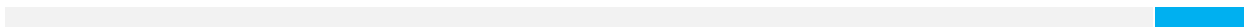




CSR REPORT 2018



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Message

from the Chairman



Dear Shareholder:

This year we are especially proud of having achieved much more of the participation of Stakeholders in updating the process of identifying non-financial issues. We are aligned with what our clients, employees, shareholders and suppliers expect from us, making sense of our mission: to transform into an outstanding network service provider for telecommunications and energy companies in the markets in which we operate, creating value in a sustainable manner for our clients, workers, shareholders and the communities with which we interact.

For this purpose, we are growing profitably with innovative, efficient and sustainable solutions, attaining the improvement of people's quality of life and the full satisfaction of our clients. We count on the support and confidence of the largest telecommunications and energy companies, with which in 2018 we signed a portfolio worth of more than 790 million euros.

Challenges and achievements are only possible with a great team, and so I am proud to say that our more than 12,000 employees are strongly committed in the day to day of the company. We have an increasingly skilled team with commercial, operational and technological abilities, which we continuously train in order to achieve excellence in our performance. The composition of the staff also reflects the cultural and gender diversity that prevails in a company with a global vision.

Ezentis is committed to the Sustainable Development Goals of the United Nations and, moreover, since 2018 we have been members of the International Social Security Association (ISSA), an association from which we promote preventive measures against work accidents, occupational diseases and other health risks related to work.

I want to thank the utmost commitment of the company management, as well as the Board of Directors and shareholders that make Ezentis a top company, committed to people and the environment, which is heading strongly into the future, generating value for all its stakeholders.

With great regards,
Sincerely,

A handwritten signature in blue ink, which appears to read 'Guillermo'.

Guillermo Fernández Vidal
Non-Executive President of Ezentis



Letter from the CEO

When we published our first Corporate Social Responsibility report three years ago, we explained that Ezentis had embarked on a path toward a new phase, more stable, more robust and focused on generating value for its stakeholders. Well, today we can say that the company has completed a key year on the path to becoming what we always wanted to be. Today, our future is better.

Three milestones marked the year 2018:

First, the agreement with Ericsson, according to which we acquired EFF (Excellence Field Factory) and began to operate in the Iberian market. Moreover, we signed a commercial alliance with Ericsson until 2021, which is bearing rewards with the important contracts we have closed in recent months, acquiring a market position for the deployment of new technologies such as 5G.

Another major milestone that marked 2018 was the financing agreement with a group of financial institutions and institutional investors for 90 million euros. This agreement permits us to decrease financial expenses and generate greater value for our shareholders.

Finally, within this transformation process in the company that we always wanted to be, we have launched the digital transformation of all our operations, which will be the impetus that will place us in a privileged position in relation to the market. We signed a strategic agreement with ORACLE for this purpose.

The financial data contained in the CSR report that I present below demonstrates that our commitment to a sustainable environment is fully compatible with the company's growth parameters. Revenue increased to 487 million euros, considering the current perimeter and stimulated by organic growth with the closing and implementation of new contracts, as well as the inorganic, including the results of the EFF purchase, a subsidiary of Ericsson devoted to the operation and maintenance of fixed networks in the Iberian market.

Without a doubt our priority is to generate value and strengthen the confidence of our stakeholders, but without losing the compass of our values: safety in all our operations, trust in our human team, transparency and good governance, closeness to our clients, social commitment and respect for the environment.

To summarize, we performed responsible, committed and sustainable business management in 2018. As in recent years, all the effort is reflected in our third CSR report, in accordance with the reporting standard of the Global Reporting Initiative (GRI) in its SRS Standards version.

Thank you very much to everyone.

Fernando González Sánchez
CEO of Ezentis

01. ABOUT EZENTIS



MISSION

Our mission is to transform into an outstanding network service provider for telecommunications and energy companies in the markets in which we operate, creating value in a sustainable manner for our customers, workers, shareholders and the communities which with we interact.

VISION

Our vision is to grow profitably with innovative, efficient and sustainable solutions, attaining the improvement of people's quality of life and the full satisfaction of our clients.

VALUES

For the purpose of achieving our objectives we are firmly committed to ethical principles, the safety of people and the quality of our services. The values that define us and establish the course of all our activity are the following:



Trust in our human team

We deem human capital as a key factor for the growth of the Group, investing in its training, safety and well-being, as a means of achieving excellence.



Safety in all our operations

Nothing is more important than the safety of our employees, clients, subcontractors and the communities where we develop our work, transferring this measure to the entire organization.



Transparency, ethical principles and good governance

Our daily work is governed by utmost respect to our Code of Ethics and Conduct, based on maximum transparency in information and best practices of corporate governance.



Closeness and responsibility with the client

At Ezentis we closely support our clients and attain their trust, based on professional competence, responsibility and the experience of success.



Social commitment and respect for the environment

We firmly believe in the social function of our activity. We enable people to have higher quality access to basic telecommunications services and energy supply. We create the necessary conditions so that economic and business activity can be developed, while simultaneously maintaining maximum respect for the environment.

60 years of history

The 60 years of history Ezentis treasures are the best example of a long-term project as well as in terms of sustainability. Our gaze has always been directed toward the future and the constant search for opportunities.

From the beginning, the path traveled by Ezentis has been marked at all times by sustained organic growth and simultaneously supported through large acquisitions in the sector, establishing the company in the markets of Spain and Latin America as one of the leading companies in the field of operation and maintenance services of telecommunication and energy network infrastructures.

You can see the main milestones of Ezentis throughout its recent history in the diagram:

1959-1969

Founding of a major business enterprise

- Radiotrónica (Ezentis today), was founded in 1959 as a subsidiary of the Agromán construction company.
- First focus of activity: the company orients itself on energy installation work, operating only in the Spanish market.

1988-2010

Initial Public Offering in Madrid and Bilbao

- Radiotrónica goes public on 5 October 1988.
- Initiates its international expansion.
- Diversification in the sectors of civil construction, installation of catenaries and photovoltaic parks.
- New trade name: **Ezentis, S.A**

2013- currently

Growth and sustainability plan

Ezentis launches a growth and sustainability plan, focusing its business on the operation and maintenance of telecommunications and energy networks, initiating the organic and inorganic development that has led to current figures.

Main milestones

Regarding the company's history of acquisitions, 2018 has been a relevant year for the company thanks to the agreement established at the beginning of the year between Ezentis and Ericsson Spain. With this agreement, Ezentis is strengthening its presence in the services sector of the deployment and maintenance of network infrastructures in the Iberian market through the acquisition of the Excellence Field Factory (EFF) company and, moreover, through a three-year business agreement with Ericsson.

2013

Acquisition of 60% of
Ezentis Energía
(Brazil)

Acquisition of 55% of
Ezentis Energía
(Brazil)

Acquisition of up to
95% of Consorcio
Chile

2015

Acquisition of 45% of
Ezentis Engenharia
(Brazil)

Financing agreement
with Highbridge
Principal Strategies:
€126M

Acquisition of 100% of
Networks Test, S.L.
(Colombia and Spain)

Acquisition of 20% of
Ezentis Energía
(Brazil)

Strategic Plan for
2014-2017

Expansion of capital:
€50M

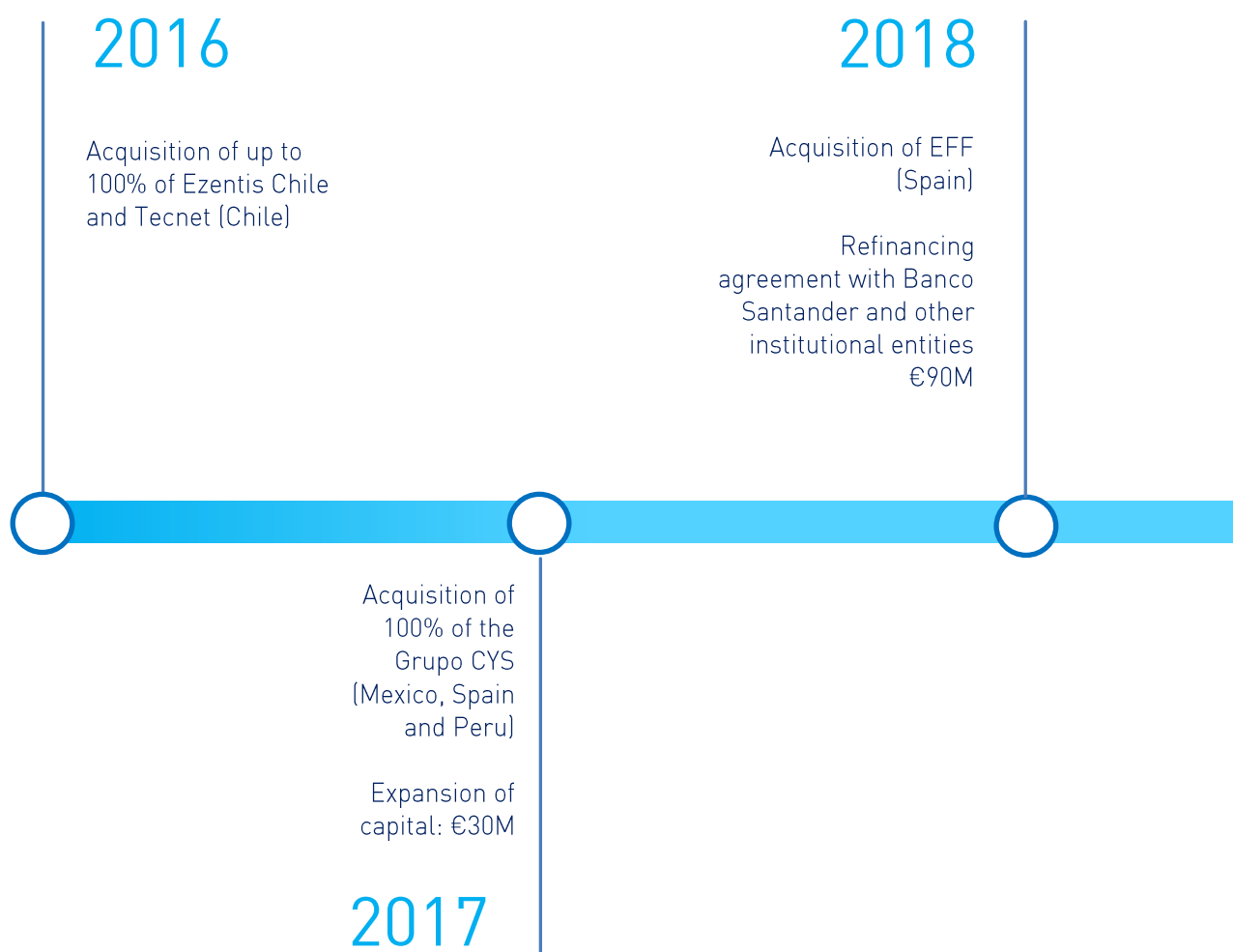
2014

The growth of Ezentis has been at all times accompanied by solid business figures: in 2018, revenues were 10% higher than in 2017 and at the end of 2018 the company's portfolio was at 791 million euros. Another significant event for the company in 2018 was the year-end signing of an agreement to finance its debt with a group of financial institutions and institutional investors for the amount of 90 million euros, which will allow it to enable its growth with a lower financial cost and greater solidity in its financial structure.

The common premise that defines the activity of Ezentis in all the regions where it operates is based on an unquestionable reality: the future is digital and intensive in terms of energy and telecommunications.

Telecommunications and energy networks are fundamental for the socioeconomic development of communities, playing a key role in the transformation of multiple sectors of major social relevance.

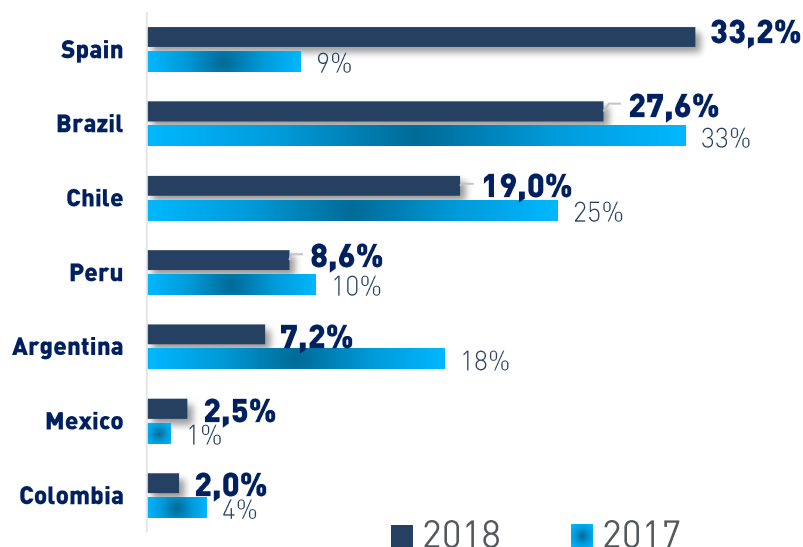
This transformation is enabling us to evolve toward a more inclusive world in which any person has a window to financial, training or health resources, among others, within reach. And Ezentis, in the hands of its clients, is part of this transformative process.



Present in 7 countries



REVENUES BY COUNTRY



Graph 1.1: % Revenue in 2018 proforma on aggregate total, considering the incorporation of EFF from 1st January 2018.

The origin and headquarters of the company are found in Spain, a country that currently represents around 33% of total revenue. Altogether, the three main markets (Spain, Brazil and Chile) account for more than 80% of Ezentis' total business. The strong growth, both organic and inorganic (through the acquisition of local companies), has served to position Ezentis as a significant company in Spain and Latin America.

As its presence in other countries increases, the organization of the Group is evolving toward a global feel and culture.

This is reflected in the definition and implementation of the guidelines, policies, procedures and responsibilities, whose purpose is to homogenize processes and demonstrate the dimensions of a large global company to employees, clients and society in general, which offers job opportunities for approximately 12,000 people around the world, and that operates under the same parameters of values, mission and business vision.




CONTRIBUTION TO SUSTAINABLE DEVELOPMENT

The presence of Ezentis in these countries is relevant, not only due its contribution to the Group's turnover, but because the company's business model helps solve some of the needs of communities.

Infrastructures are important means that facilitate people's access to basic services. Due to this reason, Ezentis plays a double key role in the communities in which it operates: on the one hand, it maintains networks for the supply of basic services to people and organizations, and on the other, as an intensive activity for professionals, it significantly contributes to the creation of local employment as well as the development of new infrastructures, participating in their deployment.

After the significant growth of the workforce that occurred in 2017 (+7%), in 2018 this upward trend has continued with an increase of 10.5%. We are proud to confirm that, in general terms, the creation of employment and opportunities is a constant in Grupo Ezentis, a direct consequence of the company's good work and everyone who comprises it. In light of the positive development of the contracting, the recent expansion to new territories and the company's backlog, everything indicates that this trend will continue in the coming years.

Taking into account Ezentis' aforementioned global presence, along with the main challenges in terms of sustainable development in each of the member countries of the United Nations included in the SDG Index and Dashboard document (updated to 2018), it can then be seen in the following table that most of the countries in which Ezentis operates present opportunities for improving the quality of telecommunications infrastructures and the creation of employment:

	SDG	Argentina	Brazil	Chile	Colombia	Mexico	Peru	Spain
7 AFFORDABLE AND CLEAN ENERGY 	Access to electricity	100	99.7	100	97.8	99.2	92.9	100
8 DECENT WORK AND ECONOMIC GROWTH 	Unemployment rate	8.7	12.9	6.8	9.0	3.3	3.7	14.5
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	Quality of infrastructures	3.3	3.1	4.7	3.1	4.1	3.1	5.5
	Subscriptions to mobile broadband (%)	78.1	88.5	72.1	46.9	58.9	61.6	89.6
	Internet use (%)	71.0	60.9	66.0	58.1	59.5	45.5	80.6

Sources: 2018 SDG Dashboard, United Nations. Macro Data (Studies of the Recoletos Group: Expansion) for the Unemployment data of Chile, Spain and Mexico 2018.

Ezentis 2018 in numbers

Main financial indicators



Revenue

€440.4 M

+ 10.4% Growth vs 2017



EBITDA

€30.1 M

+ 6.8% s/revenue, reflecting the impact of Argentina and the macro environment



Net revenue

€ -14.7 M

Non-recurring key effects:

Refinancing (€ -6.5M)

Argentina (€ -11.3 M)

Labor structuring (€ -10.3 M)



Spain

33%

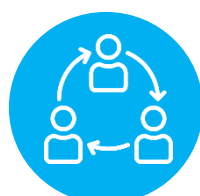
Strengthening e Euro-based activity after the acquisition of EFF from Ericsson

People



Employees at 12/31

12,848



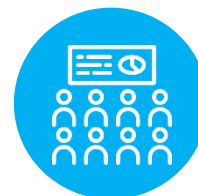
Employee turnover

13%



Indefinite contracts (Nº.)

9,883



Health & Safety training

+345,000h

Business



Contracts

€578 M

of renewals and new contracts

+ 91% contracts value vs 2017



Operating Cash Flow

80%

% EBITDA conversion in Operating Cash

Flow 2018

Operating Cash Flow + 57% vs 2017

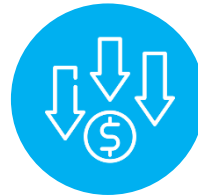


Backlog

€791 M

of multi-year contracts

1.8x s/revneue at 12.31.18



Cost of debt

4.75 %

The new financing reduces the cost of corporate debt of 9%

Environment

CO₂ Emissions

37,987 tCO₂e

Local community

Projects contributing to social development and employability:

- Agreement with the National Learning Service - SENA (Colombia)
- Agreement with the National Industrial Learning Service - SENAI (Brazil)




Compliance

- Code of Ethics and Conduct (Global)
- Crime Prevention Model (Spain)

Evolution of main figures

The main financial figures of Ezentis improved during 2018. In regards to the continued revenue growth (10.4% more than the previous year, up to 440 million euros), there is an increase in Ebitda (6.8%), which along with a portfolio of 791 million euros (1.8 times the revenue), put the Company in a very optimistic position in order to face the new coming phase, and in which the refinancing of the Group's debt has played a key role.

With the goal of obtaining an adequate financial structure for the Group's businesses and reduce financial expenses, in 2018 the company closed a refinancing plan whose new conditions cut interest rates in half and will contribute to debt reduction and generation of cash flow.

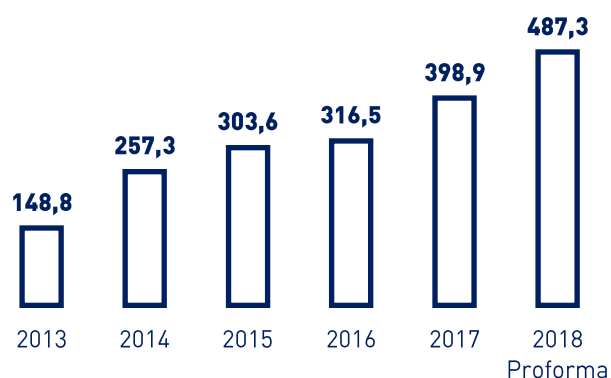
		2017	2018
ECONOMIC ASPECT		Revenue (in millions of euros)	399440.4
		Portfolio (in millions of euros)	775791
		EBITDA (in millions of euros)	3530.1
		EBITDA Margin (%)	8.86.8
		Net profit (in millions of euros)	-6,7-14.7
SOCIAL ASPECT		Average number of professionals	10,84811,993
		Number of fixed contracts or contracts for indefinite periods	8077
		Employee turnover (%)	1513
ENVIRONMENTAL ASPECT		CO2 emissions (tCO2e) *	23,78837,987

*CO₂ emissions of 2017 and 2018 are not comparable due to differences in scope.

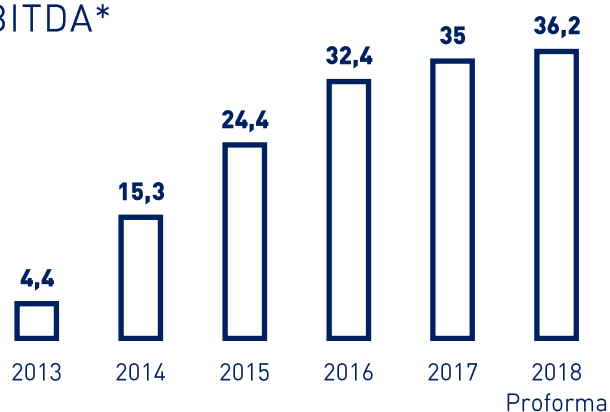
Strengthening of our business

The main financial indicators of Ezentis demonstrate clear business growth in recent years:

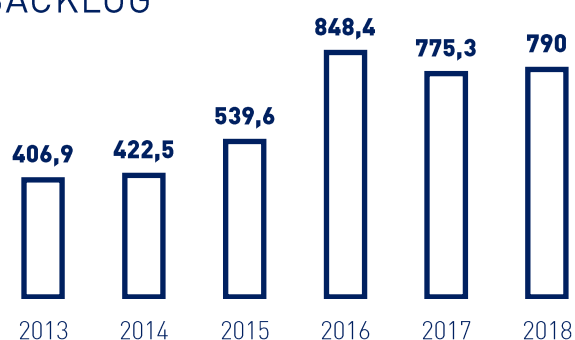
REVENUE*



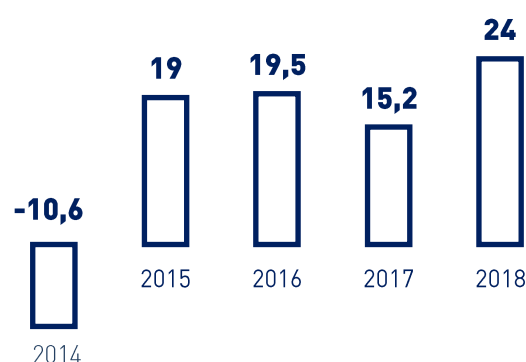
EBITDA*



BACKLOG

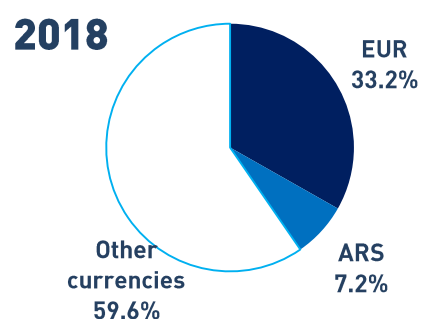
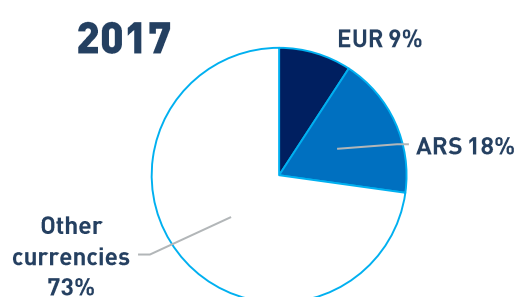


OPERATIONAL CASH FLOW



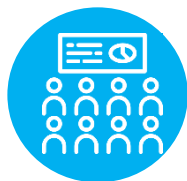
* The data for proforma Revenue and EBITDA 2018 includes the incorporation of EFF, from January 1, 2018

We increase our business in euros



Governance bodies

GENERAL MEETING OF SHAREHOLDERS



100% of the agenda items were approved in the 2018 General Meeting of Shareholders (GMS)



The proposed resolutions of the 2018 GMS were approved by at least **97.90%** of the attending corporate groups

BOARD OF DIRECTORS

50%
INDEPENDENT

40%
WOMEN

15
MEETINGS IN 2018

87%
Attendance at total votes during the year

2
EXECUTIVES

5
INDEPENDENT

2
PROPRIETARY

1
OTHER EXTERNAL



DELEGATED EXECUTIVE COMMITTEE

EXECUTIVES
20%

PROPRIETARY
20%

INDEPENDENT
40%

OTHER EXTERNAL
20%



AUDIT AND COMPLIANCE COMMITTEE

INDEPENDENT
66.67%

PROPRIETARY
33.33%


















NOMINATION AND REMUNERATION COMMITTEE

INDEPENDENT
100%

COMMITTEES

Composition of the Board of Directors

Name of Director	Date of appointment	Profile	Committee	% direct participation in shares	Represented shareholder
Mr. Guillermo Fernández Vidal	29/06/2017	Non-Executive Director		0.183	
Mr. Fernando González Sánchez	29/06/2018	Chief Executive Officer		0.131	
Mr. Enrique Sánchez de León García	29/06/2016	Non-Executive Vice Chairman and Independent Coordinator Board Member	 	0.062	
Mr. Pedro María Azcárate Palacios	29/06/2016	Independent	 	0.009	
Mrs. Ana María Sánchez Tejeda	09/04/2018	Proprietary Director		0.009	IDEA Agency
Mrs. Laura González-Molero	29/06/2016	Independent		0.009	
Mrs. Emma Fernández Alonso	29/06/2016	Independent		0.009	
Mrs. Carmen Gómez Barreda Tous Monsalve	27/02/2017	Independent		0.009	
Mr. Alfonso Alonso Durán	09/04/2018	Proprietary Director		0.009	Ericsson Spain
Mr. Carlos Mariñas Lage	29/06/2018	Executive		0.272	
 Chairman of the Committee			 Committee Member		
 Delegated Executive Committee					
 Audit and Compliance Committee					
 Nomination and Remuneration Committee					

Functions of the committees



Audit and Compliance Committee

- Quarterly and half-yearly review of the financial information disseminated to the stock markets before being communicated.
- Approve the proposal for the formulation of annual accounts. Approval of the external auditor appointment for accounts and supervision of their independence.
- Review by the Board of Directors of the Annual Report on Corporate Governance and submission for approval by CNMV (Stock market National Commission)
- Review of the internal audit plan.
- Monitoring of Risk Management Systems
- Monitoring of Internal Control Systems for Financial Information (SCIIF).
- Monitoring the operation of the crime prevention model-criminal liability of the legal entity.



Nomination and Remuneration Committee

- Nomination of Committee members.
- Approval of evaluations of objectives regarding the variable remuneration of managers.
- Approval of the remuneration policy.
- Information on the termination of positions and approval of contract termination conditions.
- Preparation of the Annual Report on the Remuneration of board members for CNMV purposes
- Inform the Board of Directors about the constitution of other committees and the status of the variable compensation plan.
- Review and monitoring of Corporate Social Responsibility issues.



Delegated Executive Committee

This Committee has all the competencies corresponding to the Board of Directors, except for those that legally or statutorily cannot be delegated.

Involvement of the Board of Directors

KNOWLEDGE ON NON-FINANCIAL ASPECTS

The highest governing body is up-to-date on the progress occurring in the company in non-financial matters and performs their annual evaluation, although the control and follow-up is frequent, through the convening of the Nomination and Remuneration Committee that occur in the year.

In regards to the knowledge of the members of the Board of Directors, it is foreseen that from the second semester of 2019, various training sessions will be conducted in the field of CSR, intended for the different groups that comprise the organization, including the representatives of the highest governing bodies.

COMMUNICATION OF CRITICAL ISSUES

The entire organization of the Company is involved in the detection of issues that, due to their relevance, are important for it. Important concerns are communicated in a hierarchical manner, in the end reaching the highest governing body. The people who work in the organization are those who, first of all, find the relevant issues of the Stakeholders of the Company. Ezentis guarantees maximum transparency and communication to its shareholders, facilitating a fluid and direct relationship, so that shareholders can express their interests. This relationship is based on the company's commitment that interactivity be always of the highest quality and reliability.

Relevant economic, environmental and social concerns that may arise, if any, are passed on to the Audit and Compliance Committee and Nomination and Remuneration Committees and in lastly, to the highest governing body on a regular basis at meetings of Board of Directors.

EVALUATION OF THE BOARD OF DIRECTORS

The Chairman of the Board, with the support of the Board Secretary, coordinated the self-evaluation of the Board of Directors for the year 2018, without recourse to external assessment, on the understanding that it was not necessary for that year, since according to the recommendations of good governance external assessment is required every three years, the last one being for the fiscal year of 2016. The evaluation of the Board and its committees is annually performed and affects the following areas:

- Quality and efficiency of the operation of the Board of Directors.
- Operation and composition of its committees.
- Diversity in the composition and competencies of the Board of Directors.
- Performance of the Chairman of the Board of Directors and the Chief Executive Officer.
- Performance and contribution of each board member.

This self-evaluation has been performed through questionnaires for the members of the Board, which include questions on the aforementioned aspects, as well as a section where the board member can make observations that deems appropriate.

In the evaluation for 2017 fiscal year, the board adopted nine improvement proposals that were worked on with different procedures and specific measuring during the 2018 fiscal year, in some cases serving to support the criteria for the execution of existing policies or procedures in the Company.

Executive Committees in Ezentis

The following executive committees are part of the Ezentis Group:

MANAGEMENT COMMITTEE

Composed of a total of eight members, five of them from the Corporation, to which belong three country General Directors (Brazil, Spain/Mexico and Chile).

BUSINESS COMMITTEE

Composed of a total of eight members, two of them being Senior Management and six additional members corresponding to the highest positions in the country.

All the non-financial issues in the process of being prepared are disclosed to all the members for their knowledge and contributions both in the Management and Business Committees.

HEALTH & SAFETY COMMITTEE

Composed of four members, two from Senior Management, along with the Systems Director and the Director General of Brazil.

IT SYSTEMS COMMITTEE

Comprised of four members, two from Senior Management, along with the Systems Director and the Director General of Brazil.

The Health&Safety and IT System Committees, recently created in the Ezentis Group, have the greatest expertise in the Ezentis Group on the issues which they correspond and represent the reinforcement of two key areas in which the company has a firm commitment in improvement.

ESG¹ RESPONSIBILITIES AT THE EXECUTIVE LEVEL

As of 31 December 2018, the position of Non-Executive Director (Chairman) is held by Mr. Guillermo Fernández Vidal. The CEO Mr. Fernando González Sánchez is the company's highest executive in charge.

In relation to financial aspects, the highest executive in charge of the Ezentis Group is the Economic and Financial General Director, various related areas depending on him/her, like Accounting, Treasury and Tax. The Economic and Financial General Director forms part of the Management Committee and reports directly to the Chief Executive Officer regarding the financial management of the company.

The highest executive in charge for the coordination of non-financial aspects is the Director of Corporate Communication and CSR; however, the data at the origin of the environmental type are provided by the areas of Quality and Environment and with respect to social-labor information, the highest executive responsible is the General Director of Resources.

The Director of Corporate Communications and CSR reports directly to the Chief Executive Officer and, as aforementioned, reports to the Nomination and Remuneration Committee on everything managed and coordinated from the CSR area.

Organization and structure in countries

Grupo Ezentis, S.A. is the parent company of the Ezentis Group and its subsidiaries located in Spain and Latin America, so its activity only corresponds to corporate services and portfolio activity. The common guidelines and business strategies applicable to all the Group's subsidiaries are defined from the Corporate areas and the Board of Directors of Grupo Ezentis, S.A., and there is, in turn, a certain margin of adaptation to local needs and requirements.

This global presence means that the organizational structure of the company is territorially divided. Each country is led by a General Director/Manager and its subsidiaries are managed under its own Board of Directors, as determined in each jurisdiction.

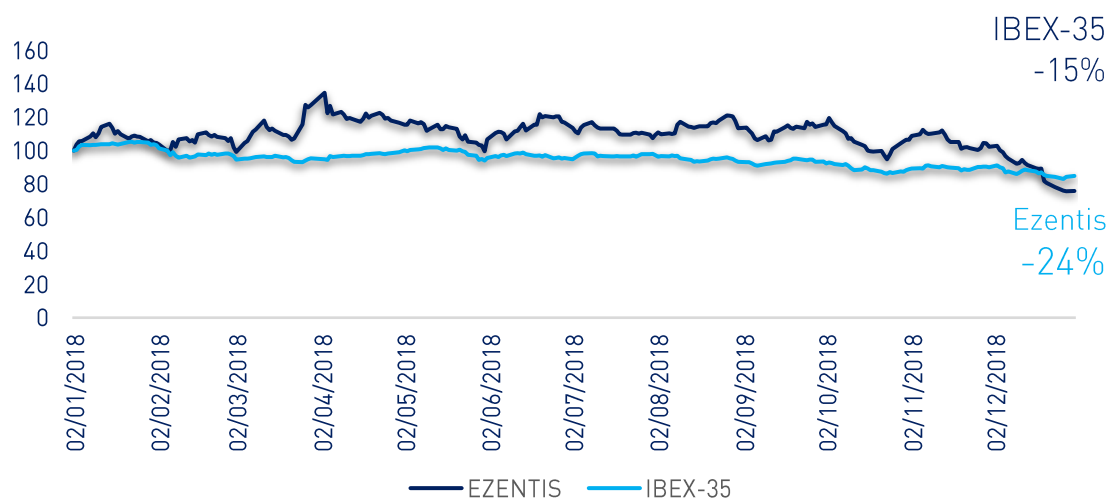
¹ ESG: Environmental, social and governance issues

Stock information

Financial analysts forecast good prospects for the coming years. Their opinion is mainly based on three key aspects:

- Strong revenue growth and sustainability
- Solid backlog
- Reduction of indebtedness and financial expenses
- Refinancing of debt
- Acquisition of EFF and entry into the Iberian market

	2017	2018
Number of shares	294,909,295	331,172,000
Quote at 31/12 (in euros)	0.6130	0.4755
Maximum for the year	0.8200	0.8850
Minimum for the year	0.4800	0.4700
Capitalization at 31/12 (thousands of euros)	180,779	157,472
Average trading volume (thousands of shares)	398,172	381,553

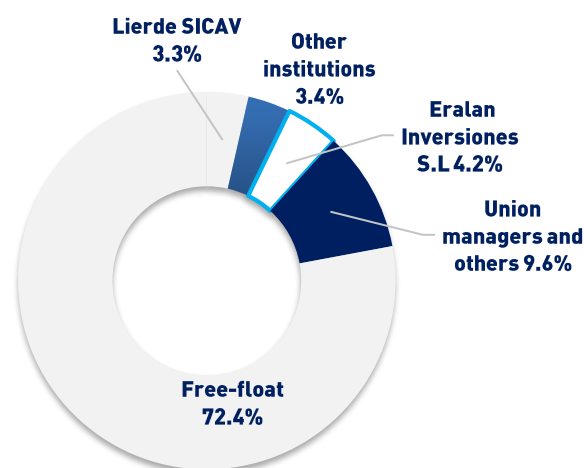


Source: Madrid Stock Market Website.

Shareholding participation

The ownership of the company is divided into several shareholders, who has varied slightly in 2018 in relation to 2017, although the highest percentage of shares remains in floating capital.

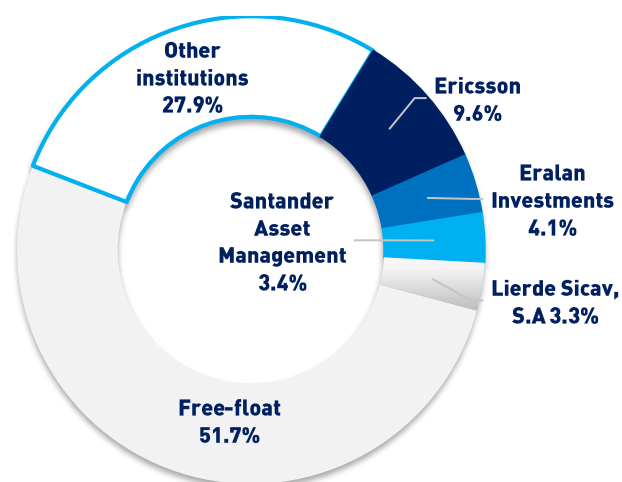
2017



Graph 1.2: Composition of ownership as of 31 December 2017

For further information, you can consult the section for shareholders and investors on our website <https://www.ezentis.com/accionistas-e-inversores/>

2018



Graph 1.3: Composition of ownership as of 31 December 2018.

02. MANAGEMENT MODEL

2.1 Business units

VALUE CHAIN



The core business of Ezentis is mainly focused on the operation and maintenance (O&M) of telecommunications and energy infrastructures in Spain and Latin America. Moreover, the company puts up construction/deployment and engineering (C&E) projects. Other businesses, such as the development of IT solutions for network management, the operation and maintenance of water networks as well as the operation of networks for the mining sector comprise the remainder of the Ezentis project portfolio.

The company's offer is comprised of the following services within its O&M activities related to telecommunications and energy infrastructure:



TELECOMMUNICATIONS

- Fixed external network
- Mobile towers
- Fixed and mobile internal plant
- Customer services
- Operation of Networks for Companies
- Operations Support Systems (OSS)



ENERGY

- Distribution and transmission networks
- Substations and transformation platforms
- Commercial services
- Smart Grids

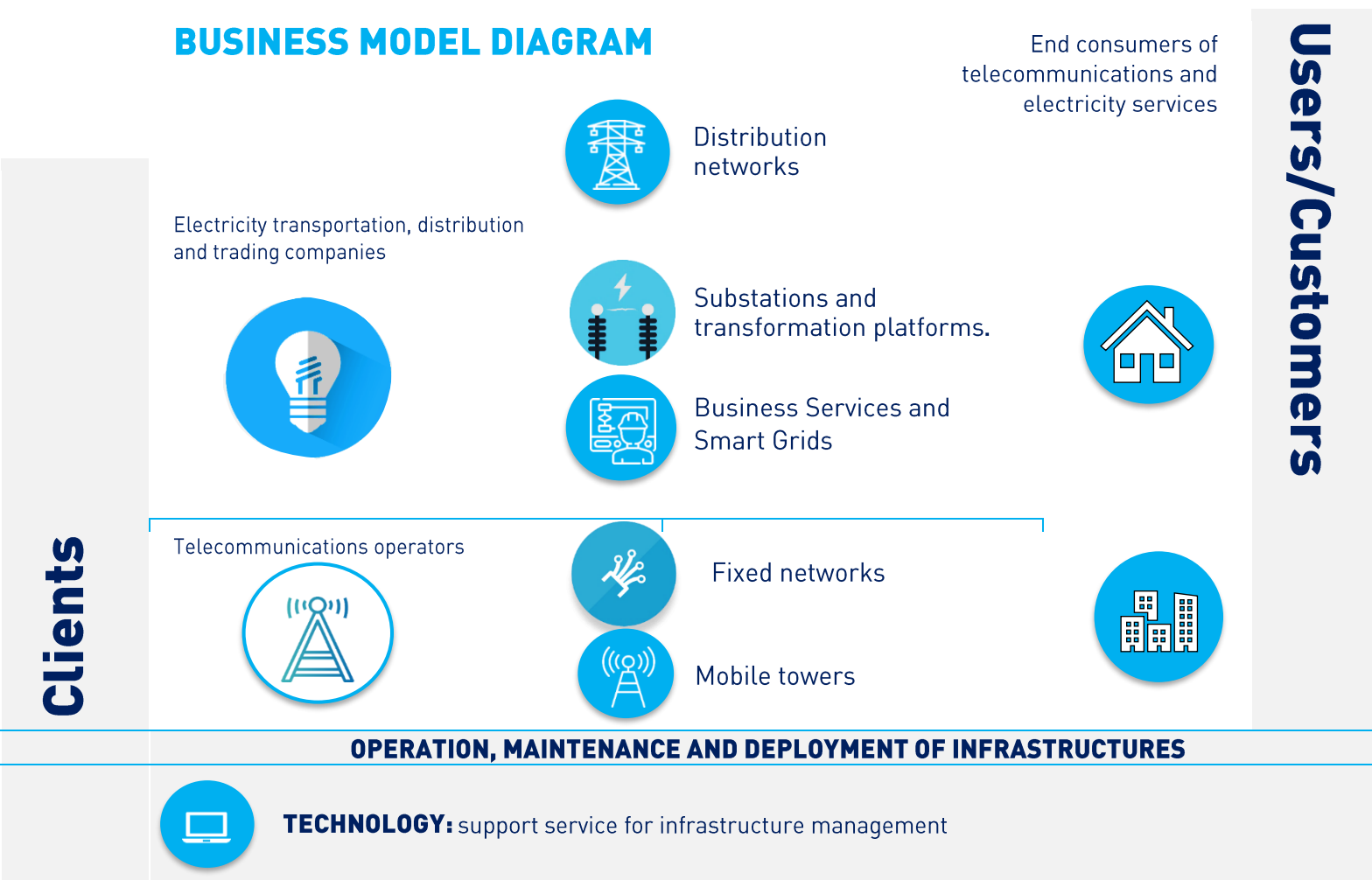
OUR DIFFERENTIAL VALUE

- Strategic partner for our customers
- Maximization of customer satisfaction
- High quality service upon implementation
- Added value through operational excellence and efficiency
- Safety & Security in all operations

OUR COMPETITIVE ADVANTAGES

- Experience with large contracts
- Regional presence
- Technological capabilities
- Innovation

BUSINESS MODEL DIAGRAM



KEY PROCESSES AND COMPETITIVE ADVANTAGES

Key processes that determine the strengths of Ezentis in order to generate value in the short, medium and long term for the stakeholders to which they relate are highlighted within its business model. These key processes include:

Management of people and planning of tasks: most Ezentis activities consists of the development of technical tasks "on the terrain" carried out by specialized technicians. The key consists of providing professionals with adequate training for the performance of services, as well as the proper daily planning of tasks, meeting the needs of clients as well as maintaining the level of excellence in quality for users.

Fleet management and planning of service routes: in line with the previous process, another Ezentis key process consists of fleet management and route planning. Ezentis technicians have to travel very often between different locations where they perform their operation and maintenance tasks. Subsequently, Ezentis owns a fleet of vehicles whose proper management has an important impact on the company's profit, while, on the other hand, route planning with the aim of minimizing journeys and distances presents enormous advantages in terms of productivity and efficiency (both the cost and consumption of resources and generation of emissions).

Minimization of risks for people: some of the Ezentis activities entail risks arising from working at heights, with electrical equipment or driving vehicles. For this reason, safety is a key aspect for the company and its employees.

Maximum quality in the provision of services: Ezentis is fully persuaded that the key to being able to grow as a Company lies in the competitiveness of its services for its clients and knowing how to guarantee the offered quality.

The common link between all these processes lies in the importance of four key influences: safety, quality, efficiency and optimization. The long duration of the contracts Ezentis has with its clients lends the company the excellent opportunity to work with all of them to a profound degree.

So as described more widely in Chapter 2.3, the company's strategy is targeted precisely at the intensification of efficiency and productivity.

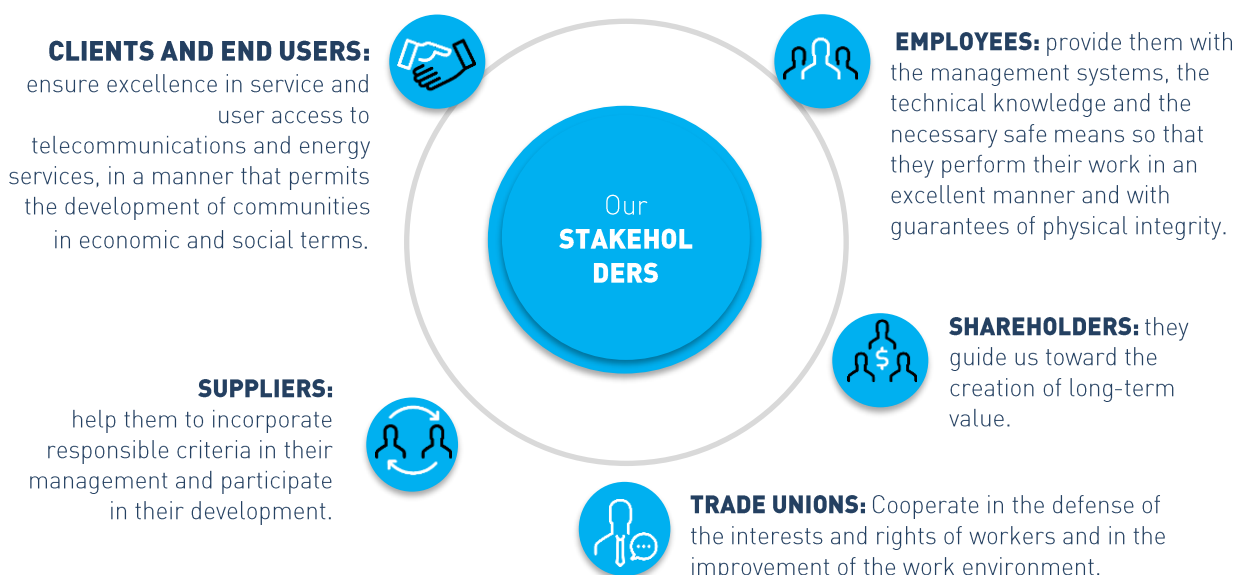
OUR STAKEHOLDERS

Throughout this report and, particularly, in the "Performance in 5 Areas of Management" chapter, more information is offered on the relationship between Ezentis and its stakeholders.

The activity of Ezentis cannot be understood without the role played by its clients and end users, its professionals, its shareholders, financiers and its suppliers.

For this reason, Ezentis maintains a firm commitment to all this, which translates to:

The business model of Ezentis is not the exclusive property of the company, but in the hands of stakeholders to which it is related and key in the process of creating value in the short, medium and long term.



2.2 Risk management

The Ezentis Group has an Integral Risk Management System aligned with top standards (COSO, ISO 31000), through which it identifies, evaluates, prioritizes and manages the Group's relevant risks and whose maximum responsibility rests with the Group's Board of Directors.

The implementation of our Risk Management System is based on the following principles:

- The consideration of Risk with the possibility of any threat of an event, action or omission preventing the Ezentis Group from achieving its objectives, successfully executing its strategies, the proper performance of its operations, or the loss of opportunities.
- Establish the mechanisms for adequate Risk Management, considering its identification, evaluation, response, monitoring and reporting.
- Support and implement the strategy, culture, resources and processes that constitute Integral Risk Management, which will be periodically revised to adapt it to the predicament of the Organization and its environment.
- Attribute, among the different levels of the Organization, the responsibility or identifying, analyzing, appraising, evaluating and supervising the Risk Management System.
- Support the establishment and implementation of guidelines, limits and mechanisms that contribute to Risk Management, performed in accordance with the Risk Appetite accepted by the Ezentis Group.
- Promote, boost and disseminate, through training and communication, the Risk Management System, guaranteeing the dissemination of this Policy alongside the documentation that elaborates it.

The Risk Management System is periodically updated, works in an integral and continuous manner, and is the result of the consolidation of the steps taken by each of the business units, country, or company at the corporate level, which comprise or have comprised part of the company throughout the financial year 2018.

The company periodically performs the classification and prioritization of the risks it faces, and which may affect the company's sustainability.

The risks are classified into four possible categories from the performed analysis:

Strategic risks

Risks that impact the objectives established at the highest level and relate to the establishment of the mission and vision of the Company. If materialized, these risks compromise the achievement of strategic objectives.

Compliance risks

Risks that affect compliance by the Company with all those laws as well as the internal or external regulations that apply to it (filing and payment of taxes, compliance with personal data protection law, etc.).

Financial Risks

Risks associated with financial markets, the generation and management of liquid assets. These include those related to liquidity, the management of working capital, access to financial markets, the exchange rate and interest rate, etc.

Operational Risks

Risks directly related to the effectiveness and efficiency of operations, including those that impact through objectives related to performance and profitability (system failures, anomalies in processes, etc.).

The main risks to which the Group was exposed throughout 2018 in each of the above categories, as well as the different mitigating measures, are described in Chapter 3 of the Group's Consolidated Management Report, along with Section E of the Annual Corporate Governance Report.

On the other hand, an analysis was also performed on the control mechanisms of non-financial information, resulting in the following mechanisms the Company applied during the 2018 fiscal year:

- Internal Control Systems for Financial Information (SCIIF).
- Budget Control
- Ethics Committee and the person of the Compliance Officer
- Crime Prevention Model (Spain)
- Internal Control over non-financial information
- Independent external review of the Status of Non-financial Information, included in the Consolidated Management Report 2018.

2.3 Strategic vision of Ezentis

The process of focusing the business has been a turning point that led to the improvement not only of financial results but, in general, the company's management model.

The plan launched in 2014 also served to mark the main strategic axes that will be reinforced in the coming years, and which can be summarized as follows:

1. Focus on the operation, deployment and maintenance activity of telecommunications and energy networks for global clients.

Strategic approach

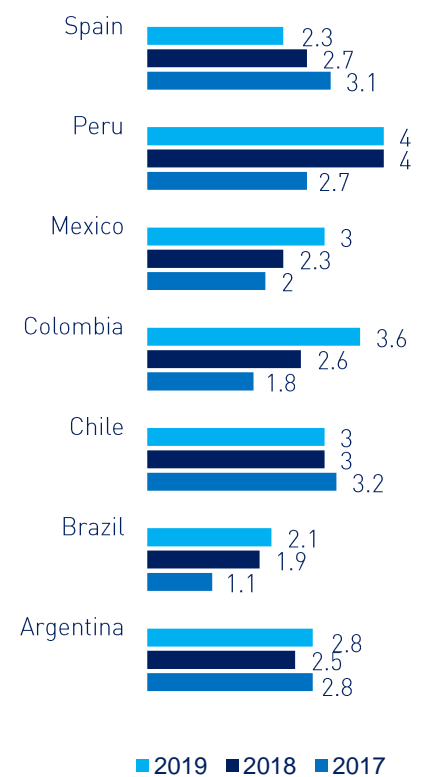
- Activities in the midst of expansion and great growth potential due to the modernization of infrastructures and new technologies (Smart Grid, fiber networks, 5G)
- Diversification of strategic clients in the telecommunications and energy sector
- Diversification in seven markets

Operational approach

- Favorable prospects for the activity:
 - Plans for deployment of fiber and mobile networks (5G) and new energy infrastructures
 - Potential commercial synergies and productive improvements in the short/medium term

2. Consolidation of our performance as a strategic partner of our clients with entry into Spain in the telecommunications sector, where 33% is consolidated.

GDP growth rate (%) for 2017-2019



Sources: International Monetary Fund (IMF). OECD. Bank of Spain. Central Bank of Chile

3. Taking advantage of the opportunities derived from the transformation of the telecommunications and energy sectors: these sectors are undergoing transformation processes (in some cases strongly conditioned by issues related to sustainability), illustrated by technologies or models like distributed generation, Smart Grids or fiber optic networks. The common link of all these technologies and models is the growing need for “connectivity,” which will lead to the further development of telecommunications and energy networks. This represents a major opportunity for Ezentis, which must ensure that it has the business model and necessary capabilities to take advantage of the opportunity (see Chapter 2.4).

4. Digital transformation, competitiveness and quality of service: speed in the implementation of service is synonymous with quality in the field of infrastructure maintenance and operation. Facing a breakdown or supply problem, what the end user needs is for the issue to be solved as soon as possible. For Ezentis, perseverance in increasing productivity is not only explained by its ability to influence the company’s profitability, but by its influence on the quality of service and client satisfaction.

The company is implementing a plan for the industrialization of its services, with the aim of increasing the productivity of the organization. This plan will run for the next few years and will be specifically carried out in the implementation of information systems and control of operations as well as the continuous improvement of processes.

Moreover, this digital transformation process also has an impact on issues related to environmental sustainability. For example, the introduction of information systems to improve route planning will enable Ezentis to make its logistics processes more efficient and reduce the CO₂ emissions of its vehicles.

5. Governance of the organization: Another key to the transformation of the company and its ability to face challenges has been the governance model of the organization. An agile and dynamic decision-making model is required to adapt to the changing needs of clients and end users in a highly competitive environment like the one where Ezentis operates. Due to this reason, the company has developed a management model in which the management of each country acquires a very relevant weight, which permits Ezentis to be very close to its clients and attend to the local peculiarities of each market.

The global presence of Ezentis has resulted in the need to harmonize and implement global management policies and systems but which, in turn, respond to local particularities and needs. Due to this reason, the Company is developing an internal project for the organization of the current Policies and Procedures of the companies that comprise Grupo Ezentis, S.A., along with the implementation of a common repository of internal regulations, accessible to every employee.

2.4 Trends that can affect the business

EVOLUTION OF MARKETS

The activity of Ezentis is mainly focused on what the International Monetary Fund (IMF) deems to be developing economies (90% in Latin America). Socio-economic development is expected in the coming years in these countries, which will positively affect the construction of the new infrastructures responding to the growing demand. The telecommunications sector is also experiencing broad growth in this area, where fiber optic networks are being introduced and wireless telecommunication stations improved.

TECHNOLOGICAL INNOVATION

Alongside the growing economic development of the markets in which Ezentis operates, there is another influence in the sector along with the growing technological evolution of telecommunication systems, which obliges them to permanently renew themselves. The overrunning of distributed generation technologies is favoring the development of Smart Grids. The emergence of these Smart Grids, associated both with the development of new energy transmission networks and the need for the development and installation of smart meters permanently connected to the internet, is a great opportunity for the company. Although it is necessary to mention that this type of technology is in its early stages, it is forecasted that distributors and users will be betting on this type of networks, which are much more efficient and secure.

ENERGY EFFICIENCY AND RENEWABLE ENERGIES

Regulators are incorporating energy efficiency into public policies, as one of the most relevant aspects of management within energy-country policy. The Energy Efficiency Directive (2012/27/EU) was approved within the European Union in 2012.

In Latin America, countries like Argentina and Chile are developing regulations in relation for the time being, on a draft bill basis. Peru is one of the most advanced countries in the field, with a General Directorate of Energy Efficiency since 2010. Mexico approved the Energy Transition Law in 2015, which includes obligations in regards to clean energy.

Currently, efforts are focusing on the efficiency of buildings, but in the future it is expected that control over other business processes will be expanded, like logistics and vehicle fleet management.

On the other hand, as a result of COP 21, an important boost in renewable energies is expected in the substitution of the energy mix based on conventional sources, implying the development of new transmission networks. Also, the development of electric vehicles in cities may count on the installation of new low voltage electrical networks and charging sites.

SECURITY OF SERVICES






New security threats have been developed in the digital world and logical systems alongside the evolution of technology. So, the implementation of measures intended to protect the information contained in these systems is becoming increasingly important.




Another issue to be highlighted relates to the increase in network security and the theft of energy in developing countries. In order to minimize this issue, one of the measures with greater depth may be the application of Smart Grid systems, capable of performing measurement in real time and establishing control systems and consumption management.

DEVELOPMENT OF AN ETHICAL AND RESPONSIBLE SUPPLY CHAIN

Currently, there is increasing attention not only from regulators, but also ESG investors and stakeholders in general, in how the companies are establishing measures and control systems in the area of human rights throughout their value chain.

SUMMARY OF THE MAIN FACTORS AND TRENDS

Factors and trends	Implications	Opportunities for Ezentis
 <p>OCCUPATIONAL HEALTH AND SAFETY</p>	<p>Proper management of occupational safety and health is gaining relevance in companies for its proven relationship in improving the competitiveness of organizations and the complexity of the work environment.</p>	<p>The Spanish Strategy for Health and Safety at Work 2015-2020 was approved by the Board of Ministers on April 24.</p> <p>For Ezentis, occupational health is essential and strategic within its business model.</p>
 <p>ECONOMIC DEVELOPMENT OF EMERGING COUNTRIES</p>	<p>The emerging Latin American market in terms of growing demand for telecommunications and energy infrastructures.</p>	<p>An increase in the construction of infrastructure is expected within the energy sector.</p> <p>Fiber optic networks are being introduced and wireless telecommunication stations are being upgraded in the telecom sector.</p>
 <p>SMART GRID AND DISTRIBUTED GENERATION</p>	<p>Distributors and users will be betting on Smart Grids for being more efficient and secure.</p> <p>Increased network security and energy theft in the countries.</p>	<p>The emergence of Smart Grids associated both with the development of new energy transmission networks and with the need for the development and installation of permanently connected smart meters.</p>
 <p>NEW COMMUNICATION TECHNOLOGIES AND 5G</p>	<p>Mobile and fixed broadband access will probably grow at a double-digit rate in the next ten years, pushed by the connected devices.</p>	<p>The development of the 5G network represents the next challenge in the telecommunications sector, which companies operating in Spain will soon face.</p> <p>The Government of Spain has announced that it will enable the 3.5 GHz band so that operators can conduct tests.</p>
 <p>CYBERSECURITY AND DATA PROTECTION</p>	<p>New security threats have been developed in the digital world and logical systems with the evolution of technology, which is why the protection of the information contained in these systems increasingly more and more important.</p>	<p>Organic Law for the Protection of Personal Data and the Guarantee of Digital Rights approved in Spain. Adaptation to GDPR through the elaboration of information security procedures. Also, since 2018 the Group has had a new corporate head of information security (CISO).</p>

 <p>ENERGY EFFICIENCY</p>	<p>Regulators are incorporating energy efficiency into public policies, as one of the most relevant aspects of management within energy-country policy.</p>	<p>Directive (EU) 2018/844 amending Directives 2010/31/EU on energy efficiency of buildings, and Directive 2012/27/EU on energy efficiency.</p> <p>Draft bills to the issue in Argentina and Chile.</p> <p>Peru is one of the most advanced countries in relation to the issue, with a General Directorate of Energy Efficiency since 2010.</p>
 <p>SUSTAINABLE MOBILITY</p>	<p>Restricted areas for polluting vehicles with the consequent need of renewing the company fleet in order to provide services.</p>	<p>The development of electric vehicles in cities may count on the installation of new low voltage electrical networks and charging sites.</p> <p>Business benefits derived from owning vehicle fleets that are environmentally friendly.</p> <p>Restrictions of circulation on conventional fuel vehicles (for example, municipal district of Madrid).</p>
 <p>CLIMATE CHANGE AND ENERGY TRANSITION</p>	<p>A boost to renewable energies is expected as a result of COP 21, replacing the conventional energy mix.</p>	<p>European Strategy for Adaptation to Climate Change (2013).</p> <p>Draft bill on Climate Change and Energy Transition (29 June 2018, Spain).</p> <p>Mexico approved the Energy Transition Law in 2015, which includes obligations regarding clean energy.</p>

2.5 Corporate Social Responsibility: a corporation with a firm approach

The management of Corporate Social Responsibility (CSR) is conceived as the basis governing the relations of Ezentis with its Stakeholders and so its goal is to be a transversal element in the organization at an internal level, as well as a tool of communication and transparency in relation to the external level.

Aware of the importance it holds for the company, in 2018 the company continued along the path of previous years with the consolidation of the basic pillars of CSR management on which the company must work, and internalized these values at all levels of responsibility.

One issue of special relevance is that the commitment acquired by Ezentis for the adequate management and expansion of the Corporate Responsibility culture is pushed by the Senior Management and the Board of Directors itself, not only through the spectrum of compliance with applicable regulatory frameworks, but with a strategic vision and response to the expectations of all Stakeholders.

Faced with the challenge of establishing Corporate Social Responsibility as the key cohesive mechanism of all the individuals participating in the creation of value and managing the expectations of different stakeholders, the Company has considered it necessary to include the measures and advances in the non-financial issues on the agenda of the Management and Business Committees.

The following outline summarizes the objectives the company has established along with the degree of their achievement, as well as the following steps with which Ezentis intends to continue with its Corporate Social Responsibility project.

ACHIEVEMENTS 2018	OBJECTIVES 2019	FOLLOWING STEPS
✓ Preparation of the second Corporate Social Responsibility Report 2017	✓ Preparation of the third CSR Report 2018	Consolidation of the non-financial reporting process
✓ Monitoring of the CSR Management Plan (2017-2020)	✓ Monitoring of the CSR Management Plan (2017-2020)	Monitoring of the CSR Management Plan (2017-2020)
✓ Second fiscal year of response to CDP questionnaire (2017)	✓ Third fiscal year of response to CDP questionnaire (2018)	Improve the result of the CDP questionnaire
✓ Update of Non-Financial Materiality Study		Prepare the information systems before the possible review of an independent third party
✓ Goal achieved		

THIRD CSR REPORT

Since its beginning Ezentis has developed initiatives with employees and the local community, on occupational safety and the protection of the natural environment in all the regions where it operates. However, until the preparation of the first CSR Report 2016, there was no external communication tool for performance in any of these elements beyond the information transmitted to clients in the contracting processes.

This third Corporate Social Responsibility Report (2018) has the objective of serving as the continuation and improvement of the work begun in the past and attempting to show more clearly and exhaustively how the company performs the management and monitoring of its most relevant environmental, social and environmental (ESG) issues.

Following the recommendations of the Code of Good Corporate Governance (CNMV), the report is subject to the approval of the Board of Directors, and, moreover, as established in our Regulations of the Board, it is presented along with other contents at the General Shareholders Meeting.

MONITORING OF THE CSR MANAGEMENT PLAN (2017-2020)

Like other areas of company management, CSR requires the establishment of specific policies and measures with the goal of achieving objectives distributed throughout varying temporal scenarios.

After its approval in 2017, the initial execution phase of the CSR Management Plan (2017-2020) has focused on three specific areas:

- Health & Safety Management
- Management of Human Capital
- Quality and Clients

Each of these areas involves specific measure that will be finalized throughout 2019 and 2020, and on which there will be reports in a timely manner in the following reporting periods.

SECOND YEAR OF RESPONSE TO THE CDP QUESTIONNAIRE

For Ezentis, the perception and opinion of investors is key in its growth and international expansion strategy. For this reason, the Company is responding to all the information requirements that demonstrate its transparent management, and not only in strictly financial matters.

An example of this is the completion, for the second time, of the Carbon Disclosure Project (CDP) questionnaire on Climate Change, one of the tools investors adopt as a reference in their decisions.

UPDATE OF NON-FINANCIAL MATERIALITY STUDY

Although the company has not agreed yet on a temporary period of validity for the analysis of non-financial material issues, the significant growth experienced in the last fiscal year as a result of the incorporation of EFF in the Group and the entry into a new territory (Mexico), has led us to the decision of updating the analysis of material issues performed in 2017.

The scope considered in the study has been the same, i.e., all the operations, all the countries and all the companies and subsidiaries of the Group were under consideration.

FOLLOWING STEPS

The following steps in terms of Corporate Social Responsibility include, among other things, the consolidation of the Corporate Social Responsibility Report as the main external communication tool, the completion of the CDP questionnaire in order to obtain a better qualification, and the continuation of the measures of the Management Plan corresponding to the period 2019-2020.

Finally, in compliance with the Reliability Principle described in Section 4 of this Report, the information reporting systems will be subject to improvement processes that will enable the complete traceability of the information.

This translates into the definition of a Balanced Scorecard of non-financial indicators, the preparation of a procedure for the internal control of information and the preparation of systems and documentary evidence before a possible external review by an independent third party.

2.6 Non-Financial issues relevant to Ezentis

As a starting point for defining the contents of the CSR Report and the measures of the CSR Management Plan (2017-2020), Ezentis performed its first analysis in 2017 of the most relevant issues of the company, considering the opinion of its main stakeholders.

In 2018 this materiality study was updated following the recommendations of the Global Reporting Initiative (GRI) for the preparation of Corporate Responsibility Reports, and its periodic updating is linked to the strategic priorities of the Company at all times.

Objectives of the process:

- To turn our Stakeholders into participants in the process and be aware of their expectations.
- Focus the necessary efforts and resources to those issues most relevant to the Company.
- Establish priorities in the definition of specific measures in each management area (CSR Management Plan 2017-2020).
- Define the contents of external reports on non-financial information, from the management and performance in each issue.

The main phases of the analysis are the following:

PHASE 1

Identification of relevant issues for the company and its stakeholders, and the first approximation of the impacts on the value chain.

PHASE 2

External assessment of relevant issues

Consult the different Stakeholders of the company and analyze the reporting practices in the sector.

PHASE 3

Internal prioritization of issues

Conducting interviews with the heads of the different subsidiaries and management areas that are part of the company.

PHASE 1

Identification of relevant issues

As the starting point of the Materiality Analysis, a list of non-financial issues is adopted based on the universal reporting standards in this issue (SASB and GRI) and adapted to the Ezentis business model.



Sustainability Accounting Standards Board (SASB)
Sector document "Engineering & Construction Services"



GRI reporting standard: "GRI Standards"
Document "Sustainability Topics for Sectors"

PHASE 2

External assessment

The external assessment phase is subdivided into three independent processes:

- Consultations to Stakeholders (shareholders, trade unions, suppliers, subcontractors, clients and employees)
- Analysis of companies in the sector
- Analysis of reference opinion creators

PHASE 3

Internal prioritization of relevant issues

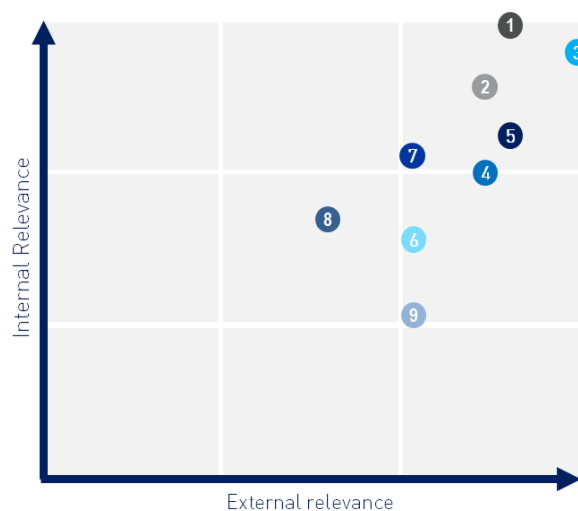
Prioritization of issues identified by senior managers appointed in each of the countries in which Ezentis operates.

RELEVANT ASPECTS

- 1 Business ethics, transparency and compliance
- 2 Corporate governance and risk management
- 3 Occupational safety
- 4 Attraction, development and retention of talent
- 5 Human and labor rights
- 6 Socioeconomic impacts in the local community
- 7 Relationship with clients and users
- 8 Supply Chain
- 9 Climate change and energy efficiency

Relevance	
External	Internal
88%	100%
87%	89%
100%	96%
87%	66%
88%	71%
67%	52%
67%	69%
62%	56%
67%	35%

MATERIALITY MATRIX



As can be seen in the graph, the issues that deserve more attention are the following:

- Occupational Safety
- Business ethics, transparency and compliance
- Corporate governance and risk management
- Human and labor rights

The following are of intermediate relevance:

- Attraction, development and retention of talent
- Relationship with clients and users

Lastly, the issues that, although not very relevant nowadays, we have observed to have grown with respect to the previous materiality analysis:

- Supply chain
- Socioeconomic impacts in the local community
- Climate change and energy efficiency

Regarding these last issues, although not material at this time for the Ezentis Group, we consider that they are a clear trend and, so they are part of the CSR contents and on which, moreover, we define improvement objectives.

Finally, we believe that the preparation of the materiality analysis is as important as its proper dissemination and communication within the organization and toward the stakeholders. Due to this reason, after the approval and official presentation of the materiality study, a plan for communicating the results was agreed upon, both internally and in regards to the external Stakeholders.

03. PERFORMANCE

IN 5 AREAS OF MANAGEMENT

3.1 Transparency, ethical principles and good governance

ETHICAL AND RESPONSIBLE GOVERNANCE

Ezentis is a company present in several territories, but whose values and norms of conduct are understood and applied universally. Thus, in October 2014, the Board of Directors of the Ezentis Group approved the first Code of Ethics and Conduct (hereinafter the Code), with the purpose of ensuring the professional, ethical and responsible behavior of all employees and other subjects obliged by it (suppliers, clients, shareholders, investors...), in the development of the company's activities and in the fulfillment of its functions.

Under this Code, Ezentis and the individuals to whom it applies are committed to complying with and enforcing applicable legislation, as well as promoting ethical behavior consistent with the corporate values and human rights contained in the Universal Declaration of Human Rights of the United Nations.

As part of the increasing development of corporate social responsibility and compliance with good corporate governance standards in the company, in July 2017 the Code was updated with the purpose of creating a business culture based on the integrity of its behaviors, and in coherence with the corporate image intended to project upon the social and business environment.

Section 6 of the Code includes the detail of a series of specific rules of conduct that cover aspects of ethical behavior like respect for the law, human rights and public freedoms, and support for equal opportunities and non-discrimination.



RECOGNITION

The Ezentis Group received the **award for Business Transparency**, in the category of listing companies on the IBEX Medium and Small Cap.

Since the elaboration of the Code, the organization has encouraged the communication and dissemination of these values to all its members through regular discussions and meetings with the different management of the areas, and by sending the document to all its employees. In line with the aforementioned, Ezentis has conducted training sessions on the Code of Ethics and Conduct since September 2017, through an online platform in all the territories where it operates. In 2018, a more exhaustive campaign was performed, which additionally integrated the employees of the newly incorporated companies in the Group.

With the goal of preventing behavior contrary to the values and standards of ethical behavior in the company, the Code of Ethics and Conduct also includes mention of the following issues:

1. Duty of loyalty and conflict of interests
2. Measures against bribery and corruption
3. Gifts and hospitality
4. Money laundering and irregularities in payments
5. Financial Records

In addition, the organization has a Crime Prevention Model, in accordance with the amending of the Spanish Criminal Code, which is reviewed annually and describes the measures for the prevention and control of operations and/or susceptible action deemed a crime by a legal entity. The company has Crime Prevention protocols and criminal risk code and controls at the Corporate level (Grupo Ezentis, S.A.) and the rest of the Group subsidiaries individually. For this reason, a Compliance Officer has been appointed in the organization, who is responsible for the supervision and management of issues related to regulatory compliance.

Although this Protocol only applies to activities performed in Spanish territory, work is being conducted to replicate the model in the rest of the territories where we are found, adapted to local regulatory requirements in this respect.

Besides the internal dissemination of the Code of Ethics and Conduct, the company makes available to all employees a Whistleblower Channel through which they can communicate possible violations, anonymously if they wish, whose handling is absolutely confidential and limited to the members of the Ethics Committee.

The Ethics Committee is the governance body designated to follow up and address reports of received violations by email (canaldedenuncias@ezentis.com) or by post (Apto Correos 14867 – 28080 Madrid). The Ethics Committee meet on a regular basis and is comprised of four members, and moreover has the obligation to report to the Audit and Compliance Committee.

With the purpose of ensuring the security of personal information and maintaining independent processes, Ezentis has internal procedures that establish the functions and guidelines to follow from the receiving of a report on behavior in opposition to the Code of Ethics, until its resolution. (Procedure of the Ethics Whistleblower Channel and the Ethics Committee Regulation).

In 2018, a total of 8 reports on violations were received, cataloged according to their content, in three typologies (work environment, equal opportunities and requirement for greater transparency in processes), consequently generating records and appropriate measures in each case for its investigation and future mitigation.

REINFORCEMENT OF INTERNAL REGULATIONS

Following the recommendations of the CNMV, and in its commitment to continue improving in the establishing of a responsible and transparent governance model, Ezentis has defined policies on corporate governance:

- Company statutes
- Board Regulation
- Meeting Regulations
- Internal Rules of Conduct
- Code of Ethics
- Selection Policy for Candidates for Position of Directors
- Communication and involvement policy with shareholders, institutional investors and assessors of votes
- Corporate fiscal policy
- Crime Prevention Protocol
- Remuneration Policy for Directors

These policies are publicly available through the company's website:

<https://www.ezentis.com/accionistas-e-inversores/gobierno-corporativo/reglas-de-organizacion/>

In 2018 a project was initiated to lend greater coverage and visibility to all the Group companies in order to serve the better dissemination of all the current policies and the application in each of the countries where we are located.

It is a platform based on sharepoint, which all Group employees can access and consult the current internal regulations.

3.2 Trust in the Ezentis human team

As a service company, Ezentis' business model is strongly based on its human capital. Ezentis' talent management has the goal of ensuring that all its professionals have the training they need to perform their work, and to provide them with resources as to develop in the most effective and efficient manner possible. The company understands that this approach serves the mutual benefit of both the company itself and the professionals working for it.

Ezentis has policies in each of its subsidiaries, which serve as a framework for the management of people. Some examples:

Recruitment Policy (Ezentis Colombia and Ezentis Peru): In order to establish the criteria, guidelines as well as maintain transparency in all its internal and external selection processes, the company is committed to seven key aspects of managing people, some of which include, for example, the use of techniques and legally accepted means of recruitment, the monitoring of the established Selection and Contracting Procedure, and respect for equal opportunities without prejudice toward race, color, nationality, ethnic origin, religion, gender, age or sexual orientation.

Quality of Life and Well-being Policy (Chile): This policy constitutes the declaration of principles and guidelines to form compliance with the strategy and objectives of the company, in tune with the Quality of Life of its Staff. It is a policy with the purpose of adding value to all the stakeholders and, in particular, to our employees.

Manual of Coexistence (Colombia): The manual consists of an invitation to promote and comply with obligations, responsibilities and duties in the workplace, observe good behavior and a positive attitude in order to attain a harmonious work environment, which contributes to the personal and professional development of workers.

EQUALITY AND DIVERSITY IN THE EZENTIS GROUP

In each and every one of the areas in which the activity of the company is conducted, from hiring to promotion, involving salary policy, training, work and employment conditions, occupational health, the organization of work-balance time, the principle of equal opportunities between women and men is taken up, placing a special focus on indirect discrimination, understanding this as a “situation in which an apparently neutral disposition, criterion or practice places a person of a certain gender at a particular disadvantage with respect to people of another gender.”

Companies in Spain have an Equality Plan as established by Organic Law 3/2007, of 22 March, for the effective equality of women and men.

Diversity is a concept that covers multiple variables in the Ezentis Group. We consider that a diverse workforce is the one comprised of different nationalities, ages, abilities, gender, etc. So for us our employees with disabilities (37 in 2018) are employees at the same level as the rest, another way of demonstrating the positive aspects of diversity.

Diversity in the Board of Directors

The Board of Directors of Grupo Ezentis, S.A. as of 31 December 2018, is comprised of 50% independent directors and 40% women. All Board members have extensive professional experience, as well as more than sufficient training and skills for assumed responsibilities, from areas related to Economic and Business Sciences to more scientific profiles relating to telecommunications, IT, industrial and pharmacy.

Below follow two quotes from the Policy for the Selection of Candidates for the Position of Directors:

“The Policy will endeavor to comply with the provisions of the Code of the Good Governance of Listed Companies in relation to the number of representative women board members in the Board of Directors, which in the year 2020 will continue to represent at least 30% of the total number of the members comprising the Board of Directors 50% independent”.

“The selection process for directors will ensure that the composition of the Board of Directors attains an adequate balance of profiles, knowledge, skills, trajectories and experiences, which provides diverse perspectives on the debate of the issues and enhances the decision-making process.”

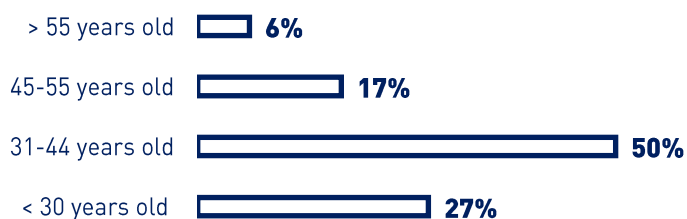
EZENTIS, CREATOR OF LOCAL EMPLOYMENT

Ezentis is a company that has established itself as a multinational that generates employment and job stability in all the countries in which it operates.

Moreover, the local hiring in these countries reaches 98% on average, a fact that positions Ezentis as a significant generator of wealth and growth of the local population.

BETTING ON YOUNG EMPLOYEES

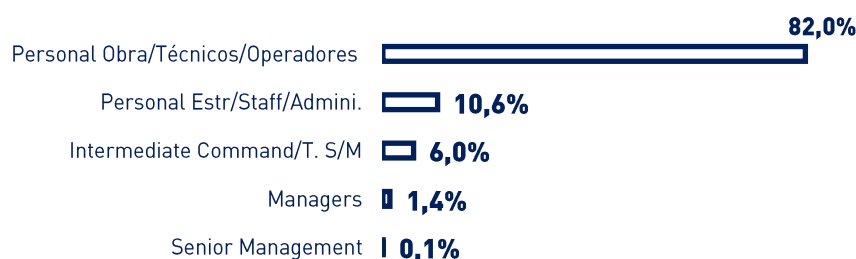
In 2018, 27% of the company's professionals were under 30 years old, and 77% less than 45 years old. Moreover, the promotion of young employees takes on a high significance in the socioeconomic context of countries like Spain, where youth unemployment rate is very high.



HORIZONTAL ORGANIZATIONAL STRUCTURE

The company has a strongly horizontal, dynamic and efficient structure, fully adapted to the activities it performs. More than 80% of the professionals within the category "Construction Personnel/Technicians/Operators."

Throughout 2018, continuity was observed in the growth of staff, as a result of the increase in activity in Spain and Latin America. The company promotes employment in the territories where it operates through the training and subsequent hiring of the local population. These measures consist of the implementation of courses and the offer of grants to young people, which usually end up turning into contracts for an indefinite period.



12,848

Employees distributed in 7 territories as of 31 December 2018

98%

Local hiring

+10.5%

Growth of staff in 2018

77%

Contracts for indefinite periods

+5.8%

Growth of young staff in 2018

+80%

Construction personnel or field technicians

10%

Women on staff

THE GREAT CHALLENGE
OF HUMAN RESOURCES:
THE BEST TRAINING FOR
THE BEST
PROFESSIONALS

11,139

employees attended at least to
one training session

+600,000

hours of
training in the period of 2015-
2018

84%

Continuity of employees who
applied for paternity/maternity
leave in 2017

97%

Return back work after
paternity/maternity leave in
2018

13%

voluntary employee turnover

In lieu of the commitment to offer our customers a high quality and distinct service, the Company is committed to training its employees. Proof amounts to the fact that in the last three years, the average of total training hours exceeded 200,000 hours per year.

EZENTIS IS COMMITTED TO THE TRAINING AND DEVELOPMENT OF ITS PROFESSIONALS

As part of the Group's commitment to training the professional teams comprise part of Ezentis, the company offers a general training plan, as well as specific training in the sector and the position it occupies, so as to always increase the initial training with which they joined the Group.

In the last years the company developed a plan for technical training in the different responsibility levels. This plan has been adapted to the particularities of each country, with the following objectives:

- To develop the work at the highest quality and with the most professionalism possible
- Enhance the development of the worker

THE OPINION OF OUR EMPLOYEES, AN INCENTIVE TO CONTINUE GROWING

Aware of the value of the company's human capital, Ezentis conducts regular work environment evaluations to discover the opinion of employees and their level of satisfaction. This involves a procedure that helps the company identify the critical points in order to carry out pertinent modifications that make employees feel more satisfied and increase their pride of belonging to the company.

A questionnaire is conducted in each subsidiary, with a format adapted to the country so that the results obtained are not comparable. However, they do have common questionnaire parameters such as, for example, questions on the work environment, internal communication in the company, career plan and the necessary training for it.

We are proud to affirm that our voluntary turnover decreased in 2018 for the third consecutive year (-27% with respect to 2016); however, we will continue working so that workers have the best working environment and prospects for professional growth within the Ezentis family.

Other indicators that help us infer the employees' level of satisfaction are the rates of return and continuity of employees after maternity/paternity leave. In another year these figures reflect that Ezentis supports personal-work-life balance, as practically all of the employees who have enjoyed this benefit have continued in the company.

WORKING FOR OUR EMPLOYEES AND THEIR FAMILIES

Besides offering balanced remuneration, and in accordance with the obligations required in each position, the company offers other benefits to employees, focused on promoting work-life balance and health benefits, which in some cases are extended to their families.

At the Ezentis Group we ensure that the claims of our employees are attended to and so, besides offering legal guarantees like reduced working hours for child or elderly care - in the countries where this is applicable- the company offers flexible working hours so that workers can reconcile their daily work with their personal lives, in cases where the needs of the service allow.

Another of the mechanisms the company makes available in order to promote work-family balance is the possibility of telework for employees who carry out activities compatible with this type of work, as in the case of the engineering services.

Moreover, it encourages freedom of association and collective bargaining. In 2018, 76.2% of employees were in collective agreements.

76.2%

Employees within collective agreements

BENEFITS	FAMILY	EMPLOYEES
Health insurance and life insurance	✓	✓
Increase in maternity/paternity leave and gradual return plan		✓
School grant	✓	
Scholarship	✓	✓
Food cards and tickets		✓

Some milestones of 2018:

Adherence to the international section of ISSA (*International Social Security Association*) of electricity, gas and water.

Decrease in the severity rate of total accidents by -47%.

Net downward frequency rate in the two main sectors of activity: -15.4% (Energy) and -11.6% (Telecom).

"Safely, We Go Up" internal campaign to commemorate the World Day for Occupational Health and Safety.

3.3 Safety in all our operations

OCCUPATIONAL HEALTH AND SAFETY: OUR PEOPLE

Occupational Health and Safety is an area to which Ezentis is firmly committed. To the extent that the following is included within the values that serve as a guide in the company's activity: "Nothing is more important than the safety of our employees, clients, subcontractors and the communities where we develop our work, transferring this measure to the entire organization."

This is not something that only we are convinced of, but it is an issue in which we are aligned with the opinion of our Stakeholders, constituting the theme that had the greatest relevance in the last Materiality Analysis of non-financial issues at the end of 2018 (See Section 2.6).

In the 60 years in the trajectory of its business, the company has demonstrated that Safety is the highest priority in the development of its activities, complying with applicable regulations in each territory in which the Group is located. The company provides workers with the best personal safety equipment necessary to perform their duties, training sessions conducted on the risks to which they are exposed, and the detailed analysis of each incident performed in order to prevent it repeating in the future.

At Ezentis we are of the conviction that all accidents, illnesses and work-related injuries can be avoided. We believe in the prevention of risks along with systematic and permanent work in order to prevent injuries and illnesses. However, we know that in Safety matters there is an irrefutable truth: it is never enough.

For a better understanding of the measures the Ezentis Group performs in the field of Occupational Health and Safety, the following describes how the company analyzes the risk exposure of its workers, the management mechanisms and finally, the result achieved in 2018.

ANALYSIS OF RISK EXPOSURE

The exposure of our field team - technicians - to risks like driving of vehicles, working at heights, work around voltage (energy), work in confined spaces and/or moving equipment, as well as errors of the operator him/herself, are elements or factors that can lead to injuries when conducting work, and that is why we are committed to achieving an accident-free work environment and a Safety Culture based on commitment, teamwork, leadership and participation.

We are all responsible for safety in our facilities and daily work, as well as safety in the communities where we operate; our neverending goal is the production in safe conditions, commitment to continuous improvement in the optimal performance of occupational health and safety.

It is important to consider that the Group's activity covers different segments, both in field operations (telecommunications and energy), and in engineering services (IT personnel in offices). The Group adapts safety parameters and specific risks associated with each job due to this reason.

On the other hand, it is important to remember the main risk exposure of workers who carry out their activity in offices, although it affects a lower percentage of employees in the Ezentis Group:

1. Falls and hitting against objects
2. Adopted postures and movements
3. Manual handling of loads
4. Visual fatigue
5. Aural comfort
6. Thermal comfort
7. Indoor air quality
8. Psychosocial factors

MECHANISMS FOR CONTROL OF OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

The Ezentis Group performs management of Labor Safety within the framework of the Integrated Policy of Safety and Health, the Quality and Environment, as well as the "Stop Work" Policy, constituting the main tools that guide our work in order to achieve zero accidents and no occupational diseases.

Regarding Safety Management Systems, the Ezentis Group is certified in the OHSAS 18001 standard in all the activities performed in Chile (Tecnet), Colombia, Spain and Peru, and the plans to expand these certifications to the rest of the company organizations, starting with the implementation of ISO 45001 in Brazil and Argentina.

Our priorities:

Zero accidents resulting in decease.

Zero accidents or serious occupational disease.

Downward the rate of frequency.

Implement "controls that save lives" against critical risks.

Guarantee compliance with current regulations in all the countries where we operate

+ 10,000

employees in field
operations

+ 345,000

training hours in
Labor Safety

Almost

23,000

inspections in work
centers

About **19,000**

observations of
conduct

14,200

safety talks with
67,000 of total
attendance;
an average of 7
talks/technician

Besides the management policies and systems as well as continuing with the Group's permanent commitment to safety, in 2018 the Management adopted an action plan based on the following pillars:

- Establishment of a Management Plan for Safety, Health and Quality 2018-2020, with the appointment of a Corporate Director of HSEQ and Managers according to country in relation to this issue, in the 1Q of 2018.
- Permanent inclusion of HSEQ elements in the daily agenda of each Management Committee.
- Functional restructuring of HSEQ roles and responsibilities.
- Performing a Safety Culture diagnosis (Dupont Dynamic Assessment) with DUPONT, the consultancy of recognized world renown.

The regular monitoring of the performance carried out by the corporation to all our operations helps in the identification of risks, confirming the existence of effective controls or the incorporation of new ones, if necessary. When deficiencies are evident in health and safety reviews, we identify the causes and implement corrective measures.

The analysis of the information recorded in our management and reporting systems permit us to identify deviations and violations of internal regulations, define the prevention and mitigation measures that best apply to each risk situation and, in the end, help us move toward the continuous improvement of the defined controls and the reduction of incidents related to critical risks.

The following are another type of measures intended to minimizing labor risks and which were implemented in 2018:

- Evaluation processes for occupational health and safety (OHS), as well as the planning and design of our strategies, which are integrated in the business development model.
- OHS programs and activities, training and coaching, visible leadership programs, safety inspections and behavioral observations, along with the constant flow of communications to keep all participants in the process duly informed as well as alert them on what is happening in our operations.

In the specific area of the Health and Welfare of workers, it is worth mentioning that the Ezentis Group promotes the monitoring of health through regular medical examinations.

Moreover, the company evaluates other types of initiatives that promote healthy habits (balanced diet, physical exercise...) that improve the quality of life of our workers and their families.



SUCCESS CASE

Children's drawing competition on Occupational Health and Safety. "Safely, We Go Up" Campaign

On the occasion of World Day for Occupational Health and Safety - April 28 - a series of initiatives set for the month dedicated to safety were shared with all Ezentis employees. One of these activities consisted of a children's drawing contest under the motto "Safely, We Go Up".

The main objective is to ensure that the safety campaign remains within our scope of work, passing into the homes of all employees and involving their families.

The 75 received drawings were reviewed by a committee comprising representatives of the Corporate Communications and the CSR Directorate, the General Operations Directorate and the Corporate Management of Occupational Health and Safety.

EZENTIS COMUNICA **SEGURIDAD** *'SEGUROS, SUBIMOS'*

→ Últimos días para participar en el concurso de dibujo sobre Seguridad Laboral...
¡Envíanos tu dibujo hasta el 25 de mayo!

Participa y ¡consigue fantásticos premios!

→ Haz participar a tus pequeños en la campaña de Seguridad y Salud en el Trabajo de Ezentis para que den rienda suelta a su imaginación y reflejen de una manera artística su particular visión sobre los elementos y las medidas de seguridad laboral.



















→ Cuatro categorías de participación:

- Hasta 5 años
- De 6 a 8 años
- De 9 a 11 años
- De 12 a 14 años

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OCCUPATIONAL HEALTH AND SAFETY COMMITTEES IN EACH COUNTRY: **SPAIN**

Subsidiary Name	Denomination of Committee	Frequency of meetings	Profile of members
Networks Test	Safety and Health Committee	Quarterly	     
Technology	Safety and Health Committee	Quarterly	   
CYS Group	Safety and Health Committee	Quarterly	   
Excellence Field Factory (EFF)	Safety and Health Committee	Quarterly	 50%  50%
 Representative of the company		 Representative of workers	



SPAIN

Law 31/1995, of 8 November,
on the Prevention of
Occupational Risks

FUNCTIONING OF COMMITTEES

NETWORKS TEST

- Carry out the formal approval of the minutes of the previous Committee.
- Analyze accident indicators.
- Analyze employee training data.
- Review the aspects related to Monitoring of Health.

TECHNOLOGY

- Review all the vicissitudes related to the fitting-out of Work Centers: lighting, air conditioning, ergonomics of the workplace, accessibility, evacuation plan, visits by a prevention technician, specific problem, etc.
































CYS GROUP

- Participate in the preparation, implementation and evaluation of occupational safety plans and programs in the company.
- Promote initiatives on methods and procedures for effective prevention of risk.
- Discuss and study the identification of risks that should be subject to analysis and control.
- Know the information on the evaluation of prevention.
- Boost the guarantee of occupational health training and information for all workers.

Excellence Field Factory (EFF)

- Participate in the preparation, implementation and evaluation of occupational safety plans and programs in the company.
- Promote initiatives on methods and procedures for effective prevention of risk.

OCCUPATIONAL HEALTH AND SAFETY COMMITTEES IN EACH COUNTRY: **LATIN AMERICA**

Subsidiary Name	Denomination of Committee	Frequency of meetings	Profile of members
MEXICO	Safety and Health Committee	Quarterly	     
CHILE	Joint Committee on Hygiene and Safety (JCHS)	Monthly	           
BRAZIL	Internal Commission for Accident Prevention	Monthly	     
COLOMBIA	Occupational Health and Safety Committee (OSHC)	Monthly	   
PERU	Central Committee for Occupational Health and Safety	Monthly	 50%  50%
ARGENTINA	SIG Management Committee	Monthly	 HSQE Manager Manager of Business Units (Energy, Telecom, Gas, HR) Deputy managers of business units



Representative of the company



Representative of workers

MEXICO



Official Mexican Regulation, NOM-019-STPS-2011, Constitution, integration, organization and operation of health and safety commissions

FUNCTIONING OF COMMITTEES

- Promote the conduct of research on the causes of accidents and occupational diseases.
- Prepare the corresponding minutes at the end of each verification procedure, along with the coordinator of the commission, the corresponding measure.
- Present and deliver the minutes of verification procedures to the employer, along with the committee coordinator.
- Participate in inspections on the general conditions of safety and hygiene practiced by the labor authority in the workplace.
- Integrate the annual training program for the members of the commission.



CHILE

The Law of the Ministry of Labor and Social Security s No. 16,744, approving social insurance against the risks of occupational accidents and diseases

- To instruct the workers for the correct use of protection tools.
- Monitor compliance by both companies and workers, also prevention, hygiene and safety measures.
- Investigate the causes of accidents at work and occupational diseases that occur in the company.
- Indicate the adoption of all hygiene and safety measures that serve to prevent occupational risks.
- Promote the implementation of training courses intended for the professional training of workers in public or private organizations authorized to meet this purpose or in the same company, industry or work under the control and direction of those bodies.



BRAZIL

Regulatory Standard Five (NR-5) of MTE, which foresees the obligatory nature of the annual training for members of the Internal Commission for the Prevention of Accidents - INCPA (Ministry of Labor)

- Identify the risks of the work process and prepare a risk map with the participation of the largest number of workers.
- Prepare a work plan that enables preventive measures in the solution of occupational health and safety issues.
- Perform regular checks in working environments and conditions.
- At each meeting (once a month) perform an evaluation on the compliance with the objectives set in the work plan and discuss the identified risk situations.
- Disclose information on occupational safety and health to all workers.



COLOMBIA

Law • Decree 1072 of 2015, through which the dispositions for the implantation of the management system of occupational health and safety were dictated (SG-SST).

- Participate in the promotion, dissemination and information activities on hygiene and industrial safety.
- Act as a monitoring entity for compliance with Occupational Health programs in the workplaces of the company.
- Propose training activities in occupational health intended for workers, supervisors and managers of the company.
- Collaborate in the analysis of the causes of work accidents and occupational diseases and propose corrective measures.
- Participate in the planning of compliance monitoring audits of the Occupational Health and Safety Management System.
- Conduct the review of the Occupational Health and Safety Training Program.



PERU

Law 29,783 and its regulations contained in Supreme Decree DS 005-2012-TR.

- Participate in the preparation, approval, implementation and evaluation of policies, plans and programs to promote occupational safety and health.
- Monitor the compliance with legislation, internal rules and technical specifications of work related to safety and health in the workplace.
- Promote the commitment, cooperation and participation of all workers in the prevention of work risks.
- Implement regular inspections in administrative areas, operational areas, facilities, machinery and equipment.
- Investigate the causes of all incidents, accidents and occupational diseases that occur in the workplace.
- Analyze and issue reports on the statistics of incidents, accidents and occupational diseases that occur in the workplace.



ARGENTINA

**International standard OHSAS 18001.
National Law on Safety and Hygiene at Work No. 19587/72.
National Law on Occupational Hazards No. 24557/95.
Decree 911/96, Hygiene and Safety at work for the construction industry.
Decree 351/79, Amending Resolutions and Annexes and/or
supplementations**

- Report the statistics of registered accidents for each Business Unit.
- Report on the progress of the training for all Business Units.
- Carry out the monitoring of the identified anomalies during monthly inspections.
- Share relevant issues that arise in the business unit, photos and job examples.

PERFORMANCE INDICATORS 2018

The Ezentis business model joins two main activities with a very different risk profile. On the one hand, the telecommunications activity has a low severity and high frequency risk, while the energy activity has a high severity with a lower frequency. Offering aggregate data is not very representative due to this reason.

Taking into consideration that, in turn, the activity covers different segments, both field operations (telecommunications and energy) and engineering services (IT personnel in offices), the analysis of accident statistics, action plans and awareness-raising are performed separately, adapted to each region and type of activity:

OCCUPATIONAL HEALTH AND SAFETY² INDICATORS	ENERGY	TELECOMMUNICATIONS	OTHERS
Net Frequency Index	6.42	15.92	10.43
Severity Index	1.74	0.62	0.39
Net Incidence Index	14.93	41.48	17.06

Considering the results obtained in 2018, we are satisfied with the reduction in the frequency of accidents, but we will continue working to reduce their degree of severity.

CYBERSECURITY: INFORMATION SYSTEM

Without a doubt Occupational Safety is a key issue in the Ezentis Group's business model, but apart from the physical safety of people, due to the large volume of information of the employees, customers and suppliers that we manage on an everyday basis, we cannot forget the importance this has in our operations of offering a secure service in terms of the systems and the privacy of the information.

The techniques and methods that encompass the protection of systems and information are known as Cybersecurity. The possibility of being struck by a cyber-attack or a leak of sensitive or confidential information are risks that come with the territory and against which all organizations must fight from a common strategic frame, along with the best prevention measures, tools and allocation of possible resources.

² Calculation formulas:

Frequency Index (Net) = (No. of accidents with high-consequences or fatalities / Total no. of hours worked) * 1,000,000

Severity rate = (Total no. of lost days / Total no. of hours worked) * 1,000

Index of Occupational Diseases = (No. of Occupational Diseases / No. of Total Hours Worked) * 1,000,000

In 2018 the Ezentis Group recorded important advances in the area of cybersecurity and privacy of information, the main milestones are summarized in the following chart:

MILESTONE 1



INCORPORATION OF HEAD OF INFORMATION SECURITY (CISO)

The IT Systems area has been strengthened through the hiring of an Information Security Officer (CISO) at the organizational level, whose main task is to ensure the Security and Privacy of the Ezentis Group's Information.

MILESTONE 2



CORPORATE IT SECURITY COMMITTEE

This Committee has monthly meetings upon the invitation of the CISO, comprised of those responsible for the System of the Group, national and international. If there is any significant event or situation, it would be formally reported formally to the Audit and Compliance Committee.

MILESTONE 3



ADAPTATION TO THE EUROPEAN REGULATION ON DATA PROTECTION (GDPR)

The Ezentis Group has implemented several measures at the corporate level, with the purpose of compliance with the GDPR, in force since May 2018, which is mandatory only in Europe, yet extended to the countries of Latin America where we have operations. Some examples are the following:

- Request express consent from employees
- Preparation of PIA (Analysis of Impacts and Privacy) and DPIA (Analysis of Privacy Risks)
- Record of processing activities
- Review of contracts with customers and suppliers so that they are aligned with the Ezentis Group Security Policy and compliance with the GDPR.
- Awareness of employees about compliance with the Regulation

MILESTONE 4



PREPARATION, APPROVAL AND DISSEMINATION OF INFORMATION SECURITY POLICIES AND PROCEDURES

- Information Security Policy
- Policy of acceptable use for assets
- Mobile Phone Policy
- Information Privacy Policy
- Information Classification Policy
- Policy on Preservation and Discarding of Information
- Security Incident Management Procedure

MILESTONE 5



FIRST IT SAFETY COMPLIANCE AUDITS BASED ON ISO 27002

Annual audits whose purpose is to verify compliance with IT Security and the maturity of the Group's most important systems and applications.

The advances recorded in 2018 would not have been possible without launching a series of **measures designed to improve the information security** of the Ezentis Group:

- **IT risk analysis of the main corporate applications**
- **Installation of new corporate antivirus**
- **Awareness and information campaigns directed toward employees**



CHALLENGES AND OBJECTIVES

LONG TERM

- Promote the internalization of the IT Security culture throughout the Ezentis Group and extend it to all external agents with whom we associate.
- Automation and consolidation of IT Security tools.



MEDIUM TERM

- Continuous training in cybersecurity for our own employees under any mode (face-to-face, online...).
- Promote the proactivity of the employees in the communication and reporting of cyber-incidents.
- Obtain a level of maturity of cybersecurity greater than 3 according to the CMM (Capability Maturity Model) regulations involving a global scope.



SHORT TERM

- Launching of an Awareness Plan for employees in 2019 and two e-learning courses, one for GDPR and another for cybersecurity.
- Hardening and standardization of jobs in terms of cybersecurity through the securitization of the work environment: equipment and work devices, permitted applications and remote access.
- Implementation of tools against the leakage of information.
- Monitoring and correlation of cybersecurity events: early warning of cyber-incidents.



3.4 Closeness and responsibility with the client

The services provided by Ezentis are singularly specialized and focused on large telecommunications and energy companies. Taking into account that these sectors are highly concentrated within a few operators in each country, the Ezentis client base is comprised of a small number of customers with high turnover volumes.

For Ezentis, it is of vital importance the capacity to establish lasting trust relationships with their clients, which allow a high recurrence of contracts and income stability. For this purpose, the key is to guarantee a high quality service in processes seeking to maximize efficiency and fulfill client expectations.

Our commitment and the great challenge in connection to our client is that with long-term agreements, we are able to maintain an excellent performance throughout service life. Our portfolio consisting of a large number of clients (25% made up of large accounts) is proof of this and the best guarantee of keeping us as one of the notable suppliers in the sector.

ACHIEVEMENTS 2018



SPAIN

- Ezentis has signed two contracts with Telefónica España.
- Cooperation between Ezentis and Madrid Digital for the installation and maintenance of WiFi in hospitals and residences of the Community of Madrid

BRAZIL

- Renewal and extension of the Ezentis contract with Telxius Brasil.
- New contract with the company Neoenergia for the construction and maintenance of an electricity grid in the northeast of Brazil.
- Ezentis wins a contract with telecommunications operator Claro in Brazil.
- Ezentis is awarded the renewal of the contract with the Brazilian electricity company called Light.
- Ezentis obtains a contract with SBA in Brazil to maintain the mobile network
- Ezentis expands its business in Brazil by signing a contract with TIM.

CHILE

- Construction in Transmission Substations for the National Electric Coordinator (NEC).
- Contract for operation, maintenance and construction services in distribution networks, in addition to power line services for Grupo Saesa.

COLOMBIA

- Renewal and expansion of the Bucle project in new areas of Colombia: Antioquia, Chocó and Cundinamarca.

100%

Companies with ISO
9001

€578M in

renewals and new
contracts

€791M in

multi-year contracts



RECOGNITION of the
Telefónica customer for
the excellent
performance of Ezentis
Colombia employees
**Gisella Villamizar and
Jairo Humberto Vidal**,
for meeting the goal of
107% as well as the
efficiencies and
economic savings
achieved in the service
developed for the
customer.

A MANAGEMENT THAT DESERVES THE TRUST OF CLIENTS

Ezentis assumes the responsibility of acting on behalf of its client in relation to end users of energy and telecommunications services in the exercising of its activities. Due to this reason, Ezentis clients need to be completely certain that the provider in which they place their trust is able to safeguard the brand and prestige of their company.

So it is essential that all its processes are formally structured and subject to regular audits that identify and resolve potential weaknesses.

That is why companies have a Quality Management System ISO 9001: 2008, externally certified in each of the territories.

Ezentis believes that the key to offering quality services and ensuring customer satisfaction lies in improving the performance and greater safety of the environment in which its employees work. The company has consequently implemented a series of policies in the countries in which it operates, committed to:



1

Promoting respect for people, safe work and teamwork



2

Promoting a client service culture in the company



3

Ensuring an adequate Work Environment for employees that are part of Ezentis

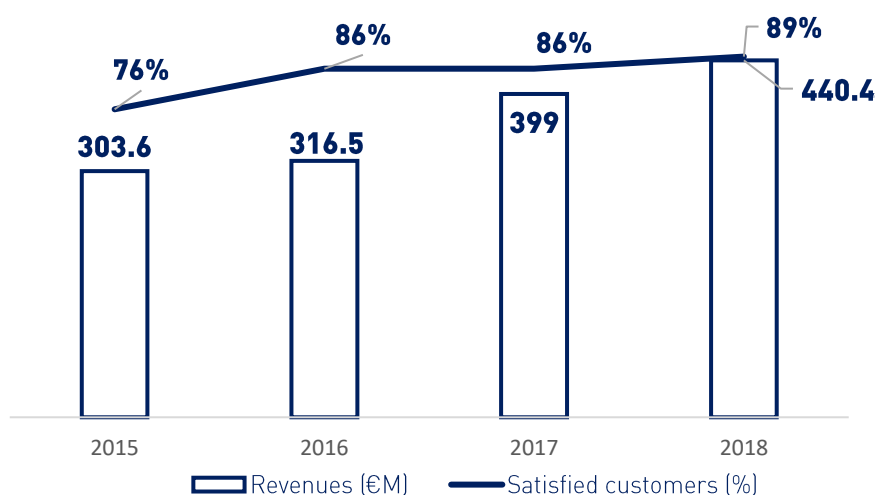
RECOGNITION OF A JOB WELL DONE

The approach of continuous improvement and innovation in the processes results in Ezentis applying the *feedback* of its clients as input in its strategy as a company.

On the one hand, it regularly conducts customer satisfaction surveys in all the territories where it operates. In 2018, Ezentis sent out 392 surveys to its clients (90% more than in 2017). Out of the 166 responses received, 89% showed “satisfactory” or “very satisfactory” results. Without a doubt, it is a very positive balance because, in spite of the increasing volume of surveyed customers, satisfaction rates continue to rise, also related to an increase in revenue.

This greater satisfaction of customers has been able to contribute, through the greater recurrence of customers, to the continuous revenue growth of Ezentis, as can be seen in the following graph:

Development of revenues and percentage of satisfied customers



42%

reception of answers

89%

Satisfactory answers

COMMITMENT AND PROXIMITY TO THE USER

Although the satisfaction of customers through maximum service quality is the main objective of Ezentis' activity, it is essential that final users are considered in the equation, who are, ultimately, the final recipients of the service Ezentis provides.

In this sense, Ezentis acts in close proximity to the end user in telecommunications services (inside and outside of homes) and under the firm commitment to cooperate with the community. On some occasions, as happened two years ago in Chile, the company agreed to rebuild the telecommunications networks damaged by a natural disaster, although this measure was not considered in the terms of contracting. This type of situation and reactions demonstrate that the presence of Ezentis goes beyond the representation of a telecommunication or energy network operator, becoming a *partner* or close collaborator of the user community. Considering the nature of its services that guarantee basic services for people, the company understands that this is part of their responsibility and their commitment to the community.

3.5 Social commitment and respect for the environment

As a company whose business model is based on the construction, operation and maintenance of infrastructure, Ezentis pays special care and carries out prevention in all its actions where it interacts with the natural environment and local communities.

The main lines of business comprising the activity of Ezentis (Energy and Telecommunications) generate environmental impacts of different types and relevance in relation to other minority activities, for example, Ezentis Tecnología in Spain or the Water Network business in Chile.

Ezentis operational centers consist of two types:

- **Work centers:** These are comprised of a small administrative office, a materials/waste warehouse and a vehicle parking area.
- **Administrative offices:** Located in the main cities of the territories where the company operates.

Although in the matrix of material issues, matters of an environmental nature or relationships with the local community do not fall among the five most relevant to the company, Ezentis is aware of the importance of a management based on the efficiency of resources in achieving the following challenges:

- **Improve production processes** and so contribute to greater profitability in the costs related to operations.
- **Contribute to socioeconomic development** in the communities where we operate, through the creation of stable employment, supporting the local productive material and cooperation with non-profit organizations aligned with the Ezentis strategy.
- Demonstrate the **commitment of the organization to environmental sustainability** in each and every one of its activities, in compliance with increasingly demanding regulatory requirements and the increasing importance for customers and end users.

In order to meet these challenges, the company structures its commitment to society based on three lines of action with the objective of maximizing the positive impact of our activity, as a robust model for social, environmental and economic sustainability:

- **SUPPORT FOR LOCAL PRODUCTION**
- **CONTRIBUTION TO SOCIAL DEVELOPMENT**
- **RESPONSIBLE ENVIRONMENTAL MANAGEMENT**

SUPPORT FOR LOCAL PRODUCTION

Out of the 180.3 million euros that Ezentis spent on its suppliers in 2018, 96% correspond to purchases from local or nearby suppliers.

This commitment to local supply generates a driving effect in the economy, which results in the creation of employment and indirect wealth in the communities where Ezentis operates. In this manner, Ezentis' capacity to generate local employment surpasses the limits of its own organization, by contributing to the creation of indirect employment throughout its supply chain.

Regarding the strong growth of Ezentis continuing over the next few years, the driving effect it generates in the different communities where it operates will continue to be encouraged and enhanced.

Although the weight of suppliers involved in Ezentis' activity is not particularly significant when compared to other economic sectors, except for the case of subcontracting services and vehicle providers, the potential contribution the company can carry out in terms of wealth creation and local employment can be significant for the communities in which it operates. That is why Ezentis supports local hiring, as well as a transparent, efficient purchasing process that promotes sustainability in its value chain.

A positive side effect of the provisioning of local goods, besides the obvious creation of indirect employment at the local level, consists in the reduction of emissions arising from transport. As stated below, the main environmental impact arising from Ezentis' operations are emissions into the atmosphere, associated both to the purchase of goods and services, and in the transportation of workers in their daily activities. Due to this reason, the company is always searching for solutions that minimize such impacts without affecting the profitability of the business, and, in turn, adopts the commitment to perform an increasingly accurate and exhaustive calculation of its carbon footprint, which permits the better identification of the sources upon which reduction goals can be later defined.

99%

Local suppliers

€180.3M

Total purchases
from suppliers

Approx.

7,000

Total suppliers

CHALLENGES AND OBJECTIVES

SHORT TERM

Generate and share information with all countries, seeking synergies in the acquisitions of goods and services.

MEDIUM TERM

Transformation of the current purchasing model in order to optimize and leverage cost reduction through automation, reverse auctions and the "robotization" of repetitive activities in the purchasing area.

LONG TERM

Share knowledge and promote a cultural change through fluid communication in order to create a new concept of the "Ezentis" community.

PURCHASING PROCESS OF GOODS AND SERVICES

Ezentis has a Purchasing Procedure applicable to the entire Group, whose objective is to mainly ensure that all the departments involved in the process of purchasing goods and services diligently assume their responsibilities in this matter. Moreover, it has the goal of establishing a common methodology in the procurement and purchasing processes of all types of goods, resources, activities or services in all business units.

The content of this policy is fundamentally connected to financial and legal issues, but it can also incorporate other social or environmental requirements or specifications like the existence of an external certification based on the ISO 14001 environmental management standard.

Currently, the different territories have specific purchasing policies that must be always applied without contravening the hiring thresholds defined in the Procedure for the use of powers of the Group along with alignment with the aforementioned Group Purchasing Procedure.

This process is especially important in the cases of suppliers that are considered “critical” based on the type of good or service they provide and their relevance to the production process of Ezentis.

Phases of the purchase process:

- 1. Identification of need**
- 2. Request for offers**
 - Approval of suppliers
 - Regular evaluation of approved suppliers
- 3. Approval cycle**
 - Purchasing boards
- 4. Issuance of the order**
- 5. Receipt of the product or service**
- 6. Invoice approval and issuance of payment**

CONTRIBUTION TO SOCIAL DEVELOPMENT

Based on the premise that the level of knowledge and the application capacity of the aforementioned are clear elements in the development of any society, the greatest contribution that Ezentis can carry out in the areas where it operates is to promote the learning of young people and adults, and that this translates into greater job opportunities and higher quality of life.








With the purpose of achieving the greatest professional development of each individual, the company has established various agreements and cooperation with training centers and professional lyceums (Universities, Technical Institutes, etc.) for years. These agreements are mostly designed for students in the last years of technical and technological qualifications, through an internship program in Ezentis work centers and, as the end goal, their final joining of the company.

The difficulty in identifying the profiles of high technical and technological qualifications makes this type of alliance mutually beneficial. On the one hand, they offer opportunities to people without work experience and, in turn, help Ezentis in providing the opportunity to identify the potential of these individuals and participate directly in their practical learning.

To this day, each subsidiary has developed the activities and cooperation that the corresponding General Directorate has considered opportune in each case.

Additionally, Ezentis maintains relationships with foundations and other charitable organizations in territories like Brazil, Colombia and Spain, through monetary contributions and occasional volunteering activities.

In broad terms, the social activity developed by Ezentis is encompassed by two major types of projects: Employability and Charity. Some examples follow below:

	EMPLOYABILITY	CHARITY
BRAZIL	<ul style="list-style-type: none"> Agreement with the National Industrial Learning Service – SENAI (Brazil)  Mudes Foundation  	<ul style="list-style-type: none"> Educational and beneficiary association of Vale da Bênção 
COLOMBIA	<ul style="list-style-type: none"> Agreement with the National Learning Service of Learning – SENA  	<ul style="list-style-type: none"> Cocovid Foundation 
SPAIN	<ul style="list-style-type: none"> Purchases for Special Employment Centers: ILUNION Juan XXIII Roncalli Foundation 	<ul style="list-style-type: none">  

MILESTONE 2018

Ezentis Peru received an award for Socially and Environmentally Responsible Company at its headquarters in Arequipa, an award granted by the Provincial Municipality of that town.

OBJECTIVE 2019

Preparation of a Corporate Policy to contribute to the development (social, environmental and economic) of the regions in which Ezentis performs its activities.



SUCCESS CASE: “ADOPT AN ANGEL” CAMPAIGN COCOVID FOUNDATION (Colombia)

COCOVID is a non-profit organization dedicated to the use of leisure time, where it integrates the community in general, through cultural and recreational activities, covering leisure premises, through recreational programs for social and cultural development.

The “Adopt an angel” campaign was launched in November 2018, intended for all employees of EZENTIS COLOMBIA, whose goal was the sponsorship of children between 4 and 9 years of age who come from socioeconomically vulnerable families.

The cooperation was facilitated through different options (food contributions, monetary contributions, delivery of gifts to the sponsored children...) and culminated in a meeting between the children and their sponsors as well the rest of the volunteers, sharing good times and delicious chocolate.

The initiative was a success and the employees were very satisfied with this type of cooperation which undoubtedly will repeat in the future and be part of the direct contribution of Ezentis employees to the socioeconomic development of the communities in which it operates.

On the one hand, the companies that benefit from this program must commit to generating new jobs (does not apply for replacements of people who are already hired); young people must be hired for six months and then at least 60% of them must have contract renewals.

On the other hand, companies receive financial support for up to six months through Cafam, equivalent to the salary and social security contributions of young people who are registered.





SUCCESS CASE: DUAL PROGRAM EZENTIS – TELEFÓNICA (CHILE)

This program seeks to develop the learning of students in the Telecommunications area, complement theoretical contents with practice. The initiative arose from the need to count technicians who respond to the future challenges of digital telecommunications, who understand the processes needed to generate continuous learning, and adapt to the coming changes.

The Dual Program has been running for three years in Ezentis. To date, graduates from different professional lyceums have been accepted, assigned by the principal operator (Telefónica) and accompanied in this process by Head Trainers, who guide and support the learning based on their experience as Telefónica technicians. These graduates pass through various areas (Facilities and Repairs, MDF Plant, Fiber Optics...), with the goal of teaching the various jobs directly and enriching the learning from their experience as Telefónica technicians. These graduates pass through various areas (Facilities and Repairs, MDF Plant, Fiber Optics...), with the goal of teaching the various jobs directly and enriching the learning toward becoming a new future technician.

4 PILLARS



Dual Training



Updating of Curriculum

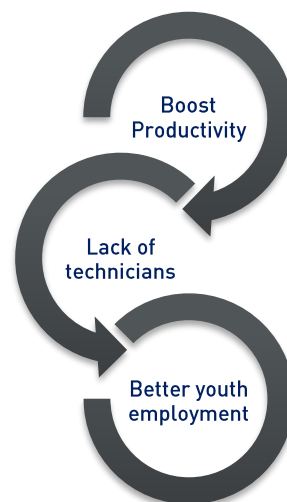


Specialized Infrastructure



Linkage of Higher Education

3 CHALLENGES



RESPONSIBLE ENVIRONMENTAL MANAGEMENT

We are in 2019 and, at this point, a corporate sustainability strategy is not understood without companies at least performing an analysis of their activities and the impacts they generate in the natural environment. The increasingly demanding environmental legislation combined with greater awareness and knowledge on the part of customers and end users results in environmental issues becoming more important in the strategic decisions of companies.

0
incidents due
to spillage of
dangerous
substances

COMMITMENTS IN ENVIRONMENTAL SUSTAINABILITY



1. Carbon Disclosure Project

Annual completion of questionnaire on **Carbon Disclosure Project (CDP)** on **Climate Change**.

Stakeholders: **Investors**.

2. ECOVADIS

Completion of the **ECOVADIS** questionnaire regarding the performance of the **Excellence Field Factory**, S.L company, conducted at the request of a client.

Stakeholders: **Clients**.



0
Fines or
significant
penalties for
breach of
environmental
regulations



3. ODS

Commitment adopted for the fulfillment of Sustainable Development Goals (SDG). The **SDG 13** (Action for Climate) is specifically present in our **CSR Management Plan (2017-2020)**.

Stakeholders: **Local community**.

4. Significant penalties

In 2018 **no significant penalties were levied**, or neighborhood complaints related to any behavior contrary to the **environmental regulations in force in each country**.

Stakeholders: **Corporate Management**



CLIMATE CHANGE AND ENERGY EFFICIENCY

We work under the idea of efficiency in the use of resources at the Ezentis Group, understanding that reasonableness in consumption promotes environmental and economic sustainability throughout the organization.

Energy consumption

The main sources of energy consumption in the Ezentis Group are of non-renewable origin and correspond mainly to the fuel of its vehicle fleet and office energy consumption.

The most relevant source of energy consumption has its origin in the permanent displacement of professionals to telecommunications or energy facilities for their maintenance and operation. The field activity accounting for more than 80% of the company's business is supported by the high number of technicians and operators who commute daily to the locations of operations. For this purpose, Ezentis has an important fleet of vehicles (an average of 5,724 units in 2018) which through the consumption of fuels, contribute negatively to air quality, and, in the end, to climate change.

This is without a doubt the most significant environmental impact linked to Ezentis' activity and, consequently, it is what the company pays most attention to in the attempt to mitigate its effects.

Aware of the environmental implications of the logistics aspect of its activity, Ezentis is developing plans for the renewal of vehicles through more efficient ones, or which consume other less polluting fuels (LPG, ethanol or natural gas).

As demonstrated in the following table, in its different varieties fuel consumption accounted for 90% of the energy consumption of the entire organization in 2018:

ENERGY CONSUMPTION DISTRIBUTION **ACCORDING TO TYPE OF SOURCE**

Non-renewable energy consumption (GJ)	2018
Electricity consumption	11,452
Consumption of fuels (vehicles)	500,174
Consumption of other fuels in the offices	47,072
Total consumption	558,698



OBJECTIVE 2019

Update the inventory of all work centers and emission sources toward the atmosphere of a significant level in the Ezentis Group's activity.

Calculation of emissions arising from energy consumption

In 2018, the company conducted the third calculation exercise of emissions arising from its activity.

The exhaustiveness of the information increased in comparison to the previous year, due to the incorporation of the carbon footprint of all the business trips (airplane and train) of the Group and the data of the recently acquired EFF in Spain, the Ericsson subsidiary dedicated to the operation and maintenance of fixed networks in the Iberian market.

Because both factors have a significant impact, it is considered that the calculation of emissions is still evolving and not comparable at the moment.

The objective of the company is to progressively increase the exhaustiveness and accuracy in the calculation of emissions so that once the information reaches a high degree of maturity, the quantitative reduction objectives will be defined and in the end, lead to the implementation of compensation projects for emissions that cannot be reduced.

DISTRIBUTION OF **GENERATED EMISSIONS**

Distribution of emissions in TCO ₂ e	Distribution of emissions in TCO ₂ e
Total direct emissions (Scope 1)	7,477
Total direct emissions (Scope 2)	949
Total direct emissions (Scope 3)	29,471
Total emissions	37,987

Explanation of the calculation:

- **Scope 1:** Direct emissions are calculated based on workplace fuel consumption and consumption associated with the company's own vehicle fleet.
- **Scope 2:** Indirect emissions arising from the consumption of electricity in offices and warehouses.
- **Scope 3:** Other indirect emissions are generated mainly by vehicles in a different manner to property (rent, leasing ... etc.) and business trips (plane and train).



OBJECTIVE 2019

Preparation and dissemination of a homogeneous Carbon Footprint Calculation Procedure for all subsidiaries.

04. ABOUT THIS REPORT

PRINCIPLES FOR DEFINING REPORT CONTENT

As a response to the requirements and expectations of the different stakeholders, and in line with the company's commitment to establish basic pillars of Corporate Responsibility on which to work and internalize the CSR culture of reporting, transparency and management, Ezentis has prepared and published its third Corporate Social Responsibility Report.

This report includes the management and commitments of the organization in relevant financial and non-financial matters of the year 2018.

Ezentis relied on the reporting standard of the *Global Reporting Initiative* (GRI) in its SRS Standards version in order to carry out the report. The principles specified below are complied with in the monitoring of the guidelines established by GRI, in this way guaranteeing the requirements demanded by the following standard:

Materiality: A Materiality Study has been conducted for the identification of relevant issues, explained in more detail in Chapter 2.6.

Stakeholders inclusiveness: The company establishes different channels of bidirectional communication with its stakeholders.

Sustainability context: The CSR report is conceived as a tool that reflects its activity in relation to the existing socioeconomic and environmental context. For years, the company has been working for years in the management of social, economic and environmental sustainability, as described in Chapter 2.5.

Completeness: The cooperation of the main areas of company management were solicited with the intention of all relevant and strategic matters of the organization being collected in order to prepare this report.

Moreover, the application of GRI principles were considered in order to determine the quality of the report:

Balance: The contents of this report have been conveyed in a transparent and rigorous manner, both in the positive aspects and in areas where the organization recognizes that it has room for improvement.

Comparability: This being the second year in which this report is carried out, information was included in relation to all those quantitative data for which updated and reliable information was available.

Accuracy: Due to be the second edition, the organization reported such information that is available, updated and reliable, explanations and clarifications added to explain the scope and detail of the data.

Regularity: Ezentis believes that it is relevant to publish the CSR Report on a regular basis, committed to the annual issuing of reports.

Clarity: This report has been prepared for the comprehension of all the organization's stakeholders, so it has been conveyed through a clear and unambiguous language in order to avoid ambiguities or dual interpretations

Reliability: Ezentis is aware of the need to report reliable and traceable information. That is why only information whose source was reliable has been reported. Likewise, the organization is working to improve its information gathering systems in order to provide traceable and reliable information in the future.

APPENDIX: GRI CONTENT INDEX (SRS)

GRI Standard	Indicator	Page(s)	Omission
General contents			
GRI 101: Foundation 2016			
GRI 102: General disclosures 2016	102-1 Name of the organization	Back cover	
	102-2 Activities, brands, products and services	Pages 25-26	
	102-3 Location of headquarters	Back cover	
	102-4 Location of operations	Pages 10-11	
	102-5 Ownership and legal form	Page 7	
	102-6 Markets served	Pages 10-11	
	102-7 Scale of the organization	Pages 10-11, 13-16	
	102-8 Information on employees and other workers	Pages 45-49	
	102-9 Supply chain	Pages 66-67	
	102-10 Significant changes to the organization and its supply chain	Pages 9, 66-67	
	102-11 Precautionary Principle or approach	Our actions are governed by the principle of precaution and prevention of environmental risks, in accordance with both our own guidelines and requirements of our customers.	
	102-12 External initiatives	Page 50	
	102-13 Membership of associations	Page 50	
	102-14 Statement from senior decision-maker	Pages 2-4	
	102-15 Key impacts, risks and opportunities	Pages 28-35	
	102-16 Values, principles, standards and norms of behavior	Pages 5-6, 42-44	
	102-17 Mechanisms for advice and concerns about ethics	Page 43-44	
	102-18 Governance structure	Pages 17-22	
	102-19 Delegating authority	Pages 19, 21	
	102-20 Executive-level responsibility for economic, environmental and social topics	Page 22	
	102-21 Consulting stakeholders on economic, environmental and social topics	Pages 39-41	
	102-22 Composition of the highest governance body	Pages 17-18	
	102-23 Chair of the highest governance body	Pages 22	
	102-24 Nominating and selecting the highest	See 2018 Annual	

	governance body	Corporate Governance Report	
	102-25 Conflicts of interest	See 2018 Annual Corporate Governance Report	
	102-26 Role of highest governance body in setting purpose, values and strategy	The Board of Directors is ultimately responsible for the approval of the values and the Company's Strategic Plan.	
	102-27 Collective knowledge of highest governance body	Page 20	
	102-28 Evaluating the highest governance body's performance	Pages 20-21	
	102-29 Identifying and managing economic, environmental and social impacts	Pages 28-29	
	102-30 Effectiveness of risk management processes	See 2018 Annual Corporate Governance Report	
	102-31 Review of economic, environmental and social topics	See 2018 Annual Corporate Governance Report	
	102-32 Highest governance body's role in sustainability reporting	Page 37	
	102-33 Communicating critical concerns	Page 20	
	102-34 nature and total number of critical concerns	Page 20	
	102-35 Remuneration policies	Page 44	
	102-36 Process for determining remuneration	Page 19	
	102-37 Stakeholders' involvement in remuneration	Page 19	
	102-38 Annual total compensation ratio	See 2018 Annual Corporate Governance Report	
	102-39 Percentage increase in annual total compensation ratio	See 2018 Annual Corporate Governance Report	
	102-40 List of stakeholder groups	Page 27	
	102-41 Collective bargaining agreements	Page 49	
	102-42 Identifying and selecting stakeholders	Pages 27, 39-41	
	102-43 Approach to stakeholder engagement	Pages 27, 39-41	
	102-44 Key topics and concerns raised	Pages 39-41	
	102-45 Entities included in the consolidated financial statements	Pages 8-11	
	102-46 Defining report content and topic boundaries	Page 39-41	
	102-47 List of material topics	Pages 39-41	
	102-48 Restatements of information	In this third CSR Report, no information from the past report has been re-expressed.	
	102-49 Changes in reporting	In this third CSR Report, there has been no significant change with	

		respect to the 2018 report that has not been indicated where appropriate.	
	102-50 Reporting period	2018	
	102-51 Date of most recent report	June 2017	
	102-52 Reporting cycle	Annual	
	102-53 Contact point for questions regarding the report	Back cover	
	102-54 Claims of reporting in accordance with the GRI Standards	Pages 74-75	
	102-55 GRI content index	Pages 76-84	
	102-56 External assurance	This 2018 CSR Report has not been verified externally	
Economic issues			
GRI 103. Management approach (GRI201) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Page 13-16	
	103-3 Evaluation of the management approach	Page 13-16	
GRI 201. Economic performance 2016	201-1 Direct economic value generated and distributed	See 2018 Annual Accounts	
	201-2 Financial implications and other risks and opportunities due to climate change		Information not available. Work is underway to update the systems for its report in later years
	201-3 Defined Benefit plan obligations and other retirement plans		Information not available. Work is underway to update the systems for its report in later years
	201-4 Financial assistance received from government	See 2018 Annual Accounts	
GRI 103. Management approach (GRI204) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 66-67	
	103-3 Evaluation of the management approach	Pages 66-67	
GRI 204. Procurement practices 2016	204-1 Proportion of spending on local suppliers	Page 66	
GRI 103. Management approach (GRI205) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 42-44	
	103-3 Evaluation of the management approach	Pages 42-44	

GRI 205. Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Pages 8-29, 42-44	
	205-2 Communication and training about anti-corruption policies and procedures	Pages 42-44	
	205-3 Confirmed incidents of corruption and actions taken	The Company has no record of having received or registered any corruption cases during 2018.	
GRI 103. Management approach (GRI206) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 42-44	
	103-3 Evaluation of the management approach	Pages 42-44	
GRI 206. Anti-competitive behavior 2016	206-1 legal actions for anti-competitive behavior, anti-trust and monopoly practices	The Company has no record of having received or registered throughout 2018 any legal action related to unfair competition and monopolistic practices and against free competition	
Environmental issues			
GRI 103: Management approach (GRI302) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Page 72-73	
	103-3 Evaluation of the management approach	Page 72-73	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Page 72	
	302-2 Energy consumption outside of the organization		Information not available. Work is underway to update the systems for its report in later years
	302-3 Energy intensity		Information not available. Work is underway to update the systems for its report in later years
	302-4 Reduction of energy consumption		Information not available. Work is underway to update the systems for its report in later years

	302-5 Reductions in energy requirements of products and services		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI305) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 72-73	
	103-3 Evaluation of the management approach	Pages 72-73	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Page 73	
	305-2 Energy indirect (Scope 2) GHG emissions	Page 73	
	305-3 Other indirect (Scope 3) GHG emissions	Page 73	
	305-4 GHG emissions intensity		Information not available. Work is underway to update the systems for its report in later years
	305-5 Reduction of GHG emissions		Information not available. Work is underway to update the systems for its report in later years
	305-6 Emissions of ozone-depleting substances (ODS)		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI307) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Page 71	
	103-3 Evaluation of the management approach	Page 71	
GRI 307: Environmental compliance 2016	307-1 Non-compliance with environmental laws and regulations	The Company has no record of having received or registered throughout 2018 any case of non-compliance with environmental regulations in any of the geographies in which Ezentis is present.	
GRI 103: Management approach (GRI308) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 66-67	
	103-3 Evaluation of the management approach	Pages 66-67	

GRI 308: Supplier environmental assessment 2016	308-1 New suppliers that were screened using environmental criteria		Information not available. Work is underway to update the systems for its report in later years
	308-2 Negative environmental impacts in the supply chain and actions taken		Information not available. Work is underway to update the systems for its report in later years
Social issues			
GRI 103: Management approach (GRI401) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 45-49	
	103-3 Evaluation of the management approach	Pages 45-49	
GRI 401. Employment 2016	401-1 New employee hires and employee turnover	Page 48	
	401-2 benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 49	
	401-3 Parental leave	Page 48	
GRI 103: Management approach (GRI403) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 50-57	
	103-3 Evaluation of the management approach	Pages 50-57	
GRI 403. Occupational health and safety 2016	403-1 Workers representation in formal joint management-worker health and safety committees	Page 54-57	
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Page 58	
	403-3 Workers with high incidence or high risk of diseases related to their occupation	More than 10,000 employees are exposed to occupational risk conditions, that is, personnel dedicated to field work (80% of the total workforce).	
	403-4 Health and safety topics covered in formal agreements with trade unions	Pages 54-57	
GRI 103: Management approach (GRI404) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 48	

	103-3 Evaluation of the management approach	Page 48	
GRI 404. Training and education 2016	404-1 Average hours of training per year per employee	Page 48	
	404-2 Programs for upgrading employee skills and transition assistance programs	Page 48	
	404-3 Percentage of employees receiving regular performance and career development reviews		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI405) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 46-47	
	103-3 Evaluation of the management approach	Pages 46-47	
GRI 405. Diversity and equal opportunity 2016	405-1 Diversity of governance bodies and employees	Pages 46,47	
	405-2 Ratio of basic salary and remuneration of women to men		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI406) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 42-44, 46-47	
	103-3 Evaluation of the management approach	Pages 42-44, 46-47	
GRI 406. Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	No cases of discrimination have been identified during 2018	
GRI 103: Management approach (GRI407) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Page 39	
	103-3 Evaluation of the management approach	Page 39	
GRI 407. Freedom of association and collective bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI412) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Page 39	
	103-3 Evaluation of the management approach	Page 39	

GRI 412: Human rights assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments		Information not available. Work is underway to update the systems for its report in later years
	412-2 Employee training on human rights policies or procedures		Information not available. Work is underway to update the systems for its report in later years
	412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI414) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Page 66-67	
	103-3 Evaluation of the management approach	Page 66-67	
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Page 66-67	
	414-2 Negative social impacts in the supply chain and actions taken		Information not available. Work is underway to update the systems for its report in later years
GRI 103: Management approach (GRI417) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 39-41	
	103-3 Evaluation of the management approach	Pages 39-41	
GRI 417: Marketing and labeling 2016	417-3 Incidents of non-compliance concerning marketing communications	The Company has no record of having received or registered during 2018 any case of non-compliance related to marketing communications (advertising, promotion or sponsorship).	
GRI 103: Management approach (GRI418) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 58-61	

	103-3 Evaluation of the management approach	Pages 58-61	
GRI 418. Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	The Company has no record of having received or registered throughout 2018 any case of violation of privacy and leakage of customer data	
GRI 103: Management approach (GRI419) 2016	103-1 Explanation of the material topic and its boundary	Pages 39-41	
	103-2 The management approach and its components	Pages 39-41	
	103-3 Evaluation of the management approach	Pages 39-41	
GRI 419. Socioeconomic compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	The Company has no record of having received or registered during 2018 any case of non-compliance with laws and regulations in the social and economic fields.	



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