

SUSTAINABILITY REPORT 2020 CORPORATE SOCIAL RESPONSIBILITY



1.	COMITMENT	3
2.	RESPONSIBLE MANAGEMENT	4
3.	CSR POLICY	5
4.	ACTIVITY	7
5.	EVALUATION	8

1. COMITMENT

In 2020 Adasa has carried out projects according to the core business of the Company as a specialised engineering on water cycle and environment. The overall national contracts (Spain) registered a 76% and a 24% corresponds to international activity.

In Spain we can highlight the renewals of maintenance contracts related to **water quality monitoring networks and weather radar networks**, promoted by the River Basins of Ebro, Guadiana and Duero, AEMET, SMC and Catalan Government.

Adasa has carried out **international** projects in Morocco, the European Community, Australia, Comores and Togo, among others.

Related to **research**, **development and innovation activities**, in 2020 Adasa participated in 4 projects:

- iBATHWATER (LIFE17 ENV / ES / 000396), which aims to improve the quality of bathing water through new urban water management systems
- NextGen (H2020-IND-CE-2016-17, CIRC-02-2016-2017, GA-776541-2), with the aim of studying new water systems and services for the circular economy.
- Digestake (COMRDI16-1-0061), for the recovery and valorisation of urban digestate resources within the framework of the circular economy.
- IMAQUA (COMRDI16-1-0063), for the integral management of water quality and quantity in supply and distribution processes.

Day to day, Adasa remains committed to the values of the UN Global Compact, and making a strong effort to create economic, environmental and social value in the short and medium term, and to contribute to the progress and society welfare.

Regards,

Albert Molina General Manager

2. RESPONSIBLE MANAGEMENT

On the way to excellence, Adasa has implemented an Integrated Management System – Quality, Environment and Health & Safety, certified based on international standards: ISO 9001, ISO 14001 and EMAS.



Day to day, Adasa remains making an strong effort to create economic, environmental and social value in the short and medium term, and to contribute to the progress and society welfare.

Adasa has been a **signatory member to the United Nations Global Compact** since **2007**. The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption.

www.unglobalcompact.org



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

Since 2006 ADASA is in EMAS Registration, keeping its commitment to transparent and sustainable management.

Adasa voluntarily joined Eco-management and Audit Scheme (CE1221/2009-EMAS) in 2006. After 14 years we still keep our commitment to Performance, Credibility and Transparency in Environmental Management.



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The environmental data contained in Sustainability Report are externally verified during the annual EMAS verification (audit).

4

3. CSR POLICY

Adasa is an engineering specialised in sector-based solutions and technological solutions applied to water and the environment, and carries out its business in a changing and globalised environment where the excellence of its technology, services and management are an essential requisite for competitiveness, development and progress.

The knowledge and experience of Adasa allow us to provide solutions that fulfil the needs and expectations of our clients.

The General Management leads the organisation towards a model of EXCELLENCE, TOTAL QUALITY and Social Responsibility, based on the following strategic plans: process-based management, knowledge management, human capital and the organisation's capacity to innovate. Adasa is committed to:

Team

- Creating and maintaining a climate that guarantees and promotes a favourable environment and organisation.
- Providing the resources and carrying out the appropriate actions for implementing a policy of ongoing training and development.
- Facilitating and managing:
 - Internal communications.
 - A positive work-life balance.
 - Fairness and justice in terms of remuneration for each person's contribution.
 - Equal opportunities.
 - The opportunity to participate in certain decisions making, taking into account the interests and concerns of the employees affected by changes.
- Improving and guaranteeing the safety of the working environment: appropriate environmental conditions and physical workspaces; appropriate, modern working equipment.

Clients

- Establishing effective channels of communications that enhance the company to identify their needs and foresee their demands.
- Maintaining a spirit of ongoing improvement throughout the relationship, externalising the added value to the client and promoting research, development and innovation in the services provided.
- Guaranteeing an excellent service in terms of quality. Adasa has implemented a quality management system based on ISO 9001



Society

- Maintaining a social communication channel, based on the principle of transparency, whilst promoting a cooperative relationship with the authorities and an open dialogue with the stakeholders, to whom this policy is directed. In fulfilling our commitment to these communication channels, we have set up the website: www.adasasistemas.com
- Fostering training, research and informative actions to improve the health, safety and integration of our employees whilst promoting a system of ongoing improvement in our environmental management.

Suppliers

- Encouraging our suppliers to act in a socially responsible manner, establishing mutually beneficial, open, respectful and honest relationships.
- Maintaining the appropriate data confidentiality and privacy by implementing quality, environmental and social criteria when evaluating suppliers.

Environment

- Any project must be based on the principle of protecting and improving the environment and the prevention of pollution in order to promote the global objective of sustainable development. The improvement and protection strategies include actions to combat climate change.
- Adasa has implemented an environmental management system certified by the UNE: EN: ISO 14001 standards and the EMAS Regulation, which means that it has an active strategy of ongoing improvement for minimising its environmental impact and contributing to a sustainable environment form a life cycle perspective by developing new environmental protection technologies, including pollution prevention.
- Every year, the organisation renews its commitment to transparency (EMAS) and publishes important environmental information in the Environmental Declaration. This presents the data on the consumption of resources, waste generation and the environmental impacts associated with its activities.

Health&Safety

- Providing the resources necessary to guarantee the safety of our employees and effectively improve the working conditions of the different activities in the company.
- Adasa has implemented a management system for the prevention of risks in the workplace, to ensure optimal safety conditions in the workplace.



4. ACTIVITY

Adasa is a recognised engineering company, established in 1988, that provides technological solutions for the management of the integral water cycle and the environment.

Adasa supports an integrated, multidisciplinary approach to water resources management and leads its activities to achieve the environment protection. Adasa pursues technological excellence to be the driving for assisting public and private organisations in the development of their activities, the improvement of their service efficiency, ensuring resources optimisation and reducing operational costs.

As experienced services integrators, Adasa covers a wide spectrum of related services, including consultancy, development, maintenance, and operations. Adasa joins water and environment expertise and highly specific technology capabilities, and understands the sector needs. It focusses its complete portfolio on water resources management (water quality monitoring and hydrology), smart operation of water utilities and operators, and irrigation and rural water. Adasa also fosters environment monitoring solutions in meteorology and air quality.

More than 25 years of R+D and innovation have guided Adasa to develop 50 worldwide projects and 12 patents, highlighting innovative products for real time water quality monitoring, as well as advanced ICT solutions for water sector, matching R+D and innovation activities with water needs.

ADASA COLLABORATES WITH RESEARCH CENTERS, SCIENTIFIC AND TECHNOLOGICAL INSTITUTIONS, and UNIVERSITIES.

Adasa has the collaboration and support of prestigious organizations worldwide, through which strategic alliances are established that guarantee the implementation of the best solutions and the integration of high value-added technological tools.

These collaborations promote the development of new technological tools, as well as the exchange of experiences, knowledge and innovation that ensure the success and achievement of project goals.

Adasa is part of professional associations, encouraging the contribution and active participation to achieve the sustainable use of water and the commitment to the environment. Collaboration in this type of groups promote the exchange of knowledge between the different members, creating a link and a common forum between the different professionals.



HUMAN RIGHTS AND SUPPLY CHAIN

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In 2020 Adasa reaffirms its commitment to "respect and support human rights".

The company has a supplier homologation circuit, subject to the information presented in the following fields:

- a. Security and health at work.
- b. Relationship with the Environment
- c. Quality and selection of suppliers
- d. Corporate Social Responsibility.

The result of the Evaluation provides a final score that influences on the final designation of the contracted works.

In addition, Adasa prioritizes contracting with nearby suppliers, which means:

- a. A lower CO2 equivalent emission in contracted activities / materials.
- b. It economically contributes to local development.
- c. It's guaranteed that the suppliers belong to countries without risk of violation of Human Rights, forced labour practices or child exploitation.
- d. It's guaranteed compliance with laws associated to contracted activities/materials.
- e. The impacts of supply chain are controlled for the four families covered by the "Global Compact": Human Rights, Labour Standards, Environment and Fight against corruption.



GOAL / PRIORITY SDGS	PLAN OF ACTION		INDICATOR / GOAL	GLOBAL COMPACT PRINCIPLES	EXPECTED DATE	RESPONSABLE/ MEANS			
01- ADAPT THE APPROVAL OF SUPPLIERS PROCEDURE TO THE FAMILIES OF REQUIREMENTS OF "GLOBAL COMPACT" SDG 05, SDG 08, SDG 12, SDG 13, SDG 16, SDG 17	 1-Improvement of the scores of the approved suppliers (2019-2020). 2-Subdivide criteria already established in the Homologation of Suppliers to clarify those that are of "Human Rights" and "Fight against corruption" (2021). 3-Include mandatory items for supplier (2021). 		Associated Indicators	01, 02, 04, 05, 06, 08, 09, 10.	December-21	Quality Dep./ Internal resources			
				2020 RESULTS					
The results in 2020	The results in 2020 compared to previous years have been:								
	A1	A2	A3	A4					
2018	2.19	1.69	1.73	1.19					
2019	2.5	1.75	1.83	1.083					
2020	1.96	1.88	1.96	1.4					
Therefore, the results are better than previous years except in "quality". New procedures have been implanted to include social requirements in the search of new providers.									



LABOUR LAWS AND RISK PREVENTION

Adasa has approved a "Protocol for the Prevention of Psychological, Sexual and Gender-Based Harassment at Work", that includes:

- a. Psychological harassment
- b. Sexual harassment.
- c. Harassment based on gender
- d. Gender Inequality

It's currently working on an improvement in the field of Equality Plans.

On the other hand, the company has a system focused on improving work-life balance:

- a. Flexible working hours.
- b. Individualized study of workers' circumstances and adaptation through teleworking.
- c. Suitable Technological Systems for the correct development of this teleworking.

Adasa also supports freedom of association and recognizes the right to collective bargaining.

Finally, it should be noted that Adasa has implemented an Occupational Health and Safety Management System, where are included other types of evaluations, as "identification of psychosocial risks associated to work".



DISTRIBUTION BY PROFESSIONAL Construction GROUP (%) Administratives workers / specialists 6% 1% Executives 3% Managers & Technician 90% 14% 86% 7.000 6.000 Lost Time Injuries Incidence Rate = 0 5.000 (Nr LTI* 10^5/Number of employees) 4.000 3.000 LTI=Lost Time Injury 2.000 Comparative by Activity Sector 1.000 4.004 0 -ADASA Services Construction Industry 20 15 Lost Time Injuries Frequency Rate = 0 10 (Nr LTI*10^6/Hours worked) 5

0

■ 2017 ■ 2018 ■ 2019 ■ 2020





ENVIRONMENTAL MANAGEMENT

As indicated in section 2 of this report, Adasa is certified under ISO 14001 and EMAS standards.

Among the actions carried out to improve the circular economy of its products we find:

- a. Environmental homologation of suppliers.
- b. Control of materials used in their products in order to minimize quantities and improve its management at the end of their useful life.
- c. Manufacture easily repairable and upgradeable equipment.
- d. Control of energy consumption during manufacturing.
- e. Segregation and correct management of waste generated during manufacturing.



Some of the indicators that remain in this field are:





GOAL / PRIORITY SDGS	PLAN OF ACTION	INDICATOR / GOAL	GLOBAL COMPACT PRINCIPLES	EXPECTED DATE	RESPONSABLE/ MEANS			
02- REDUCTION OF WASTE GENERATION	Reduce by 5% the weighted amount of waste whose evaluation has resulted	kg of waste / employee	07, 08	January -22	Quality Dep./ Internal resources			
SDG 12, SDG 13, SDG 15	as "significant" in Barcelona: batteries, plastic, RAEEs, by promoting "Good practices" in the company.							
	2020 RESULTS							
Battery waste: 100% decrease // Plastics waste: 59% increase // WEEEs waste: 13% decrease								

GOAL / PRIORITY SDGS	PLAN OF ACTION	INDICATOR / GOAL	GLOBAL COMPACT PRINCIPLES	EXPECTED DATE	RESPONSABLE/ MEANS		
03-REDUCTION OF ELECTRICAL CONSUMPTION	Reduce 1% electricity consumption by: 1. Changing warehouse lights to LED //	kWh / employee	07, 09	December -21	Quality Dep./ External resources		
SDG 12, SDG 13, SDG 15	2. Improvements in the air conditioning and air distribution						
2020 RESULTS							
The result in 2020 has been quite better than previous years: 2,040 kW/employee in 2020 compared to 2,543 kW / employee in 2019.							
The goal continues in 2021. Solar panels will be installed in Barcelona premise.							



ETHICS AND FIGHT AGAINST CORRUPTION

Adasa mainly has relations with 9 groups (management, clients, suppliers, employees, social context, environment, investors, competitors, public administrations) for which it establishes criteria of social responsibility that are developed by a code of conduct and supervised by the Ethics Committee.

The company has a "channel of the employee" where the worker can consult, contribute with ideas and make complaints of unethical and illegal conduct, if it's the case.

In addition, Adasa is working on a Management System implementation that, among other fields, will control the ethical conduct and the fight against corruption of the company

ANNUAL TURNOVER	13.6 M€
TAXES ON PROFITS	69.347€
SUBVENTIONS BY COUNTRY	No subventions are received from any country. The aid received comes from European Union funds.

GOAL / PRIORITY SDGS	PLAN OF ACTION	INDICATOR / GOAL	GLOBAL COMPACT PRINCIPLES	EXPECTED DATE	RESPONSABLE/ MEANS		
04-IMPLEMENTATION OF A MANAGEMENT SYSTEM THAT INCLUDES THE FIGHT AGAINST CORRUPTION SDG 05, SDG 08, SDG 16	 Study of current situation (2020) Search for offers and definition of Standard to be implemented (2021) Start of implementation (2021) 4-Certification (2021-2022) 	% of implantation	10	January-2022	Economic, Financial & Services Area / External resources		
2020 RESULTS							
In 2020 it has not yet been possible to start these works due to Covid-19 and other priorities for the use of internal resources. The Project is expected to start in Q4 2021 with the aid of "CMS" Company.							

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