internal audit of the following offences:

In 2018, the following offences were audited and clear rules were implemented for each procedure in order to prevent the offences:

- **Money laundering.** Art. 302 of the Criminal Code. In association with the law firm SMA Abogados y Asociados.
- **Environmental offences.** Art. 328 of the Criminal Code. Completed pursuant to ISO 14001. AENOR.
- **Privacy offence and unauthorised access.** In association with the law firm SMA Abogados y Asociados. Art. 197 of the Criminal Code.
- **Unlawful construction, building or urban development.** Art. 319 of the Criminal Code.

ETHICS AND CRIME PREVENTION COMMITTEE.

- **Bribery and influence peddling.** Art. 424 of the Criminal Code.

ETHICS AND CRIME PREVENTION COMMITTEE.

The internal audits focused on the systems in place to prevent corruption, unlawful building and environmental offences as the most relevant to the Group's activities.

II. Approval of GRUPO ORTIZ's V Collective Bargaining Agreement. Definition of a Compliance System offence.

GRUPO ORTIZ is a pioneer in compliance with Article 31.ii) of the Criminal Code, having agreed to define the following acts as punishable labour misdemeanours in the Ortiz Group's V Collective Agreement.

Infringement of the Code of Ethics and of any other Group regulations on crime prevention and internal procedures, which may be minor, serious and very serious, depending on whether or not they cause financial harm, have criminal implications for the Group or are damaging to the Group's image.

III. Review of the Crime Prevention Protocol.

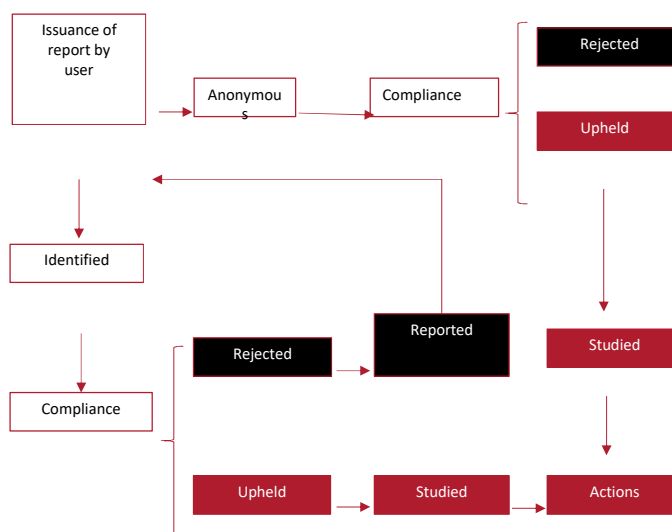
The procedures set out in the Prevention Protocol have been reviewed and updated. This document contains practical guidelines on regulatory compliance.

IV. Training in offences against workers

During the annual recycling workshops, talks were given to those responsible for projects in which other companies collaborate either as partners or subcontractors on potential offences against workers and how to detect and avoid them, demanding strict compliance with labour legislation in all Ortiz’s projects.

The expansion and development of the Compliance Programme must continue in 2019 and beyond. In view of the diverse scenarios in which the Group operates, in terms of both geographies and industries, increasingly specific procedures must be spawned from the core that is already in place so as to account for any peculiarities that may be detected as a result of experience gained and reviews performed.

Management of the whistleblower channel must also be refined to enhance engagement, as an important source of information that protects the rights of all those involved.



5.7. Transparency and communication

GRUPO ORTIZ publishes all its financial and corporate data so that our stakeholders can access information on economic, social and environmental matters that is public, accessible, clear, complete and accurate.

Our communication channels allow a relationship based on trust and insight as we report on the actual situation in the Group companies.

2018 ACTIONS

- The frequency of publications in the internal newsletter has been increased and the content has been improved, reporting to our domestic and international workforce significant news, interviews with colleagues, CSR actions and important projects.
- A new edition of the Investors Report was published in June 2018.
- The new Management Report and Annual Accounts were released in March 2018.
- The Group's Progress Report was published in September 2018 in the Spanish network of signatories of the United Nations Global Compact, through its Compactlink platform.
- A new website was created for some Group companies such as INDAGSA, INDITEC, CONDISA, ELECOR, JUAN GALINDO Y ASTEISA, GO BARAJAS and GRUPO ORTIZ PROPERTIES SOCIMI.
- Significant events were posted on our corporate website.
- Material and human resources were increased to receive and respond to posts through our external communication channels: forums and whistleblower channel.
- The percentage of suppliers using the Supplier Portal tool rose.
- Training was provided for 55 employees in different internal tools such as Office 365, specifically Skype for Business, OneDrive and OneNote, so as to considerably improve communication between central services and regional offices in Spain and abroad.
- Human resources and personnel management information was included in the Employee Portal.
- The exchange server, through which the employee can share internal documents and information quickly and continuously, was improved.

2019 OBJECTIVES

- Increase employee engagement in the preparation of Newsletter content.
- Promote and improve our communication in social media, : LinkedIn, Facebook and Twitter.
- Carry on fulfilling our obligation to submit the Global Compact progress report.
- Create suitable channels to both communicate and receive information and obtain a return from our interlocutors. Increase the content in these channels.



GRUPO ORTIZ furnishes information on economic, social and environmental matters that is public, accessible, clear, complete and accurate.

One of the strengths of the Strategic Sustainability Plan is that it provides GRUPO ORTIZ with a suitable communication plan to further optimise external and internal channels, increasing our capacity to effectively inform our stakeholders of actions implemented, thereby highlighting their significance.

The Group has the necessary tools to obtain and transfer all kinds of data (PixellWare, HR, products) and respond adequately to any incident that might arise.

Our investors can access all the information they need in an entirely TRANSPARENT manner both through the MARF website and our own site in the “Investors” section. It is also available through the bondholder commissioner, the MAB website and the website of GRUPO ORTIZ PROPERTIES.

The main reports published in 2018 through our communication channels are listed below:

- Management Report and Annual Accounts.
 - Covering all the Group’s financial data and business activities. They are filed at the Commercial Registry and posted on GRUPO ORTIZ’s own website.
- Non-Financial Information Statement (Sustainability Report).
 - Addressing all sustainability aspects and progress each year. Available in GRUPO ORTIZ’s website and in the intranet. As from the current year and following the approval of the Law on Non-Financial Information, it will be attached to the annual management report.
- Progress report for the Spanish Global Compact network.
 - At the same time as the annual Sustainability Report, the Global Compact progress report required by the United Nations for the Group to remain a signatory is being drawn up. It is a public report and may be accessed through the Spanish Global Compact network's website.

Grupo Ortiz has the necessary tools to obtain and transfer all kinds of data and respond adequately to any incident that might arise



6. Society and communities:

Responsible behaviour
Clients
Supply chain
Local communities
Social action



6. Society and communities

We have an open system through which to relate to society and interact with our communities. GRUPO ORTIZ is not an isolated entity as we are in contact with everything around us in what we refer to as the business environment.

Our business activity would make no sense were it not for our relations with clients, suppliers, investors and the local people. Our business environment is also formed by competitors, authorities, the environment and communities.

The projects undertaken in all our business areas and by all GRUPO ORTIZ's companies have a significant social impact, contributing towards sustainable and economic development in society at large.

In the conviction that society influences companies which, in turn, influence society, we must assure behaviour in business that creates win-win situations.

6.1. Responsible behaviour

Our corporate social commitment, sustainability and good governance all mark GRUPO ORTIZ's behaviour. Besides strict regulatory compliance following the 2015 Criminal Code reform, we also study and assess best practices and adapt our business ethics, which are disseminated among all our stakeholders thanks to our Compliance Programme.

Each GRUPO ORTIZ employee is aware that their work brings wealth and social value while also promoting well-being and sustainable development.

Training and awareness building courses were taught on the adaptation of **business ethics** to ensure that they have sufficient knowledge of their responsibilities. This organisational change began in 2016 by adding a code of ethics and social responsibility, an anti-corruption policy and an ethics committee to assure that our commitments are honoured.

GRUPO ORTIZ implements Social Management Plans in our projects in order to build awareness and provide tools for communities that reduce the impact and minimise risks of social conflict during the construction, operation and maintenance phases.

One of the most relevant aspects of our companies' responsible behaviour is **safety**. In pursuit of our primary target of ZERO ACCIDENTS, in 2018 GRUPO ORTIZ focused on a system of project supervision, oversight and control that is being applied on-site in the interests of quality, the environment and occupational risk prevention.

In the past year, 661 visits were paid to work centres for control and supervision purposes, a large part at international plants, particularly for the energy projects in Aguascalientes and the Tepic Hospital in Mexico, as well as construction projects in Panama and Colombia.

As regards "**non-discrimination**", our services company INDITEC hired **people in situations of social exclusion**.

As a responsible company, in 2018 GRUPO ORTIZ submitted a new progress report as a signatory of the United Nations Global Compact, to which we adhered in 2010.

As a signatory, we commit to upholding the 10 Principles established by the United Nations for a universal consensus in the following areas:

- ✓ Human rights
- ✓ Environment
- ✓ Work
- ✓ Anti-corruption



All the GRUPO ORTIZ companies undertake to fulfil the United Nations SDGs (Sustainable Development Goals) applicable to their activities.



To conclude, GRUPO ORTIZ's responsible business behaviour in society is based on:

- Working to build more **synergies between the business and ethical behaviour by applying the “Compliance Programme”** and a **Circular Economy** based on:
 - Transparency
 - Innovation
 - Legitimacy
 - Efficiency and profitability
 - Reputation
 - Sustainability
- Encouraging **responsible growth and sustainable development: GRUPO ORTIZ** studies and applies new technologies in its projects to reduce energy consumption and CO₂ emissions, as well as to improve waste management.
- Becoming involved in **economic and social development** in the communities where our projects are carried out, generating jobs, clean energy, infrastructures and social wealth.
- Fulfilling all our stakeholders’ expectations: we have **our own tools** to share, receive and manage relations with each of them, such as the Employee Portal, Supplier Portal, Whistleblower Channel and eTalent Programme.
- By developing programmes and improving collective agreements, GRUPO ORTIZ seeks to ensure **stability in the workforce** and to **retain talent**.
- Pursuing health, safety and **“Zero accidents”** in all our activities on the basis of Occupational Risk Programmes.

6.2. Clients

Offering excellence in client service is a maxim for GRUPO ORTIZ and one of our strategic lines consists of strengthening relations with clients to guarantee that our services are satisfactory for all those involved through dialogue and transparency.

Honouring commitments, proximity, flexibility, adaptation to change and swift decision-making underlie our client relations.

2018 actions

- Growth of the customer portfolio and an increase in consolidated revenue.
- Fulfilment of client expectations.
- Greater relevance of Energy area clients and a rise in related international revenue.
- 469 MWp installed and deadlines met.
- 609 MWp under construction.
- +400 MW in the study phase.
- Contract with CLH for an oil storage facility in Mexico.
- Contract with Terna for a line and substation in Peru.

2019 objectives

- Further increase our insight into clients.
- Monitor and improve client satisfaction.
- Enhanced client loyalty.
- Adaptation to change and to our clients' requirements.

Our customer portfolio is highly diversified, as are our business areas. In the domestic arena, the projects undertaken for our clients essentially comprise the rehabilitation and restoration of monuments (CONDISA), environmental works (INDITEC) and railway sector projects (COSFESA).

Our Concessions area now manages a highly diversified client portfolio, undertaking infrastructure projects (roads, railways, car parks, environment, culture, sports, service stations) and energy projects (solar thermal, wind, photovoltaic, energy efficiency). Nearly all our projects are in the operating phase.

Honouring commitments, proximity to our clients, flexibility, adaptation to change and swift decision-making underlie our client relations.

At present, our Energy area has become a reference through the companies ORTIZ ENERGÍA, ELECOR and JUAN GALINDO, the client portfolio having grown very considerably.

GRUPO ORTIZ began its international expansion in 2010, working with new clients and applying the same principles and values as in our relations with domestic clients.

Our technical teams have sufficient capacity and information at the right time to be able to take decisions to effectively complete projects within the deadlines while leveraging resources in the best possible way.

Information, technology and occupational safety must be at the core of our daily activities in all projects, thanks to mechanisms that allow our project managers to take decisions to mitigate the risk of infringing the handover terms agreed with our clients.

We are in the process of creating service strategies that incorporate technology not only in the form of construction equipment but also in information systems that can develop best practices to assure that our clients are satisfied with our business management.

One clear example is the implementation in 2018 of the BIM (Building Information Modelling) system to provide clients with a better quality service. It is a work methodology based on the use of three-dimensional virtual models containing detailed information that facilitates the visualisation of projects.



Implementation in 2018 of the BIM (Building Information Modelling) system to provide clients with a better quality service.

The portfolio of international projects currently accounts for 77% of the total portfolio.

In turn, in the international portfolio, renewable energies grew significantly to reach 77% of the total.

The total portfolio also increased considerably on the previous year.

This growth resulted in an increase of over 41% in consolidated revenue in 2018.

INTERNATIONAL CLIENTS

PRIVATE ENTITIES

- ALTEN CUBICO
- CLH
- PACIFIC SOLAR
- X-ELIO ENERGY
- ENDESA
- GAS NATURAL FENOSA
- TRINA SOLAR
- ULTRA
- VENA ENERGY
- CANADIAN SOLAR INDUST.
- GRUPO ONIX
- RED DE ENERGIA DEL PERÚ
- ELECTRO SUR ESTE
- PLENIUM PARTNERS
- ISA-REP
- GRUPO BORJA

PUBLIC BODIES

- CENTRAL GOVERNMENT
- LOCAL GOVERNMENT
- REGIONAL GOVERNMENTS
- MEXICO FEDERAL ELECTRICITY COMMISSION
- GOVERNMENT OF PANAMA
- PANAMA NATIONAL INSTITUTE OF AQUEDUCTS AND SEWAGE SYSTEMS
- ISSTE
- CONADES



DOMESTIC CLIENTS

PRIVATE ENTITIES

- GRUPO RIU
- PRIMARK
- ALDI
- GAS NATURAL FENOSA
- IBERDROLA
- SIEMENS
- GESTILAR
- CIA DISTRIBUC. INTEGRAL LOGISTICA, S.A.
- PRIVATE SCHOOLS
- HOUSING COOPERATIVES
- S.A. DE DEPORTES Y ESPECTACULOS (SADE)
- ALMARAZ TRILLO NUCLEAR PLANT
- INTERSXION ESPAÑA, S.A.U.
- CONJUNTO EMPRESARIAL RDE, S.L.
- PRYCONSA
- AENA

PUBLIC BODIES

- CENTRAL GOVERNMENT
- REGIONAL GOVERNMENT
- LOCAL GOVERNMENT
- METRO DE MADRID
- ARPROMA
- GICAMAN
- A.D.I.F
- CESIC
- UNIVERSIDAD CARLOS III DE MADRID
- BANK OF SPAIN
- SPANISH PARLIAMENT



6.3. Sustainable supply chain

GRUPO ORTIZ's Procurement Department focuses on sustainability so that our impact on society and the environment is positive thanks to a **sustainable supply chain**.

We have a pledge to cut emissions, discharges and energy consumption to reduce our environmental impact.

We manage the supply chain and the contracting of works, subcontractors and services in an orderly, coordinated way. Our approach is responsible, the Group's commitments to ethics and social responsibility contained in the Code of Ethics always prevailing.



Managing risks to assure product quality and supply security as part of a social policy is one of GRUPO ORTIZ's primary objectives

In order to be able to carry out this task with the utmost transparency and using objective supplier selection criteria, GRUPO ORTIZ makes sure to inform and require a contractual commitment from suppliers in connection with our **Code of Ethics and Social Policy**.

The main actions and objectives for 2018 and 2019 include:

Acciones 2018

- Creación de Departamento de Compras Centralizadas Energía.
- Migración de gestión documental descentralizada al módulo de gestión documental "INTEGRA" aportando entre otras cosas total transparencia en las compras.
- Optimización de modelo de Comparativos que permiten una total homogenización de la contratación de la cadena de suministros.
- Modificación de criterios de validación técnica tanto en contrataciones centralizadas como locales.

Objetivos 2019

- Implantación de Plan de Compras para Energía.
- Mejora y consolidación de procedimiento de Compras
- Achieve the Group's strategic objectives during expansion and growth.
- Modificación del marco legal de los contratos de Suministro, Subcontratas y Servicios con el principal objetivo de minimizar riesgos en las contrataciones.
- Creación de herramientas de identificación de riesgos en la contratación teniendo en cuenta el " Back to Back" del contrato EPC.

Globalisation



In 2018, GRUPO ORTIZ increased the number of contracts entered into with suppliers worldwide, working to continuously improve during the expansion and globalisation of the business.

One of the key missions of GRUPO ORTIZ's Procurement Department is to manage the transformation of the procurement function in order to achieve the Group's strategic objectives during expansion and growth in global markets, assuring that the supply chain is competitive in each business area and meets needs in terms of costs, time-to-market and product quality. This must also be assured while complying with legislation in each country, minimising project risks by arranging contracts under a suitable legal framework and guaranteeing that the Group's social policy is observed at all times.

La globalización trae como consecuencia un aumento de número de proveedores, así como, una expansión en la procedencia de los mismos.

2018	Suministros contratados	Proveedores
Negocio Energía	463	271
Negocio Construcción	2360	816

Approximately 90% of the volume purchased in 2018 was sourced in seven countries: Spain, Italy, India, China, Japan, Korea and Mexico.



Supplier policy

GRUPO ORTIZ aims to make its supplier a project “partner”, seeking continuously improvement.

In the interests of full transparency and efficiency, suppliers may access the Supplier Portal, a tool created for them in which they may consult the status of their invoices, obtain information on documents yet to go through our selection process or upload documents to manage purchases.

GRUPO ORTIZ has a Supplier Classification Process to assure supplier quality, entailing a protocol to be followed prior to and following the award of a contract.

La buena elección de los proveedores es fundamental para lograr esta optimización de la cadena de suministro.

Classifications assigned to suppliers are based on their scores for quality, environment, deadlines, cooperation and occupational safety. The supplier category depends on the score obtained.

Category A is for optimal suppliers that do not need to improve in any of the areas assessed, while Category D is for suppliers with a lower score and an urgent need to improve in quality and environmental management, contrary to GRUPO ORTIZ's contracting policy.

This assessment and classification process adds value to suppliers, allowing them to identify improvement areas so as to focus efforts on all aspects of social responsibility.

Data on supplier classifications in the past three years are as follows:

Clasificación Proveedor	Puntuación para obtener Categoría
Categoría A	≥ 14
Categoría B	≥ 12 y < 14
Categoría C	≥ 8 y < 12
Categoría D	< 8

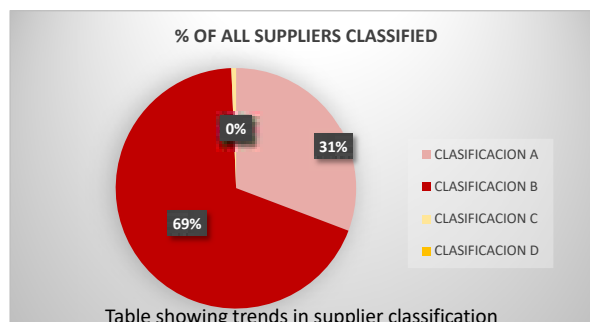


Table showing trends in supplier classification

Los principios básicos de esta política de compras son: Ética, Integridad, Transparencia, Aportación de valor en las compras y por tanto en la compañía y mejora continua en relación con proveedores.

Findings

The Group's procurement policy lays down a global framework for controlling and managing risks that arise during supply chain management and the contracting of works and services, placing special emphasis on compliance with ethical commitments by the Group companies and by our suppliers.

GRUPO ORTIZ always bears in mind our contribution to environmental improvement and the Procurement Department purchases energy-optimised equipment when necessary to optimise renewable energy projects.

Supplier and subcontractor audits

The procurement and subcontracting procedure put in place by the organisation is audited every year by an external certification entity.

The following audits have been completed in the last two years:

- 2017. AENOR AUDIT.
 Dates: 20 February 2017 – 3 March 2017.
 Findings: Correct implementation of the procurement and subcontracting procedure.
 Correct assessment of the organisation's approved suppliers.
 One minor departure identified due to the failure to approve a procurement procedure for a project in Colombia.

- 2018. AENOR AUDIT.
 Date: 18 April 2018.
 Findings: Correct implementation of the procurement and subcontracting procedure.
 Improvement opportunity detected: the method established by the organisation for approving and classifying suppliers and subcontractors should be simplified.
 Observations made: the Study Department's suppliers should be included in the list of GRUPO ORTIZ's approved suppliers.

Environmental performance of subcontractors

GRUPO ORTIZ assures the suitable environmental behaviour of its subcontractors in two ways:

- When contracting the service or supply through the Procurement and Subcontracting Procedure. (PG06 and 07) .

This document is divided into (i) the Procurement and Subcontracting Procedure and (ii) the Supplier Assessment Procedure.

The first lays down the system to be followed to purchase the materials and equipment necessary to execute the works, services or activities carried out by GRUPO ORTIZ, as well as to subcontract services to collaborating companies during those works, services or activities. It defines the activities necessary to assure that purchases and subcontracting are managed effectively, including quality and compliance with environmental requirements.

These environmental requirements are extracted for each material and service from the **Technical Specifications on Procurement** that are provided to the supplier and/or subcontractor when the contract is signed.

The Supplier Assessment Procedure defines the criteria for identifying, evaluating and classifying suppliers of materials or equipment, and subcontractors, so as to assure that they are properly assessed and approved before the purchase or service is contracted. When a subcontracted service is completed, the subcontractor is assessed from an environmental viewpoint by means of the **Contract Compliance Report**.

This document is accompanied by the model contracts for services, works execution contracts, supply contracts and mandatory standard contractual clauses that must be observed by the subcontractor in all its relations with GRUPO ORTIZ companies.

- During operational monitoring and control performed on site and defined in point 3 of this document.

6.4 Local communities

As a large part of our activities are conducted in emerging countries and disadvantaged geographic zones, GRUPO ORTIZ's work brings great improvements and benefits for local communities, providing people with better transportation and energy services, infrastructures and sanitary services, while also fomenting a considerable increase in local jobs and training programmes.

The aim of our contribution to these communities is to **give back to society, in some way, what it gives us by allowing our projects to go ahead.**

GRUPO ORTIZ's projects always stimulate growth, either economically or socially, by enhancing well-being and equality in terms of living conditions in the local population.

Sustainability and corporate social responsibility are particularly important in all the countries in which we operate, where we undertake to:

- Carry on out activities in a socially responsible way, respective cultural diversity, customs and principles in the local communities.
- Comply with legislation applicable to the local people.
- Respect biodiversity on the land affected by our business activities.
- Implement Social Management Plans in each project.

GRUPO ORTIZ contributes towards economic and social development in the local communities in which our projects are undertaken, generating jobs, clean energy, infrastructures and social wealth to improve the quality of life. 66% of the Group's revenue is generated by international projects, almost all of which are social projects.

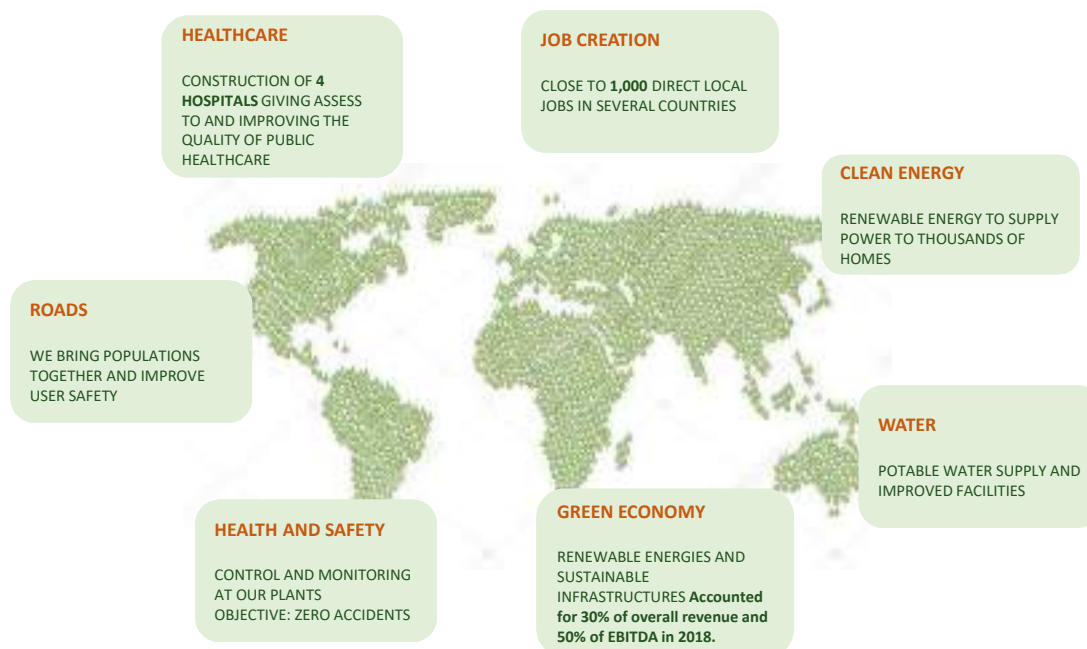
2018 actions

- Implementation of the Training Plan system to build skills in the local workforce.
- Access to electricity in isolated areas.
- Social Management Plans to control the impact of our projects on local people. Besides participating with our clients in the preparation of these Social Management Plans, GRUPO ORTIZ is responsible for implementing them during our projects.
- Execution of projects that bring social benefits to the communities.

2019 objectives

- Grow the portfolio of projects that improve society.
- Extend and improve new management plans.
- Increase and train local employees.
- Reduce all risk factors in our community activities.
- Take part in cooperation projects in our local communities.

SOCIAL IMPACT OF OUR COMPANIES IN LOCAL COMMUNITIES



SOCIAL MANAGEMENT PLAN APPLIED TO INTERNATIONAL PROJECTS

GRUPO ORTIZ applies Social Management Plans in its foreign projects. The main goals are as follows:

- Build awareness and provide tools for communities to reduce impacts and minimise risks of social conflict during the construction, operation and maintenance phases of the project.
- Create a framework for community engagement in the interests of local development and the provision of basic services such as potable water, sanitation and healthcare in general.
- Train, build awareness and disseminate information so that local communities feel part of and responsible for the use, care and sustainability of the infrastructure.
- Assure suitable use of public services for households, control mechanisms and social engagement.
- Disclose information on the project to benefit our client's institutional image.
- Monitor and oversee the contractors responsible for the works, the firms supervising execution and the communities benefiting from the project, jointly with our client.

STRATEGIC LINES OF THE SOCIAL MANAGEMENT PLAN

1. COORDINATION WITH LOCAL AUTHORITIES AND INSTITUTIONS.

Purpose: to establish permanent communication and information channels with local authorities through the unit coordinating the project in connection with actions that GRUPO ORTIZ will carry out during project implementation, including direct actions by contractors and the company supervising the construction, operation and maintenance phases.

2. INCLUSION OF COMMUNITY LEADERS AND IMPLEMENTATION OF ACTIONS.

Objective: to work with the main community contacts and leaders committed to local community development.

3. DESIGN AND REPRODUCTION OF INFORMATIVE AND EDUCATIONAL MATERIALS.

Objective: to facilitate knowledge of the project by preparing and reproducing informative and/or educational materials so as to build awareness in the local population groups.

4. DISCLOSURE OF OUR PROJECTS IN THE LOCAL COMMUNITIES.

Objective: to guarantee that the local population has the necessary information on the projects to be carried out.

5. COMMUNICATION CHANNEL.

Objective: to engage local people and community leaders related to the project in the interests of transparency and social control.

6. RESPONSE TO COMPLAINTS AND CLAIMS.

The project coordination unit will draw up a Complaints and Claims Procedure. Each case will be digitalised, documented and followed up.

7. SOCIAL MANAGEMENT PLAN.

GRUPO ORTIZ must prepare a Social Management Plan containing strategic lines and specific actions.

A number of indicators will also be defined to measure the social activities and analyse efficiency and effectiveness.



6.5 Social action

Besides contributing to sustainable development in the communities and societies in which we do business, we seek other ways to participate and collaborate in projects that, above all, promote economic development, better education and access to healthcare in the most needy populations.

Our corporate social responsibility programme includes collaboration with associations, foundations and NGOs to foment social initiatives that distinguish economic investment from ethical investment and from solidarity funding.

GRUPO ORTIZ thereby responds to growing demand from communities for actions that benefit integration and human rights.

Our participation in cultural and sports activities are also an important part of our cooperation.

As in all our business areas, our Code of Ethics must be rigorously observed in collaborations with foundations and NGOs.

Firstly, all requests for collaboration received must go through an initial selection process in our Corporate Social Responsibility Department to assure that they fulfil GRUPO ORTIZ's main requirements for a solidarity project:

- ✓ Contribution to infrastructure development
- ✓ Contribution to the development and improvement of education
- ✓ Contribution to the development and improvement of healthcare
- ✓ The project may not have sexist, political or any other kind of discriminatory connotations
- ✓ It must not be related to corruption
- ✓ The organisation must be registered in order to be able to certify our collaboration.



Our corporate social responsibility programme includes collaboration with associations, foundations and NGOs to foment social initiatives that distinguish economic investment from ethical investment and from solidarity funding.

Once fulfilment of these requirements has been verified, the Ethics Committee decides whether or not our collaboration is appropriate. If the outcome is positive and once the application has been approved, the organisation in question must submit and complete a number of documents.

- ✓ Written request for the contribution and project description.
- ✓ Bylaws of the Foundation or NGO.
- ✓ Form containing the applicant's main details.
- ✓ Signed collaboration agreement between the parties.
- ✓ Certificate attesting to receipt of the donation.
- ✓ Commitment to report on project status.

Cooperation

At the end of 2018, our employees took part in various activities to raise funds for the project undertaken by **ARCHITECTS WITHOUT FRONTIERS** to build two classrooms in Joal-Fadiouth, Senegal. GRUPO ORTIZ also made a contribution.

As indicated in the previous section, as a socially responsible company GRUPO ORTIZ collaborates with various associations and foundations, enabling us to cooperate through their projects with the most underprivileged communities at the national and international level.

We have acquired a number of commitments in different areas of cooperation such as the projects undertaken by the NGO **“Zerca y Lejos”** in Cameroon. We have collaborated with them since 2007 on development, education and healthcare programmes.

Since 2010 we have taken part in their school twinning programme, subsidising two preschool classrooms. We targeted our employees in campaigns to cover specific, primary needs such as school material, transportation or medicines.



We seek other ways to participate and collaborate in projects that, above all, promote economic development, better education and access to healthcare in the most needy populations.

Through the **la Caixa community projects** programme, we have collaborated annually with **Gavi Alliance** since 2009 to vaccinate children worldwide.

Another of our most significant cooperation projects is the **Habitat Programme**, a housing project undertaken by the RAIS Foundation and the association PROVIVIENDA for the homeless and socially excluded. It is based on the Housing First method, which offers an innovative response to the homelessness phenomenon in order to eradicate it.

The Habitat Programme provides people with an individual home and professional support. In the Agreement entered into on 23 May 2018 with RAIS FUNDACION - PROVIVIENDA we undertook to provide the rent for one home in each of our developments on below-market terms, thus providing homeless people with rented housing for social inclusion in Madrid.

In February 2018, we signed a collaboration agreement with the **INUIT FOUNDATION** for four national projects in the fields of education, employment, sustainable development and social inclusion.

We also have a special feeling for the **Saint Jude Orphanage** in Uganda and we have frequently cooperated with this humble project which helps children get on in life.

For the coming year, we plan to implement a Volunteer Management programme to offer all our employees the chance to take part in various cooperation activities. The employees themselves will vote to choose the projects.

Other organisations with which GRUPO ORTIZ has recently collaborated:

- **Cancer Charity Race in Alboraya (Valencia Region)**
- **Cruz Roja**: annual fundraising draw
- **AFIM Foundation**: working for young people, the elderly and people with physical, intellectual, sensory and mental disabilities
- **Cruz Roja**
- **Cáritas**
- **Peruvian Embassy**: Contribution to help disaster victims in Peru
- **Valora Foundation (Madrid)**: Contribution to help disaster victims in Colombia
- **Fideicomiso Fuerza México**: Assistance for earthquake victims in Mexico
- **Villanueva de Alcardete Town Council**: Contribution of materials to rehabilitate the municipal centre for the elderly



We also cooperate with cultural and sports projects, taking part in activities and supporting different entities such as:

- General interest talks for our employees such as the one given at our headquarters in November 2018 by Doctor Marien Rojas.
- Several university foundations.
- Book publications related to our society.
- Sponsorship of sociocultural activities.
- Collaboration with music schools.



GRUPO ORTIZ partially subsidises gym fees for our employees and cooperates with several foundations that organise sports events so as to encourage participation in sports and health habits.



Saint Jude Orphanage
(Uganda)



7. People:

Employment
Equality
Training
Human rights
Health and safety



7. PEOPLE

ORTIZ has always been aware of the great value contributed by the workforce to guarantee that our business can continue. People generate ideas and GRUPO ORTIZ's projects in 12 countries. We prioritise a non-discriminatory work environment committed to corporate values and the stimulation of each employee's talent.

2018 ACTIONS

- Publication of the V Collective Bargaining Agreement for GRUPO ORTIZ's Construction Companies.
- Signing of ORTIZ's new Equality Plan.
- New work-life balance measures.
- Training for talent attraction in social media.
- Employee training in offences against workers' rights.
- Over 1,700 workers were trained in 2018 in Spain and over 2,500 at the international level, including ORTIZ's own employees and those of our collaborators.
- Leadership training for women.
- Extension of the group of employees benefiting from the language training plan.

2019 OBJECTIVES

- Oversee workforce stability and talent retention.
- Improve the use of social media to attract talent.
- Promote the Etalent tool for internal talent management.
- Extend documented best practices in equality to all of our work centres.
- Focus on integration and diversity, increasing the number of disabled employees above the legal minimum.
- Continuously recycle and perfect our ORP so as to reduce accidents rates to a minimum.
- Manage the volunteer programme for employees.

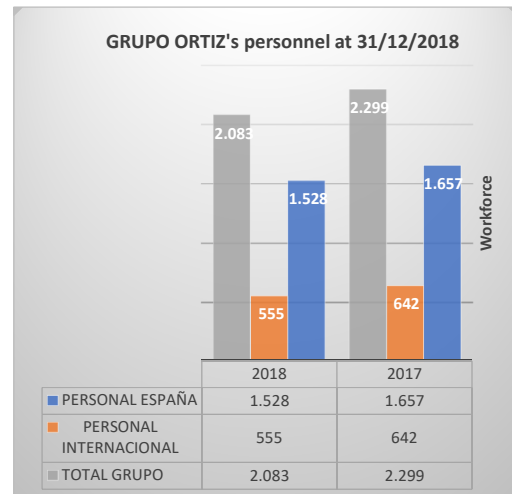
The following general principles are present throughout our Code of Ethics and in all our procedures:

- Compliance with labour legislation and regulations in all the countries in which the Group operates, as applicable to our activities, as well as other requirements imposed voluntarily, particularly those of collective bargaining agreements.
- Absolute respect for human rights.
- Assurance of non-discrimination by reason of gender, race, religion, nationality, age or sexual orientation.
- Talent attraction and commitment to people.
- Assurance of occupational health and safety.

7.1. Employment

GRUPO ORTIZ defends indefinite contracting and internal opportunities to create stable employment, the number of indefinite contracts having risen in recent years. In Spain, **74.15% of personnel currently have indefinite contracts**. We have also developed our **Talent Management** programme to help us to promote our professionals and successfully place them in the Group's new and expanding sectors such as Energy and Concessions.

At 31 December 2018, the Group has a total of 2,083 employees, as compared with 2,299 at the end of 2017, entailing a reduction of 216.



This decrease is not the result of lay-offs but of the termination of contracts with personnel in the services area due to a subrogation process. Specifically, only 22 people were dismissed, including four women. These dismissals are shown below by gender, contract type, age and professional group:

CATEGORY/AGE RANGE	FULL-TIME				REDUCED WORKING DAY			
	WOMEN		MEN		WOMEN		MEN	
	PERMA-NENT CONT.	TEMPORARY CONTRACT	PERMA-NENT CONT.	TEMPORARY CONTRACT	PERMA-NENT CONT.	TEMPORARY CONTRACT	PERMA-NENT CONT.	TEMPORARY CONTRACT
MANAGERS/ADMIN. ASSISTANTS - TECH (WORKS)								
31-45			3					
46-60			1	1				
MIDDLE MANAGEMENT								
46-60				1				
OPERATIVES								
31-45		1	3	4	1	1	1	1
46-60			1	1				1
>60	1							
TOTAL LAY-OFFS: 22								

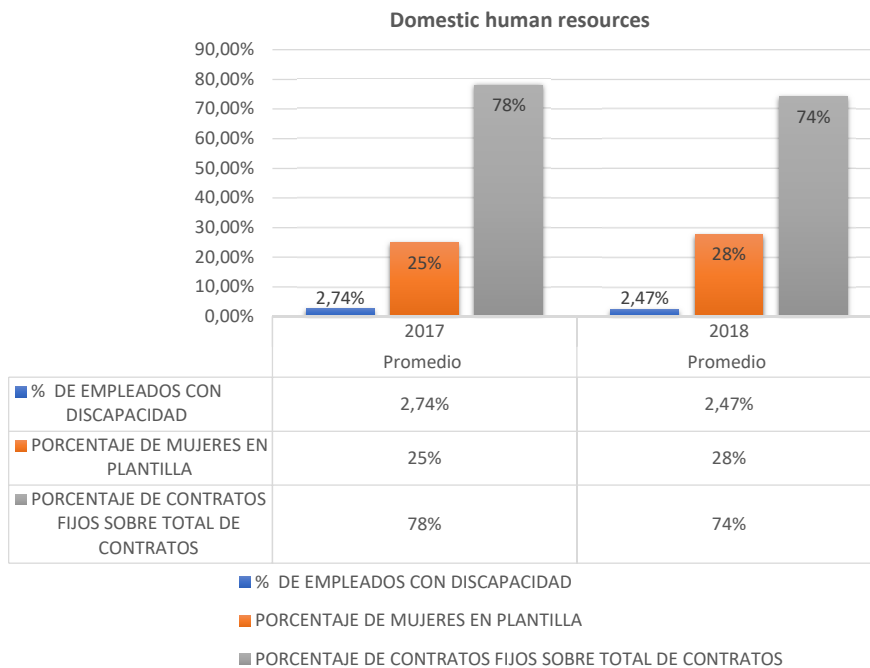
The data show that there is no discrimination by reason of gender, age or contract type, the percentages of those affected in each group being proportionate.

There are 232 employees in the Energy area, not counting 56 Spanish technicians assigned to foreign countries or over 268 local workers in those countries, all in accordance with the Group's growth in this strategic area.

The number of employees in the Construction business area grew by 583 in 2018, 3% up during the year, thanks to the boost from singular works such as the Plaza de España building or the Gran Vía remodelling. This was the first year of growth in this area for a long time, now that the Group has managed to adapt the workforce to production levels and to the emerging business areas.

Following several years of personnel cuts in this area and reassignments of experienced, training technical staff to the more competitive areas, besides the start of a very significant globalisation process, the workforce has been restructured and brought into line with the business areas, production levels and locations. Sixteen people have changed companies within the Group.

In short, 1,320 domestic Construction employees in 2010 fell to 565 in 2017. Despite this, the Group's total number of employees rose from 1,893 in 2010 to 2,083 at the end of the current year, thanks to diversification and insourcing.



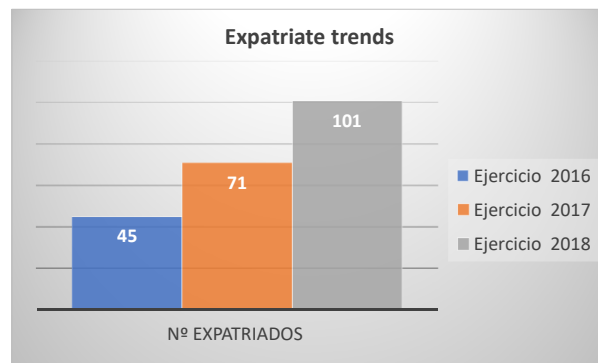
Other quantitative data on the workforce required by Law 11/2018 of 28 December is set out in Appendix I (at the end of this document).

In recent years, we have expatriated more than 150 technicians and professionals to Latin America, Asia, Africa and Europe, providing them with an international career.

This programme allows human capital promotion and international experience that will be highly valuable for future career development. In 2018, the total number of expatriate employees rose by 101, affecting six different Group companies and various business areas such as Energy, Construction, Rehabilitation, Concessions, Water and Environment, in 12 countries.

The number of expatriates at year-end 2018 rose 30% on the end of 2017, when there were 71 professionals posted abroad, entailing an increase of nearly 50% on 2016. Specifically, there are 45 foreign postings in the Construction area.

In the international area, local personnel in different countries amount to 555 people. This figure fluctuates during the year as it depends on the intensiveness of labour required in certain projects, as well as the seasonal nature of the works undertaken in Latin America.



Substantial growth in local Energy area personnel in Peru is expected during 2019.

In view of this volatility in the international arena, the local workforce in each country is not taken into account in the Group's personnel breakdowns. The average age of the Group's employees in Spain is 46 and the average length of service is 11 years. In the Energy area, these figures are somewhat lower in the case of the average age, which is 44, and the average length of service, which is seven years, due to the turnover in this sector.

It should be noted that, now that the crisis has been left behind, the market has been deeply transformed. Besides having to face business globalisation, activities have also had to be diversified and, more importantly, a modernisation and specialisation process has begun in the main sectors (Construction and Energy), which is determining the Group's hiring policy.

This has led to a **corporate strategy** in which the **workforce is being transformed**, contracting more technical, multi-purpose professional profiles, with and without experience, thereby giving career development opportunities to young people with high potential and to experienced workers able to adapt to the new circumstances. It is obvious that the better the qualifications the higher the personnel costs, but ORTIZ is committed to talent as a means to assure business viability, improve quality and enhance sustainability.

Human resources policies

As regards HR policies, the following actions are worthy of consideration:

GRUPO ORTIZ'S COLLECTIVE AGREEMENT:

In the Construction area, ORTIZ's own collective bargaining agreement includes terms and conditions that are an improvement on those applicable under industry agreements. In order to engage our employees and retain the most talented ones, the collective agreement contains measures covering large number of people.

FRINGE BENEFITS:

Fringe benefits motivate and bring satisfaction to all our personnel. The main, most valued fringe benefits provided to our employees in the Construction area and Central Services, irrespective of the business area, are as follows:

- Co-funding of medical insurance for employees and their families.
- Extension of medical and accident insurance to expatriate personnel.
- Nursery vouchers for children aged under two.
- Free canteen or meal vouchers.
- Life, accident and disability insurance exceeding the legal minimum coverage.
- Pension plan.
- Own medical service.

WORK-LIFE BALANCE

As with fringe benefits, measures to balance personal life, work and family life are among the most relevant to personnel management. Through a consensus with the employee representatives, the catalogue of measures is gradually growing for different applications within the Group:

- Improvement of support policies for maternity and paternity to allow the accumulation of the breastfeeding period, increasing it to one month.
- Increase in the number of people on reduced working hours for family care reasons.
- More flexible arrival and departure times in the past five years as a work-life balance measure.
- Extension of flexible hours in the summer months.
- New leave of absence opportunities.

PHASED AND PRE-RETIREMENT PROGRAMME:

Advice and personalised services during the process.

TALENT MANAGEMENT, eTALENT:

Our employees may use this tool to upgrade their profile within the Company (experience, training, involvement in projects, knowledge of specific areas, languages, etc.) and consult internal promotions.

KNOWLEDGE MANAGEMENT PROJECTS:

GRUPO ORTIZ focuses on knowledge sharing among different areas of the Company.

EMPLOYEE PORTAL. INTERNAL COMMUNICATION:

Our personnel have an Employee Portal in which they may consult matters such as salary, social security, etc. and keep up to date with all vacancies in the Group, new posts created and promotions.

SOCIAL DIALOGUE:

One of the mainstays of an optimal work environment is social dialogue, both for the business and for the people that provide their services in the Group. Collective bargaining is a driver of changes that tend to balance economic, labour and social measures so as to generate quality jobs and a more competitive business.

Through this approach to relationships with employees and trade unions, GRUPO ORTIZ assures an ongoing dialogue with the employees' legal representatives in the relevant work centres and with the main trade unions, particularly in the "construction" and "parks and gardens" sectors, where ORTIZ is a member of the employers' associations (AECOM and ASEJA, respectively), all at the national level. The same philosophy is applied at the international work centres, where there are employee representatives and trade unions.

Absenteeism (hours)

All the Group companies have mutual insurance coverage for occupational accidents and common illness.

The Group's main figures are as follows:

Indicadores de absentismo e incidencia a nivel de Grupo

Contingencia Profesional	2017		2018	
	Datos empresa	Datos mercado*	Datos empresa	Datos mercado*
Indice de Absentismo	0,56	0,65	0,59	0,62
Indice de Incidencia	6,97	6,52	4,99	5,79

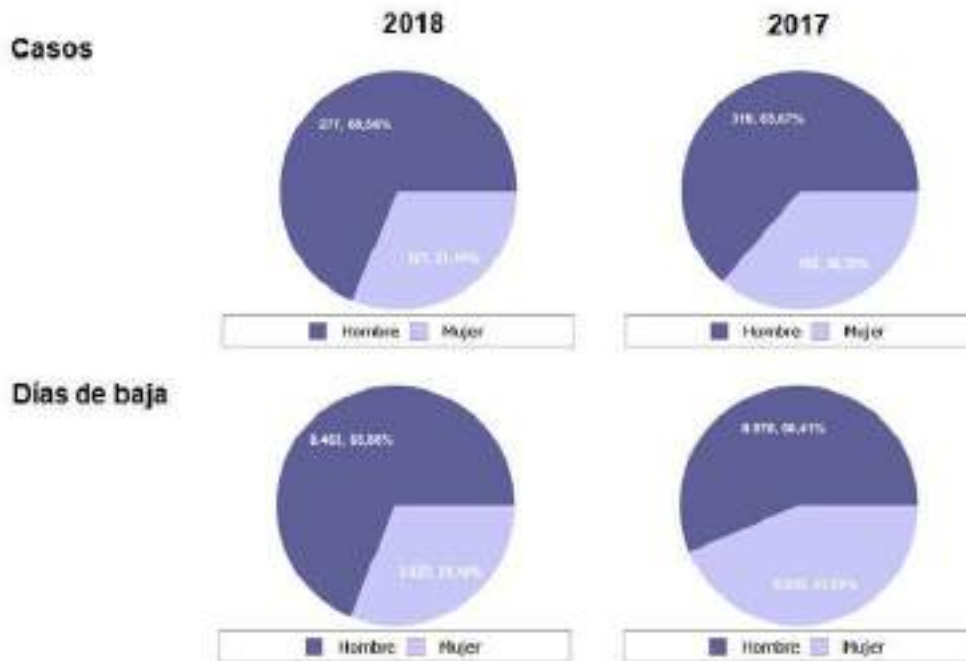
Contingencia Común	2017		2018	
	Datos empresa	Datos mercado*	Datos empresa	Datos mercado*
Indice de Absentismo	3,52	7,16	3,41	7,70
Indice de Incidencia	30,49	57,70	23,78	58,50

* Datos mercado: empresas de más de 250 trabajadores y CNAE 81

Indice de absentismo (IA), corresponde al porcentaje de días de baja transcurridos (incluidas las recaídas) respecto a los días posibles de trabajo en el periodo seleccionado. Los días posibles son el número de días del periodo por el número de trabajadores.

Indice de Incidencia (II), es la proyección anual de los casos de baja iniciados en el periodo, respecto a la media de trabajadores.

Análisis de absentismo por género CC Grupo



As regards repeated absenteeism and a healthy workforce during 2018, 78.35% of employees had no contingencies, so the workforce may be regarded as healthy.

FREEDOM OF ASSOCIATION

As indicated previously, social dialogue is critical to labour relations. This requires absolute respect for freedom of association, a principle that is observed and forms part of GRUPO ORTIZ's culture. There are employee representatives at a total of 15 work centres.

In Spain, 100% of the workforce comes under a collective bargaining agreement, such as ORTIZ's own collective agreement for construction construction companies or the applicable national or provincial industry agreement. Over 50 different collective agreements are applicable to the Group's activities.

At the domestic level, we have a collaboration agreement with the main trade unions (CC.OO. and UGT) for the coordination of occupational risk prevention activities, providing additional guarantees in relation to occupational accident prevention.

At the international level, in some countries such as Mexico, Peru or Colombia, Internal Work Regulations are in place in each centre, covering the working conditions negotiated with local trade unions.

REMUNERATION POLICY

The Group's remuneration policy is designed to promote competitiveness, talent recognition and effectiveness. At the international level, local markets must logically be used as a reference.

The HR Department, supervised by management, works to assure a **fair, non-discriminatory remuneration system**, in line with the equality policy.

GRUPO ORTIZ has a well-established culture of social dialogue. The V Collective Bargaining Agreement for Ortiz Construction Companies was published in the Official State Gazette on 24 November 2018. The Group's own collective agreement covers all salary-related aspects applicable to our Construction area employees, improving on construction industry agreements. Other personnel are covered by industry collective agreements, thus guaranteeing equal pay for people holding the same post, regardless of gender or any other characteristic unrelated to the post and the functions actually carried out.

GRUPO ORTIZ has a new **Flexible Remuneration Plan** that provides for the possibility of voluntarily modifying the current remuneration package, which includes nursery vouchers. It was implemented in 2018 and we have yet to study its impact and satisfaction levels.

The Equality Plan included a study of salaries in the parent company so as to carry out a diagnosis and set remuneration policy objectives. The study focused on the professional categories that included women and men, revealing an average wage gap of 6.5%, this being the percentage difference between the annual gross salary paid to women as compared with men.

It was deduced from the study that factors influencing the gender wage gap did not relate exclusively to the Company's wage policy but also reflected gender inequalities in the job market, mainly due to the historical male or female nature of sectors and categories, and to the underdeveloped state of co-responsibility in the family context, meaning that women work in less valued professions and categories and have to reduce their working hours to attend to the family. The factor that most influences the wage gap is length of service and the joining date, since the labour market regulates salary levels depending on whether it is expanding or contracting.

Set out below are the salary levels of the parent's workforce in non-operative posts, by gender and category, as analysed in the Equality Plan:

NIVEL/CATEGORIA	Hombre	Mujer
DIRECCIÓN	132.211,76	153.406,024
JEFATURAS TÉCNICAS	80.468,92	73.906,99
JEFATURAS DE OBRA/ADMINISTRACIÓN	52.190,85	49.270,86
TÉCNICOS CON TITULACIÓN	36.747,15	34.232,99
AYUDANTES TÉCNICOS/ADMVOS/AS 1ª	33.456,16	28.801,94
AUXILIARES TÉCNICOS/OF. ADMVOS/AS 2ª	25.806,45	21036,69
AUXILIARES ADMVOAS/AS	24.041,51	23257,56

The following is guaranteed to avoid inequality and gradually reduce the wage gap:

- The same starting salary for the same type of post, irrespective of gender.
- The same salary by professional status, length of service, professional career and performance in the post over time.

There are a number of action protocols to achieve these objectives which contain objective, non-discriminatory criteria in fields that have a direct impact:

- HR Operating Guide (PRH09). This guide contains the HR Department's general procedures, of which the selection process is fundamental to close the wage gap, assuring a selective approach free from any discrimination that facilitates the participation of both women and men.
- Training and Qualification Protocol (PG06). This assures that continuous training is available to the entire workforce to allow them to effectively perform their work and to facilitate personal and professional betterment on equal terms.

- Assessment System Protocol (PRH06) and Target Evaluation and Definition Protocol (PRH07). These protocols serve as an objective assessment system and professional tools to prevent discrimination and improve internal talent management.
- Protocol for Hiring Students and Newly Qualified Persons (PRH09). The procedure for hiring young people, students and newly qualified persons has also been regulated to offer them the opportunity to enter the job market on equal terms.

The Equality Committee's remit includes studying average gross salaries so as to close the wage gap, combined with awareness building in co-responsibility and full access for women to traditionally male posts, since the longest serving employees are currently men.

The Equality Committee's activities are regulated by its bylaws. It must meet at least half-yearly and hold extraordinary meetings whenever requested by any of the parties.

7.2. Equality

Equality Policy ORTIZ's commitment to equality has given rise to the new Equality Plan signed in October 2018 after an enriching period of negotiations with the employee representatives at our centres and the representatives of the two main trade unions, CC.OO. and UGT.

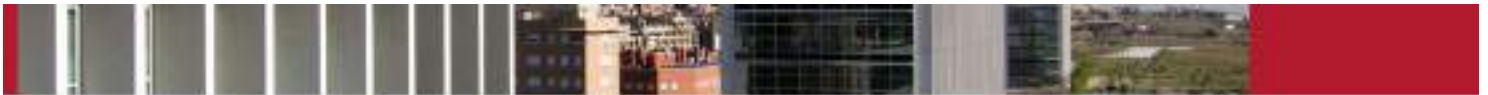
Our Equality Plan



<http://www.grupoortiz.com/es/rrhh/plan-igualdad/>

The new plan lays down new measures in all areas, including initiatives to ensure an objective personnel selection and hiring process, a non-discriminatory remuneration system, and communication and training as tools to lay the foundations for a work environment in which women and men have equal opportunities. Progress made in work-life balance measures and zero tolerance for harassment and gender violence in any form is particularly relevant.

A harassment protocol is attached as a procedure to prevent and penalise harassment, also as a result of social dialogue.



Está usted en > RRHH > Plan de igualdad

- > Trabaja con nosotros
- > Plan de igualdad
- > Formación
- > Beneficios corporativos

Plan de igualdad

En Grupo Ortiz nos preocupamos especialmente por la **Igualdad Real de Oportunidades** entre hombres y mujeres, tomando el valor de la igualdad y el principio de la no discriminación como pilares básicos de nuestra política empresarial. Más allá de lo dispuesto en la Ley Orgánica 3/2007, de 22 de marzo, para la igualdad efectiva de mujeres y hombres, Grupo Ortiz confía en el principio de igualdad de trato como una homologación de derechos y deberes, y no como una semejanza que implique una valoración de diferencias.

Así, el 5 de Octubre de 2018, la Dirección de Grupo Ortiz firma con los representantes de los trabajadores y con los sindicatos mayoritarios el **I PLAN DE IGUALDAD DE OPORTUNIDADES DE ORTIZ CONSTRUCCIONES Y PROYECTOS SA**, como un paso adelante hacia la plena igualdad de oportunidades entre hombres y mujeres. Un plan donde se controla y garantiza la ausencia de procedimientos o políticas discriminatorias por razón de sexo en materia de selección, contratación, promoción, formación y retribución salarial.

GRUPO ORTIZ viene trabajando por la total integración en igualdad de la mujer en nuestras empresas y entornos, prestando especial atención a la conciliación de la vida personal y laboral como medio facilitador.

Como complementos a las medidas ya aprobadas en el **CONVENIO COLECTIVO DE EMPRESAS DE GRUPO ORTIZ CON DIRECCIÓN ÚNICA**, el **PLAN DE IGUALDAD DE OPORTUNIDADES** contemplan medidas como:



PRINCIPALES MEDIDAS IMPLANTADAS

7.3. Training

GRUPO ORTIZ’s training policy is our response to the process of transformation and development undertaken in recent years. The diversification and globalisation of the Group's activities condition the set of training actions to promote, improve and provide knowledge, skills and talent in the Company’s employees and thereby enhance competitiveness in a market that is increasingly demanding and continuously evolving.

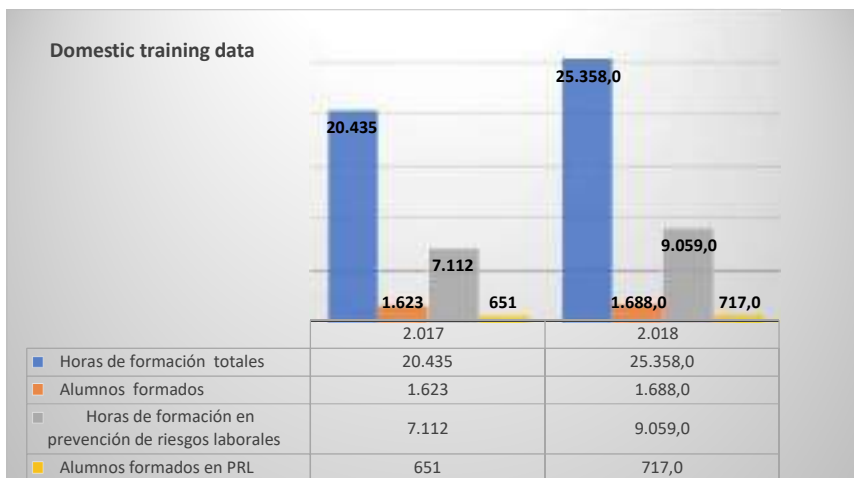
The Group's diversification in five business areas: Concessions, Energy, Construction, Services and Holding means that the 2018 Training Plan includes actions related to very diverse matters in response to the needs detected in each professional group: Management, Administration, Technicians, Middle Management and Operatives.

One of the priority objectives is **compliance with legislation and collective bargaining agreements** at the domestic and international level, entailing the need to continuously review the training process based on a consensus with employee representatives and trade unions, mainly in relation to: Occupational Risk Prevention (recycling stipulated by law, collective agreements and our clients), Data Protection and Anti-Money Laundering.

ORTIZ gives special relevance to the contribution that training can make to reduce occupational accidents at each of the Group companies’ facilities.

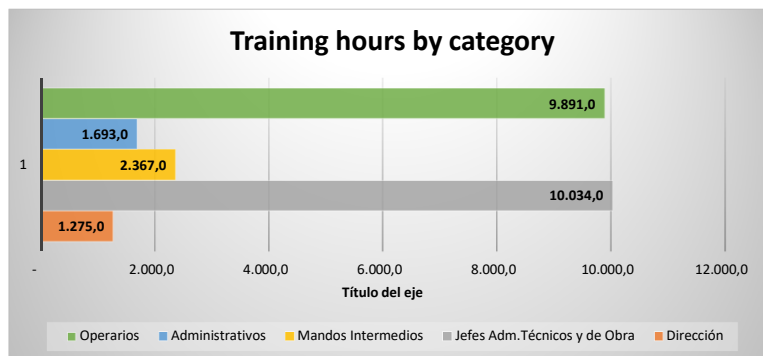
In order to achieve our goals, we have organised **internal training courses** covering communication tools and recycling on quality and prevention procedures in the Energy area, in the Services sector and in the Conservation and Rehabilitation areas, as well as on production planning and international projects, among other actions.

ORTIZ gives special relevance to the contribution that training can make to reduce occupational accidents at our facilities.



In 2018, **master's degrees and higher education** courses were taught by a number of **public and private universities**, particularly Universidad Europea de Madrid, Universidad Rey Juan Carlos and Universidad Miguel de Cervantes.

We also collaborate constantly with the **Madrid Chamber of Commerce** and the **Construction Labour Foundation**, of which GRUPO ORTIZ forms part, offering construction workers and companies appropriate training and the best resources in all areas of construction.



Training in equal opportunities is seen to be an important tool to achieve our goal of full equality.

In 2018, training was provided in leadership skills and professional development **for women**, as a positive action. Following the approval of the new Equal Opportunities Plan by Ortiz Construcciones y Proyectos, internal courses were taught internally to disseminate the plan.

Aware of the significance of **emotion management** to generate a health and efficient work environment, another field of training was undertaken in 2018 in the form of **workshops or training areas**, which bring great personal and professional benefits, as well as skills training in aspects such as external and internal customer service.

At the technical level, as part of GRUPO ORTIZ's Training Plan, in 2018 we continued to **implement the BIM method to improve competitiveness, preparing a team to execute their work in accordance with the new market requirements** in the field of architecture.

As regards **languages**, in 2018, our objectives were redefined and language courses were made available to all the employees that requested them, after assessing their level and work post needs. One-on-one classes were also taught on different days and at different times for profiles that needed flexibility in language studies.

The training area procedure includes the assessment of actions based on two parameters:

- Satisfaction survey to obtain an overall classification of attendees' satisfaction with each training action.
- Training transfer assessment by means of a system put in place by GRUPO ORTIZ's Quality Department for those directly responsible for the course attendees, the purpose being to assess the transfer of the subject matter studied and the extent to which attendees apply the knowledge gained.

The Group has a physical corporate training centre in which there are several classrooms. The needs of employees who cannot attend courses at GRUPO ORTIZ's headquarters are met using suitable external premises as close as possible to their place of work.

In short, highlights for 2018 reflect 200 training actions in Spain attended by 1,769 employees for a total of 25,260 study hours. In view of the Group's growth and concern for knowledge transfer in our local communities, 279 training actions were completed in the international area, attended by 2,535 people, so as to implement the work processes and methods that we have found to be the safest and most successful.

GRUPO ORTIZ's training policy is our response to the process of transformation and development undertaken by our companies in recent years.

“Training Plan” model

- The “Training Plan” model was implemented a year ago in the SOLEM photovoltaic plant project in Mexico and attended by 2,353 workers. It was a welcomed by local employees and collaborating companies.
- A total of 279 training actions have been completed, amounting to 600 hours of training.
- A body of 25 EHSQ technicians specialised in quality, the environment and ORP has been created.
- This training model allows technical specialists to transfer their knowledge to other projects in Mexico and other countries.

- 279 training actions completed.
- 2,535 attendees.
- 599 training hours invested.
- 47 competency assessments carried out on quality, environment and SST supervisors.
- Training for a body of 25 EHSQ specialists, who are joining other GRUPO ORTIZ projects in Mexico



7.4. Human rights

From the birth of the first Group company to the current time we have become a global company operating in over 12 countries. GRUPO ORTIZ has always respected human rights as a basic pillar and as particularly relevant to the business. **Protection, Respect and Remedies** for any infringement of fundamental rights are part of the Group companies' DNA.

2018 actions

- Generation of positive impacts on society and the communities in which the Group operates.
- Improvement of transportation by building roads and highways to facilitate connections. Road crossing between Sisga and the northern motorway in Colombia.
- Generation of clean renewable energy from photovoltaic plants.
- Access to electricity in isolated areas. Integrated works and maintenance services for high voltage lines and substations in Lima, Peru.
- Hospital construction and management, allowing disadvantaged populations to access healthcare.
- Response to urgent needs in communities due to natural disasters.
- Training in occupational risk prevention techniques and international workforce training for **our international subcontractors**:
 - 279 training actions completed for 2,535 attendees, with 600 training hours invested.
- Signing of the new Equality Plan with the trade union representatives.

2019 objectives

- Extend our Social Action Plans to new projects awarded.
- Extend our Social Management Plans to new projects awarded.
- Tighten control and engagement in the supply chain as regards our human rights policies by including clauses in which suppliers endorse the Global Compact Principles and respect for human rights.



Tepic Hospital team

We are currently executing projects in countries where inequalities between different populations, communities, genders, geographic scopes and sociocultural aspects may pose a greater risk to personal freedom and rights. Before undertaking these projects, in which special interest and care is required, a dialogue is initiated with community representatives and a Social Management Plan is drawn up so that, through communication with the people affected, the sociodemographic risk and impacts can be assessed and measures prepared to meet their needs and protect their rights, assuring that fulfilment of the planned objectives is monitored.

Photovoltaic plant in Honduras



Our Code of Ethics, policies and business culture require us to observe and respect fundamental rights and to comply scrupulously with labour legislation and regulations. Above all, we must responsibly abide by the conventions of the International Labour Organisation (ILO) and the United Nations Global Compact and Sustainable Development Goals, which address situations such as child exploitation or labour, lack of freedom of association and collective bargaining and discrimination, and promote actions to eradicate poverty, protect the planet and assure prosperity for all.



San Miguelito sewage system. (Panama)

As a means of control and prevention in the interests of human rights, all the Group's branches are informed of their obligation to treat all their employees in accordance with these labour standards and regulations, respecting working hours and complying strictly with contracting, welfare and trade union obligations. Their observance of these procedures is audited monthly. In order to be able to correct any infringement of human rights, we have an anonymous whistleblower channel accessible from our website where anybody can report an issue, thereby activating a protocol that leads to an investigation and corrective measures.

"We are committed to supporting and respecting the protection of internationally recognised fundamental human rights within our areas of influence"

We received no claim that could be related to a lack of respect for human rights during 2018.

As regards equality and non-discrimination, since 2009 GRUPO ORTIZ has been implementing equality and workplace harassment policies that are monitored by a mixed committee including employee representatives.



7.5. Occupational health and safety

GRUPO ORTIZ regards health and safety in the workplace as a distinguishing feature and an essential asset.

Occupational health and safety is fully integrated into our companies' management processes.

2018 actions

- GRUPO ORTIZ's work accident data for 2018 show the lowest rate since records have been kept.
- Workers' health and safety in the Edificio España rehabilitation project: the best possible example of the integration of prevention during the project design and execution phases.
- Inclusion in the **planning phase of works/projects** as a basis for suitable occupational risk prevention.
- Training of foreign personnel on our sites abroad. Over 2,500 workers training in health and safety in international projects in 2018.

2019 objectives

- Implementation of a multi-scope online tool for managing ORP: own personnel, site documents, service documents, subcontractor or service provider documents, CBA management. The purpose is to optimise monitoring and control of the documents that must be submitted to GRUPO ORTIZ's work centres by subcontractors.
- Inclusion of GRUPO ORTIZ's area offices or work centres in other countries in the scope of occupational health and safety certificates.
- Optimisation and improvement of operational control over health and safety in international projects.

OCCUPATIONAL HEALTH AND SAFETY POLICY. The Company's environmental commitment.

The management of GRUPO ORTIZ, a group of companies engaged in construction and related services, committed to a culture of occupational health and safety and to the continuous improvement of preventive measures in its business activities, has integrated a Health and Safety Management System into the organisation's management that is consistent with the rest of our policies.

This management system meets OHSAS 18001 requirements and has been certified by an external entity.



Rehabilitation of Edificio España

The system forms part of the regulatory framework formed by prevailing legislation on occupational risk prevention and all other laws, collective agreements and contractual requirements that may be applicable to GRUPO ORTIZ's activities. The Group also pledges to comply with legislation in force in all the countries in which we operate, respecting human rights and rejecting child or forced labour.

GRUPO ORTIZ's management applies the following approach to occupational health and safety, integrating preventive actions into all activities and decisions:

1. Active reduction of accidents and temporary incapacity due to work accidents or illness.
2. Dissemination, development and implementation of the Occupational Risk Prevention Plan at all levels in the organisation.
3. Ongoing training and information for employees.
4. Consultation and active involvement of employees.
5. Risk assessment and prevention planning.
6. Effective control of working conditions.
7. Monitoring of employees' health.
8. Coordination with stakeholders.

GRUPO ORTIZ's management guarantees employees' rights to participate and receive information through our inter-centre health and safety committees, prevention delegates and company prevention delegates, as well as the employee representatives.

GRUPO ORTIZ delegates control of compliance with the Occupational Risk Prevention Plan to our own joint prevention service and assesses plan implementation by means of the appropriate mandatory and internal audits.

As a result of our commitment to occupational risk prevention described above, GRUPO ORTIZ has developed an Occupational Health and Safety System (OHSS) in accordance with the OHSAS 18001:2007 standard, certified by an external entity. The system undergoes annual internal and external audits to verify its implementation and development.

The OHSS consists of a Guide on the Integrated Management of Quality, Environment, Occupational Risk Prevention and R&D&i, together with related procedures.

Occupational health and safety is fully integrated into our companies' management processes.

Health and safety: An essential asset for the Company.

Performance and key indicators related to occupational health and safety.

Audit processes carried out by an external certification entity.

GRUPO ORTIZ has defined Quality, Environment and Occupational Risk Prevention Policies laying down the organisation's principles in these areas. They are set out at the end of this report.

GRUPO ORTIZ's Integrated Quality, Environment and Occupational Risk Prevention System is audited EVERY YEAR by an external certification entity in accordance with the ISO 9001, ISO 14001 and OHSAS 18001 international standards.

These audit processes cover a sample of works and contracts of ALL the Group companies, assuring control of all their activities.

Occupational risk prevention management system.

In 2018, GRUPO ORTIZ renewed the OHSAS 18001:2007 certificate for the Occupational Risk Prevention Management System implemented in all the Group companies, completing a process that began in May, a SATISFACTORY assessment having been issued by the ENAC-approved external certification firm.

In this same period, the Group's own joint prevention service underwent the mandatory occupational risk prevention audits under RD 39/1997 (Regulations on Prevention Services).

During the audit process, a total of 71 work centres in Spain, Peru and Mexico were visited and 237 workers were interviewed.

The prevention service made a total of 580 inspection and control visits to different work centres and issued 315 security/EPH/permanent centre notes, in addition to 305 prevention committee meetings with site subcontractors.

In 2018, GRUPO ORTIZ improved the system of project supervision, oversight and control that is being applied on-site in the interests of quality, the environment and occupational risk prevention.

In 2018, the lowest accident rates since records have been kept were registered

Eighty-one site visits were made by the Quality and Prevention Manager and the Head of the Prevention Service for GRUPO ORTIZ's international companies and offices, particularly the energy projects in Aguascalientes (Solem I and II, Tepezalá and Canadian), the Tepic Hospital and construction projects in Panama and Colombia.



WORK ACCIDENTS IN THE ENERGY AREA.

The accident rates of the Group companies that carry out the most activities at 30/12/2018 are as follows. A significant fall in work accidents may be observed in all activities in terms of both incidence and severity.

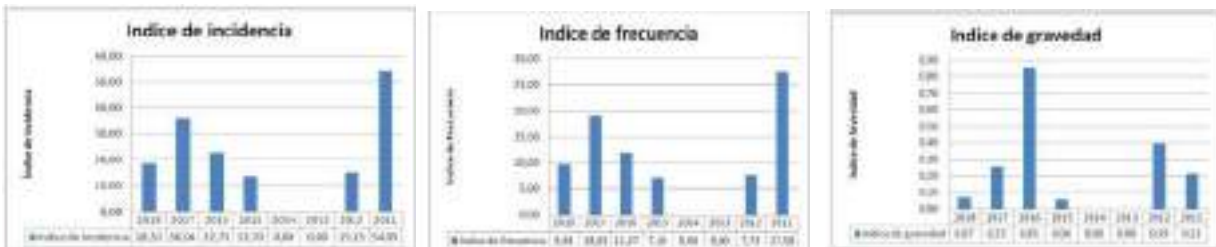
DIRECCIÓN GENERAL DE ENERGÍA

	2018	2017	2016	2015	2014	2013
Total accidentes con baja laboral	6,00	14,00	9,00	9,00	7,00	8,00
Total jornadas perdidas por accidentes	115,00	707,00	326,00	284,00	515,00	335,00
Promedio de jornadas perdidas por accidente	32,00	50,50	36,22	31,56	73,57	41,88
Promedio trabajadores	281,00	288,00	238,00	216,00	197,83	233,25
Índice de incidencia (por cada 1.000 trabajadores)	21,35	48,61	37,82	41,67	35,38	34,30
Índice de frecuencia (por cada 1.000.000 horas)	10,89	24,80	19,29	21,26	18,05	17,50
Índice de gravedad (por cada 1.000 trabajadores)	0,21	1,25	0,70	0,67	1,33	0,73



ELECOR, S.A.

	2018	2017	2016	2015	2014	2013	2012	2011
Total accidentes con baja laboral	2	4	2	1	0	0	1	4
Total jornadas perdidas por accidentes	14	54	144	8	0	0	51	31
Promedio de jornadas perdidas por accidente	7	14	72	8	0	0	51	7,75
Promedio trabajadores	108	111	88	73	65	64	66	74
Índice de incidencia (por cada 1.000 trabajadores)	18,52	36,04	22,73	13,70	0,00	0,00	15,15	54,05
Índice de frecuencia (por cada 1.000.000 horas)	9,68	18,83	11,87	7,16	0,00	0,00	7,73	27,58
Índice de gravedad (por cada 1.000 trabajadores)	0,07	0,25	0,85	0,06	0,00	0,00	0,39	0,21



JUAN GALINDO S.L.U.

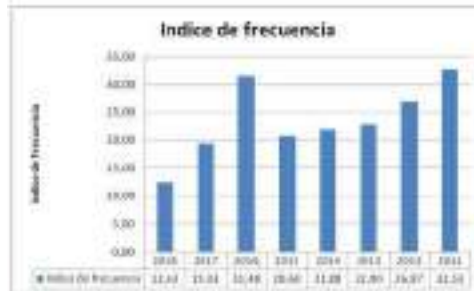
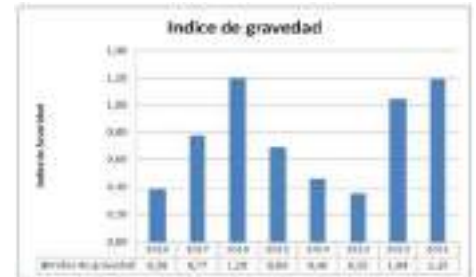
	2018	2017	2016	2015	2014	2013
Total accidentes con baja laboral	4	10	7	8	7	8
Total jornadas perdidas por accidentes	101	653,00	182,00	276	515	335
Promedio de jornadas perdidas por accidente	25	65,30	26,00	34,5	73,57	41,88
Promedio trabajadores	118	119	111	113	107,83	144,25
Índice de incidencia (por cada 1.000 trabajadores)	33,90	84,03	63,06	70,8	64,91	55,46
Índice de frecuencia (por cada 1.000.000 horas)	17,30	42,87	32,18	38,12	33,12	28,3
Índice de gravedad (por cada 1.000 trabajadores)	0,44	2,80	0,84	1,25	2,44	1,18



Work accidents in the Construction area

ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A.

	2018	2017	2016	2015	2014	2013	2012
Total accidentes con baja laboral	13	22	36	23	20	24	36
Total jornadas perdidas por accidentes	400	882	1368	772	422	369	1397
Promedio de jornadas perdidas por accidente	31	40	38	34	21	15	39
Promedio trabajadores	600	655	658	640	526	603	771
Índice de incidencia (por cada 1.000 trabajadores)	21,59	33,59	54,71	35,94	38,00	39,80	46,70
Índice de frecuencia (por cada 1.000.000 horas)	12,43	19,33	31,48	20,68	21,88	22,90	26,87
Índice de gravedad (por cada 1.000 trabajadores)	0,38	0,77	1,20	0,69	0,46	0,35	1,04



COMPAÑÍA INTERNACIONAL DE CONSTRUCCIONES Y DISEÑO, S.A.

	2018	2017	2016	2015	2014	2013	2012	2011
Total accidentes con baja laboral	2	0	2	2	0	0	0	5
Total jornadas perdidas por accidentes	33	0	45	68	0	0	0	172
Promedio de jornadas perdidas por accidente	17	0	23	34	0	0	0	34,4
Promedio trabajadores	28	27	24	42	0	0	0	137
Índice de incidencia (por cada 1.000 trabajadores)	71,43	0,00	80,00	90,91	0,00	0,00	0,00	121,95
Índice de frecuencia (por cada 1.000.000 horas)	37,32	0,00	41,80	47,50	0,00	0,00	0,00	63,72
Índice de gravedad (por cada 1.000 trabajadores)	0,62	0,00	0,94	1,61	0,00	0,00	0,00	2,19

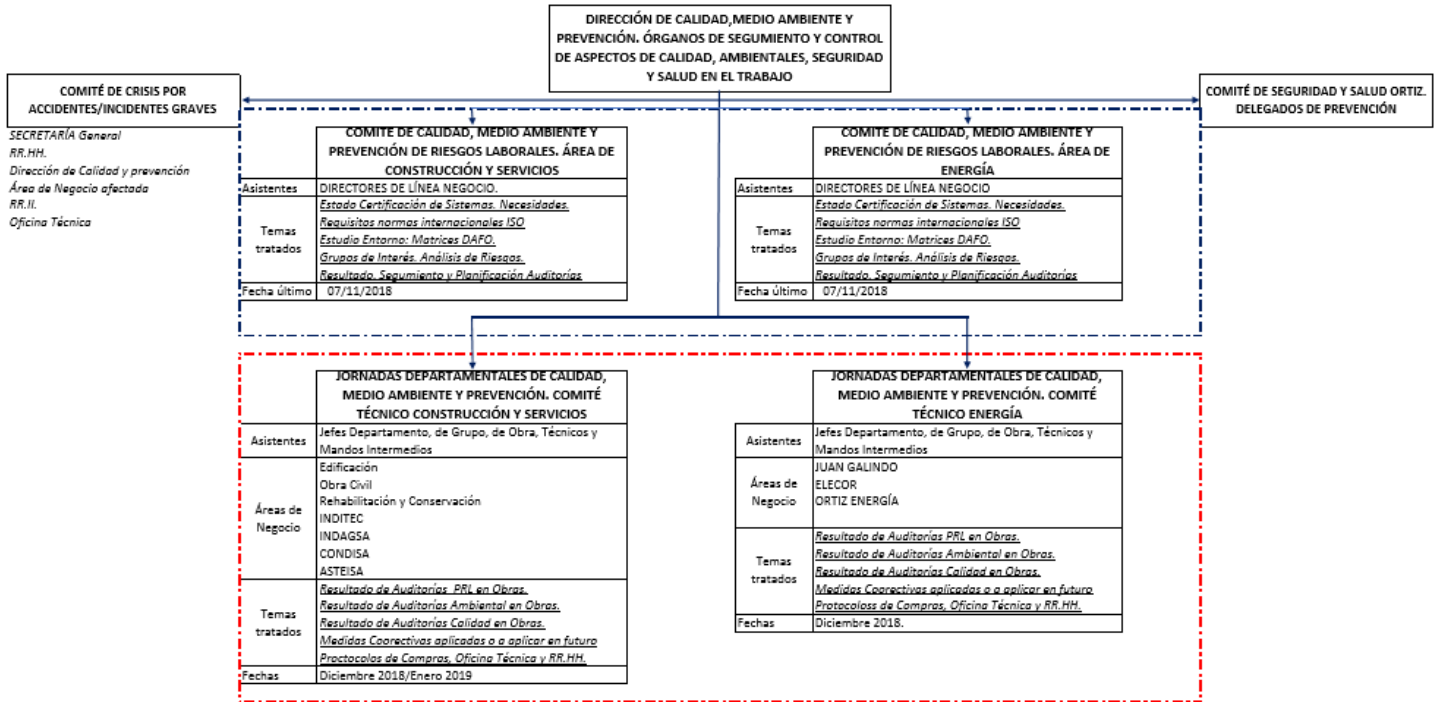


ASTEISA TRATAMIENTO DE AGUAS, S.A.U.

	2018	2017	2016	2015	2014	2013	2012	2011
Total accidentes con baja laboral	1	1	2	1	2	0	0	0
Total jornadas perdidas por accidentes	25	18	203	15	110	0	0	0
Promedio de jornadas perdidas por accidente	25	18	102	15	55	0	0	0
Promedio trabajadores	17	17	17	21	23	23	23	23
Indice de incidencia (por cada 1.000 trabajadores)	58,82	58,82	117,65	47,62	87,00	0,00	0,00	0,00
Indice de frecuencia (por cada 1.000.000 horas)	30,73	30,73	61,47	24,88	45,43	0,00	0,00	0,00
Indice de gravedad (por cada 1.000 trabajadores)	0,71	0,55	6,24	0,37	2,50	0,00	0,00	0,00



Monitoring and Control Bodies for Quality, Environment and Occupational Health and Safety.



8. Environment:

Environmental Management Policy
Circular Economy and Waste Management
Energy Efficiency
Climate Change
Protection of Biodiversity
Main Risks



8. Environment

Towards a life cycle and circular economy perspective.

Through our projects in the renewable energy, water treatment and environmental activity areas, GRUPO ORTIZ supports the initiative of the United Nations Environmental Programme on the Green Economy. This initiative aims to achieve sustained and inclusive economic growth for the Group by carrying out decent work that contributes to society's well-being while respecting and fostering natural resources and achieving full productive employment.

Clean energy; The implementation and maintenance of renewable energy sources continues to be an essential factor for change in energy policies and their supply, particularly in developing countries. We thus contribute to combatting climate change and reducing CO₂ emissions.

The GRUPO ORTIZ companies that make up the Energy area (ORTIZ ENERGÍA, ELECOR, JUAN GALINDO S.A) have studied and developed new projects in solar photovoltaic technologies exceeding a capacity of 1,000 MW in 2018, providing millions of citizens with access to electrical energy who previously had none.

International Energy revenue represents 96% of the Group's total international figure.

The projects carried out by the Group in the above-mentioned areas of renewable energies, water treatment and sustainable infrastructure **have generated 30% of overall revenue and 50% of EBITDA in 2018**

2018 Actions

- Preventing the emission of 804,742 tonnes of CO₂ due to the implementation of renewable energy projects around the world.
- Optimising reduction in Greenhouse Gases through the implementation of energy saving and efficiency measures in accordance with ISO 50.001. Primary Energy Savings of 18.73%.
- Updating the identification and evaluation of environmental matters across the organisation.
- Closure of the innovation project for generating hydrogen from sludge generated in sewage treatment plants.
- Development of five Biodiversity Protection Action Plans in Projects in Mexico.
- Foreign personnel training in our projects abroad. Over 2500 workers trained in Environmental Management in international projects in 2018.
- Setting environmental objectives in Waste Management Plans for projects carried out by GRUPO ORTIZ.

2019 Objectives

- Implementing the system for measuring equivalent tonnes of CO₂ emitted by our organisation, through the Carbon Footprint measurement.
- The aim is to implement a system to measure greenhouse gases in accordance with Carbon Footprint measurement requirements.
- In 2018, the GHG measurement procedures have been developed and are to be implemented in 2019.
- Achieving carbon neutrality through the compensation of 100% of the emissions generated.
- Including representative offices or work centres in other countries within the scope of the quality and environmental certificates obtained by GRUPO ORTIZ.
- Implementing an ITC-based measurement system for analysing all the environmental and social data generated in projects and works.

Environmental Management as a basis for the company's correct environmental behaviour and reducing environmental impacts from its activity.

The essential objective is to have access to all the data that are initially considered relevant in environmental and social matters, and to monitor, control and analyse the value of the data more quickly and effectively than at present.

It will thus be easier to adopt corrective measures and improve the company's management of these issues.

8.1. Environmental Management Policy.

Company's environmental commitment.

ORTIZ has an environmental policy signed and released by the Chairman which lays down GRUPO ORTIZ's commitment to protect the environment in the course of its business activities, assuming environmental protection as a key reference in all the organisation's activities and always aiming to minimise the associated environmental impacts.

This Policy is based on the following general principles, among others:

- Complying with environmental legislation and regulations applicable to its activities in all countries in which the Group operates, as well as any other requirements that are voluntarily complied with.
- Implementing continuous improvement and pollution prevention actions, based on the Organisation's real possibilities.
- Implementing and updating the Management System integrating economic, technical, environmental, safety and health issues and all factors that contribute to quality.
- Providing a service that meets the expectations of customers, employees, suppliers and other stakeholders.
- Implementing environmental training schemes for our own personnel and subcontractors, to ensure good environmental working practices at the GRUPO ORTIZ work centres.

The GRUPO ORTIZ
Environmental
Policy as the basis
for the company's
correct
environmental
behaviour

Quality and Environmental Management

In 2018 the GRUPO ORTIZ companies have adapted their quality and environmental management systems to the new benchmark standards ISO 9001:2015 and ISO 14001:2015. This process was completed in May 2018 through an audit by an external certification company accredited by ENAC, in which said systems were successfully certified.

A total of 41 work centres were visited during this audit procedure (10 fixed centres and 31 temporary or on-site centres) in Spain, Peru and Mexico, and a total of 110 employees were interviewed.

In addition to the auditing processes carried out by external certification entities, GRUPO ORTIZ has established an internal system of evaluation, monitoring and operational control with the aim of ensuring that the quality control, environment and occupational risk prevention standards defined in our management system are being implemented in the permanent or temporary work centres located in Spain or abroad.

In this connection, the Quality and Environmental Management Department has made a total of 140 inspection and control visits at various GRUPO ORTIZ work centres, issuing 140 Quality and Environment Notes.

Environmental Certification, Resources and Risk Safeguards.

The GRUPO ORTIZ Environmental Management System is certified under ISO 14001:2015 by an external certification company.

The monitoring and control of the Environmental Management System is carried out by the GRUPO ORTIZ Quality and Prevention Department, which has its own resources for carrying out these tasks.

The Company's environmental risk is identified, assessed and measured in the Risk Maps of the Crime Prevention Model, to monitor the risk of crimes against the environment laid down in the Spanish Criminal Code.

In addition, damage to the environment associated with our business activities is covered by the Company's third-party liability insurance.

8.2. Circular Economy and Waste Management.

We contribute to a circular economy consisting of a continuous cycle of positive development that conserves and improves natural capital, optimising the use of resources and minimising system risks. In all the company's work centres, the environmental aspects of inert solid waste, urban waste, plant waste and toxic and hazardous waste generation are identified, assessed and monitored, in accordance with the following scheme.

WASTE RECYCLING		
	2018	
Hazardous waste recycling	3,815	Kg
Inert waste recycling	24,624	M3
Paper recycling	6,740	Kg
Metallic waste recycling	570	Tn

SAVINGS OF
18.73% IN
PRIMARY ENERGY
AT THE HEAD
OFFICE

* Figures pertain to domestic data

A measurement and monitoring procedure for international environmental indicators is currently being implemented to ensure and standardise their measurement, monitoring, control and verification.

8.3. Energy Efficiency.

Consumption of water, raw materials and energy.

Energy efficiency is the efficient use of energy in order to optimise production processes and energy consumption, using the same or less to produce more goods and services.

GRUPO ORTIZ identifies the environmental issues related to the CONSUMPTION OF RESOURCES. The table applicable to these issues is as follows:

CONSUMPTION		
ISSUE	IMPACTS ASSOCIATED RISK	ACTIVITY
Water consumption	Depletion of natural resources	Work/Service/Contract/Office
• All works and services in general		
Electricity consumption	Depletion of natural resources	Work/Service/Contract/Office
• All works and services in general		
Fuel consumption	Depletion of natural resources	Work/Service/Contract/Office
• All works and services in general		
Raw materials	Depletion of natural resources	Work/Service/Contract/Office
• All works and services in general		

To improve energy efficiency at the facilities, the following measures have been carried out:

Public lighting

The existing luminaires, which had not yet been changed, have been replaced by LED luminaires in the Humanes energy management contract with an expected saving of 31% compared to 2017.

With respect to the commencement of the contract, the expected saving is 69%.

Humanes de Madrid	
Commencement	1,831,522.26 kwh/year
Until 2018	825,446.66 kwh/year
Current	571,992.00 kwh/year
Saving since commencement	1,259,530.26 kwh/year

Head office

There is a geothermal system to assist the air conditioning, generating savings of 54.4 MWh per year. An air conditioning management programme is in place, adjusting schedules and temperatures in line with Spanish regulations on heating installations in buildings (RITE).

Lighting is controlled by turning off all lights at the end of the working day and at weekends. Transformers are used on an alternative basis to reduce electricity losses. The DPC computer equipment has been replaced during 2018.

There is an independent air conditioning system for the reception area, which means that the building's general system does not have to be used outside the working day. LED luminaries are used in the garage area.

SAVING	2018	
Primary Energy Savings Head Office	18.73	%
Natural Gas Savings Head Office	-26	%
Water Savings Head Office	7.1	%

Works and services

Electrical energy from the grid is used instead of generator sets whenever possible because it is more efficient.

Equipment and machinery are switched off as well as the lighting when they are not in use and outside working hours.

8.4. Climate Change.

Greenhouse gas emissions.

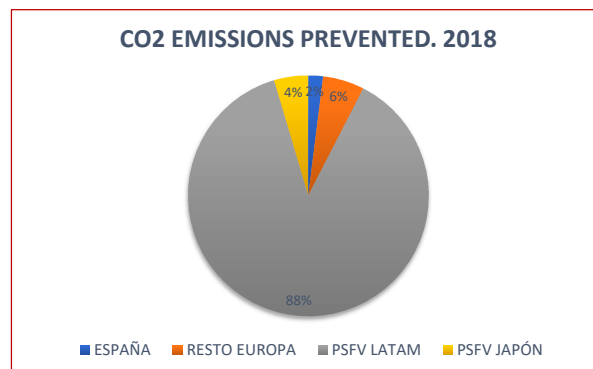
At all the Company’s work centres the environmental aspects of greenhouse gas emissions generated by our activity are identified, assessed and controlled. The following issues, in particular, are identified, assessed and controlled:

- o Gas emissions from machinery.
- o Gas emissions from air-conditioning equipment.
- o Gas emissions from soldering work.
- o Gas emissions from generator sets.
- o VOC emissions due to laying coated macadam.

PREVENTING THE EMISSION OF 804,742 TONNES OF CO₂

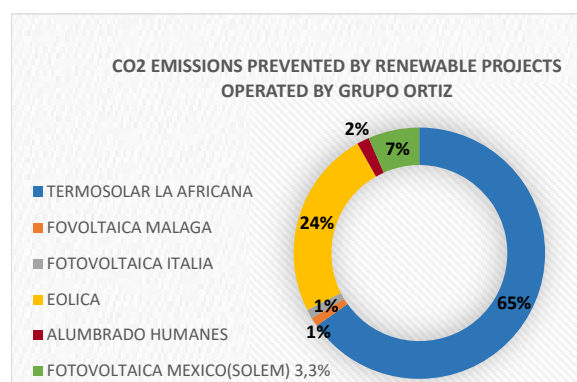
In addition, GRUPO ORTIZ, through its parent Ortiz Construcciones y Proyectos, S.A., has developed an Energy Efficiency policy that lays the foundations for the Group’s Energy Efficiency Management System and which is certified under ISO 50.001.

CO2 EMISSIONS PREVENTED IN 2018 (Tn)		
	Tn	%
SPAIN	15,320	1.98
REST OF EUROPE	43,756	5.56
PVSP LATAM	687,960	88.96
PVSP JAPAN	26,264	3.40
	773,300	



Tonnes of CO₂ emissions prevented in Renewable Energy generation projects pertaining to GRUPO ORTIZ

	Energy Produced Kwh	CO2 emissions avoided, tonnes
THERMOSOLAR LA AFRICANA	52,819,022	15,053.4
PHOTOVOLTAIC MALAGA	915,462	260.9
PHOTOVOLTAIC ITALY	646,932	273.7
WIND (Explotaciones Eólicas Vélez Rubio)	19,694,858	5,613.0
LIGHTING HUMANES	1,259,530	359.0
PHOTOVOLTAIC MEXICO(SOLEM) 3.3%	3,416,021	1,527.0
TOTAL	78,751,825	23,087.0



“La Africana”(50 MW) thermosolar plant in Almodóvar del Río, Córdoba

8.5. Protection of biodiversity

Environmental matters associated with the protection of biodiversity are identified, assessed and controlled at all the Company's work centres, on the basis of the natural environment in which this activity is carried out.

The following biodiversity protection action plans were carried out in 2018:

PVSP PROJECT SOLEM 1. MEXICO

Development of rescue plans for fauna and flora, archaeological sites and water management.

PVSP PROJECT SOLEM 2. MEXICO

Development of rescue plans for fauna and flora, archaeological sites and water management.

PVSP PROJECT CANADIAN SOLAR. MEXICO

Development of rescue plans for fauna and flora, archaeological sites and water management.

PVSP PROJECT TEPEZALÁ. MEXICO

Development of rescue plans for fauna and flora and archaeological sites

PVSP PROJECT TERRANOVA. MEXICO

Development of rescue plans for fauna and flora and archaeological sites

5 biodiversity
protection
projects carried
out in 2018

8.6. Main Risks

Risks associated with environmental matters.

Risks derived from environmental matters result from the impacts on the environment that might be caused by the organisation's environment-related activities.

Environmental Impact is understood to be any change in the environment, whether adverse or beneficial, totally or partially resulting from the environmental aspects of an organisation. Changes made in the surroundings (atmosphere, water, soil, etc.) where production activities are carried out can be understood as environmental impacts. These environmental impacts are defined by each environmental aspect identified by the Company.

Each environmental impact involves the risk of the environmental damage it could cause.

- Commission of criminal offences against the environment and natural resources. This risk is identified, evaluated and measured in the Risk Map included in the GRUPO ORTIZ Compliance Model.
- Reputational risk. ORTIZ is exposed to the risk of harm to its image and reputation due to the non-compliance, or negligent compliance, with the legal environmental requirements applicable to its business and to damage to the environment or to cultural, artistic or archaeological heritage.

Performance and Key Indicators related to Environmental Issues.

AUDIT PROCESSES PERFORMED BY EXTERNAL CERTIFICATION ENTITY.

GRUPO ORTIZ has defined Quality, Environment and Occupational Risk Prevention Policies in which the organisation's principles in these areas are defined and established. These Policies are included at the end of this report.

The GRUPO ORTIZ Integrated Quality, Environment and Occupational Risk Prevention System is audited EVERY YEAR by an external certification entity in accordance with international standards ISO 9001, ISO 14001 and OHSAS 18001.

In these audit processes, the works and contracts of ALL certified GRUPO ORTIZ companies are analysed by on a sample basis, ensuring control over 100% of the activities carried out by them.

QUALITY AND ENVIRONMENTAL MANAGEMENT SYSTEM

Between 12/04/2018 and 04/05/2018, the Quality and Environment audits of the GRUPO ORTIZ companies were carried out.

A total of 41 work centres were audited during this audit procedure (10 fixed centres and 31 temporary or on-site centres) in Spain, Peru and Mexico.

A total of 110 employees were interviewed during the audit process.



9. Innovation:

Innovation Policy
Innovation in GRUPO ORTIZ



9. Innovation

COMPETITIVENESS FACTOR AND KNOWLEDGE GENERATION

Innovation as an essential tool for contributing to knowledge generation, increasing competitiveness and creating value.

2018 Actions

- Innovation figure of € 1,768 million, of which € 1,403 million relate to R&D and € 0,365 million to IT.
- Obtaining an innovative solution for strengthening reinforced concrete structures in high-rise buildings subjected to strong wind loads.
- Designing and developing very high performance non-structural concretes, composed of recycled raw materials.
- Developing a system for securing anchor plates.
- Development of innovative solutions in prefabricated concrete facades with pcms for buildings. Phase change materials.
- Development of the R&D SENSOSMART Project, consisting of developing a monitoring and control system for evaluating the structural state of buildings in real time.
- Improving software control processes for managing dealings with the tax administration

2019 Objectives

- Increase the Innovation figure, optimising the generation of added value in project design and development in the Rehabilitation and Demolition and Energy areas within GRUPO ORTIZ, including prospecting and surveillance technology in the renewable energy sector.
- Increase access to funding requested from CDTI and government agencies associated with R&D+i.
- Develop innovative initiatives in the INDAGSA constructive system.
- Create value in international projects. Optimise the development of innovation projects in the projects we are implementing abroad.



GRUPO ORTIZ undertakes to provide the resources needed to ensure appropriate quality levels in its activities and demands a focus on sustainability in all its projects, taking into account economic, environmental and social aspects.

9.1. Innovation Policy

Our policy aims to consolidate a favourable climate for encouraging all the research and development actions that are necessary for the Group to become fully incorporated into the innovative culture, which is a competitive factor in the company's successful development.

GRUPO ORTIZ's Corporate Strategic Policy lays down, as a fundamental principle, the strengthening of basic research as a key element for contributing to the generation of knowledge, which is the basis for all long-term development, as well as creating a climate conducive to the Company's becoming fully incorporated into the technological innovation culture, in order to increase its competitiveness.

The importance of the R&D policy has been repeatedly highlighted in recent years, with a view to consolidating sustained long-term growth and developing new technologies, processes, materials, etc., in order to achieve continuous improvement in the activities of ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A. and to enhance the competitiveness and added value of our products in the market.

Innovation management in GRUPO ORTIZ is carried out in accordance with the guidelines established in the UNE 166002:2014 standard, which have been included in the Group's Integrated Management System.

GRUPO ORTIZ has been carrying out R&D+i activities since 1999.

Since then, **63** R&D+i projects have been carried out, supported by grants from various official bodies: PROFIT (Industry Ministry), IMADE (Madrid Development Institute), CDTI (Industrial Technological Development Centre) and I.D.A.E. (Diversification and Energy Saving Institute).

*"INNOVATION, A
FACTOR IN
COMPETITIVENESS
AND KNOWLEDGE
GENERATION"*

INNOVATION IN GRUPO ORTIZ		
TYPES OF R&D+i	No. Projects	%
Construction Technology	31	49.21
Prefabricated concrete	19	30.16
Water Technology	5	7.94
Energy	6	9.52
Environment	2	3.17
TOTAL	63	

9.2. Innovation in GRUPO ORTIZ

During 2018, ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A. and INDAG, S.A.U. carried out 6 R&D+i projects in the construction technology, construction engineering and information technology areas.

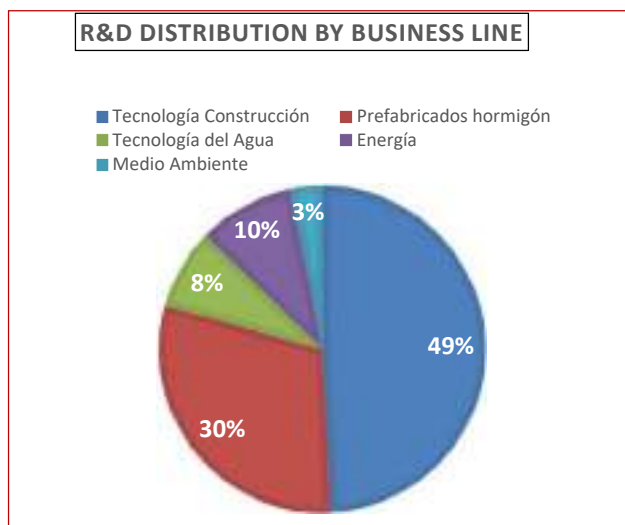
These projects are as follows:

DEVELOPMENT OF R&D+i PROJECTS BY ORTIZ CONSTRUCCIONES Y PROYECTOS

- Study and research on architectural improvements to reinforce skyscrapers. Edificio España.
- Development of an intuitive method that clearly identifies the elements on which action must be taken.
- The method consists of creating structure models in the different scenarios or existing work phases, acting on the actions and geometry thereof.
- This project, the engineering for which commenced in 2017, has been classified by an external certification body as R&D. R&D Sensomart Project. Monitoring and control system for the evaluation of the structural condition of buildings in real time.
- Development of software for managing VAT with the tax authorities.

63 R&D+i projects carried out in 20 years.

6 innovation projects carried out in 2018



Implementation of Indagsa R&D+i projects:

- Designing and developing very high performance non-structural concretes, composed of recycled raw materials.
- Developing a system for securing anchor plates.
- Developing innovative solutions in prefabricated concrete facades with pcms for buildings. Phase change materials.

INNOVATION IN EDIFICIO ESPAÑA PROJECT. REFLECTION OF GRUPO ORTIZ KNOW-HOW IN REHABILITATION WORKS

At GRUPO ORTIZ we have worked on numerous projects with various collaborating organisations to develop our R&D projects:

- Eduardo Torroja Institute of Construction Sciences
- Intemac
- Water Department of the Environmental Science Faculty of Carlos III University in Madrid
- Geodynamics Department of the Geology Faculty of the Madrid Complutense University
- Civil Engineering School of the Madrid Polytechnic University
- Besel
- I.D.A.E. (Diversification and Energy Saving Institute)
- Materials Mechanics Group of the Civil Engineering School at Castilla La-Mancha University
- Road Engineering School of Granada University
- G.O.P. Projects Office
- E.V.E. (Basque Energy Agency)
- C.E.S.I.C. Cold Institute
- Industrial and Technological Development Centre (CDTI)



GRUPO ORTIZ carries out energy improvement work under the LEED requirements and others with a view to obtaining an improved energy rating, constructing buildings with lower energy consumption, and providing added value for end-clients and the community in general.

10. Most relevant projects:

Construction Projects
Energy Projects



10. Most relevant projects with a social impact

10.1. Construction projects

TEPIC HOSPITAL (MEXICO)

- 150 beds, doctors' offices and operating rooms for the care of more than 250,000 local people with 33 specialties that ISSSTE will provide through its team of doctors.
- 600 jobs are expected to be created over the duration of the project.
- Forecast of 30 subcontracted companies.
- Increase in the quality, fairness and accessibility of public care services.
- Increase in health care capacity from 64 beds to 150 beds, increase in visits and medical specialties.
- Reduction in emergency care times.

POTOSI HOSPITAL (BOLIVIA)

- Improvement in treatment capacity in the Los Andes Health Network, in the city of El Alto. Complementing the Potosí Health Network with a Third Level Hospital.
- Expected generation of more than 500 direct jobs during the work.
- Subcontracting to more than 30 local companies.
- Increase in the quality, fairness and accessibility of public health services.
- Improvement in citizens' services.

ANDAHUAYLAS HOSPITAL (PERU)

- The Project will directly benefit more than 200,000 people, roughly half the population of Apurímac.
- During the project implementation process, direct jobs have been created for approximately 300 people and 20 local companies, as well as fomenting indirect employment and increasing local commerce.
- Following the start-up of the Andahuaylas hospital direct employment will be created for more than 100 health professionals and 42 administrative specialists, as well as indirect employment for various professionals.
- It is forecast that for 2018, more than 108,000 patient care actions, 27,600 emergency cases and more than 3,000 surgical operations will be performed, which would not have been possible without the execution of this project.



Andahuaylas Hospital Project (Peru)

NORTH CONNECTION HIGHWAY (COLOMBIA)

- The execution of the work, which will involve constructing 145 kilometres, includes the construction of 96 bridges.
- Competitive and efficient connection to the “ruta del sol”.
- Forecast generation of 135 direct jobs and **4,000** indirect jobs over the duration of the project.
- 25% travel time savings and improved connection between production centres in the south and the north.
- Improvement in road safety and creation of new areas of interest for tourists



Signa transversal highway (Colombia)

SEWERAGE NETWORK (Lots I and III) in San Miguelito, Panama.

- Construction of approximately 150 km of sewerage networks and sub-collectors to collect sewage or wastewater.
- Benefits approximately 13,900 families and 58,400 inhabitants of San Miguelito, reducing pollution and health risks and helping to improve sanitation and quality of life for the population of the City and Bay of Panama.
- This will improve the health of the city’s population, improving wastewater treatment and providing them with an improved drinking water service.
- Members of the community will also take part in the project, providing young people with an opportunity to work in the construction that will be carried out.

NORTH PANAMA AQUEDUCT

- Improvement in the functioning of the aqueduct network (drinking water) of Panama City and supply of drinking water to new areas.
- Forecast generation of 800 direct jobs and 200 indirect jobs over the duration of the project.
- Expected contracting of at least 20 local companies.
- Providing 28 communities with continuous and higher quality drinking water supply system.
- The project will have a positive impact on 28 communities and around 150,000 people.

COMPREHENSIVE RESTORATION OF THE CATHEDRAL BASILICA OF ST. MARY IN PANAMA CITY

- Increase in tourist visits to the place of interest.
- Generation of 7 direct and 70 indirect jobs.
- Subcontracting to 18 local companies and 40 collaborating companies/suppliers.
- Maintenance of humanity's historical heritage.



Restoration of St. Mary's Cathedral (Panama City)

10.2. Energy Projects

PHOTOVOLTAIC SOLAR PLANT "Jinko Yucatán" (100 MWp) in MEXICO

- Construction of a 97.95 MWp Photovoltaic Plant and its transmission infrastructure on a 200 hectare plot located in Valladolid, Yucatan State, Mexico. The Solar Plant will comprise 257,781 380 Wp photovoltaic modules. For the transmission of the energy generated a 34.5/115 KV and 70 MVA elevating SET will be built on the same plot, as well as a 5.1 Km, 115KV transmission line and a new opening at the existing arrival substation for its connection (Valladolid SE)
- employment for more than 500 people and participation of over 26 local companies
- 115,000 tonnes of CO2 prevented per year.



Mexico Photovoltaic plant

PHOTOVOLTAIC SOLAR PLANT NAVAJOA (257 MWp) IN SONORA. MEXICO.

- EPC construction project and subsequent operation and maintenance for 20 years for a photovoltaic plant with a nominal capacity of 200 MWac and 256.984.950 Wp, formed by monocrystalline PERC technology panels and unit capacity of 380 Wp, mounted on single file trackers in a 2 V configuration with 87 panels per tracker.
- The project will have 2,114 105 KVA string invertors and 38 transformation centres with a capacity of 0.8/34.5 KV and 6,000 KVA each.
- Additionally, the plant will have a 225 MVA elevation substation and a 34.5/230KV ratio in an LT configuration, as well as a 230 KV SC LAAT and the new position of the same voltage in an existing CFE substation.

PHOTOVOLTAIC SOLAR PLANT 93.18 "TERRANOVA" (MEXICO)

- Construction project for a photovoltaic plant under an EPC and later O&M arrangement.
- It will have 268,160 photovoltaic modules with a capacity of 345 and 350 Wp and 18 5.1 inverter centres, reaching an installed capacity of 93.18 MWp.
- Generation of more than 400 jobs and economic wellbeing in the surrounding towns.
- Subcontracting to 10 local companies.
- Promotion of photovoltaic solar energy as an alternative source of energy production.
- Reduction in greenhouse gas emissions in electricity generation.
- 120,000 tonne reduction per year in CO2 emissions.

PHOTOVOLTAIC SOLAR PLANT “TEPEZALA II” (133 MWp) IN AGUASCALIENTES (MEXICO)

- Consists of the implementation of a photovoltaic generation park composed of 403,920 photovoltaic solar modules with a capacity of 330 Wp for an overall power capacity of 100 MWn, 133.294.000 Wp.
- Employment for more than 500 persons over the duration of the project.
- involvement of more than 20 local companies.
- 120,000 tonnes of CO2 prevented per year.

PHOTOVOLTAIC SOLAR PLANT “SOLEM II” (180 MWp) IN AGUASCALIENTES (MEXICO)

- Construction project under an EPC arrangement for a photovoltaic plant in the state of Aguas Calientes (Mexico) and its subsequent operation and maintenance for five years, which may be extended to 10 years.
- Hiring of local personnel during the project, over 600 persons are expected to be taken on.
- Participation of 23 local and regional companies during the construction phase and subsequent O&M.
- Reduction in CO2 emissions of 160,695 tonnes per year in total for the two projects.

PHOTOVOLTAIC SOLAR PLANT “SOLEM II” (168 MWp) IN AGUASCALIENTES (MEXICO)

- Construction project under an EPC arrangement for a photovoltaic plant in the state of Aguas Calientes (Mexico) and its subsequent operation and maintenance for five years, which may be extended to 10 years.
- Hiring of local personnel during the implementation of the project.
- Involvement of local and regional companies during the construction phase and subsequent O&M.
- Reduction in CO2 emissions of 149,982 tonnes per year in total for the two projects.

PHOTOVOLTAIC SOLAR PLANT (35 MWp) NACAOME, HONDURAS

- Project Pacific Solar phase II, designed to generate 28.4 MW nominal capacity, reaching 35.55 MWp. Comprises 5, 4.8 MVA inverter centres plus one 2.4 MVA inverter centre and a total of 104,700 photovoltaic modules with a capacity of 330 Wp and 1500 V.
- Generation of more than 300 jobs over the duration of the project.
- Involvement of more than 20 local companies.
- CO2 reduction of 35,000 tonnes per year
- Committed to Kyoto Protocol



Photovoltaic solar plant in Aguascalientes (Mexico)

PHOTOVOLTAIC SOLAR PLANT "CANADIAN POTENZIA" (67.8 MWp) IN AGUASCALIENTES (MEXICO)

- Construction under an EPC arrangement for a photovoltaic plant in the state of Aguascalientes (Mexico) and its subsequent operation and maintenance for five years, which may be extended to 10 years.
- The plant's nominal capacity will be 60MW at the connection point and 67.736 MW peak.
- 200 jobs are expected to be created over the duration of the work.
- Estimated involvement of 7 local companies.
- Reduction in CO2 emissions of 53,565 tonnes/year.

13.98 MWp PHOTOVOLTAIC SOLAR PLANT "Mine Yamaguchi" JAPAN

- Construction project for a photovoltaic plant under an EPC and later O&M arrangement. The solar plant involved in this project comprises 2 phases of 7 MWn and 3 MWn each.
- Over 100 jobs are expected to be created over the course of the project, in addition to economic wellbeing in the surrounding towns.
- Subcontracting to 10 local companies.
- Promotion of photovoltaic solar energy as an alternative source of energy production.
- Reduction in greenhouse gas emissions in electricity generation.
- 15,000 tonne reduction per year in CO2 emissions.

15 MWp PHOTOVOLTAIC SOLAR PLANT "PV-SHIRAKAWA" (15 MWp).

- Construction project for a photovoltaic plant under an EPC and later O&M arrangement.
- The plant is close to Shirakawa city and will have a capacity of 14,902 MWp with 340 W Trinasolar solar modules.
- The generation of more than 150 jobs over the duration of the project is envisaged.
- More than 10 local companies are expected to be contracted.
- 8,000 tonne reduction per year in CO2 emissions.

PHOTOVOLTAIC SOLAR PLANT "Yamagata Kawanishi" (25 MWp) in Yamagata, JAPAN

Ortiz Energy Japan

- Construction project for a photovoltaic plant under an EPC and later O&M arrangement. It will be spread over 10 parks with a capacity of 2MW each. Each park will be made up of 3 660-680 kW inverters.
- Expected generation of more than 200 jobs over the duration of the project.
- Involvement of 10 local and regional companies during the construction phase and subsequent O&M.
- Clean energy generation (reduction of CO2 emission at a rate of 13,500 tonnes per year, commitment to the Kyoto protocol). Incorporation of renewable energy into the national grid.
- Subcontracting to 3 local companies.
- Capacity to supply approximately 7,200 homes.



CONSTRUCTION

ORTIZ CONSTRUCCIONES Y PROYECTOS, S.A.
CONDISA
INDAGSA
INDITEC
ASTEISA
COSFESA
IMPULSA
ICMA-PROAKIS

ENERGY

ORTIZ ENERGÍA
ELECOR
JUAN GALINDO T&D
ORMATS MANTENIMIENTO INTEGRAL

PROPERTY

GRUPO ORTIZ PROPERTIES (GOP)
ORTIZ INMOBILIARIA
PRORAX
AGRICASA

INTERNATIONAL

MEXICO: BRANCH OF ORTIZ CONSTRUCCIONES Y PROYECTOS IN MEXICO;
ELECOR MÉXICO; JUAN GALINDO MÉXICO; ENERGÍA MÉXICO;

PERU: JUAN GALINDO BRANCH IN PERU; BRANCH OF ORTIZ
CONSTRUCCIONES Y PROYECTOS IN PERU.

COLOMBIA: BRANCH OF ORTIZ CONSTRUCCIONES Y PROYECTOS IN
COLOMBIA; **PANAMA:** BRANCH OF ASTEISA PANAMÁ TRATAMIENTO DE
AGUA; BRANCH OF ORTIZ CONSTRUCCIONES Y PROYECTOS PANAMÁ;
BRANCH OF CONDISA PANAMÁ; BRANCH ELECOR PANAMÁ.

GUATEMALA: ORTIZ ENERGÍA BRANCH GUATEMALA,
ORTIZ CONSTRUCCIONES Y PROYECTOS GUATEMALA

ROMANIA: BRANCH OF ORTIZ CONSTRUCCIONES Y PROYECTOS IN ROMANIA

ITALY: BRANCH OF ORTIZ ENERGÍA IN ITALY, MEDSOLAR SPV10

CHILE: BRANCH OF ORTIZ CONSTRUCCIONES Y PROYECTOS DE CHILE

HONDURAS: BRANCH OF ORTIZ ENERGÍA IN HONDURAS

EL SALVADOR: BRANCH OF ORTIZ ENERGÍA EL SALVADOR

JAPAN: ORTIZ ENERGY JAPAN

BOLIVIA: BRANCH ORTIZ ENERGÍA BOLIVIA.

CONCESSIONS

CONSORCIO AUTOPISTA DEL NOROESTE SPV
CONSORCIO VIA CENTRO-ORIENTE SPV

CONSORCIO TEPIC
ACCESOS IBIZA, S.A.

VIARIO A31, S.A.

AFRICANA ENERGÍA, S.L.

MEDSOLAR SPV 10, S.R.L.

CONCESIONARIA COLLADO VILLALBA

ORTEGA Y GASSET PARK, S.L.

BULEVAR DEL ARTE Y LA CULTURA, S.L.

ORTIZ SPORT FACTORY, S.L.

GRUP  ORTIZ

Responsible Growth

GRUPO ORTIZ HEADQUARTERS

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Telephone: 91 343 1600

E-mail: rinstitutionales@grupoortiz.com

<http://www.grupoortiz.com>

APPENDIX I:

Quantitative data on the workforce



The tables that make up Appendix I contain the total data on the workforce:

- LOCAL WORKFORCE OF CONSOLIDATED GROUP COMPANIES
- LOCAL WORKFORCE OF COMPANIES NOT INCLUDED IN CONSOLIDATION (proportionate amount of investees and temporary consortia)
- GROUP'S INTERNATIONAL BRANCHES

The total is the sum of: Workforce at 31/12/2018 → 2,083
 Average workforce 2018 → 2,250

COMPANIES INCLUDED IN CONSOLIDATION

2018

CONSOLIDATED AVERAGE WORKFORCE

AVERAGE WORKFORCE 2018 1187

76.66% PERMANENT

23.34% TEMPORARY

LEVELS	PERMANENT	TEMPORARY	TOTAL
Directors	9	0	9
Senior management	5	0	5
Admin., Technical and Construction Managers	304	58	362
Middle management	132	43	175
Administrative personnel	95	24	119
Workers	374	152	526
TOTAL	910	277	1187

CONSOLIDATING SPANISH COMPANIES AND THEIR AVERAGE WORKFORCE

AGRICASA	19.19
ASTREISA	16.90
CONDISA	22.02
CONCESIONARIA VILLALBA	6.00
COSFESA	56.58
EL ARCE	0.87
ELECOR	99.40
GRUPO ORTIZ PROPERTIS	0.87
INDAGSA	42.49
INDITEC	181.26
JUAN GALINDO	116.74
ORTIZ AREA INMOB	2.70
ORTIZ AREA INMOB	537.94
ORTIZ ENERGÍA	62.43
ORTIZ INTERNACIONAL	17.46
PRORAX	4.00
TOTAL rounded	1,187

LOCAL WORKFORCE OF CONSOLIDATED GROUP COMPANIES

YEAR-END WORKFORCE

74.04% PERMANENT

25.96% TEMPORARY

<u>YEAR</u>	<u>PERMANENT</u>	<u>TEMPORARY</u>	<u>TOTAL</u>
2018	964	338	1302*

* Total workforce consolidated companies + relevant portion of 226 temp. consortia + unconsolidated companies = 1528

DISTRIBUTION OF THE WORKFORCE AT THE YEAR END BY PROFESSIONAL CATEGORY, TYPE OF CONTRACT AND GENDER

<u>LEVELS</u>	<u>PERMANENT</u>		<u>TEMPORARY</u>		<u>TOTAL</u>
	<u>MEN</u>	<u>WOMEN</u>	<u>MEN</u>	<u>WOMEN</u>	
Senior management	4	1	0	0	5
Admin., Technical and Construction Managers	221	77	54	17	369
Middle management	132	6	53	0	191
Administrative personnel	44	50	24	23	141
Workers	349	80	143	24	596
TOTAL	750	214	274	64	1302

DISTRIBUTION OF THE WORKFORCE AT THE YEAR END BY PROFESSIONAL CATEGORY, TYPE OF CONTRACT, GENDER AND AGE.

<u>LEVELS</u>	<u>PERMANENT</u>		<u>TEMPORARY</u>		<u>TOTAL</u>
	<u>MEN</u>	<u>WOMEN</u>	<u>MEN</u>	<u>WOMEN</u>	
Senior management	4	1	0	0	5
18 to 30 years of age	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0
46 to 60 years of age	2	1	0	0	3
More than 60	2	0	0	0	2
Admin., Technical and Construction Managers	221	77	54	17	369
18 to 30 years of age	1	0	9	3	13
31 to 45 years of age	106	41	24	10	181
46 to 60 years of age	104	35	19	3	161
More than 60	10	1	2	1	14
Middle management	132	6	53	0	191
18 to 30 years of age	2	1	3	0	6
31 to 45 years of age	23	3	9	0	35
46 to 60 years of age	92	2	33	0	127
More than 60	15	0	8	0	23
Administrative personnel	44	50	24	23	141
18 to 30 years of age	1	0	13	12	26
31 to 45 years of age	23	36	6	9	74
46 to 60 years of age	19	13	2	2	36
More than 60	1	1	3	0	5
Workers	349	80	143	24	596
18 to 30 years of age	13	2	23	4	42
31 to 45 years of age	118	20	54	6	198
46 to 60 years of age	181	46	58	11	296
More than 60	37	12	8	3	60
TOTAL	750	214	274	64	1302

APPENDIX I. QUANTITATIVE DATA ON THE WORKFORCE

DISTRIBUTION OF THE WORKFORCE AT THE YEAR END BY PROFESSIONAL CATEGORY AND COUNTRY

Country of origin	Senior management	Admin., Technical and Construction Managers	Middle management	Administrative personnel	Workers	TOTAL
Germany		1				1
Argentina					1	1
Belgium			1			1
Brazil			1			1
Colombia					5	5
Ecuador					10	10
USA		1				1
Spain	5	364	177	138	547	1231
Philippines					1	1
France				1		1
Honduras					1	1
Italy		1	1	1		3
Morocco			1		2	3
Mexico		1	4	1	2	8
Nicaragua					2	2
Paraguay					1	1
Poland		1			2	3
Peru			3		16	19
Dominican Rep.					1	1
Portugal			3		2	5
Romania					2	2
Venezuela					1	1
TOTAL	5	369	191	141	596	1302

AVERAGE WORKFORCE 2018 1187

76.66% PERMANENT

23.34% TEMPORARY

LEVELS	PERMANENT				TEMPORARY				TOTAL
	FULL TIME		PART TIME		FULL TIME		PART TIME		
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Senior management	4	1	0	0	0	0	0	0	5
18 to 30 years of age	0	0	0	0	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0	0	0	0	0
46 to 60 years of age	2	1	0	0	0	0	0	0	3
More than 60	2	0	0	0	0	0	0	0	2
Admin., Technical and Construction Managers	212	75	1	4	44	12	2	1	351
18 to 30 years of age	0	1	0	0	6	1	0	0	8
31 to 45 years of age	102	42	0	0	22	8	1	0	175
46 to 60 years of age	100	31	1	4	15	3	0	0	154
More than 60	10	1	0	0	1	0	1	1	14
Middle management	128	2	1	1	37	0	6	0	175
18 to 30 years of age	0	0	0	0	1	0	0	0	1
31 to 45 years of age	23	1	0	0	10	0	0	0	34
46 to 60 years of age	90	1	0	1	25	0	0	0	117
More than 60	15	0	1	0	1	0	6	0	23
Administrative personnel	41	43	0	4	10	6	0	3	107
18 to 30 years of age	1	0	0	0	6	3	0	0	10
31 to 45 years of age	20	31	0	2	3	1	0	3	60
46 to 60 years of age	18	11	0	2	1	2	0	0	34
More than 60	2	1	0	0	0	0	0	0	3
Workers	295	43	10	45	121	12	12	11	549
18 to 30 years of age	6	1	3	1	12	1	1	0	25
31 to 45 years of age	100	10	2	7	52	4	2	5	182
46 to 60 years of age	151	25	5	27	55	7	4	4	278
More than 60	38	7	0	10	2	0	5	2	64
TOTAL	680	164	12	54	212	30	20	15	1187

LOCAL WORKFORCE OF COMPANIES NOT INCLUDED IN CONSOLIDATION

(INCLUDES RELEVANT PORTION OF INVESTEEES AND TEMPORARY CONSORTIA)

YEAR-END WORKFORCE

74.96% PERMANENT

25.04% TEMPORARY

<u>YEAR</u>	<u>PERMANENT</u>	<u>TEMPORARY</u>	<u>TOTAL</u>	-
2018	169	57	226	

LEVELS	PERMANENT		TEMPORARY		TOTAL
	MEN	WOMEN	MEN	WOMEN	
Senior management	0	0	0	0	0
Admin., Technical and Construction Managers	9	3	3	1	16
Middle management	6	2	0	0	8
Administrative personnel	4	6	4	5	19
Workers	74	65	31	13	183
TOTAL	93	76	38	19	226

AVERAGE WORKFORCE 2018 384

82.29% PERMANENT

17.71% TEMPORARY

LEVELS	PERMANENT	TEMPORARY	TOTAL
Senior management	0	0	0
Admin., Technical and Construction Managers	14	4	18
Middle management	22	1	23
Administrative personnel	15	9	24
Workers	265	54	319
TOTAL	316	68	384

GROUP'S INTERNATIONAL BRANCHES

STRUCTURE AND PRODUCTION

WORKFORCE AT THE BEGINNING OF 2018

53.37% PERMANENT

46.63% TEMPORARY

<u>YEAR</u>	<u>PERMANENT</u>	<u>TEMPORARY</u>	<u>TOTAL</u>	-
2018	285	249	534	

<u>LEVELS</u>	<u>PERMANENT</u>		<u>TEMPORARY</u>		<u>TOTAL</u>
	<u>MEN</u>	<u>WOMEN</u>	<u>MEN</u>	<u>WOMEN</u>	
Senior management	0	0	0	0	0
Admin., Technical and Construction Managers	22	13	38	6	79
Middle management	18	6	47	2	73
Administrative personnel	18	28	20	14	80
Workers	129	12	153	8	302
TOTAL	187	59	258	30	534

WORKFORCE AT THE END OF 2018

35.71% PERMANENT

64.29% TEMPORARY

<u>YEAR</u>	<u>PERMANENT</u>	<u>TEMPORARY</u>	<u>TOTAL</u>	-
2018	179	376	555	

<u>LEVELS</u>	<u>PERMANENT</u>		<u>TEMPORARY</u>		<u>TOTAL</u>
	<u>MEN</u>	<u>WOMEN</u>	<u>MEN</u>	<u>WOMEN</u>	
Senior management	0	0	0	0	0
Admin., Technical and Construction Managers	45	19	44	10	118
Middle management	12	7	69	7	95
Administrative personnel	15	28	37	26	106
Workers	44	9	174	9	236
TOTAL	116	63	324	52	555

AVERAGE WORKFORCE 2018

***679**

* Due to fluctuations in personnel mainly in the Mexico, Panama and Peru branches

24.74% PERMANENT

75.26% TEMPORARY

<u>LEVELS</u>	<u>PERMANENT</u>	<u>TEMPORARY</u>	<u>TOTAL</u>
Senior management	0	0	0
Admin., Technical and Construction Managers	52	64	116
Middle management	25	75	100
Administrative personnel	43	76	119
Workers	48	296	344
TOTAL	168	511	679

PERSONNEL STRUCTURE GROUP INTERNATIONAL BRANCHES

YEAR-END WORKFORCE

50.00% PERMANENT

50.00% TEMPORARY

<u>YEAR</u>	<u>PERMANENT</u>	<u>TEMPORARY</u>	<u>TOTAL</u>	-
2018	19	19	38	

DISTRIBUTION OF THE WORKFORCE AT THE YEAR END BY PROFESSIONAL CATEGORY, TYPE OF CONTRACT AND GENDER

LEVELS	PERMANENT		TEMPORARY		TOTAL
	MEN	WOMEN	MEN	WOMEN	
Senior management	0	0	0	0	0
Admin., Technical and Construction Managers	7	6	8	5	26
Middle management	0	0	0	0	0
Administrative personnel	2	4	2	4	12
Workers	0	0	0	0	0
TOTAL	9	10	10	9	38

DISTRIBUTION OF THE WORKFORCE AT THE YEAR END BY PROFESSIONAL CATEGORY, TYPE OF CONTRACT, GENDER AND AGE

LEVELS	PERMANENT		TEMPORARY		TOTAL
	MEN	WOMEN	MEN	WOMEN	
Senior management	0	0	0	0	0
18 to 30 years of age	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0
46 to 60 years of age	0	0	0	0	0
More than 60	0	0	0	0	0
Admin., Technical and Construction Managers	7	6	8	5	26
18 to 30 years of age	0	2	1	0	3
31 to 45 years of age	6	3	7	3	19
46 to 60 years of age	1	1	0	2	4
More than 60	0	0	0	0	0
Middle management	0	0	0	0	0
18 to 30 years of age	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0
46 to 60 years of age	0	0	0	0	0
More than 60	0	0	0	0	0
Administrative personnel	2	4	2	4	12
18 to 30 years of age	1	1	1	3	6
31 to 45 years of age	0	2	0	1	3
46 to 60 years of age	1	1	0	0	2
More than 60	0	0	1	0	1
Workers	0	0	0	0	0
18 to 30 years of age	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0
46 to 60 years of age	0	0	0	0	0
More than 60	0	0	0	0	0
TOTAL	9	10	10	9	38

APPENDIX I. QUANTITATIVE DATA ON THE WORKFORCE

DISTRIBUTION OF THE WORKFORCE AT THE YEAR END BY PROFESSIONAL CATEGORY AND COUNTRY

Country of origin	Senior management	Admin., Technical and Construction Managers	Middle management	Administrative personnel	Workers	TOTAL
Spain		1		1		2
Mexico		7		6		13
Colombia		4		2		6
Peru		10		2		12
Japan				1		1
Chile						0
Honduras						0
El Salvador						0
Guatemala						0
Bolivia		1				1
Panama		2				2
Romania						0
France						0
Morocco						0
Philippines						0
Ecuador						0
Venezuela				1		1
						0
TOTAL	0	25	0	13	0	38

AVERAGE WORKFORCE 2018 30

63.33% PERMANENT

36.67% TEMPORARY

LEVELS	PERMANENT				TEMPORARY				TOTAL
	FULL TIME		PART TIME		FULL TIME		PART TIME		
	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN	
Senior management	0	0	0	0	0	0	0	0	0
18 to 30 years of age	0	0	0	0	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0	0	0	0	0
46 to 60 years of age	0	0	0	0	0	0	0	0	0
More than 60	0	0	0	0	0	0	0	0	0
Admin., Technical and Construction Managers	7	6	0	0	4	4	0	0	21
18 to 30 years of age	0	2	0	0	1	0	0	0	3
31 to 45 years of age	6	3	0	0	3	2	0	0	14
46 to 60 years of age	1	1	0	0	0	2	0	0	4
More than 60	0	0	0	0	0	0	0	0	0
Middle management	0	0	0	0	0	0	0	0	0
18 to 30 years of age	0	0	0	0	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0	0	0	0	0
46 to 60 years of age	0	0	0	0	0	0	0	0	0
More than 60	0	0	0	0	0	0	0	0	0
Administrative personnel	2	4	0	0	1	2	0	0	9
18 to 30 years of age	1	1	0	0	0	1	0	0	3
31 to 45 years of age	0	2	0	0	0	1	0	0	3
46 to 60 years of age	1	1	0	0	0	0	0	0	2
More than 60	0	0	0	0	1	0	0	0	1
Workers	0	0	0	0	0	0	0	0	0
18 to 30 years of age	0	0	0	0	0	0	0	0	0
31 to 45 years of age	0	0	0	0	0	0	0	0	0
46 to 60 years of age	0	0	0	0	0	0	0	0	0
More than 60	0	0	0	0	0	0	0	0	0
TOTAL	9	10	0	0	5	6	0	0	30

APPENDIX II:

Table showing relationship between legal requirements and GRI Standard indicators



APPENDIX II. TABLE SHOWING RELATIONSHIP BETWEEN LEGAL REQUIREMENTS AND GRI STANDARD INDICATORS

As mentioned in point 1. “Scope and objectives ...” of this document, the present Grupo Ortiz Non-Financial Information Statement is presented separately as it is not integrated into the Company’s consolidated management report for 2018. However, it does form part of said consolidated management report.

While point 3. “Materiality analysis relevant to the Group” includes a table setting out the matters identified by order of relevance with the corresponding GRI indicators, Appendix II includes the Index of GRI Content associated with questions and issues the fulfilment of which is mandatory under Law 11/2018 and which are included in this NFIS.

Description of the Company			
Scope of the Law	Content	Section	GRI
Business model	A brief description of the group’s business model, which will include its business environment, its organisation and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that could affect its future development.	Section 2	102-1; 102-2; 201-1; 201-3; 102-3; 102-4; 102-5; 102-6; 102-7; 202; 102-56; 102-55; 102.40; 102.16
Policy	Description of the policies applied by the group in relation to these issues, including due diligence procedures applied in the identification, assessment, prevention and mitigation of risks and significant impacts, and in verification and control, as well as the measures that have been adopted .	Section 1,4,5,6,7,8,9	102-14;
Results and Indicators	Policy outcomes: the results of these policies should include relevant non-financial key outcome indicators that allow progress to be monitored and assessed and that favour comparability between companies and sectors, in accordance with national, European or international reference frameworks used for each topic.	Section 4,5,6,7,8,9	102-15;
Risks	Risks: the main risks related to these issues and linked to the group’s activities, including, when relevant and proportionate, its business relations, products or services that could have negative effects in these areas, and how the group manages said risks, explaining the procedures used to detect and evaluate them in accordance with national, European or international reference frameworks for each topic. Information must be included on any impacts detected, offering a breakdown of these impacts, in particular concerning the main short, medium and long term risks;	Section 2,3	102-15; 102-31

I Environmental issues			
Scope of the Law	Content	Section	GRI
General	Detailed information on environmental issues indicating: <ul style="list-style-type: none"> · current and foreseeable effects of the company’s activities on the environment and on health and safety; · environmental evaluation or certification procedures; · resources devoted to the prevention of environmental risk; · application of the precautionary principle; · amount of provisions and safeguards for environmental risks. 	Section 7.5, 8	201-2, 301-7
- Pollution and circular economy and waste prevention and management	measures to prevent, reduce or repair carbon emissions that seriously affect the environment, taking into account any form of air pollution specific to an activity, including noise and light pollution. Waste: prevention, recycling, reuse, other forms of recovery and waste disposal measures;	Section 8.1/ 8.2	301-1, 301-2
Sustainable use of resources	Water consumption and water supply in accordance with local constraints; Consumption of raw materials and measures taken to improve the efficiency of their use; direct and indirect energy consumption, measures taken to improve energy efficiency and the use of renewable energies.	Section 2, 8	302-1, 302-4, 303-3
Climate change	Major elements of greenhouse gas emissions generated as a result of the company’s activities, including the use of the goods and services it produces; measures taken to adapt to the consequences of climate change; voluntary medium and long term reduction targets to reduce greenhouse gas emissions and resources implemented to this end.	Section 8.4, 2	305-5
Protection of biodiversity	<ul style="list-style-type: none"> · measures taken to preserve or restore biodiversity; · impacts caused by activities or operations in protected areas. 	Section 8.5	304-2

II Social and personnel-related matters

Scope of the Law	Content	Section	GRI
Employment and universal accessibility	<ul style="list-style-type: none"> total number and distribution of employees by gender, age, country and professional classification; total number and distribution of types of employment contract, annual average of permanent contracts, temporary contracts and part-time contracts by gender, age and professional classification, number of dismissals by gender, age and professional classification; average remuneration and trends therein by gender, age and professional classification or equal value; salary gap, remuneration of equal or average positions in the company, average remuneration of director and executive positions, including variable remuneration, per diem allowances, indemnities, contributions to long-term savings schemes and any other benefits, broken down by gender, implementation of right to disconnect policies, disabled employees. 	Section 7 and Appendix I	401-1,
Work organisation	<ul style="list-style-type: none"> organisation of working time; number of hours of absenteeism; measures aimed at facilitating work-life balance and encouraging the joint exercising thereof by both parents. 	Section 7.1	403
Health and Safety	<ul style="list-style-type: none"> health and safety at work conditions; occupational accidents, in particular their frequency and severity, and occupational diseases, broken down by gender. 	Section 7.5	403-1, 403-2
Labour relations	<ul style="list-style-type: none"> arrangements for dialogue between management and staff, including procedures to inform and consult personnel and negotiate with them; percentage of employees covered by a collective bargaining agreement, by country; balance of collective agreements, particularly in the field of health and safety at work. 	Section 7.1	407
Training	<ul style="list-style-type: none"> training policies implemented; total hours of training by professional category. 	Section 7.3	404-1
Equality	<ul style="list-style-type: none"> measures taken to promote equal treatment and opportunities between women and men; equality plans (Chapter III of Organic Law 3/2007 of March 22 on gender equality). 	Section 7.2	405-1; 405-2;

III Human Rights

Scope of the Law	Content	Section	GRI
	<ul style="list-style-type: none"> policy against all types of discrimination and, where appropriate, diversity arrangements and diligence procedures in the human rights area; Prevention of risk of violation of human rights, Measures to mitigate, manage and redress any abuses committed. Complaints about cases of violation of human rights 	Section 7.4/ 5.6	411-1
Respect for human rights	Promotion of and compliance with the provisions of the basic conventions of the International Labour Organisation related to respect for freedom of association and the right to collective bargaining. Elimination of discrimination in employment and occupations	Section 7.1	407-1
	Effective abolition of child labour	Section 7.4	408-1

V Company

Scope of the Law	Content	Section	GRI
Company's commitments to sustainable development	<ul style="list-style-type: none"> impact of the company's activities on local employment and development; impact of the company's activities on local populations and on the terrain; relations with players in local communities and types of dialogue with them; association or sponsorship actions. 	Section 6, 10	413-1 413-2 414-1
Subcontracting and suppliers	<ul style="list-style-type: none"> inclusion of social, gender equality and environmental matters in the procurement policy; consideration in relations with suppliers and subcontractors of their social and environmental responsibility; supervision systems and audits and their results. 	Section 6.3	414-1
Consumers	<ul style="list-style-type: none"> measures for consumer health and safety; complaints system, complaints received and their resolution 	Section 6.2 and Section 5.2	418-1
Tax-related information	<ul style="list-style-type: none"> profits made country by country; corporate income tax paid and public grants received. 	Section 2	201-4 108