



urbaser

Sustainability Report 2020



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We are ready to lead
the change towards
a circular economy
with a more efficient,
social and innovative
model

JOSÉ MARÍA LÓPEZ PIÑOL
MANAGING DIRECTOR OF URBASER



In the same year that the decade of action began -as the last call to achieve the Sustainable Development Goals proposed by the UN-, the most complex health crisis of the last century broke out and the weaknesses of a global system became evident, speeding up even more, if possible, the urgency of a reconstruction of the sustainable social infrastructure in terms of nature and present and future social welfare. Today more than ever, weaving this new network involves all of us.

The purpose of URBASER is “to improve the living conditions of our communities and future generations, by granting access to basic natural resources and minimising the impact of human progress on the environment”. How does the company assume its leadership at this moment, to make possible a sustainable development, being this goal, at the same time, its purpose as a company?

Our vocation for service and innovation are the key elements to guarantee the sustainability of our operations, offering solutions to achieve a more circular economy that responds to the new challenges we face.

During 2020, we continued our international expansion, operating in new markets, launching the first 100% sustainable municipal solid waste collection service, researching new materials from waste that contribute to a more circular economy and participating in European projects to develop early warning mechanisms for SARS-CoV-2 in wastewater.

What challenges does URBASER face in this text to move from words to deeds and to assume the necessary commitment to take action?

This 2020 has not been an easy year, but despite the severe social, environmental and economic crisis suffered by COVID-19, our company has continued to provide its essential services, as we belong to a sector that contributes directly to improving the quality of life of citizens, positively impacting in various areas of the United Nations 2030 Agenda.

In order to continue moving in this direction, active multilateralism will be very important, of which the Sustainable Development Goals and the European Green Pact are a good example. Public-private

collaboration will also be essential, as well as promoting, from civil society, policies and actions that move in this direction with the necessary speed.

At URBASER, aware of the challenges facing our planet, we work to integrate sustainability into our business strategy, contributing to sustainable development and promoting a low-carbon economy. Investment decisions made today, both public and private, will shape the world's economies for decades to come and will influence the path to achieving the commitments of the Global Agenda.

These spaces of cooperation between the private, public and social sectors will be the places where projects that effectively generate system change will be developed. What role do the different actors play in all this? Are there any sectors with which URBASER can develop collaborative agreements?

The pandemic has highlighted that the post-COVID economy must be greener, more equitable, resilient and collaborative. The gradual arrival of vaccines against the disease allows us to look to the future with a little more optimism and to think about economic recovery.

At URBASER we are supportive of the “Manifesto for a Sustainable Economic Recovery” together with more than 240 leading figures from the business world, social entities, media, NGOs, universities, governments and political parties, to promote a green and sustainable recovery with the aim of managing the way out of the crisis derived from the COVID-19 crisis in Spain.

Throughout 2020, the company has continued to establish partnerships with public-private actors to promote innovation, energy efficiency, circular economy and renewable energy projects, among others.

In the future, we will continue to promote these collaborations as a lever for change and the search for solutions to the urgent problems facing the planet.

Competitiveness and environment go hand in hand: if there is no environmental sustainability, there is no economic or social sustainability. What business opportunities does sustainability offer?

It is in this context that society can take advantage of to promote more sustainable and resilient industrial models.

Being in line with these purposes is an exercise of responsibility for everyone and, most especially, for those of us who, because of our activity, have a greater potential to put them into practice.

Moreover, we should not lose sight of the fact that investment institutions are placing sustainability as an essential element in their decisions. In addition to the great growth of funds specifically based on environmental, sustainability and good governance criteria, there have also been announcements from general fund managers who are increasingly interested in investing in companies committed to sustainability.

For all these reasons, at URBASER we are prepared to lead the change towards a circular economy, with a more efficient, social and innovative model.

In an increasingly demanding legislative context in terms of responsible management, what measures are being taken at URBASER at a key moment for the green regeneration of Europe? How should we work to reduce the impacts of climate change?

At URBASER we fight against climate change by seeking the highest level of environmental efficiency in all our processes and projects, by preventing pollution, respecting the value of natural resources and the environment and

applying solutions to transform waste into resources through innovation and the latest technologies.

With the purpose of reducing emissions of greenhouse effect gases, in 2013 URBASER implemented a voluntary calculation of the carbon footprint of the entire organisation. Therefore, our Emissions Mitigation Plan was born. This plan is based on a target: a 5% reduction in our Scope 1 and 2 emissions intensity by 2022 compared to 2017.

We work towards this purpose through the implementation of energy efficiency measures in facilities and services, through the purchase of energy with a guarantee of renewable origin in our facilities and the use of electricity and alternative fuels in our fleet of vehicles.

As one of the world leaders in waste treatment, URBASER embraces the goal of zero waste, in line with the European legislation. How are you leading the implementation of circularity processes in your sector?

At URBASER we are part of the Pact for a Circular Economy, promoted by the Spanish Government, as part of our commitment to the optimisation of material recovery and energy recovery processes and with

“Investment decisions made today, both public and private, will shape the world’s economies for decades to come and will influence the path to achieving the Global Agenda commitments”

the purpose of contributing to the target compliance established by the European Union in this area.

Europe, through the European Green Pact, has launched a new growth strategy to transform it into a modern, resource-efficient and competitive economy, where economic growth is decoupled from resource use.

At URBASER we are firmly committed to the circular economy, optimising our material recovery and energy recovery processes. The waste sector must contribute to this transition, not only in the search for improved efficiency in the use of energy, but also by using waste as a source of renewable energy.

The waste treated at our facilities is a source of material and energy resources that can be used as recovered materials for recycling, fuel recovery, used oils, sludge for agricultural use or biogas production, among others.

By means of R&D&I projects such as URBIOFIN, we want to prove the technical and economic viability of the concept of urban biorefinery, within our “Alfonso Maíllo” Waste Technology Innovation Centre, in which organic waste is not considered as waste but as a raw material that can be transformed into a variety of usable products, such as new materials, additives, essential components for the chemical industry, biomaterials, etc.

“At URBASER we are firmly committed to inclusion and diversity as key factors for competitiveness”

By 2050, the urban population is expected to double and nearly 7 out of 10 people will live in cities, a growing concentration that brings with it economic, social and environmental challenges. How does URBASER contribute to the good functioning of cities for the people who live in them?

More than 1 billion slum residents around the world are at serious risk from the effects of COVID-19, lack of basic services such as running water in dwellings, shared toilets, poor or absent waste management systems, among others.

In addition to the fact that more than 80% of the world's gross domestic product (GDP) is generated in cities, the pace and magnitude of urbanisation pose challenges to which we are prepared to respond through our different lines of business.

We design spaces in urban environments to make cities more habitable through eco-design, gardening and the creation of greener spaces which, with the situation generated by COVID-19, have become essential for citizens. We maintain beach areas, preventing waste from ending up in the sea and negatively impacting marine ecosystems and facilitating access to clean and healthy beaches. We also adapt our containers to be accessible to people with reduced mobility, we apply the latest technologies to create intelligent containers in terms of their filling capacity in order to optimise our waste collection routes or we use alternative solutions to minimize the acoustic impact of waste collection services in cities. We also invest in the local communities where we operate through environmental awareness actions so that together we can achieve the SDGs and generate local employment where we provide services, promoting the socioeconomic development of the area.

Through our commitment to innovation at the service of citizens and the establishment of alliances with other players in the sector, we will continue to work to offer smart solutions that can make life in cities easier.

How is the company dealing with the coronavirus in these urban areas, specifically, with many of its services being considered as essential?

At URBASER we have reinforced our commitment to citizens to alleviate the social emergency situation experienced, focusing our efforts on two points: the safety of workers and our responsibility to society.

The work protocols have been adapted to this situation with new processes and handling of waste in the plants; cleaning and disinfection of the facilities; reorganization of shifts, schedules and specific tasks and the provision of protective equipment against the pandemic.

Day by day, we have continued to provide our services with the highest quality and professionalism, also receiving the gratitude of society to not give up in the most difficult moments.

Continuous learning, innovation, respect for the environment... What are the pillars that define URBASER's culture as a company?

The current pandemic situation we are experiencing has forced us to be more demanding in our operations as a provider of essential services, which has made it even more evident that our employees and their talent are our greatest asset.

The pride of belonging throughout 2020 is something that senior management wanted to reinforce, which is why we launched an engagement programme, LoQue+iMPorTa. This programme offers a space to share with our employees, where they can meet the company and what it offers them outside the strictly work environment and where the employee can bring their proposals and materialise them with the help of others.

We are a diverse company, with more than 30 nationalities pulling in the same direction. We are firmly committed to inclusion and diversity as key factors for

“We will continue to work to provide smart solutions that can make life in cities easier through innovation and partnerships”

competitiveness, developing for all of them healthy working environments that enhance all their capacity for creation and innovation.

Environmental management for the benefit of the people

In URBASER we work hard every day to improve the living conditions of our communities and contribute to the well-being of future generations, by granting access to basic natural resources and minimizing the impact of human progress on the environment.

We are world leaders in environmental management services, and we are the preferred partner of cities and sectors for the design and implementation of solutions that optimize resource management by way of our business lines:

Urban services

- STREET AND BEACH CLEANING
- COLLECTION OF URBAN WASTE
- GARDENS



Urban waste treatment

- TREATMENT PLANTS
- CONTROLLED LANDFILLS



Management of the integral water cycle

- MANAGEMENT OF SUPPLY AND SEWAGE NETWORKS
- MANAGEMENT OF TREATMENT AND PURIFICATION PLANTS
- FOINTAIN MAINTENANCE



Industrial waste treatment

- COLLECTION AND TRANSPORTATION
- PROCESSING AND VALUATION



Other services

- HEALTHCARE AND SOCIAL SERVICES
- SECURITY AND SURVEILLANCE
- SUSTAINABLE MOBILITY
- CLEANING OF INTERIORS
- WINTER ROAD MAINTENANCE OPERATIONS



Our figures worldwide

40,945
employees
2019 **35,618**



2,272 M€

Turnover

2019 **2,138 M€**

5,7 M€

Investment
in health and
security

2019 **7.9 M€**



10.04 M€

Investment
in R+D+I

2019 **11.24 M€**

28%

Power supplied from
renewable sources

2019 **25%**



2,450.44
GWh

Power generated

2019 **1,477.27 GWh**

Waste volume managed



Avoided emissions



1.58 Mt

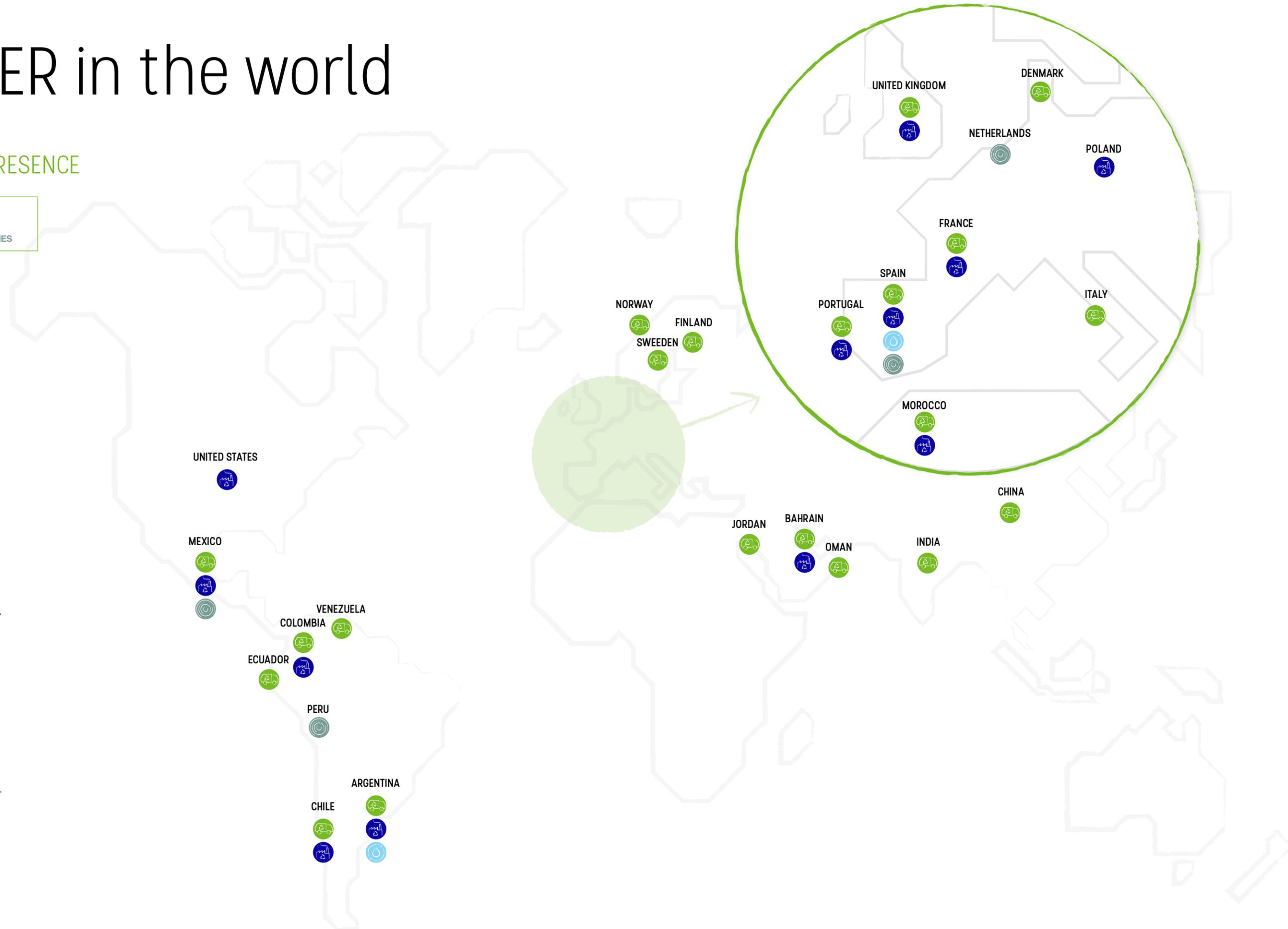
Recovered
materials
and fuels

URBASER in the world

INTERNATIONAL PRESENCE

2020 **4** CONTINENTS **25** COUNTRIES

-  **URBAN SERVICES**
-  **WASTE TREATMENT SERVICES**
-  **WATER**
-  **OTHER SERVICES**
(Socio-sanitary, machinery, technology)



Building sustainable value

URBAN SERVICES

According to United Nations, by 2050 two out of three persons will live in a city. An appropriate management of this rising trend will be key to ensure the well-being of all city-dwellers and comply with the Sustainable Development Goals (SDG), among which waste collection shall be a defining factor or future smart cities.

Under these premises, URBASER endeavours to provide efficient collection of urban waste and has been a pioneer in the application of clean energy sources to waste collection and in the developed of real-time computer surveillance systems that enhance the quality of our services. In this manner,

our activities contribute to achieve less polluted and more liveable urban spaces, which is aligned with our commitment to SDG 11, which intends to build sustainable cities and communities.



We manage over
9.5 Mt
of urban solid
waste per year



We keep clean over
8 Mkm
of streets worldwide

We provide services
for over
70 M
people worldwide

We take care of over
25 Mm²
of parks and public
gardens and over

5.6 Mm²
of beaches



FLAGSHIP PROJECTS

Entry into the Indian market

DISTRICT OF CHENNAI

URBASER, with the assistance of Sumeet, has increased their presence in India during 2020, thanks to the awarding of a public contract for urban street cleaning in the state of Chennai, in Southern India, for a term of eight years.

The contract is the biggest ever awarded to the Spanish company at global level and includes urban street cleaning and waste management in seven of the nine districts of Chennai, a region with more than 3.7 million inhabitants and an area of 207 square kilometres.

Among other aspects, the contract provides for electric rickshaws to be used in door-to-door waste collection and to ensure correct waste separation at source.



2020	8 YEARS	3.7 M INHABITANTS	207 KM ²
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Full bin detectors

DENMARK

In Denmark, we have maintained our commitment to innovation, citizen service, flexibility and collaboration. For this reason, an alliance has been formed with Glostrup Forsyning A / S and Vestforbrænding regarding full bin detectors for ordinary trash bins in the framework of a six-month project which has the goal of exploring which may be household waste collection in the future: each home dweller would order the bin to be emptied by means of a smartphone app, and URBASER undertakes to empty it in under 48 hours. Its purpose is to achieve, at the same time, optimal filling of bins, more efficient collection and improved citizen service.



First 100% sustainable service

CITY OF SØNDERBORG

As cleaning and waste collection services providers in the city of Sønderborg (Denmark), we have implemented a 100% sustainable waste collection system in order to enhance the commitment of the city of being carbon neutral by 2030, which has made us the first contractor in the country which uses 100% renewable energy in its fleet.

Specifically, the service has four 100% electric collection trucks and 12 vehicles that use biogas obtained from food waste management. This new generation of waste collection trucks is respectful to the environment and reduces noise pollution in cities, making them smarter. Besides, safety criteria for employees and citizens have been considered when designing trucks.

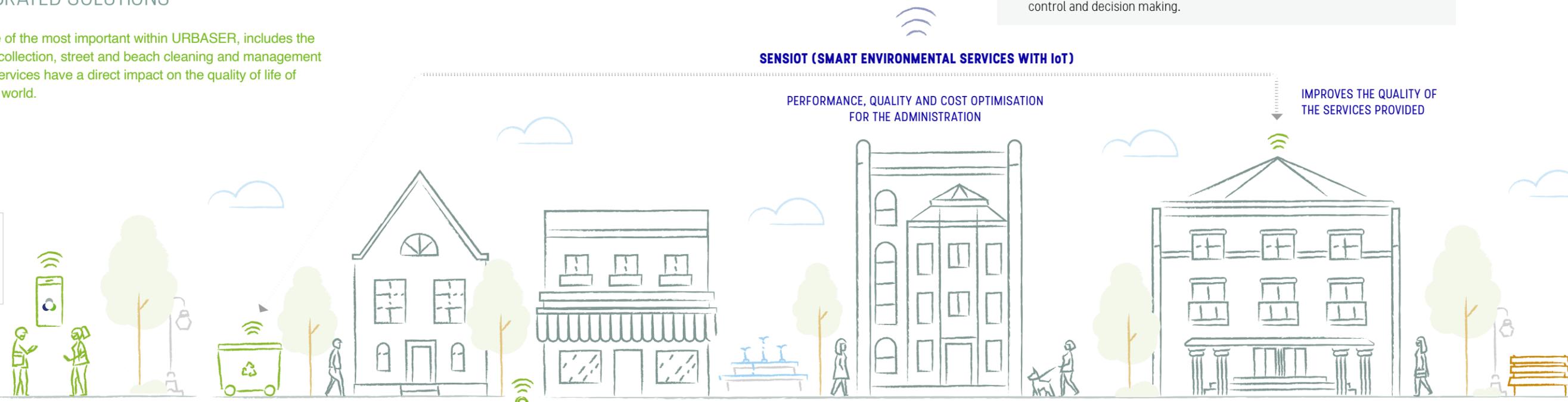
2020	4 COLLECTION TRUCKS	100% RENEWABLE ENERGY	12 BIOGAS VEHICLES
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FLEXIBLE AND INTEGRATED SOLUTIONS

The Urban Services area, one of the most important within URBASER, includes the services of solid urban waste collection, street and beach cleaning and management of landscaped areas. These services have a direct impact on the quality of life of millions of citizens around the world.

The SENSIoT global platform collects information on the assets involved in the service, processes it and shares it with the City Platforms to improve control and decision making.

BUSINESS
PROFIT
Action
Result



SENSIoT (SMART ENVIRONMENTAL SERVICES WITH IoT)

PERFORMANCE, QUALITY AND COST OPTIMISATION FOR THE ADMINISTRATION

IMPROVES THE QUALITY OF THE SERVICES PROVIDED

OPTIMISATION OF THE SERVICE TO CITIZENS
Route optimisation based on the information received on the status of containers:

- Carbon footprint reduction
- Noise pollution and consumption reduction



Zero-emission and electric vehicles

MORE LIVEABLE AND SUSTAINABLE CITIES

8 Mkm
of streets around the world

OVERALL ENVIRONMENTAL IMPROVEMENT

MUNICIPAL WASTE COLLECTION



URBASER is a pioneer in the use of clean energies (gas, electricity).

ROAD AND BEACH CLEANING

5.6 Mm²
of beaches per year

25 Mm²
manicured parks and gardens

MANICURING OF PARKS AND GARDENS



100% renewable electricity consumption in Spain.

9.5 Mtn
of municipal solid waste processed



ACCESSIBLE SERVICES
Waste containers adapted for people with functional diversity.

Through the **GESMART** project, real-time information is collected on:

Street cleaning vehicles
Geopositioning, speed, performance, emissions and fuel consumption.

Waste containers
Identification of containers and fill level.

Street furniture
Incidents, damage.

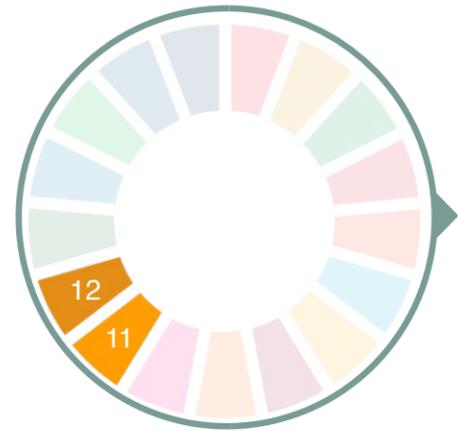
SUSTAINABLE MOBILITY AND WASTE COLLECTION: INNOVATION FOR THE FUTURE

The new paradigm to which cities are approaching involves a need to reduce their environmental impact. Adjusting to this, URBASER continues to progressively replace its fleet.

Currently, we own 927 low-emissions vehicles, 516 zero-emissions vehicles and the largest NGV loading centre in the country (864 and 469 respectively in 2019).

In 2020, in proof of our commitment with a business model that relies on innovation as the drive for sustainable development that preserves quality of life for people, we have included in our fleet our first

100% electric waste truck, from the series Renault Trucks D Wide ZE. This is the first series vehicle used in Spain to provide waste collection services in an ecological and silent manner, respecting the environment and generating zero pollution emissions, since it is fitted with 200 kWh Lithium batteries that store enough power to carry out the same tasks than a conventional waste truck.



2020	927 LOW-EMISSIONS VEHICLES	516 ZERO-EMISSIONS VEHICLES
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URBASER continues to progressively replace its fleet

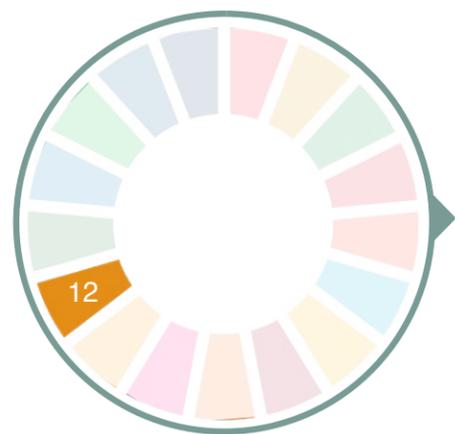
URBAN WASTE TREATMENT

A large part of URBASER resources is destined to technological innovation and energy efficiency in the processing and recovery of urban and industrial waste, since we are a reference company in terms of design, financing, building and management of facilities used for these purposes.

We are decidedly for circular economy, for optimising our material recovery processes and energy valuation, for the purposes of contributing to compliance of the goals established by the European Union and in line with our commitment with SDG 12 regarding sustainable production and consumption patterns.

We at URBASER are fully aware of the significance of our potential contribution to energy transition and fight against climate change, and we take part in different work groups related to waste

and renewable energy; our activities in Spanish and European standardization committees regarding renewable gas, the MITERD¹ work group on renewable gases committee and active participation in national law development processes regarding the circular economy, climate change and energy transition. Besides, we have endeavoured to carry out an informative role regarding waste and renewable energy through different forums and associations.



¹ Ministry for the Ecological Transition and the Demographic Challenge.



We manage

76

urban waste processing facilities

We manage

17.25 Mt
of waste

We recover

1.2 Mt
of waste

We generate

1,374.41
GWh power per year



We produce

0.26 Mt
of compost intended for the agricultural sector



FLAGSHIP PROJECTS



Energy recovery unit in Lescar

FRANCE

URBASER has been awarded the contract granted by the Public Services Delegation for the upgrading and operation works in the Valor Béarn energy recovery unit in Lescar, France.

The amount of this new contract, which started in April 2020 for a period of 20 years, amounts to over 225 million euros. Such contract also includes the works for upgrading the current Valor Béarn waste management plant facilities, for a total amount of 56 million euros.

The waste management plant upgrading programme involves a large number of technical improvements as a consequence of the implementation of a specific work, which will have a significant impact in the performance of the processing unit, since

it contemplates the installation of an exchanger intended to supply the heating network, and the incorporation of a new turbine or dry smoke treatment in order to comply with the Emission Levels Associated with Best Available Techniques (BATAEL).

This waste processing unit, the capacity of which attains 85,000 tons of waste per year, also includes the processing of 65,000 of household waste corresponding to the French area of Pau. In the same manner, and with the purpose of meeting the power needs of all processes, this plant is to generate 40,000 MWh of power and 62,000 MWh of heat annually, which amounts to the supply of the new urban heating network from 2022.

Once transformed, this power goes to the heating network in the urban area of Pau or is sold to the French national network, allowing to achieve an energy performance rate exceeding 95%, which, by 2023, shall make this one of the most efficient plants in all France.

2020	20 YEARS	225 MILLION EUROS	95% ENERGY PERFORMANCE
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New urban waste and organic matter treatment plant in Ibiza and Formentera

SPAIN

This project was awarded in 2003 to a temporary joint venture formed by four companies, including URBASER, with an investment of 52 million euros. After two years leading the building works, the new installation was commissioned at the end of 2020, which shall allow for over a 50% reduction on the amount of waste that is currently sent to the landfill.

With a surface over 50.000 m² its goal shall be, fundamentally, to separate the different type of waste placed in the grey container. Thus, this waste will no longer be sent directly to the landfill and shall be classified, packaged and sent to the mainland for recycling.

The plant shall not only separate waste but also serve as a central point for the discharge of sewage sludge from all waste water treatment plants in Ibiza, which will be turned into agricultural quality compost.

Processing such organic waste and sludge also produces methane gas, which is used to generate sufficient electric energy to have an energetically self-sufficient plant and to supply any surplus to the



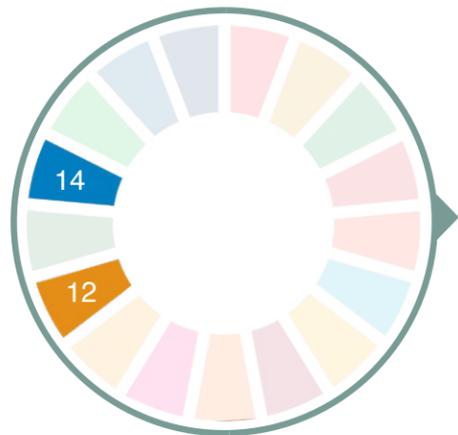
2020	52 M€ INVESTMENT	50,000 m ³ SURFACE
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public network. It is expected that energy generation shall reach 2 megawatts, which is the amount required to provide power to about 2,000 homes.

Besides, the plant shall include an awareness training programme in order to raise awareness on the importance of turning waste into new resources. This programme is intended to students and civil associations on the island.

INDUSTRIAL WASTE TREATMENT

Sertego is a leader in integral and sustainable management of hazardous and non-hazardous industrial waste, and undertakes collection, transportation, processing, treatment, valuation, regeneration and disposal steps.



We recover

68.78%

of hazardous waste managed by us



We manage

2.24 Mt

of industrial waste per year. Out of these,

2.06 Mt

are managed through our company Sertego Servicios Medioambientales S.L.U.

FLAGSHIP PROJECTS

In 2020, Sertego has made outstanding effort in research related to the asphalts generated by its processing services



TECMARPOL Project

SPAIN

The goal of this project, in which URBASER's main partner is the road construction company Tecnofirmes, is to research, define and develop the composition of a new bituminous binder to be used to build and repair road surfaces.

In collaboration with the University of Alcalá de Henares, a new bituminous binder has been formulated from asphalt derivatives obtained when processing MARPOL-produced waste² in Sertego Cartagena (Spain).

In a second phase, this time in collaboration with the Autonomous University of Catalonia, the different asphalt mixes were designed based on the binder obtained from different types of aggregates and subsequently applied on on-site pilot tests.

The project ended in October 2020 and Tecnofirmes executed three on-site test sections, equivalent to approximately 500 m of road, two of them in Catalonia (Spain) and the third in the province of Segovia (Spain).

This project opens a new marketing sector for Sertego products, and at the same time promotes circular economy and reduces carbon footprint.

² Waste generated during boat service as well as its maintenance and cleaning operations, including waste water and waste other than those of the cargo.



VRADESPIR Project

SPAIN

With the purpose of avoiding to send asphalts generated in the used oil regeneration processes to authorised hazardous waste incinerators, Sertego launched the VRADESPIR Project, designed to process such asphalts in such a manner that the product obtained is a liquid hydrocarbon which is suitable to be marketed.

The goal of this project is to submit such asphalt to a pyrolysis analysis with a horizontal reactor, using silica as heat transfer media. This research, which is being carried out by the CSIC³ in Zaragoza (Spain), is partially funded by the CDTI⁴.

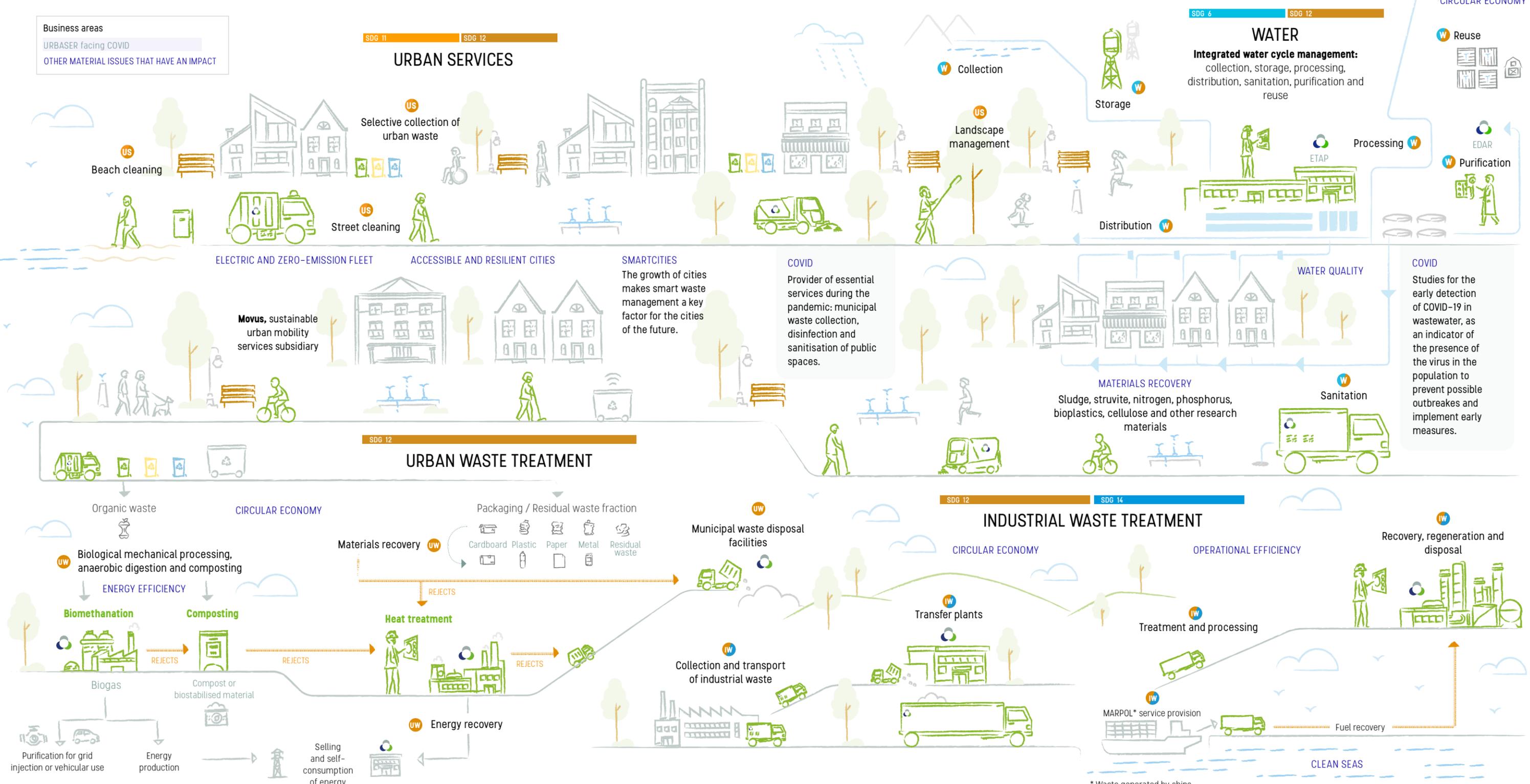
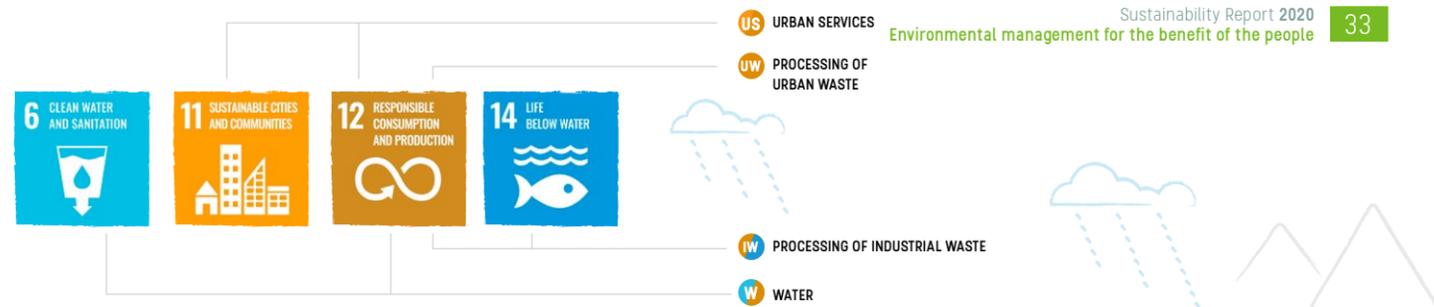
³ CSIC: Spanish acronym for Scientific Research Council (Consejo Superior de Investigaciones Científicas).

⁴ CDTI: Spanish acronym for Centre for Industrial Technological Development (Centro para el Desarrollo Tecnológico Industrial).

CITIES WITH FUTURE

Thanks to its global services, URBASER responds to the material issues subject to its stakeholders and society in general, contributing to achieving the Sustainable Development Goals.

Business areas
URBASER facing COVID
OTHER MATERIAL ISSUES THAT HAVE AN IMPACT



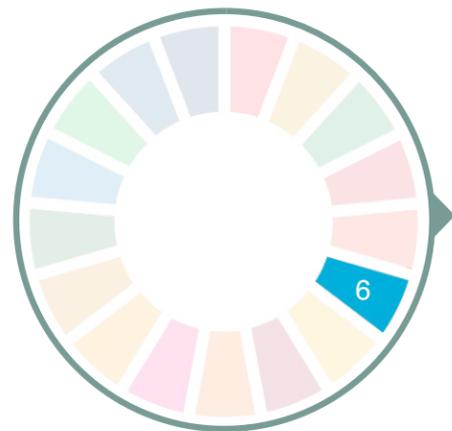
INTEGRAL WATER MANAGEMENT

Through the company Socamex S.A.U, URBASER provides global solutions that contribute to sustainable development and improved quality water, guaranteeing access of the population to a basic resource and ensuring that when water is released back into nature, it is in the same or improved conditions as when it was collected.

The company boasts over 30 years experience in integral management of the water cycle, and it manages urban water supply and processing, designing, funding, building and maintaining processing and purification plants, water processing and regeneration facilities and ornamental fountains. Besides, it specializes in industrial cleaning, maintenance and conservation of supply and sewage networks and is in charge of performing water quality assessments in Spain,

Portugal and South America, providing technical assistance both to public and private companies.

This business area, which has a staff of over 600 employees worldwide, is focused in creating tools that help closing the water cycle management, fostering circular economy and create new materials and resources linked to water, contributing thus to the SDG 6 of clear water and sanitation.



7.2 M
persons benefit from
our services

1,226,678 kWh
generated from
renewable sources

93,549,129 m³
of water processed each year

315 tCO₂e
avoided thanks to the
recovery of sludge at
WWPP for agricultural use





mission

▶ **ENSURE AND IMPROVE QUALITY** IN ALL PHASES OF THE INTEGRAL WATER CYCLE THROUGH EFFICIENT AND SUSTAINABLE MANAGEMENT



vision

▶ **CONTRIBUTE TO SUSTAINABLE DEVELOPMENT** OF THE COMMUNITIES IN WHICH WE OPERATE THROUGH TECHNOLOGICALLY INNOVATIVE SOLUTIONS

DURING YEAR 2020, SOCAMEX HAS REDEFINED ITS MISSION AND ITS VISION, FOCUSING ON MEETING PEOPLE'S NEEDS AND GUARANTEEING OPTIMAL QUALITY WATER AT ALL TIMES.



FUNDAMENTAL PRINCIPLES

IN THE MANAGEMENT OF WATER RESOURCES IN SOCAMEX

SOCIAL EQUITY

We enable and guarantee citizen access to this basic resource and we make sure that when the water returns to the natural environment, it does so in the same conditions in which it was captured.



ECONOMIC EFFICIENCY

We guarantee access to almost eight million people.

ECOLOGY

We are committed to innovation in projects to obtain high-quality materials from wastewater.

FLAGSHIP PROJECTS

Health and safety, the cornerstones of water management during the SARS-CoV-2 pandemic

SPAIN

In 2020, the water management sector had to face a particularly difficult situation due to the SARS-CoV-2 pandemic. This situation served to test the safety of water infrastructures control systems, disinfection barriers and lab capacity, together with the development and deployment of new control and monitoring tools.

Therefore, even during pandemic lockdown, services provided by Socamex were not discontinued at any time. All water supplies have continued operating at full mode, having provided solutions in the form of safety protocols and specific contingency plans, and always relying on the personal involvement and commitment of technicians and operators.

In order to face this situation, Socamex decided to focus its efforts in protecting the health of its employees and guaranteeing water supply, since water is an essential good for sustaining durable life, for health and for hygiene.



Early COVID-19 detection in waste water

Among the aforementioned actions, Socamex has collaborated with the European *Feasibility assessment for an EU-wide Wastewater Monitoring System for SARS-CoV-2 Surveillance*, in four purification plants managed by the company. This is a joint initiative of the *Joint Research Center (JRC)* and the European Commission Directorate General for the Environment, created to perform a feasibility assessment on the use of waste water for SARS-CoV-2 monitoring at European level.

This umbrella action, launched in May 2020, intends to assess the limitations and challenges presented by the assessment method of virus dynamics based on waste water by means of two sampling rounds, carried out in July and September in 17 and 26 countries, respectively; composed 24-hour samples were taken following the standard operation method provided by the European Commission; subsequently, analyses of such samples were centralized in the Dutch lab KWR. The European Commission has identified

this umbrella initiative as one of the mechanisms to be considered in the framework of the European Commission's Communication on short-term EU health preparedness for COVID-19 outbreaks. A science-to-policy report is expected to be published based on the results of this assessment.

In the framework of the **Project Ô** (a project co-funded by the Horizon 2020 programme and operational since 2018), Socamex has decided to deploy surveillance mechanisms that have allowed to develop an early detection and prevention tool that will allow to react promptly when a potential outbreak is detected. For this reason, the company has carried out a complementary analysis of virus traces using their labs' state-of-the-art instruments based on detection of traces of virus molecules other than viral RNA. This allows to compare results with those obtained by traditional CRPs (as per CSIC protocol), providing a complete picture of the actual situation.

OTHER IMPORTANT MILESTONES OF 2020



Energy Management System
Certification UNE EN ISO
50001:2018 within the scope of
Integral Water Management.



Certificate of inscription in the
Official Registry of Biocide
Companies and Services in
order to be able to provide
disinfection services in facilities,
water infrastructures and interior
premises.

OTHER BUSINESS AREAS

HEALTHCARE AND SOCIAL SERVICES

The goal of this area is to provide value to society by means of different business lines intended to improve the quality of life of people. Some of these services include Home Care Services, work in homes for the elderly, family mediation, integration of children, initiatives against gender violence, social mediation, etc.

SECURITY AND SURVEILLANCE

Integral surveillance, protection and safety solutions for persons, companies and institution under the concept of integral safety focused on professionalism, technology, efficiency, flexibility and commitment to the client.

SUSTAINABLE MOBILITY

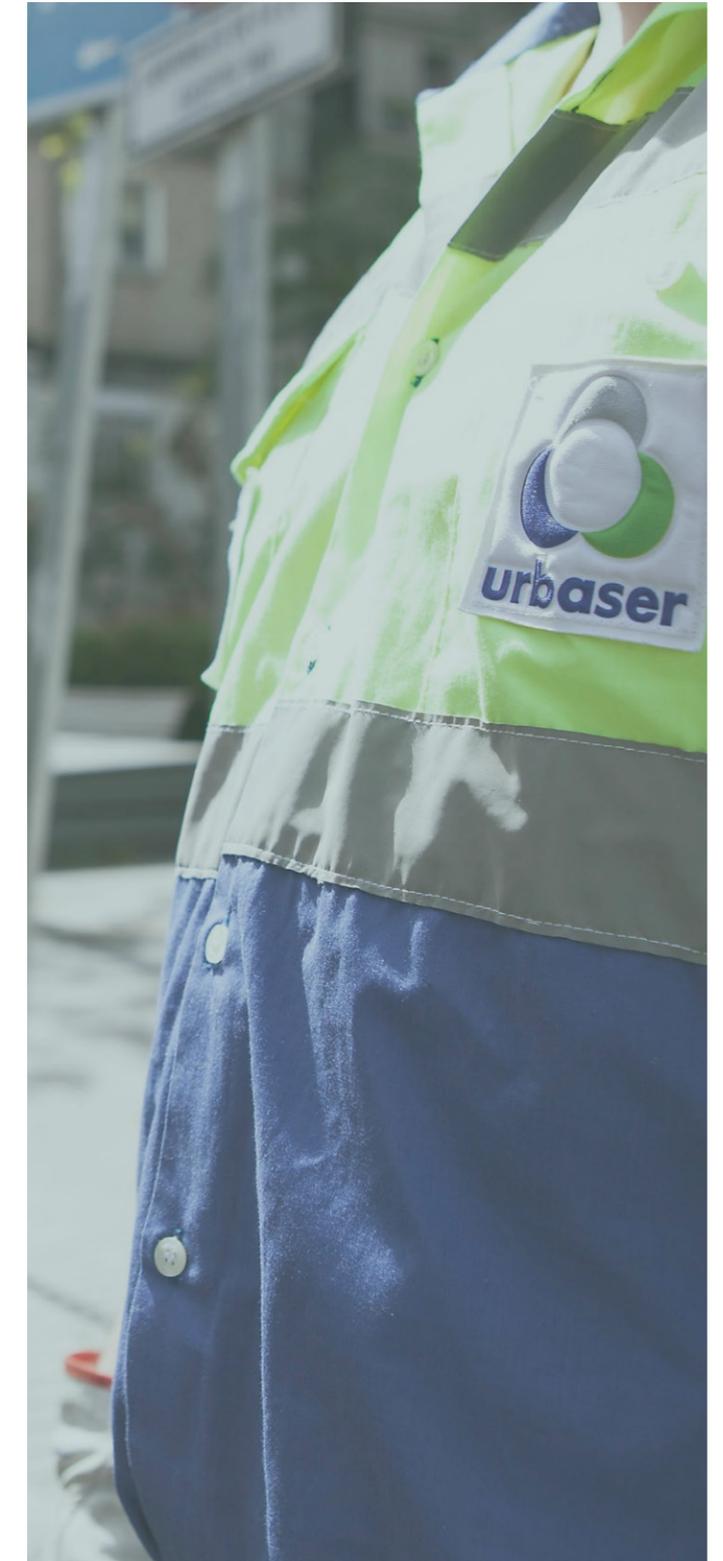
Bikesharing, carsharing and carpooling services and other mobility solutions based on sustainability, as well as advanced urban logistics systems, assessments of sustainable mobility plan, management of smart charging networks and other mobility alternatives for a smart city.

CLEANING OF INTERIORS

Management of services including professional cleaning, disinfection and actions against COVID-19 and complementary services in hospitals, homes for the elderly, educational centres, industrial centres, offices, etc.

WINTER ROAD MAINTENANCE OPERATIONS

Assistance in treating road surfaces with fluxing agents, snow and ice removal and surveillance that road conditions are appropriate under adverse weather conditions.



SDG in action

Considering a business model focused on the development of environmental services, in URBASER we work for the compliance of the Sustainable Development Goals (SDG) proposed by United Nations in the framework of the 2030 Agenda, which establish a common framework under which governments, the private sectors and civil society can jointly address the most pressing problems faced by humankind.

Our commitment to this global agenda, that includes 17 goals and 169 targets, is long-standing and has determined our evolution, siding with the historical opportunity entailed by SDG and aware that involvement of private sector is key to overcome the main challenges posed to our society, from the fight against climate change to the eradication of poverty and economic and social change.

2030
Agenda

17

goals

169

targets

STRATEGIC ALLIANCES

The company underlines the importance of establishing strategic alliance as a key step to advance in the right direction, in the certainty that all our activities must be carried out within the framework of sustainable development, so that our everyday work and decisions are oriented towards a business model that favours and enables solutions that are financially, socially and environmentally sustainable in time.



Sustainable Development

ACTIVITIES AND PROJECTS

The commitment to the SDGs marks the sustainable trajectory of URBASER which, through the development of its business, has an impact on society and contributes as follow.



WATER-RELATED CIRCULAR ECONOMY



Project 0
330,000 citizens covered by project for early detection of COVID-19 in wastewater.

More than 1,000 types of pollutants addressed, including emerging pollutants.



7.3 million litres of reclaimed water per year, for irrigation and watering.

SMART-Plant
Recovery of up to 75-95% phosphorus in selected technologies.

Recovery of more than 75% of nitrogen.

Recovery of 5 biomaterials: cellulose mass and pellets, bioplastic-rich sludge, bioplastic powder and biocomposites for the manufacture of street furniture.



OPTIMISATION OF CLEANING SERVICE ROUTES AND FREQUENCIES



Reduction of the GHG emissions intensity of the fleet by 13% in the period 2016-2020.

REDUCING NOISE LEVELS AND IMPROVING AIR QUALITY IN URBAN AREAS

927 low-emission vehicles.
516 zero emission vehicles.



REDUCTION OF TRAVEL

+1,200 employees benefited from the Mobility Plan for URBASER Headquarters and the central service park in Barcelona (Spain).



EXTENDING BATTERY LIFE

294 vehicle batteries recovered in own workshops.



ENERGY RECOVERY PROCESSES

Energy generation during waste treatment:

24% of the total energy generated was use in self-consumption in 2020.



PREVENTED EMISSIONS

2.04 million of tCO₂t by 2020 through material and fuel recovery and energy generation.



Reduction of GHG emissions intensity by 9.8% compared to the base year.



Offsetting part of its carbon footprint through the Alcoroches absorption project, registered with MITERD's OECC.



WASTE MANAGEMENT AND RECOVERY

We prevent discharges and spills at sea by managing and recovering 200,000 t/year of oily waste from ships.



Waste oil is reintroduced into the market as fuel.

VOLUNTARY ACTIONS TO CLEAN UP THE SEABED

Collaboration in the first study on microplastics in the seabed of the Canary Islands (Spain).



12.8 tonnes of waste rescued from the seabed in Spain and Jordan.



BIODIVERSITY PROMOTION PROJECTS

15 years supporting the protection of the Andean Condor in Chile.



400 m² of green rooftop in the URBASER offices in Barcelona.



WORK-LIFE BALANCE



86% of personnel with work-life balance measures.



IMPLEMENTATION OF HUMAN RIGHTS STANDARDS

Due Diligence of H.R. completed in countries where high risk has been found.



CREATION OF NEW JOBS

5,327 new direct jobs by 2020.



ENGAGEMENT AND EMPOWERMENT PROGRAMME

1,650 workers in Spain participate in the LoQue+iMPorTa programme.



SOCIAL INTEGRATION

927 incorporations of people at risk of exclusion.



207 job incorporations of people with functional diversity.



Goals

Sustainability at the core of our business.



ETHICS, COMPLIANCE AND
CORPORATE GOVERNANCE



INNOVATION FOR SUSTAINABLE
ENVIRONMENTAL MANAGEMENT



RESPONSIBLE VALUE
CHAIN



CONTRIBUTION TO THE
COMMUNITY



COMMITMENT TO THE ENVIRONMENT

2020 GOAL



✓ Deployment of the new plan Innovation Director Technology company for period 2019-2023.



✓ 2022: 5% reduction in intensity of scope 1 and scope 2 emissions (understood as invoiced tCO₂e/k€) with respect to 2017.

DEGREE OF COMPLIANCE

- All lines of work are under execution. A monitoring assessment shall be carried out throughout 2021.
 - Innovation (page 132)
- 0.09 tCO₂e/k€, which amounts to a 9.8% decrease in intensity of scope 1 and scope 2 GEI emissions over the period 2017-2020.
 - Mitigation of Climate Change (page 69)



COMMITMENT TO SOCETY

2020 GOAL



✓ Implementation of the procurement management portal in Spain, including the process for supplier certification.

✓ Define and communicate the new procedures for selecting, assessing and certifying providers worldwide.

✓ 2021: define an audit procedure for suppliers and implement the first audits based on the criteria defined by such procedure.

DEGREE OF COMPLIANCE

- The SLP module from SAP ARIBA for procurement management has been implemented in Spain throughout 2020.
 - Responsibility and Efficiency Throughout the Supply Chain (page 109)
- Procedure communicated to providers in Spain. In 2021, the assessment procedure shall be implemented at Spanish level.
 - Responsibility and Efficiency Throughout the Supply Chain (page 109)
- A procedure for implementation throughout Spain shall be created in 2021.
 - Responsibility and Efficiency Throughout the Supply Chain (page 109)



COMMITMENT TO OUR EMPLOYEES

2020 GOAL



✓ Approval of the Corporate Policy on Human Rights.



✓ Implementation of the incident communication and record system worldwide.

✓ Development of an organizational model which can be implemented worldwide.

✓ Development of an improvement programme for recognition and empowerment of employees.

✓ 2021: transition to standard ISO 45001 by the company entities that are certified under OSHAS 18001.

DEGREE OF COMPLIANCE

- We are working on the policy that is to be approved at some point in 2021.
 - Human Rights (page 123)
- The immediate relevant incident communication system is implemented worldwide. A worldwide system of incident registration, currently working in Spain, is pending implementation worldwide.
 - Health and Safety, Fundamental Commitments (page 124)
- Design, implementation and communication of this model in Spain at 85%.
 - Talent management (page 114)
- LoQue+Importa programme, developed and implemented in Spain and covering 1,650 employees.
 - A Process that Begins with Listening (page 116)
- 74.05% of all the company organizations and entities which are certified according to any health and safety standard have obtained the ISO 45001 certification; all others keep their OSHAS certification.
 - Health and Safety, Fundamental Commitments (page 124)

Minimizing risks, enhancing opportunities

As an international company leading in the provision of environmental services, in URBASER we develop our activities in different countries, with a high level of operational decentralization and management independent of each company.

Currently, the market is facing a period of legislative, environmental and social changes which are increasingly restrictive with regard to waste, water and climate change, as well as to diversity, social and workplace integration which directly impacts our actions and decisions on a worldwide level.



Risks inherent to our activity

In this changing environment, we consider that it is fundamental to carry out an appropriate and efficient management of the different risk that may affect our operations and the achievement of our goals.

Therefore, **URBASER carries out the assessment, supervision and management of those risks and opportunities** that we face by means of an identification, assessment, management and supervisions of such risks and the implementation of preventive and mitigation measures, which are based on the following premises:



PRINCIPLES OF THE RISK MANAGEMENT SYSTEM

INTEGRATION

Integrating the consideration of risk, both in governing bodies and in business management, focusing on risk mitigation.

HARMONIZING

Defining basic guidelines for the purposes of harmonizing operational criteria in the different business areas and achieve an appropriate level of internal control.

MECHANISMS

Establishing mechanisms of reasonable identification, assessment, analysis and control and information on the different risks to which our activities are exposed.

RESPONSABILITY

Involving the different business that integrate the company and corporative areas as risk-management units with different levels responsibility.

INDEPENDENCE

Keeping an appropriate independence level between risk-taking areas and the areas in charge of the analysis, control and supervision of such risks.

COMPLIANCE

Ensuring compliance with laws and regulations and adherence to the values included in the Code of Conduct under a zero-tolerance principle towards illegal or unlawful acts.

ONGOING IMPROVEMENT

Promoting ongoing improvement in order to enhance efficiency and response capacity.

REPUTATION

Protecting the company's results and reputation, creating trust and offering guarantees to our stakeholders.

ACHIEVE GOALS

Achieve strategic goals with controlled volatility.



Risks and opportunities are assessed in quantitative and/or qualitative terms, in collaboration with the different company areas and departments, based on impact and occurrence probability factors

		
LOW LEVEL	MEDIUM LEVEL	HIGH LEVEL
May not warrant additional action plans	Analysed according to the company's risk-taking strategies	Require proper management

Risk management system

For the purposes of ensuring an appropriate control environment that keeps critical risks within the levels accepted by the Company's Board of Directors and enhancing a corporate culture that includes this as a differentiating strategic factor, URBASER has implemented a risk management system based in the design and implementation of controls oriented at controlling and mitigating relevant compliance aspects, such as inappropriate conducts or cases of non-compliance with existing regulations.

Risk management procedures, and, when appropriate, mechanisms implemented to ensure that such procedures are complied with within the accepted levels, must be validated and approved by the URBASER Management Board, and the CEO must approve any corporate policies and the corresponding control system.

One of the main functions of the Internal Audit Direction, which is an independent and objective organ for surveillance and consultation, is to support Management Board, and the CEO in their surveillance, supervision, monitoring, control efficiency verification and risk mitigation tasks, in a reasonable and regular manner, contributing their own conclusions and recommendations with regard to control efficiency, which are communicated both to the URBASER management and to the heads of the assessed areas subject to regular monitoring.

Besides, it supports the company with regard to effective compliance of its responsibilities and goals, especially in:

- Revising that financial and operational information to ensure that is true, reliable and complete.
- Making recommendations for remedying the weaknesses detected in the performance of their functions, preparing regular reports to the Management Board and the assessed parties and carrying out monitoring activities.
- Assessing the degree of compliance of internal standards, instructions and procedures of the company and propose any required updates for improving such processes and mitigate any associated risks.
- Reviewing internal regulations before their final approval.
- Perform analyses or research ordered by the Management Board or the Compliance Committee.



DEFENSE SYSTEM

The risks management system is developed by means of a three-tiered independent defence system which act in a coordinated manner.

The first tier corresponds to business areas, and the second and third to cross-department initiatives of the organization, with specific responsibilities regarding monitoring and internal control at corporate level.



Throughout 2020, we have worked closely with the head of the risks function in each area in order to revise and update the map of non-financial risks, with the purposes of achieving continuous improvement of risk management with the goals of international expansion.

Throughout this financial year and in compliance of the commitment by URBASER, we have managed risks related to human rights by implementing appropriate controls at corporate level aimed at reducing the company's exposure to the main threats detected in this respect. Thus, we are working in preparing a Corporate Policy on Human Rights with the goal of establishing URBASER's pledges with regard to respecting and promoting internally recognised standards regarding human rights, especially those directly affecting their corporate activities and the operations developed by its employees.

At the same time, we continue to improve risk management with regard to information technology and corporate communication related risks by means of reviewing, updating and reinforcing those security policies and guidelines established by URBASER to this respect. Specifically, in 2020 we approved and

published a new Corporate Policy on Information Security for the purposes of allowing URBASER to intervene, react and protect our information assets against any security incidents that may affect us and of ensuring that all our activities and services are aligned with the most restrictive local and international information security guidelines.

Besides, throughout 2020, we have advanced in the international implementation of other initiatives focused on standardization and harmonization of procedures and internal regulations. Risks and opportunities described below correspond to the Companies, Temporary Joint Ventures and Entities of URBASER within Spain. No difference has been made between short/medium/long terms risks, and up to date only short-term risks have been considered.

Thus, risk factors to which URBASER is generally subject as a consequence of changes in competition, financial, political, legal, regulatory, social, environmental and business changes, are described below.

Operational risks

For URBASER those risks are directly associated to key business processes, such as risks related to services procurement or tender offices, their quality, their relationship with stakeholders, environmental risks arising from activities, procurement and subcontracting, as well as other risks associated to business processes such as those referring to human resources, prevention, health and safety and legal compliance and applicable taxes.

In general, we are subject to specific risks related to collection and processing of urban and industrial waste, management and organization of operations and derivatives of human resources in our staff.

Pursuant to Act 26 /2007 and the European Union 2004/35/EC Environmental Liability Directive, URBASER performs the corresponding environmental risk analyses (ERA) for those facilities in which priority 1 or priority 2 activities are carried out, and

risk analyses for those facilities in which priority 3 activities are carried out are under execution (in 2020, two ERAs were carried out as pilot tests). All this is carried out for the purposes of assessing whether or not to establish a financial guarantee to hedge environmental risks, and to submit the corresponding affidavit to the competent authorities in time.



POLLUTION AND CLIMATIC CHANGE

Specifically, in the development of the company's activities, this risk may arise from exposure to the risks derived from climate changes. On the one hand, from the lack of technological adaptations arising from regulatory changes intending to reduce polluting gases, as well as from the prices of emissions of GHG (greenhouse gases) or the new modalities of transportation impacting the business plan of projects and, on the other hand, from extreme climatic events can affect the company's infrastructures.

URBASER, through its Corporate Policy on Quality, Health and Safety, and Energy and the Environment, accepts the challenge of protecting the environment by preventing pollution, contributing to mitigation of climate change through our energy strategy and to reducing our carbon footprint. For these purposes, we have implemented mitigation measures regarding emissions and we support the use and generation of clean energies and renewable gas in our business activities, provided that this is technically and economically feasible.

The potentially most atmosphere polluting activities of the company are subject to regular internal (through appropriate maintenance and technical inspection of machines, generator groups, heating and A/C installations and compressors) and external controls, and the corresponding authorisations and communications are obtained from, or made to, the corresponding public authorities.

URBASER, and in compliance with the current laws and regulations, seals and de-gases landfills (since this is the main source of emissions derived from the company's activities) by conducting any captured biogas to gas flares. Also, we develop projects for biogas capture optimization, which has the goal of minimising the environmental impact caused by the emissions into the atmosphere, since it has a global warming potential 28 times higher than CO₂. The decision on the final destination of captured gas depends on the organization that has contracted the service of URBASER, and the associated climatic risk falls outside our scope.

As for noise pollution, we have established procedures to carry out the relevant measurements, appropriate maintenance and technical inspection of mobile devices, for the purposes of reducing as much as possible noise pollution arising from our activities.

We have implemented mitigation measures regarding emissions and we support the use and generation of clean energies and renewable gas

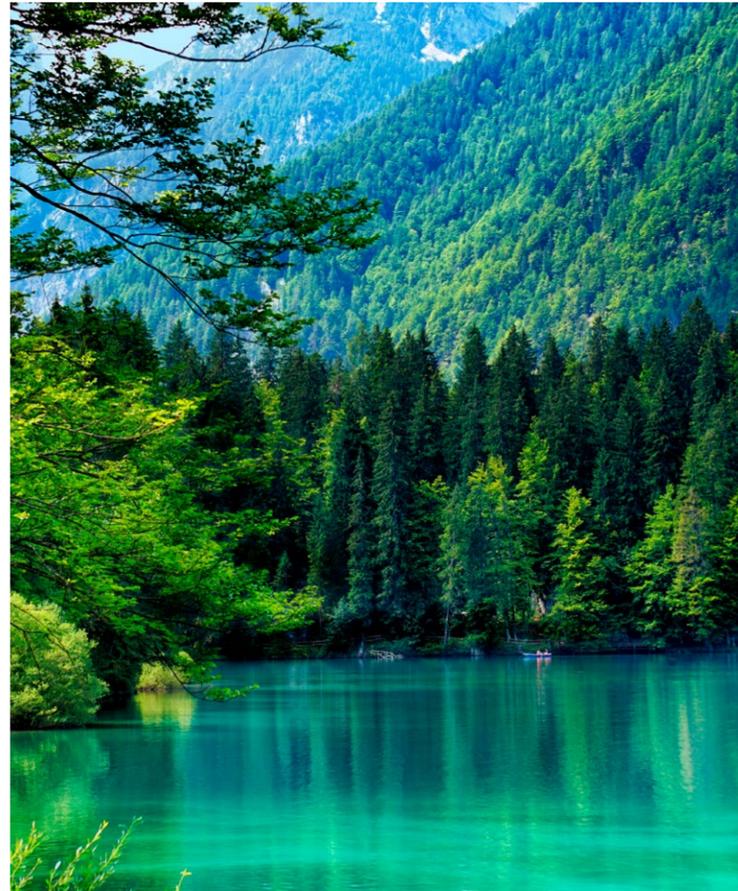


PROTECTION OF BIODIVERSITY

This risk may arise in company operations which may significantly impact biodiversity and the environment in which such activities are developed. Among those, potential spills or dumping happening in the context of works, operation of landfills and management of industrial waste such as MARPOL oils and waste (mainly, hydrocarbon waste) from ships, in order to prevent them from being spilled into the ocean.

In order to mitigate these potential situations, URBASER has set an Environmental Management System which defines the steps to be taken in case of occasional spills and dumping, in order to cover all intentional spills with the corresponding authorisation, to ensure that all hazardous materials are properly managed and to perform the relevant regular water quality controls, etc.

Sertego, a company held by URBASER, carries out MARPOL waste procession in different ports in Spain, as established by the International Convention for the Prevention of Pollution of the Sea. As a consequence of its activity, there might be risks of oil spills either into the ocean or onto the ground during the service provision. In order to prevent these spill hazards, periodic maintenance checks are carried out and procedures and controls have been implemented during these services, and specifically at for the adjustment of the MARPOL extraction hose.



URBASER has set an Environmental Management System which defines the steps to be taken in case of occasional spills and dumping

With the correct execution of these controls, the likelihood of causing a pollution event to marine ecosystems is low. However, since its potential impact is high, contingency measures have been implemented which thoroughly described how to act in case of MARPOL waste into the ocean during the provision of the MARPOL service. Such controls are included in the Internal Maritime Plans (IPMs) pursuant to Royal Decree 1695/2012 of 21 December which approves the National Response System to marine pollution, and which in turn are approved by each Harbour Master Office of each Port Authority.



SUSTAINABLE USE OF RESOURCES

In our activities, this specific risk may arise from changes in energy regulations that translate into higher costs or a depletion of raw materials, increasing their prices and driving the search for alternative solutions.

For this reason, URBASER considers that efficient use of energy and raw materials is key, as established by our Corporate Policy of Quality, Health and Safety, Energy and the Environment.

For the purposes of improving our performance and energy efficiency, as well as our commitment to mitigation of climate change, we have implemented an Energy Management System in which our measurement plans and actions to be carried out are defined.

With respect to the consumption of water resources, activities carried out by URBASER (that is, waste collection and processing) are not associated to a high water consumption, which involves a low risk for the company. As for activities of maintenance carried out in roads or city gardens, which involve higher water consumption due to street flushing and garden watering, URBASER has established good water use practices, such as using recycled water, devices for reduced use, etc.



COMMITMENT WITH SUSTAINABLE DEVELOPMENT

This risk may arise from a deficient adaptation to changes enacted by the Autonomous Regions where we operate, which may favour decentralization and drive of local markets (local providers, local materials, local staff, etc.). For this reason, URBASER has worked to support the proximity factor, provided that financial and technical solvency, as well as all requirements established by URBASER policies could be guaranteed.

As for the impulse to development of local communities in which we operate, we have a Corporate Policy for Citizenship which defines the actions to be carried out in order to create a positive impact in the environments in which we are present, considering that respect and shared value are the cornerstones of our relationships with the community. This policy is transferred to the organization by way of specific procedures that enable compliance and which are governed by the reference framework formed by principles and behaviours included in the Code of Conduct and the Social Responsibility Corporate Policy of the Company.

Risk associated to regulatory compliance

These are those risks that may arise from Corporate Governance, litigations involving the Company, standards, Personal Data Protection regulations, potential changes in national or international tax regulations and civil liability regulations regarding integrity of assets.



FIGHT AGAINST CORRUPTION, BRIBERY AND MONEY LAUNDERING

Specifically, in the development of our activities, this risk may arise, mostly, from the relationship with public employees or the purposes of coordinating tender offers procedures and managing any potential incident arising during the execution of contracts. On the other hand, due to the high degree of operational decentralization and management autonomy of the entities that make up the company, risk may be related to the relationships maintained with suppliers and authorities.

For this reason, the company has established a Model for Prevention of Criminal Offences, the goal of which is to mitigate any risks of committing an offence that may entail criminal liability for the legal person. In order to comply with this Model, URBASER has created a Regulatory Compliance Committee, which is responsible for ensuring that the company's ethical commitments are respected, as well as for detecting and mitigating breaches of applicable regulations and improper acts. This Committee reports directly to the Board of Directors.

Code of Conduct

URBASER has also implemented a Code of Conduct of compulsory compliance for all employees, regardless of whether they are employees or contractors and of the terms of their respective contracts, with the goal of establishing a framework to understand and perform the behaviours and expectations that the company places in each one of them, in line with the principles contained therein of loyalty, good faith, integrity, and adherence to the law and ethical values.

Regulatory Compliance Policy

The Regulatory Compliance Policy contributes, on one hand, to reinforce URBASER's commitment to good governance, and, on the other hand, to diligently perform the appropriate controls within the organization, minimising as much as possible the risk of inappropriate practices of regulatory non-compliances in the development of our activities.



Corporate Citizenship Policy

We are aware of our role in the development of the communities in which we operate, and considering that our citizenship initiatives include actions that generate a positive impact in the environments in which we are present, URBASER has a Corporate Citizenship Policy by means of which the guidelines and acting principles are established, in compliance with current regulations and of our ethical commitments. In line with this policy, we have implemented procedures and controls through which to regulate the approval and monitoring of any collaboration opportunities in citizenship initiatives which may arise in the company with regard to public or private organizations.

Corporate Policy Against Corruption

The Corporate Policy Against Corruption implemented by URBASER has the goal of promoting a compliance culture through ethics, integrity and the fight against corruption and other unlawful conducts. Thus, through this Policy, the principles included in the Code of Conduct are developed and the guidelines that the company's employees must follow in their

interaction with public employees (considering that 80% of URBASER's turnover comes from public sector clients) and private individuals are established.

For the purposes of enabling communication of any conduct which may be in breach of the guidelines established in URBASER's Code of Conduct, we have established different communication and reporting channels in those countries in which we are present (and hold a majority stake), and such channels are an important part of the company structure, and are open to any of our employees, customers, suppliers, partners and members of the communities in which we operate.

For the purposes of ensuring the effective of the internal policies and procedures of the company, URBASER has established a Penalties Systems, of general application in Spain, listing all breaches and non-compliances applicable to all conducts which involve or may involve criminal liabilities affecting the company.

Reputational risks

Reputational risks arise as the consequence of non-compliance with the expectations of the company's stakeholders.



SUBCONTRACTS AND SUPPLIERS

URBASER is fully aware that it is impossible to exert an absolute control on the actions of third persons with which we have a contractual relationship, and our purpose is to ensure that all persons and companies contracting with us comply with the same standards and ethical principles, especially suppliers, agents, consultants and companies that manage outsourced operations.

Corporate Procurement Policy

For this reason, URBASER has a Corporate Policy for the Acquisition of Goods and Services which defines the framework for action and the basic guidelines that must govern URBASER's procurement practices, and which regulates the guidelines for supplier selection considering goals such as compliance with current laws and regulation, awarding processes based on criteria of competitiveness and transparency, development of relationships of trust and compliance with international agreements.

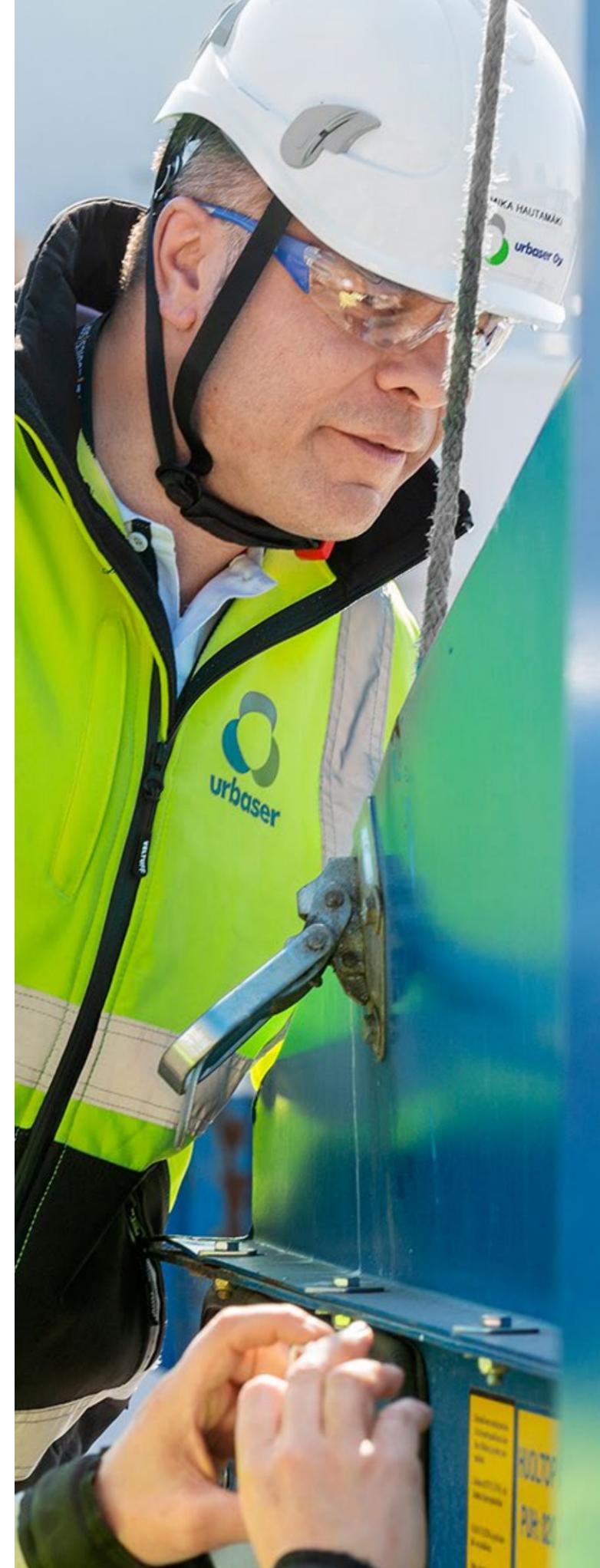
We have worked for years on raising awareness of our Code of Conduct, in which the values and principles that govern our company are extended to all suppliers, contractors and collaborators, allowing to establish or reinforce stable, long-term commercial relationships based on honesty, transparency and trust, and preventing any behaviour which may harm URBASER's reputation and have negative consequences on the company or its environment.

In 202 URBASER has completed the deployment of the procurement IT system which is used to certify and manage our suppliers, who undergo a complete assessment for the purposes of minimizing risks under the criteria defined in the Procurement Policy and Procedures. As a consequence of the deployment of this system, we have prepared an updated version of the Procedure for the Procurement of Goods and Services.

Other risks

Other inherent risks to our activities have been detected, but, thanks to the controls implemented by the company, their probability of occurrence was low or their impact was assessed as very limited, and, thus, have been qualified as "low risk" for URBASER. Such risks are listed below:

- The circular economy and waste prevention and management
- Health and safety
- Social relations
- Universal accessibility for persons with disability
- Equity
- Respect to human rights
- Employment: lack of personnel with appropriate technical competences



Commitment is in our nature

In the first year of a decade that will be pivotal to achieve the Development Goals and the 2030 Agenda, URBASER has raised its stakes regarding sustainability and materialized its commitments in actions that create positive impact around three fundamental axes: the environment, the communities and our staff.



Commitments

INTEGRATED INTO THE SOCIAL RESPONSIBILITY POLICY

URBASER is committed to creating a fairer and more sustainable society through a series of commitments that are structured in three cornerstones.



COMMITMENT TO THE ENVIRONMENT

CLIMATE CHANGE

- ✓ Emission reduction target for 2022: 5% emissions intensity of scope 1 and scope 2.
Reduction strategy:
 - Sustainable vehicle fleet
 - Implementation of energy efficiency measures and renewable energy consumption in facilities.
- ✓ Emissions offsets.

CIRCULAR ECONOMY

- ✓ Energy recovery from waste
- ✓ R&D waste-related projects
- ✓ Recovery of materials for recycling, composting, oil regeneration and fuel recovery.

COMMITMENT TO OCEANS

- ✓ Research on biodegradable plastics to reduce marine and land-based pollution (SEALIVE Project).
- ✓ Participation in a study on microplastics on the seabed in the Canary Islands (Spain).



INNOVATION

Strategic Plan & Investment in R&D&I - CiAM



ETHICS AND GOOD GOVERNANCE

Code of Conduct - Internal reporting and whistleblowing channel



COMMITMENT TO OUR EMPLOYEES

ORGANISATION AND PEOPLE DEVELOPMENT MASTER PLAN

- ✓ HOP Project
- ✓ Lead the Change Programme
- ✓ Employer Branding: 100 training grants

COMMITMENT TO GENDER EQUALITY AND DIVERSITY

- ✓ Equality Plan
- ✓ Anti-Harassment Protocol
- ✓ State Pact against Gender-Based Violence
- ✓ Diversity Charter 2020-2022
- ✓ 927 People at risk of exclusion added to the workforce

HEALTH AND SAFETY TRAINING

- ✓ 875,529 € invested in health and safety training

SATISFACTION AND COMMITMENT TO OUR EMPLOYEES

- ✓ Sustainable Mobility Plan
- ✓ LoQue+iMPorTa Engagement Programme



COMMITMENT TO SOCIETY



€ 1.25 M CORPORATE CITIZENSHIP CONTRIBUTION

- ✓ 21.66% Environmental Awareness
- ✓ 27.83% Community Support
- ✓ 50.52% Culture and Sports

COVID-19

- ✓ Own 3D Printing Lab
- ✓ Donation of protective materials
- ✓ Essential service provider

SOCIO-ECONOMIC IMPACT

- ✓ 70 million citizens served
- ✓ More than 8 million km of clean streets
- ✓ 779 M€ Volume of purchases from local suppliers



Our commitment to the environment

Aligned with the Sustainable Development Agenda, URBASER's environmental strategy is focused on searching for solutions that contribute to improve energy efficiency on its operations, promote circular economy and advance towards a low-carbon model. The goal of these actions is to achieve SDG 12, focused on sustainable production and consumption patterns, and SDG 14, which promotes conservation and sustainable use of oceans, seas and marine resources.

Our commitment to search for solutions in this area is materialized through the URBASER's Corporate Policy on Quality, Health and Safety, and Energy and the Environment, which establishes a series of principles that ensure maximum quality in service provision and guarantee customer satisfaction, as well as the protection of the environment, prevention of pollution, respect of natural resources and conservation of biodiversity.

AN INTEGRAL ENVIRONMENTAL MANAGEMENT



URBASER's facilities have implemented the Integrated System for Management of Quality, Health and Safety, Energy and the Environment pursuant to standards ISO 9001, ISO 14001, OHSAS 18001, ISO 45001, ISO 50001, guaranteeing that goal monitoring and continuous improvement in the deployment of our policy.

The Energy Management System, pursuant to standard ISO 50001, helps us improve energy performance, increase efficiency and reduce environmental impact

that may be derived from our activities in those facilities in which the system has been implemented.

Besides performing internal audits in the different services and facilities aimed at verifying compliance of management systems, URBASER has defined the functions and responsibilities of the members of the company for achieving the established goals and objectives regarding quality, health and safety, energy and the environment established in the corresponding management systems.

63.4%

of sales certified by ISO14001 or other environmental certification

2019 **67.3%**

4

internal audits performed regarding the Energy Management System

2018 **8**

262

environmental internal audits performed in our facilities during 2020

2019 **237**

24

energy audits performed in compliance with Royal Decree 56/2016 in 2020

2018 **19**

154

environmental external audits performed in our facilities during 2020

2018 **150**

8

environmental claims were submitted and duly solved in 2020

2018 **13**

ENVIRONMENTAL PROVISIONS AND GUARANTEES

Currently, URBASER has subscribed a two-tiered international insurance programme which enables it to hedge its environmental liability. This insurance programme is issued pursuant Act 11/2014 (26 /2007), and European Union Directive 2004/35/CE on Environmental Liability.

The geographical scope insurance by this programme is extended and limited to the responsibilities arising from bodily harm, material damages, trespassing, disturbances or obstructions, damages to the environment, as well as any consequential damages arising thereof, or absolute damages in any country in the world⁵.

This programme provides hedging for activities carried out by URBASER companies pursuant to the information included in the Annual Report and/or the corporate purpose (articles of association) of such companies and any ancillary information provided, as well as all those new activities that are

deployed throughout the year. Such activities may be included under general waste management activities (collection, processing, regeneration and/or removal of urban, household, or industrial waste, operation of processing and removal plants, etc.), and promotion and operation of services of all kinds (cleaning and repairs in buildings, integral maintenance of buildings and facilities, urban furniture, water cycle management, conservation and maintenance of parks and urban gardens, conservation of natural resources, etc.) among many other areas.

The limits of damages for each tier of this two-tiered programme are, respectively, 40,000,000 € and 20,000,000 € (excessive of 40,000,000 €).

As of 31 December 2020, URBASER's environmental provisions amounted to 68.08 million euros (65.98 million euros in 2019).



5 Except OFAC-sanctioned counties (U.S. Office of Foreign Assets Control).

MITIGATION OF CLIMATE CHANGE

With the goal of reducing emissions of greenhouse effect gases, in 2013 URBASER implemented a voluntary calculation of the carbon footprint of the entire organization. For these purposes, we have developed the necessary mechanisms for collection, measurement and dissemination, for the purposes of being aware, assessing and reporting our impact; the main goal being to identify the main sources of emissions and the activities that cause the most emissions in order to develop initiatives that allow to decrease such emissions.

URBASER has calculated the three scopes of carbon footprint, applying different methods (GHG Protocol⁶ and EPE Protocol⁷) and emission factors recognised at international (IPCC⁸) and national (INE⁹) level. For these purposes, we have adopted a control approach in the development of our inventory, which measures and declares 100% of the company's emissions over which we have operational control. For these purposes, URBASER has developed our own tool, Urge CO₂[®], which allows to calculate the emissions of our activities by business area, service or even process:

Mitigation Plan

Besides, we have a Mitigation Plan for the emissions caused by our activities, a plan founded with a goal: 5% reduction in intensity of scope 1 and scope 2 emissions by 202 with respect to 2017.

The main goals applied to achieve this goal for emission reduction can be included within the following lines of action:

Implementation of energy efficiency measures in facilities and services

As a consequence of our commitment to energy efficiency, URBASER reduces energy intensity on an annual basis, which in turn translates into a reduction of our carbon footprint:

- Energy savings in facilities are achieved by means of measures such as sectorization and monitoring of electrical power use, which allows to detect areas with highest power use in order to implement optimization measures, replace the least efficient devices or re-design the entire projects- for progressive replacement of conventional lighting by LED lights or the installation of thermal insulation at critical points of the facilities.
- Other measures applied to the fleet of vehicles are route optimization, installation of telemetric systems, automatic control for tyre pressure, use of ecological tyres or training courses on efficient driving, among others.

THANKS TO THOSE MEASURES, URBASER HAS ACHIEVED A REDUCTION OF ENERGY INTENSITY OF 0.4% WITH RESPECT TO 2016, (6% IN 2019), AND IN 2020 IT HAS ACHIEVED:



6 Corporate Standard for accounting and reporting of greenhouse gas emissions of the GHG Protocol.

7 Entreprises pour l'Environment Protocol.

8 Intergovernmental Panel on Climate Change.

9 National inventory of greenhouse gases.



Renewable energy use in our facilities

URBASER generates renewable power thanks to the harnessing of waste for generating energy and, additionally, it owns photovoltaic power plants that contribute to the generation of renewable electricity. Of this generated renewable power, part is used by URBASER's own processing plants, thus contributing to reduced GHG emissions.

and thus involves zero emissions. Using guaranteed renewable power from the grid is translated into a significant reduction of annual GHG emissions, and is one of the main measures implemented to achieve the goal of reducing its carbon footprint.

Besides, through its electrical power provider, URBASER has subscribed a Framework Contract for Electrical Power Provision that involves obtaining 100% of its energy from guaranteed renewable sources, involving that 100% of electricity used by the Company in Spain within such Framework Contract comes from renewable energy sources

2020	URBASER HAS SUBSCRIBED A FRAMEWORK CONTRACT FOR ELECTRICAL POWER PROVISION	100% GUARANTEED RENEWABLE POWER
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Use of alternative fuels and power sources in its fleet of vehicles

URBASER has focused in providing a reliable, flexible, and low-environmental impact service, with the goal of improving the quality of life in the towns in which we develop our activities. With this goal in mind, the company contributes to the improved air quality in these communities, adopting for this purposes measures that not only allow to reduce greenhouse gases emissions but also decrease concentration of other polluting particles that may pose health risks, issued at local level due to combustion of fossil fuels such as NOx or SOx for vehicles.

As stated above, the company has implemented a plan for gradually renewing its fleet, replacing vehicles operating on fossil fuels by zero- and low-emissions vehicles. Currently, URBASER has 927 low-emissions vehicles, 561 zero-emission vehicles

2020	45.2% NATURAL GAS OF RENEWABLE ORIGIN	927 LOW-EMISSIONS VEHICLES	516 ZERO-EMISSION VEHICLES
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(respectively, 864 and 469 in 2019), and owns the largest private NGV loading centre at national level. The percentage represented by these vehicles in the entire URBASER fleet has increased by 34% in the last years, and the intensity of GHG emissions caused by combustion on mobile devices has been cut by 13% since 2016. In 2020, 45.2 of natural gas used for vehicles by the company came from renewable sources (45% in 2019).

goal 2022

-5%
TCO₂E/K€
INVOICED

CUT IN SCOPE 1 AND SCOPE 2 EMISSIONS (UNDERSTOOD IN tCO₂e/ THOUSANDS € INVOICED) WITH RESPECT TO 2017

The improved energy intensity, increased use of renewable energy both in facilities and fleet vehicles, derived from the application of the aforementioned measures and the participation in Climate project has involved a cut in emissions of 247,791.93 tCO₂e.

In 2020, thanks to the different actions mentioned above, we have achieved a 9.8% reduction in this indicator with respect to the baseline year¹⁰, reaching 0.09 tCO₂e/thousands € invoiced. Pursuant to this progression, URBASER is well-positioned to achieve its goal in the term provided.

Additionally, thanks to the generation of energy from renewable sources, recoveries of materials and fuels and valuation of compost, the emission into the atmosphere of 2,043,289.67 tCO₂e in 2020 (1,860,522.29 in 2019), which represents a 63% increase with respect to the emissions prevented in 2016 (49% in 2019).

Beyond footprint, UBRASER measures other significant emissions generated in its facilities and which have an impact on air quality:

GLOBAL URBASER CARBON FOOTPRINT (tCO₂e)

	2019	2020
Scope 1	143,568.43	188,667.48
Scope 2	23,313.36	19,408.66
Scope 3 ¹¹	4,798,239.55	5,093,235.77

OTHER SIGNIFICANT EMISSIONS (t)

	2019	2020
NOx	1,279.17	1,622.57
SOx	186.58	267.85
Particles	80.91	91.40
Other gases	1,386.24	1,211.86

¹⁰ Following the guidelines of the GHG Protocol, the values for the baseline year (2017) were recalculated as a consequence of the acquisition of 100% of companies Demarco, Starco y KDM in Chile over this period. Considering the significance of the facilities of such companies in the GHG emissions, transference of operational control of such facilities to Urbaser Group entails a structural change with a significant impact on the emissions in the baseline year, and necessitates their recalculation. This change does not affect the total carbon footprint but the distribution of emissions in scopes and therefore the indicator of emission intensity (scope 1 and scope 2 emissions per invoiced euro) which is the base for the assessment of the reduction goal for 2020.

¹¹ Scope 3 includes indirect emissions due to acquired and purchased goods and services, leased assets, activities related to fuel and energy and work trips of its employees. Additionally, and following the guidelines of the EPE Protocol, the emission sources on which URBASER has no control whatsoever are.

#1
COMPANY
CERTIFICATED

WE ARE THE FIRST COMPANY IN THE SECTOR THAT HAS OBTAINED THE "CALCULATION, REDUCTION AND OFFSETTING" CERTIFICATION GRANTED BY THE MINISTRY FOR ECOLOGICAL TRANSITION AND DEMOGRAPHIC CHALLENGES



Thanks to the initiative of compensating part of greenhouse gases emissions caused by our activities in Spain throughout 2019, URBASER obtained, for the first time, the "Calculation, Reduction and Offsetting" certification granted by the Spanish Office on Climate Change (OECC, as per its Spanish acronym), becoming the first company of our sector that is granted this certification.

The certification is granted in recognition of the fight against climate change through the maximum degree of participation in the carbon footprint record, offsetting and absorption carbon dioxide absorption projects of the OECC.

Since 2013, thanks to our proprietary tool urge CO₂[®], we calculate and externally verify our own carbon footprint according to standard ISO14064. For this reason, we were granted the "Calculation" certification in 2013, 2014 and 2015 and the "Calculation and Reduction" certification in 2016, 2017 and 2018.

In 2019, not only did we achieve our goal of reducing our emissions for the fourth year in a row, with a verified cut of 2.52% of the average emission intensity at national level and on all three scopes over the period 2017-2019 with respect to 2016-2019, but we also went a step further when we decided to partly offset of our carbon footprint.

As a result, we were granted, for the first time, the certification "Calculation, Reduction and Offsetting", and contributed to the achievement of the United Nations Sustainable Development Goals, specifically SDG 13 on climate action.



CLIMATE PROJECTS

Climate Projects are emission reduction developed in Spain, promoted by the Fondo de Carbono para una Economía Sostenible (FES-CO₂) and designed to set the course for the transformation of the Spanish production system towards a low-carbon model.

Urbaser S.A.U submitted a total of six projects (Caudete, Elche, Palencia, Zaragoza, Madrid and Lanzarote) to the call for Climate Projects 2017, plus an additional one (Marchena) for the 2018 call, all of which were approved. Besides, in the 2016 call Resurja S.A. also took part as the operator of two further projects (Linares and Jaén).

After completing the 2020 period, Urbaser S.A. Intends to deliver approximately 106.484 tCO₂e to FES-CO₂ as verified reduced emissions (VRE) corresponding to the landfills in Zaragoza, Madrid, Elche, Los Barrios, Lanzarote, Linares, Jaén and Caudete de las Fuentes, (76,000 tCO₂e in 2019).



10
FACILITIES
OF PROYECT
CLIMA

FOR URBASER, THE TEN FACILITIES THAT TAKE PART IN THE CLIMATE PROJECTS, GRANTED BY THE MINISTRY FOR ECOLOGICAL TRANSITION, CONFIRM ITS STRONG COMMITMENT TO INITIATIVES ALIGNED TO SUSTAINABILITY AND REDUCTION OF CARBON FOOTPRINT ARISING FROM ITS ACTIVITIES

ADAPTATION TO CLIMATE CHANGE

As the main measure for adapting to climate change, the company is committed to self-consumption of energy, linked to reducing energy dependency on external sources.

As it has been pointed out, in URBASER we generate energy thanks to the energetic use of waste and, additionally, we have solar photovoltaic power plants that contribute to the generation of renewable electricity. 24% of the total energy generated by URBASER in 2020 was self-consumed in its own facilities and services, helping to reduce energy dependency on external sources.

In line with our commitment to the use of renewable energies and the efficient use of local resources, we are currently committed to the development of several solar photovoltaic power plants for the consumption of electricity generated in our own facilities.



Circular economy

URBASER'S KEY CHALLENGE IN ITS COMMITMENT TO SUSTAINABLE DEVELOPMENT

The purpose of the circular economy is to maximise the life of resources when they become waste by reintroducing them into the economic cycle through different recycling and recovery techniques.



URBAN SERVICES



Separate collection is key to the circular economy, as it facilitates waste recovery in processing plants and enables for more efficient waste streams.



PROCESSING OF URBAN WASTE

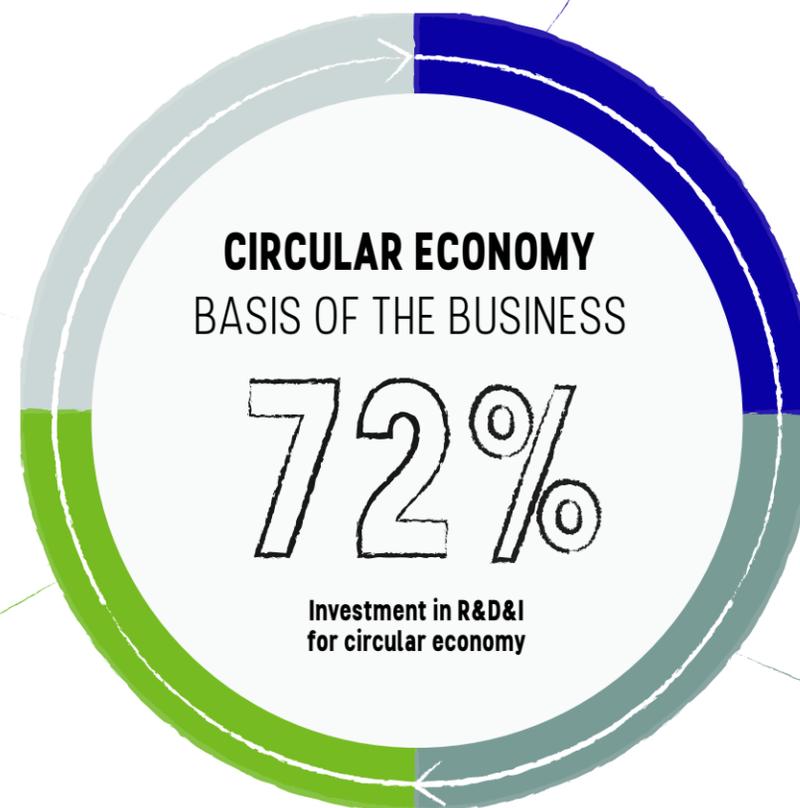


Optimisation of waste recovery processes:

- **Recovery of non-biodegradable materials** : paper/cardboard, metals, plastics.
- **Recovery and recycling of biodegradable material** : production of compost, biostabilised material and production of biogas for energy use, either on site or injected into the purification network
- **Energy recovery from waste**: non-recyclable materials with energy potential are transformed into energy. 50% of this generated energy is of renewable origin.

INNOVATION PROJECTS ASSOCIATED WITH URBAN WASTE PROCESSING

- Urbiofin Project** ● It studies the transformation of organic waste into bioproducts with high value in industry.
- SEALIVE Project** ● ● Research into bioplastics for more efficient recycling to prevent marine and land-based pollution.
- Urbabono Project** ● It assessed the fertilising capacity of compost from municipal waste used as fertiliser.



PROCESSING OF INDUSTRIAL WASTE

- Optimisation of ship-generated MARPOL waste recovery processes.
- Regeneration of waste oils to be used as raw materials by an external agent.
- Recovery of fuels from waste for use as fuel oil.



200,000 tn
OF RECOVERED FUEL TO BE REINTRODUCED ON THE MARKET

PROJECTS BASED ON THE PROCESSING OF INDUSTRIAL WASTE

- ● **Tecmarpol Project**
Researching, developing and defining the composition of a new bituminous binder based on the asphalt waste obtained from the MARPOL waste processing process.
- **Vradespir Project**
Treatment of asphalts in such a way as to obtain a liquid hydrocarbon that can be marketed and avoid incineration.



WASTE WATER TREATMENT PLANTS (WWTPs)

- Electricity production
- Water reuse
- Sludge recovery for agricultural use
- Reuse of activated carbon
- Recovery of materials and nutrients



PROJECTS RELATED TO THE CIRCULARITY OF THE WATER CYCLE

- **SMART-Plant Project**
It reduces the energy consumption of WWTPs, maintaining quality standards in water treatment and facilitating the recovery of raw materials. Products obtained: biopolymers, cellulose, fertilisers and intermediate compounds to be used by different industries as raw materials, and to be processed into a new final product.
- **PROJECT Ô**
It makes it possible to reuse 20% of the wastewater, offering quality guarantees. It reduces the water impact of industrial sites by up to 30%. It reduces energy consumption associated with small-scale wastewater by 50%. Products obtained: activated carbon from the WWTP or WWTP is regenerated and re-applied in the WWTP; and the recovered nutrients are used in the production of algae for aquaculture.

1,226,678 kW
OF RENEWABLE ENERGY GENERATED IN WATER ASSOCIATED CHP PROJECTS

Waste treatment

The waste treated at URBASER's facilities is a source of material and energy resources that can be used through the following vectors:

RECOVERED MATERIALS FOR RECYCLING

The waste contains materials that, once recovered, can be recycled and then reintroduced into the market replacing other raw materials.

COMPOST AND BIO-STABILISED WASTE PRODUCED AND SLUDGE RECOVERY FOR AGRICULTURAL USE

Sludge obtained from water management and compost and bio-stabilised waste from MSW treatment are sometimes used as an agricultural substrate, replacing traditional fertilizers whose production is significantly polluting.

REGENERATION OF WASTE OILS

Obtaining lubricant bases from the regeneration of used oil in industrial waste treatment facilities to be used as raw material by an external agent

FUEL RECOVERY

Obtaining fuels from waste to be used by an external agent, such as fuel oil obtained from MARPOL in the area of industrial waste treatment.



BIOGAS PRODUCTION

The biodegradable matter contained in the waste is decomposed by the action of bacteria. If this decomposition occurs in the absence of oxygen, either spontaneously in landfills or in biomethanation processes in digesters or anaerobic digestion, biogas is produced, with a methane content of 50%-70%. Biogas can be used on site to generate thermal or electrical energy or it can be purified for injection into the natural gas network, replacing a fossil fuel with another 100% renewable fuel.

ENERGY RECOVERY FROM REJECTS

Those materials present in the rejects (non-recyclable) that have energy potential must be recovered in the form of energy. Due to the content of biodegradable material, 50% of this generated energy is of renewable origin.

PV PANELS

Renewable electricity generation through PV panels.

BIOMASS

Biomass waste used thermally.



SMART-Plant Project

HORIZON 2020 (EU)

Socamex, a company belonging to URBASER, has participated in the sustainable innovation project SMART-Plant, a project co-financed by the European Union within the Horizon 2020 Programme, with which high quality materials are obtained from wastewater.

Participation in this European project, launched four years ago, is in line with the company's commitment to finding solutions that promote the circular economy and the achievement of Sustainable Development Goal 12 on responsible consumption and production.

The objective of SMART-Plant is to reduce the energy consumption of wastewater treatment plants (WWTP), maintaining quality standards in water treatment and, in turn, facilitating the recovery of raw materials from wastewater and sludge, thus closing the value chain.

For the implementation of the project, different technologies have been tested in seven pilot plants in several countries, through the results of which a portfolio of technologies that can be applied to different types of treatment plants has been developed. The materials recovered in these plants such as biopolymers, cellulose, fertilizers and intermediate components can be used by different industries as raw materials and processed into a new final product.

The products obtained include sheets of materials for urban furniture, bioplastics and biocomponents (suitable for reintroduction into the production cycle), cellulose pellets, soil improvers, pots with incorporated fertilizer, compost or biomass pellets for fuel.

Similarly, thanks to the technical optimisations generated for the wastewater treatment plants, it has been possible to improve wastewater treatment, recover new resources, improve energy efficiency and reduce greenhouse gas emissions.



PACT FOR A CIRCULAR ECONOMY

At URBASER we are part of the Pact for a Circular Economy, promoted by the Spanish Government, as part of our commitment to the optimization of material recovery and energy recovery processes and with the aim of contributing to the fulfilment of the objectives established by the European Union in this area.

CARE OF THE OCEANS



Study on Microplastics

CANARY ISLANDS (SPAIN)

URBASER is participating in a study on microplastics in the seabed of the Canary Islands (Spain), a project linked to our commitment to sustainable development in general and with SDG 14 on the conservation of underwater life in particular. The study intends to analyse the presence of microplastics in marine sediments of the islands of Tenerife, Gran Canaria, La Gomera, La Palma, El Hierro, Lanzarote, Fuerteventura and La Graciosa. With the results of the research, it is expected to obtain the first existing data on the accumulation and distribution of microplastics on the seabed of the Canary coasts.

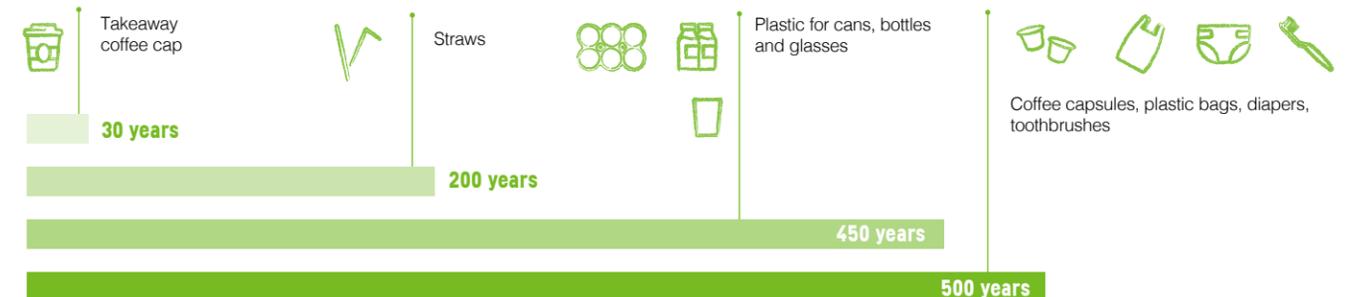
A team of scientific experts specialized leaders in the study of microplastics in the Canary Islands comprised by members of the AICHEM Research Group (Applied Analytical Chemistry Research Group) of the University of La Laguna, will take samples of material from the seabed in different locations at depths between 10 and 50 meters off the coast of the islands. Subsequently, the samples will be transferred to the laboratory for subsequent identification, classification and analysis.

“The data and information resulting from this report will be decisive in attacking the impact that microplastics have on the archipelago's biodiversity”.

Luis Martínez,
Director of Urbaser
in the Canary Islands

The Plastic Problem

YEARS A MATERIAL TAKES TO DEGRADE



Source: European Commission, 2018

SEALIVE Project

Through the European project SEALIVE, in URBASER we take a step further in the commitment to the circular economy, introducing biodegradable plastics to prevent and reduce marine and terrestrial pollution.

The SEALIVE project (2019-2023), funded by the European Union's Horizon 2020 programme through 24 partners from different fields (raw material suppliers, converters, end-users, recyclers, policy experts, certification organisations and NGOs) proposes solutions within a shared vision of circular plastics strategies, which will have increased durability, better design enabling more efficient recycling and increased biodegradability.

This project is in line with our commitment to sustainable development and SDG 14 on the conservation of underwater life, combining innovative circular economy strategies to manufacture bio-based plastics with biodegradable materials that achieve greater durability and better design, allowing for more efficient recycling and greater biodegradability after use.



This project is in line with our commitment to sustainable development and SDG 14 on the conservation of underwater life, combining innovative circular economy strategies to manufacture bio-based plastics with biodegradable materials

The study, which is being carried out on materials of different uses such as rigid and flexible packaging, cutlery, fish boxes or fishing nets, among others, and using innovative formulations based on polyhydroxyalkanoates and starch materials, will enable research to be carried out to improve current standards of biodegradation, composting and recycling with respect to ecotoxicity, safety and the influence of plastic ageing.

Seabed Cleaning

GALICIA (SPAIN)

Sertego, a company belonging to URBASER, together with other collaborating entities such as Club del Mar, SIGNUS and NAUGA, participated in the removal of almost a ton of tires from the seabed of Galicia, in a day that highlighted the importance of keeping the seabed clean and helped to raise awareness about the recycling of this type of waste.



Sustainable Offices Project

In early 2020 we launched a campaign to remove plastic from the head office, "De-plasticize and switch to glass", a project that materialized in the removal of plastic bottles and cups being replaced by other glass and cardboard materials, as well as in the elimination of all single-dose coffee capsules, which were replaced by other more environmentally friendly options in the dining area.

This initiative is part of the Sustainable Offices project, as part of the Corporate Social Responsibility strategy and in line with our commitment to SDG 12 on responsible production and consumption and SDG 14 on the conservation of underwater life.



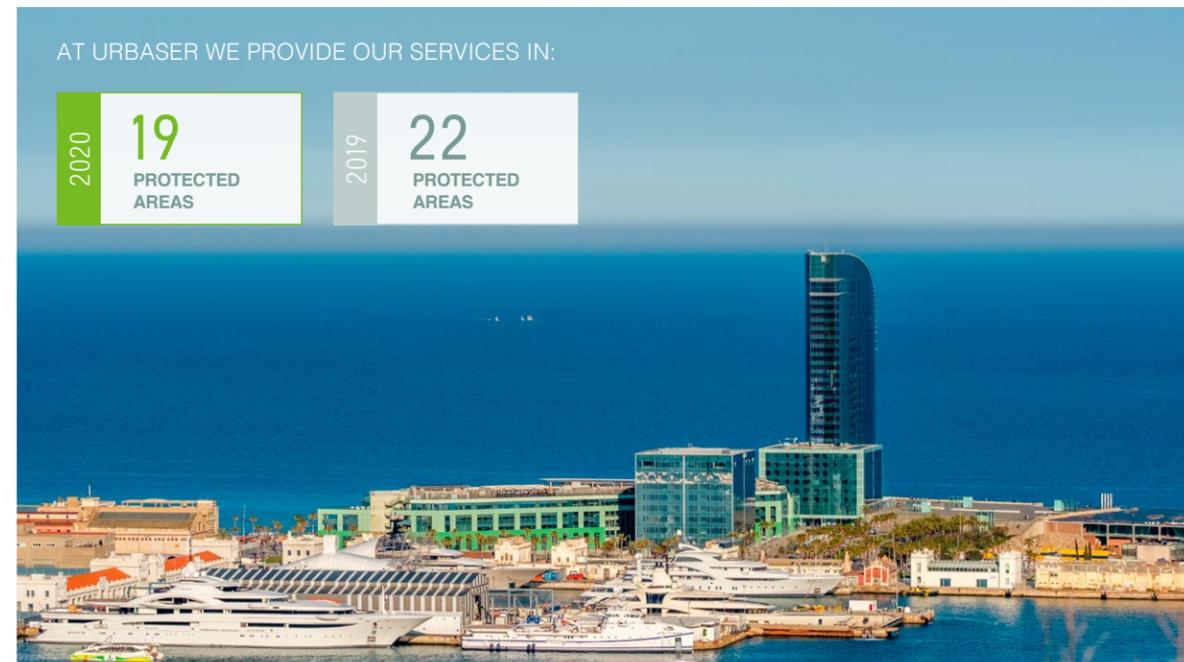
BIODIVERSITY PROTECTION

At URBASER we strongly believe in the conservation of biodiversity as a necessary condition for global sustainability, and thus we promote, through various principles, its valuation and protection as an essential aspect for economic development and social progress.

We identify and evaluate the possible effects on biodiversity in all our operations, establishing environmental monitoring plans that guarantee adequate management, control and follow-up of the preventive and corrective measures associated with each centre or service.

At URBASER we provide our services in 19 protected areas (22 in 2019), which implies special protection measures in terms of emissions, spills,

dumping, etc. in the services provided, which are of all kinds: from selective collection or beach cleaning, to the execution of small works within the water treatment area. In all cases, the special environmental protection controls (air, water, soil, species, etc.) established in the specifications for these services, as well as the regulations that apply in these areas, are respected.



We Collaborate in the Re-Naturalisation

BARCELONA (SPAIN)



During 2020, the project launched in one of the buildings that URBASER has in Barcelona has been completed, installing a 400 square meter green roof in an industrial area of the city, as part of an initiative whose objective is the re-naturalisation of the city by converting rooftops and roofs of the city into green corridors. In addition to the vegetation, the roof also includes a vertical garden, an insect hotel, solar panels, wind turbines, a rainwater collection system and a weather station and air monitoring system.

This project provides a clear benefit for the building in terms of energy savings; where before a heat island effect was created, now the temperature is retained and, what was once a simple railing, are now photovoltaic panels that fulfil the original function and provide another utility.

Plants that grow well in shallow water and adapt to the Mediterranean climate with very little substrate thickness and low water consumption have been sought, a small space with water that attracts dragonflies has been enabled, the nest boxes installed are suitable to attract certain species according to ornithologists, a small ecosystem of its own created in 400 m².

↗ The “Green Roof” space in Barcelona has converted 400 square meters of office roofs into an ecosystem full of life and that contributes to energy savings.



Salto de Anguilas Project

IN ENVISER BIOSPHERE RESERVE

This action promoted by Enviser, a company belonging to URBASER, located in the Special Area of Conservation of the Urdaibai River Network and framed within the Management Plan for the Recovery of the European Eel in the Autonomous Community of Euskadi (led by the Basque Government in collaboration with the Provincial Councils of Araba, Bizkaia and Gipuzkoa), aims to generate an overall improvement of the environmental situation and the existing river communities in the area.

The torrential nature of the stream in which the action is carried out has conditioned the design, location and placement of the steps built, which had to be robust to withstand the floods and at the same time ensure the passage of eels, both in times of drought and in times of torrential rains.

The project has been carried out following the objectives established by the Plan, among which the following stand out:

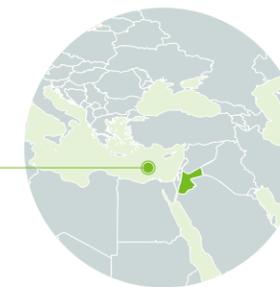
- To comprehensively compile all the multidisciplinary information that exists on the species in the rivers of the Basque Autonomous Community (BAC).
- To comply with the objectives established by the Regulation for the Basins of the Basque Autonomous Community.
- To promote various actions in order to generate more knowledge in some aspects of the biology of the species, in order to have a better understanding of its life cycle that facilitates decision-making for the management of their populations.
- To contribute to the elaboration of the Eel Management Plan in Spain.
- To make progress on how to manage the eel population to slow the decline of the stock.



➔ Enviser Biosphere Reserve in the Basque Country.

Protection of Marine Biodiversity

AQABA (JORDAN)



URBASER has reached an agreement with The Royal Marine Conservation Society of Jordan (JREDS) in collaboration with the United Nations Development Programme (UNDP Jordan), Carrefour and the local government of the city of Aqaba, to collaborate in the project “Care to Act to Reduce Marine Littering in Aqaba”, which aims at raising awareness among the population about the negative impacts that marine litter has on the environment in general and at engaging the local population in participating in activities that promote a healthy environment through recycling.

The coasts of Aqaba, located next to the Red Sea, are a great attraction for divers for its spectacular coral reefs that are affected by marine litter. This project reduced the amount of waste on the beaches of the Jordanian city, giving continuity to the activities of cleaning the seabed and beaches in which we have participated in the last two years and where more than 12,000 kg of litter were collected.

In this case, we are working on raising awareness of the people who come to the beach through the implementation of two vending machines for

the deposit of bottles, both plastic and glass or aluminium. By depositing these recyclables in the machines before leaving the beach, citizens receive compensation in the form of discount vouchers for Carrefour Aqaba. Subsequently, from URBASER we daily collect the materials that have been deposited in the machines and we proceed to the segregation of the recyclable material. In addition, we are responsible for drawing up monthly reports containing information on quantities and materials that have been deposited in the machines and which allow us to redirect awareness campaigns, if necessary.

Furthermore, and with the intention of preventing plastic bags from reaching the sea, from URBASER, and in collaboration with the Department of Environment of Aqaba, we created the campaign “NO to Plastics - Fabric bags campaign” with the aim of impacting on 4,000 families and in which 500 reusable bags will be provided to the population through the bakeries of the city as these are a key point of the local economy.





Classrooms as articulating elements of education, critical thinking, research and environmental awareness

COLOMBIA

Within the framework of the Strategic Plan of Social Management for the education programme “Centro ambiental de pensamiento” (“Environmental Think-Tank”), URBASER Colombia has initiated the process of implementation of the so-called “experiential classrooms”, taking as a pedagogical principle the link with natural environments.

The methodology comprises four specific aspects:

1. Social mapping for the identification and recognition of environmental problems with the participation of the surrounding communities, groups and environmental organizations.
2. Socialization with the communities and collective construction of plans for the minimization of problems and identification of themes for the promotion of actions and processes of environmental education and preservation.
3. Establishment of educational programming, through playful activities, art, sightseeing or storytelling, among others.
4. Signing of cooperation agreements to guarantee the sustainability of the project.



As a result of this work, we intend to inaugurate 10 experiential classrooms in each of the cities where we are present in Colombia.

In this way we want to make the environmental heritage a public and living school, as a contribution to the harmonious relationships that should prevail between human beings, culture and nature.

MAIN ENVIRONMENTAL MAGNITUDES

WATER CONSUMPTION

Due to the very nature of our work, our activities are not particularly intensive in the consumption of natural resources, apart from water. However, in URBASER we control and measure the consumption of resources with the aim of optimizing its use to the maximum.

Within the framework of controlling the consumption of natural resources, we establish a series of general guidelines that must be complied with in order to avoid unnecessary water consumption. These guidelines range from individual rules of conduct, such as turning off taps and hydrants when they are not being used, to control mechanisms such as the installation of flow-limiting devices and other water-saving systems in the facilities, such as rainwater harvesting.

WATER BODIES AFFECTED BY WATER ABSTRACTION OR DISCHARGE

In URBASER we have to collect and discharge water for the development of certain activities:

1. Waste treatment in plants;
2. Drinking water supply through drinking water treatment plants (DWTP), in wastewater treatment plants;
3. Execution of works.

For this reason, the company and the environmental management establish preventive measures to minimise possible effects on the species that could be found in the river ecosystems, such as respect for the environmental flow regime and the technical requirements established by the management itself.

In URBASER we control and measure the consumption of resources with the aim of optimizing its use to the maximum

WATER CONSUMPTION (m³)

	2019	2020
Total water consumption	6,813,035.81	6,542,270.81
Groundwater or well water	1,579,432.10	1,601,321.71
Mains water	4,492,202.77	4,273,811.25
Rainwater	139,987.40	200,932.71
Water from sewage treatment plant	592,899.54	461,197.14
Demineralized water	8,514.00	5,008.00
Of which water reused/reused in service or plant	297,046.72	331,570.10

WATER DISCHARGES (m³)

	2019	2020
Water discharges	1,312,793.12	1,717,213.06
Wastewater generated in operation	485,796.33	853,607.22
Water contained in the disposed waste	826,996.79	863,605.84

NOISE AND LIGHT POLLUTION

At URBASER we have Environmental Management Systems certified under the UNE-EN ISO 14001 standard, with which we ensure that the levels of current regulations regarding noise and light pollution are not exceeded and which help to prevent and improve the management of the company's environmental impacts, risks and opportunities.

Within the documentation of the Environmental Management System, we have a procedure to carry out an identification of the activities potentially polluting due to noise and, taking into account the existing legislation in each locality, the need for a control of acoustic emissions is established.

Due to the nature of some of our activities, which require the obtaining of Integrated Environmental Authorisations, the processing of these establishes the minimum distance that must be kept from urban centres in order to avoid any type of noise and light pollution. At URBASER we comply with these legal requirements, both at a state level and with regards to laws and ordinances approved by the Autonomous Communities and City Councils of the regions in which we operate.

In those activities that can be considered as having a significant acoustic impact or where the corresponding licences or authorisations so establish, we measure noise that is representative of the activity in the time slots in which the activity is carried out.

Moreover, operational control over the mobile machinery used is carried out by keeping the engine, transmission, bodywork and other elements that can cause noise in good working order.



EXCELLENCE IN COMPLIANCE

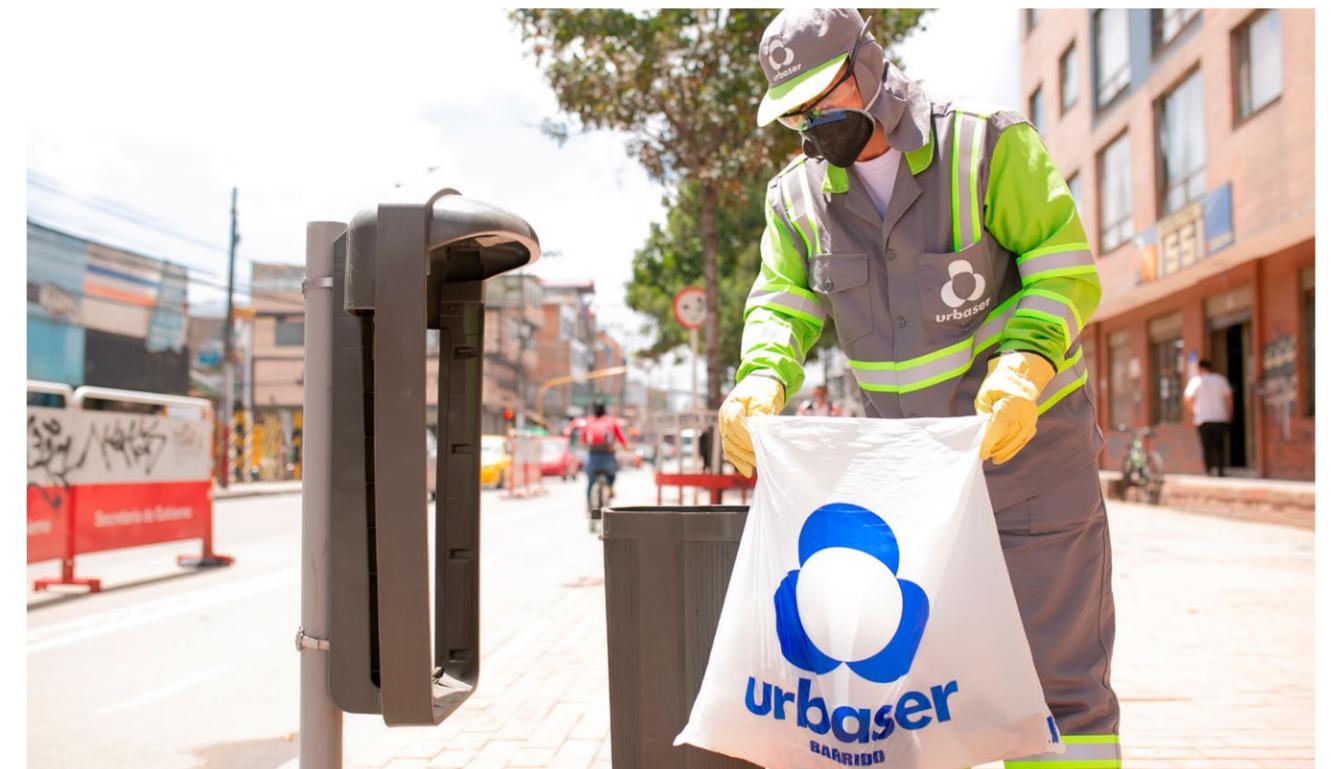
At URBASER we comply with these legal requirements, both at a state level and with regards to laws and ordinances approved by the Autonomous Communities and City Councils of the regions in which we operate.

CONSUMPTION OF RAW MATERIALS

At URBASER we are committed to the efficient use of energy and other raw materials, as the rational use of resources and the search for maximum efficiency with the best available technologies is a basic principle in the reduction of impacts on material resources, territory and ecosystems. We are currently working on solutions to replace the plastic bags in the litter bins on the streets with other materials, in order to reduce the company's plastic consumption while preventing these bags from reaching the sea in coastal areas.

CONSUMPTION OF RAW MATERIALS (t)

	2019	2020
Potash (t)	3,255.12	3,037.33
Wire (t)	1,969.06	2,092.25
Lubricants (t)	1,818.73	2,077.45
Tyres (t)	1,685.67	1,544.21
Garbage bags (M)	32.55	41.11



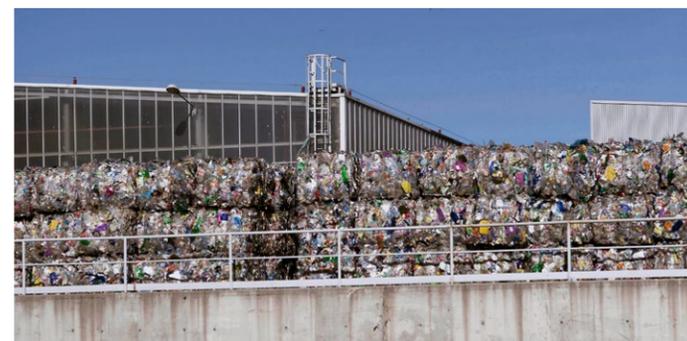
GENERATED WASTE

As in any other industrial activity, in URBASER we generate waste derived from our own activity. These include waste from the maintenance activities of the facilities and machinery such as used oil, batteries, contaminated rags, contaminated packaging, etc. The company guarantees the correct management and treatment of the waste we generate, both hazardous and non-hazardous, which is always collected through an authorized manager, previously selected by URBASER.

In 2020 we generated 22,383.36 tonnes of hazardous waste and 7,451.27 tonnes of non-hazardous waste (in 2019: 25,487.32 and 10,370.90 tonnes respectively), both arising from our activities. In 2020 we have managed to recover 78% of our hazardous waste (80% in 2019).

Within the development of our activity there is a leakage control, paying special attention to the control of leachate from the waste managed, as well as the leakage of volatile compounds that may occur in the facilities.

In URBASER we minimize the amount of waste generated in all activities, both treatment and other environmental services, prioritizing reuse, recycling and energy recovery as methods of managing our waste. When this is not possible, they are handed over to an authorised manager for optimal treatment.



HAZARDOUS WASTE GENERATED BY OUR ACTIVITY AND TYPE OF MANAGEMENT (t)

	2019	2020
Disposal	2,870.72	3,500.40
Recovery	20,453.29	17,443.52
Sludge for sewage treatment	2,163.30	1,439.44

ENERGY GENERATION AND CONSUMPTION: ENERGY EFFICIENCY IN OPERATIONS

The waste treated at URBASER's facilities constitutes a source of energy that can be used in the company's different energy recovery processes, both for self-consumption and for exporting electrical and thermal energy.

The different processes of energy use, biogas, energy assessment of rejects and biomass allow us to generate electrical energy (which is most of the energy consumed by URBASER in its activities for the treatment of waste and water, and fossil fuels for the fleet of vehicles) during its processes.

Of this electricity generated –66% of which is of renewable origin (67% in 2019)–, we allocated 18% for self-consumption and exported the remaining 82% (in 2019, 18% for self-consumption and 82% exported).

During 2020, in URBASER we managed to reduce 7,268.96 MWh of energy consumption thanks to energy efficiency measures (1,711.53 MWh in 2019).

This reduction in consumption is achieved thanks to the energy efficiency measures implemented, such as the progressive replacement of conventional lights to LED and the savings achieved in fuel consumption in several facilities.

The action carried out by TIRME stands out, by which it manages to reduce the consumption of Natural Gas by 37% and improve the management of pits and boiler operations. This measure consisted in optimizing the oxygen percentage in the furnace, by adjusting the air supply, through modifications in the distribution of the roller input, achieving a more progressive distribution when there are changes in the PCI and optimizing the furnace feeder speed. In addition, corrections are made in the control, specifically in the flow function, to allow a finer regulation of the primary air.

ENERGY CONSUMED (GWh)

	2019	2020
Direct consumption (fuels, self-consumed electricity and self-consumed heat)	1,462.66	1,727.67
Of which of renewable origin	278.14	213.74
Indirect consumption (electricity from the grid)	253.65	272.92
Of which of renewable origin	144.39	146.79

ENERGY GENERATED (GWh)

	2019	2020
By source		
Electricity	1,343.72	1,374.75
Heat	133.55	1,075.69
By origin:		
Renewable	979.37	1,471.17
Non-renewable	497.90	979.27
By destination:		
Self-consumed	350.77	594.73
Exported	1,126.50	1,855.71

Our commitment to society

URBASER is aware of the role it plays in contributing to the sustainable development of society in the countries in which it operates, as well as in improving the quality of life of the people who live in their cities and towns.

Assuming this responsibility, we carry out actions with a positive impact in the places where we operate. The corporate citizenship actions activities carried out by URBASER are developed in line with our **Corporate Citizenship Policy**, whose reference framework are the principles and behaviours included in the Code of Conduct and in the guidelines that govern corporate

social responsibility. Said Policy includes all those activities and contributions voluntarily undertaken by for the benefit of the communities, and whose sole purpose is to have a positive impact on social welfare guided by shared value and respect.

SUSTAINABLE DEVELOPMENT GOALS GUIDE FOR OUR SOCIAL CONTRIBUTION



Social projects in
7 countries



Fluid communication with the communities where we operate

Workforce worldwide

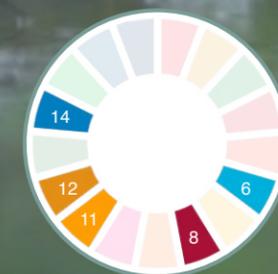
40,945 2019 35,618

5,327
new employees 2019 1,072

+600,000 €

destined to actions of environmental awareness and improvement of the quality of life of the communities

Invest
1.2 M€ 2019 1.7 M€
in corporate citizenship



Contribution to the SDGs



Labor integration of more than

900

people at risk of social exclusion



ACTIONS WITH AND FOR THE COMMUNITY

Within the framework of the Corporate Social Responsibility Action Plan 2018-2023, at URBASER we set as an objective to align all our social initiatives with the areas established in the Corporate Citizenship Policy, so that the socio-economic impact generated in the communities in which we operate is even more significant. The URBASER corporate citizenship programme comprises the following areas of action:

AREAS OF URBASER'S CORPORATE CITIZENSHIP PROGRAM

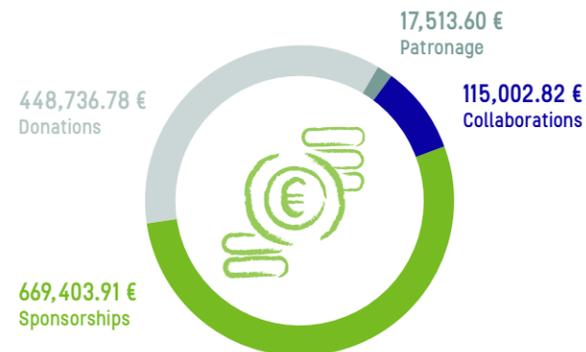


BREAKDOWN OF THE CONTRIBUTION MADE BY AREA OF ACTION (PERCENTAGE)

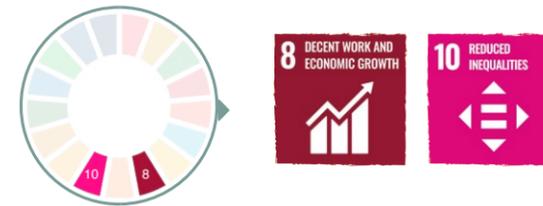
	2019	2020
Local Communities	27.06%	27.83%
Environmental Awareness	33.19%	21.66%
Support for Culture and Sport	39.76%	50.52%

IN URBASER ALLOCATED TO CORPORATE CITIZENSHIP ACTIVITIES WORLDWIDE	1.2 M€ IN 2020	1.7 M€ IN 2019
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CONTRIBUTION MADE IN 2020 BY TYPE OF SHARE



CORPORATE VOLUNTEERING PROGRAMME



In the first quarter of 2020 we launched the Corporate Volunteering programme in Spain with actions in Madrid, Barcelona, Bilbao and Valladolid.

During 2020, employees have participated in the different activities of this programme, such as:

FIET GRATIA

The aim of the collaboration with the NGO FIET GRATIA is to create integral development opportunities for women victims of trafficking. Through Spanish and IT classes, given by URBASER employees, women victims of trafficking can acquire basic knowledge and tools that allow them to develop in the personal and professional sphere.

Fundació Esclerosi Múltiple

The aim of the collaboration with this foundation is the training and labour intermediation, accompanying people with Multiple Sclerosis and also with other physical, sensory and organic disabilities, to find a job. Through talks given by employees of the company, the group approaches current issues of the business environment.

Fundación Integra

This foundation works with people in a situation of severe exclusion and people with disabilities who need a job opportunity and, through its School of Empowerment, gives URBASER employees the opportunity to give sessions aimed at managing the job search, overcoming selection processes and transmitting the importance of attitude, both to keep the job and in any aspect of life.

Spanish Commission for Refugee Aid (CEAR)

From URBASER we carried out workshops with this organization, which works to enhance the autonomy, dignity and welfare of people in care, in which employees showed the daily functioning of a company, the functions they performed in their day to day and what technical or transversal skills are valued in the development of daily work.

ENVIRONMENTAL AWARENESS AND EDUCATION



Environmental awareness project

MIJAS + LIMPIA

The environmental education campaign, framed within the programme “Mijas + limpia”, through its website yorecicloencasa.com aims at reaching all schoolchildren and other groups in the municipality of Mijas (Spain).

This new awareness tool, launched by Mijas Town Hall in collaboration with URBASER and Ciencia Divertida, is created with the aim of improving information about recycling and circular economy and, little by little, raise awareness about the importance of environmental education. Due to the situation caused by COVID-19 all the workshops that were being held in schools and outdoor spaces are being held in online format.

The campaign has also produced information leaflets explaining how to separate waste selectively, the importance of recycling in reducing CO₂ emissions, the 3Rs of recycling (reduce, reuse and recycle), the

timetables for depositing rubbish, etc. We have also published materials for children to work with them at school as comics, workshops and fun experiments with which they can learn without any effort to contribute and collaborate with our immediate environment.

This would be the third course in which this initiative is launched in conjunction with the Town Hall and in the past editions we worked with a total of 14 schools in the area.

2020	3 rd COURSE	14 SCHOOLS
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Raising environmental awareness among children

TRASH, THE GARBAGE MONSTER

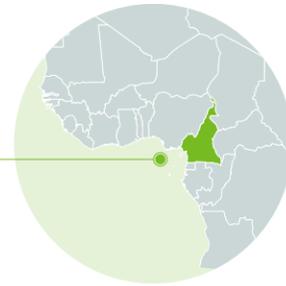
From URBASER we have promoted the creation of a book to make children participate in the importance of keeping cities clean.

This educational resource, aimed at schools throughout Spain, has been developed so that, in a didactic way, children between 7 and 12 years old can learn about their role in caring for our environment, the meaning of the 3Rs (reduce, reuse and recycle) and the activity that people involved in the maintenance and cleaning of urban environments carry out on a daily basis.

Under the title “Trash, the garbage monster”, this free digital publication seeks to get the schoolchildren themselves to explain what they have learned and why it is necessary to keep cities clean. The book is available in five languages: Spanish, Catalan, Galician, English and French.

During the pandemic, the distribution of the book has been encouraged, both internally and externally, so that employees and their families, as well as society in general, can use this free digital resource.

ACTIONS FOR THE BENEFIT OF THE COMMUNITIES



Rehabilitation and socio-family integration in Doula

DOULA (CAMEROON)

SIRSA, a company in the socio-health field belonging to URBASER, participates in a humanitarian project of rehabilitation and socio-family integration in Doula (Cameroon) through the Benito Menni Foundation.

The main objective of the project is to help people at risk of exclusion with mental difficulties and who live on the street, by taking care of their basic needs: consultations are offered, outpatient

therapies are carried out, medicines, food, hygiene and clothing items are dispensed. Activities are also carried out to combat stigmatization and promote social integration.

With this project, SIRSA contributes to SDG 3 which aims to “Ensure healthy lives and promote well-being for all at all ages” by providing logistical and financial support.



Creation of a community kitchen

CORPORACIÓN PRO TIL TIL (CHILE)

Pro Til Til is a non-profit organization that originated in 2006 through a group of companies operating in the northern area of the Metropolitan Region of Chile, including KDM, belonging to URBASER, with the aim of supporting the commune of Til Til to promote its development.

One of the projects carried out is the Til Til Community Kitchen, the first of its kind in the Metropolitan Region, which seeks to promote the development of enterprises in the area (with a history in the production of olives, olive oil, or the production of goat cheese), allowing to generate income and employment for the community. This is a joint project of the Corporación Empresarial Pro Til Til, the company AngloAmerican and the Municipality of Til Til with a €49,600 investment in infrastructure.

The idea arose as a result of the barriers faced by producers to obtain a favourable resolution from the health authority to operate, due to their economic limitations and the lack of access to drinking water that the commune suffers, since most access to water extracted from wells or delivered house to house by water trucks.

The model works on the basis of a processing room installed on the premises of Pro Til Til, which has sanitary authorization for preparing, processing and packaging local products, with the idea that each producer has access to a full day to use the room to produce their products.

In December 2019, the Kitchen was inaugurated in the presence of local authorities, central government and partner companies.



“Buen vecino: léeme un cuento” (“Dear neighbour: read me a story”) campaign

COLOMBIA

“Read me a story” is based on URBASER’s purpose of transforming today for a better tomorrow and its main objective is to promote respect for nature through the methodological action of reading stories with an environmental approach.

The first day of the action, carried out in the area of influence of the Loma Grande Environmental Technology Park, located in the city of Montería

(Colombia), was prepared for 178 children between 2 and 15 years of age and included activities to understand and internalize environmental issues. The day ended with an exhibition of drawings.

In this way, from URBASER we try to promote the love of reading and critical reflection on the relationship between human beings and nature.



Recognition to the best students located in the area of influence of the environmental technological park of the city of Popayán

URBASER COLOMBIA

As part of the activities of recognition and social aid, from URBASER we gave computers to the students who stood out as the best of the year.

The incentive project is aimed at educational institutions that are part of the area of influence of the Technological Environmental Park linking schools located in the villages of Río Hondo, La Yunga and El Tablón. Its objective is to promote the

quality of education through access to technological tools that facilitate the academic tasks of children and young people selected by their teachers and principals.

“Tapones para una nueva vida” (“Caps for a new life”)

SPAIN



At URBASER we have been collaborating since the beginning of 2019 in this project, an initiative of the SEUR Foundation that began through the “Sustainable Offices” campaign at the company’s headquarters in Madrid, and has been spreading to different centres throughout Spain.

Through the collection of plastic caps in the participating centres and their transport to recycling plants, we have contributed to improving the quality of life of children with serious health problems, facilitating their access to medical or orthopaedic treatments not covered by the public health system.

Since the beginning of the collaboration with the SEUR Foundation, from URBASER we have managed to collect 285,000 plastic caps, thus contributing to a double commitment: social, helping many children in need, and environmental, avoiding the emission of CO₂ into the atmosphere thanks to the recycling of plastic caps.

This initiative responds to our commitment to Sustainable Development Goals (SDGs) 10 and 11, among others, which help guarantee equal opportunities and reduce inequalities, as well as ensure access to adequate basic services for all people.

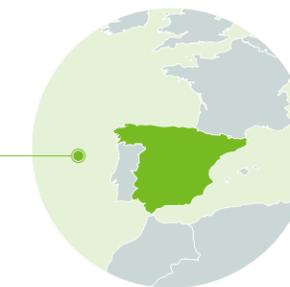
Refurbishment of the early stages area of medical oncology

12 DE OCTUBRE HOSPITAL, SPAIN

Our commitment to society has always been one of the pillars of our sustainability strategy, actively contributing to improving the quality of life of the communities in which we operate.

With this project, the company extends its commitment to the health and well-being of people through the development of medical research and, specifically, towards new oncological treatments;

contributing to the adaptation of a new space dedicated to experimental treatments in the area of Early Phases of Medical Oncology, giving the research unit the possibility of having a conditioned space for new treatments adapted to the needs of each patient.



SUPPORT FOR ARTS, CULTURE AND SPORT



BasketSOStenible

ANDALUSIA (SPAIN)

The BasketSOStenible campaign has among its objectives to raise awareness about the culture of recycling, saving water and reducing the consumption of plastic and paper and is part of the VALORCESTO programme promoted by the Andalusian Basketball Federation (FAB) that aims to be an engine for coexistence and equality in sport, and the promotion of values both in sports and in life itself.

In addition, through the Green Scholarship Awards, sponsored by URBASER and promoted by the (FAB), awards are given to basketball clubs in Andalusia (Spain), which are more involved in the development of actions aimed at the care and improvement of the environment.



UPC ecoRacing

TERRASSA (SPAIN)

UPC ecoRacing is a technological research association comprised by engineering students from the School of Industrial, Aerospace and Audio-Visual Engineering of Terrassa (Spain) with the aim of developing new technologies in the field of sustainable automotive.

Since 2008, its members have been working on the development of single-seater hybrid and electric cars for Formula Student, the international engineering competition par excellence in which more than a thousand teams from all over the world participate. The objective is to promote the higher education of the team members, applying in a real project all the knowledge acquired in class and also to promote self-learning and multidisciplinary training, in which not only technical knowledge of single-seater design is achieved, but also project management.

URBASER collaborates with the UPC ecoRacing to promote this knowledge among students, while promoting the search for sustainable, innovative and highly competitive technologies.

ENSURING ESSENTIAL SERVICES DURING THE COVID-19 PANDEMIC

As a company providing essential services, since the beginning of the health crisis, at URBASER we have reinforced our commitment to the quality of life of citizens to alleviate the social emergency situation experienced, focusing our efforts on two points: the safety of workers and our responsibility to society.

The work protocols have been adapted to this situation with new processes and handling of waste in the plants; cleaning and disinfection of the facilities; reorganization of shifts, schedules and specific tasks and the provision of protective equipment against the pandemic.

Since this crisis began, we have opted for broad flexibility, which has provided the opportunity to make work compatible and ensure the health of workers.

Day by day, we have continued to provide our services with the highest quality and professionalism, also receiving the gratitude of society with many signs of affection and support to not give up in the most difficult moments.

At URBASER we obtained the AENOR certification "Protocol against COVID-19" which shows the application of best practices in the management of the risks derived from COVID-19, both in offices and in some of the services provided, which demonstrates our firm commitment to prevent the spread of the virus.



SOME OF THE CONCRETE MEASURES THAT HAVE BEEN CARRIED OUT ARE:

✓ The establishment of remote working for all eligible activities.

✓ The intensification of protection and hygiene measures at the workplace for face-to-face activities.

✓ The suspension of face-to-face meetings and non-essential travel.

✓ The development of contingency plans for all business areas and services provided by the company.

3D PRINTING LAB

At the company's corporate headquarters, we created a large 3D printing laboratory, with the aim of manufacturing protective material and donating it to senior centres, hospitals, retirement homes, etc. In this laboratory, more than 12,000 visors and 8,500 ear defenders were produced and donated all over Spain, in collaboration with the startup Artenea 3D, and with the participation of several URBASER staff members.

Once the first wave of contagion in Spain was over, medical centres and retirement homes stopped requesting protection materials and we donated the 23 printers to the organization Ayúdame 3D. This Spanish organization offers 3D printed arms (trésdesis ["3Dthesis"]) to people who have suffered an upper joint amputation. Thanks to these 23 printers, Ayúdame 3D has been able to carry out a joint action with the Spanish Army to manufacture and deliver, free of charge, 3D printed arms with prehensile mobility to more than 30 people without resources in Mali, Lebanon and Senegal.

In the coming months they will start a programme to train children in design and 3D printing, providing schools with some of these printers, with an expected impact of 5,000 students in 2021.



HUMANITARIAN AID IN SPAIN

With the aim of helping the most vulnerable groups, who are particularly affected in situations such as the one experienced in 2020, URBASER collaborates in different initiatives, making material and financial donations to various organizations:

- We donated funds equivalent to the purchase of more than 10,000 masks in accordance with the indications of the Ministry of Health.
- We collaborated with teams of seamstresses and the Online Traffic Institute to make 8,000 medical gowns from 22,000 specially sized plastic bags.
- We delivered 100 mobile terminals for distribution among healthcare personnel with the aim of facilitating communication between patients and their families in collaboration with Mirarte Otra Vez.
- We bought basic cleaning materials such as bleach, cloths, sprays or gloves, among other items to be distributed to retirement homes throughout Spain.
- We also collaborated with food banks in their request for urgent help.



VOLUNTEERING

In addition to a health crisis, the pandemic has also led to a social crisis, so in URBASER we adapt our corporate volunteering to a digital volunteering. Under the title "Closer than ever" we launched initiatives to support the most vulnerable groups.

Through initiatives such as "Letters against loneliness", promoted by the FDI Foundation and Volunteering and Strategy, URBASER employees exchanged letters to alleviate the loneliness of people with disabilities who were isolated in retirement homes.

On the other hand, after-school support was provided to children at risk of social exclusion, through the

Social Action for Music Foundation, a foundation that integrates vulnerable children and young people using music as a tool for social transformation, with the aim of bringing about structural changes that contribute to the eradication of poverty and equal opportunities.

As a result of the COVID-19 crisis, the foundation redirected part of its activities to extracurricular support for learning in a digital way to accompany students in their school learning, helping them with homework and all the doubts they may have. In this way, URBASER volunteers work with them to establish a habit and commitment to study.



BUSINESS ALLIANCES

Manifesto for a Sustainable Recovery

In URBASER we are adhered to the “Manifesto for a Sustainable Economic Recovery” together with more than 240 leading figures from the business world, social entities, media, NGOs, universities, governments and political parties, to promote a green and sustainable recovery with the aim of managing the way out of the crisis derived from the COVID-19 crisis in Spain.

This initiative is based on the European Green Pact as a growth strategy based on three pillars: digitalisation, decarbonisation and resilience. From URBASER we contribute to this recovery through commitments such as the 5% reduction in the intensity of our Scope 1 and Scope 2 emissions by 2022.

The Future of Sustainability in Companies: Resilience and ‘New Normal’ Post COVID-19

We collaborate with Forética as part of the business alliance “The Future of Sustainability in Companies: Resilience and ‘New Normal’ Post COVID-19”. Through this alliance, solutions and the development of tools to build a sustainable future after this crisis generated by COVID-19 are being sought.

RESPONSIBILITY AND EFFICIENCY THROUGHOUT THE SUPPLY CHAIN

At URBASER we have a Corporate Policy for the Acquisition of Goods and Services which defines the framework for action and the basic guidelines that must govern in the area of purchases, where the guidelines for the selection of suppliers are regulated with objectives such as compliance with current legislation, awarding processes based on criteria of competitiveness and transparency, development of relationships of trust and compliance with international agreements.

In 2020, we procured supplies and contracted services for a total procurement volume of more than €779 million (€1,178 million in 2019).

We have also continued to disseminate our Suppliers’ Code of Ethics, which extends to all suppliers, contractors and collaborators the values and principles by which our company is governed and which allows us to strengthen existing relationships and ensure compliance with policies and commitments.

Also, during 2020 we have worked on the implementation of the new supplier management portal in Spain, through which support is given to the management of the supply chain, including the supplier approval process, and the SLP “Supplier Lifecycle and Performance” module has been implemented in Spain in the SAP ARIBA purchasing programme for the registration and approval of suppliers.

URBASER’s purchasing strategy favours the proximity factor, as long as the technical and financial solvency and all the requirements established in URBASER’s policies are guaranteed. During 2020, the percentage of procurement volume associated with local suppliers was 97.41% (in 2019, 95.91%).



SUSTAINABLE PURCHASING CRITERIA

In line with URBASER’s Efficient Energy Management Policy, within the contract signed with GOODYEAR for the supply of tyres, we are going to carry out a joint study in relation to the energy efficiency of tyres in the vehicle fleet.

In this study, a real comparison will be made under identical conditions of use (speed, vehicle configuration, tyre inflation, alignment, driving style, etc.) and for a certain period of time, of the differences in fuel consumption and useful life between a standard tyre and another from the ECO range, so that if the results are positive, the use of the latter will be promoted.

goal 2021



DEFINE AN AUDIT PROCEDURE FOR SUPPLIERS AND LAUNCH THE FIRST AUDITS BASED ON THE CRITERIA DEFINED IN THE PROCEDURE

Our commitment to employees

URBASER employees are a strategic asset that contributes to the creation of sustainable value with their work and talent. URBASER's human resources management is oriented to the achievement of a highly qualified and motivated human team, identified with the values of the company, with its own initiative and a great vocation for customer service, which allows it to manage business opportunities in an efficient and profitable way.

Therefore, at URBASER we are committed to stable and quality employment, training, professional development and respect for diversity, equal opportunities and non-discrimination and the promotion of a safe and healthy working environment.

MAIN MAGNITUDES REGARDING EMPLOYEES

AVERAGE WORKFORCE

	2019	2020
GENRE		
Women	5,816	10,101
Men	29,368	30,844
AGE		
< 30	8,014	4,590
30 - 50	15,373	22,779
> 50	11,798	13,576
PROFESSIONAL CATEGORY		
Management team	168	173
Middle management	821	1,392
Technicians	1,374	1,278
Operational positions	32,822	38,102

EVOLUTION OF THE WORKFORCE BY COUNTRY AT 31 DECEMBER

	2019	2020
Colombia		1,854
Sweden	513	459
United Kingdom	1,008	1,080
Oman	315	307
Mexico	478	362
Morocco	406	7
Jordan	341	329
Italy	82	122
France	1,123	1,235
Finland	311	314
Spain	20,287	23,955
Chile	5,147	5,186
Bahrain	1,335	1,324
Argentina	3,394	3,453
Norway	303	367
Denmark	498	505
Venezuela	77	80
United States		6
TOTAL	35,618	40,945



11,970

employees who are members of a trade union

2019 **10,183**



Distribution of the workforce by gender

WOMEN
10,101

30,844
MEN

40,945

professionals on the URBASER staff in 2020

2019 **35,618**

4.45%

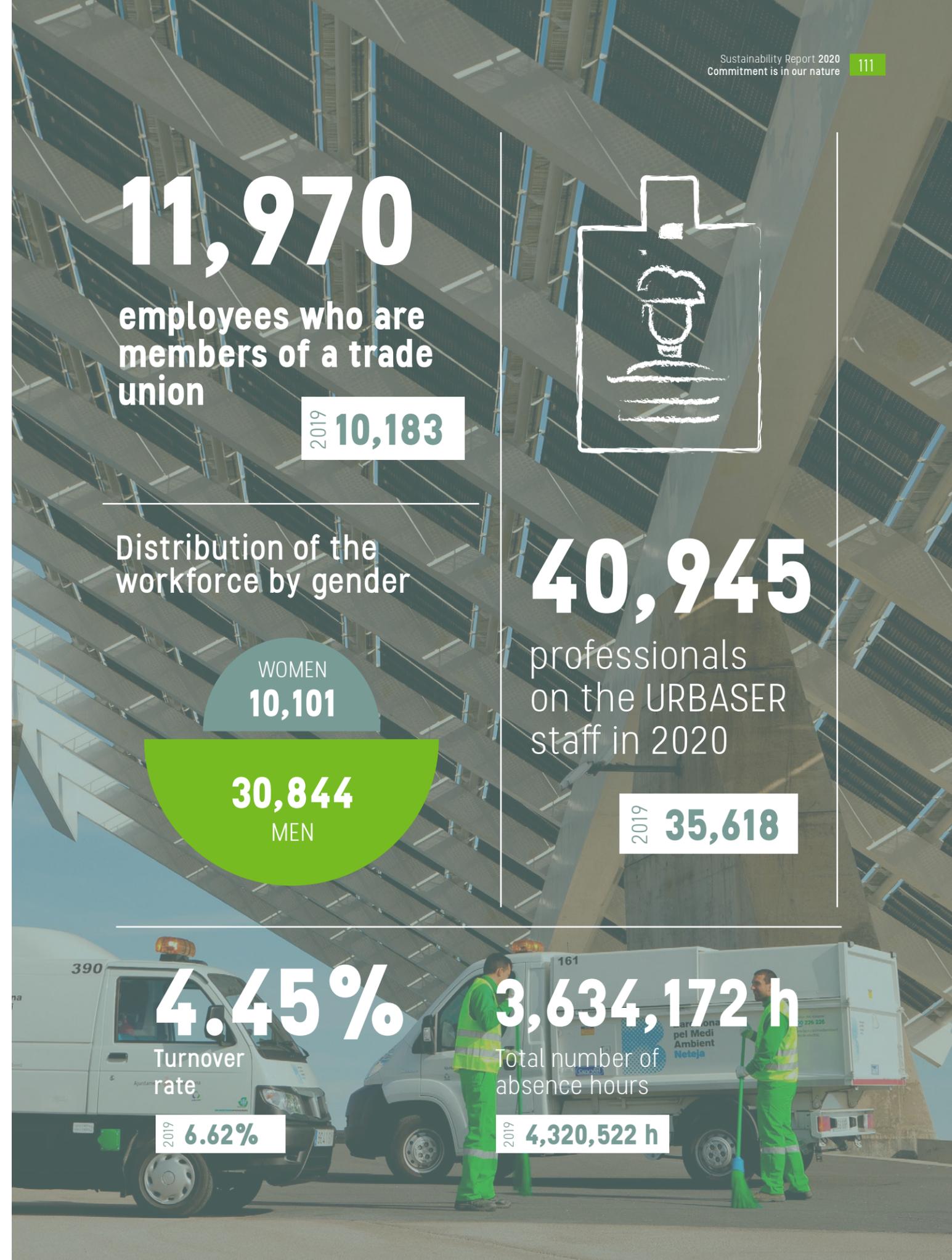
Turnover rate

2019 **6.62%**

3,634,172 h

Total number of absence hours

2019 **4,320,522 h**



86% OF THE WORKFORCE IS COVERED BY COLLECTIVE BARGAINING AGREEMENTS



86% of the workforce is covered by collective bargaining agreements (in 2018, 84%) applicable to the companies, work centres and TJV of the company, and have been agreed with the corresponding legal representation of workers in each location, in accordance with the provisions of the fundamental agreements of the International Labour Organisation. Organisational changes, including notifications, are agreed in these agreements and are carried out in accordance with the legislation in force in each case.

One of the most important intangible assets of the business is the value provided by URBASER's professionals all over the world and that is why at URBASER we are committed to stable and quality employment.

PERCENTAGE OF WORKFORCE COVERED BY COLLECTIVE BARGAINING AGREEMENTS

	2019	2020
Colombia	-	0%
Sweden	100%	100%
United Kingdom	65%	62%
Oman	0%	0%
Mexico	61%	0%
Morocco	0%	0%
Jordan	0%	0%
Italy	100%	100%
France	100%	93%
Finland	100%	100%
United States	0%	0%
Spain	99%	99%
Chile	57%	89%
Bahrain	0%	0%
Argentina	89%	88%
Norway	100%	88%
Venezuela	75%	0%
Denmark	100%	90%
TOTAL	84%	86%

AVERAGE WORKFORCE WITH INDEFINITE AND TEMPORARY CONTRACT

	2019		2020	
	Open-ended contracts	Temporary contracts	Open-ended contracts	Temporary contracts
GENDER				
Women	4,442	2,010	7,199	2,566
Men	23,418	5,768	25,058	6,122
AGE				
< 30	5,461	2,886	2,777	1,812
30 - 50	12,340	3,268	17,655	5,119
> 50	10,039	1,624	11,826	1,756
PROFESSIONAL CATEGORY				
Management team	170	1	170	6
Middle management	815	36	1,339	83
Technicians	1,409	181	1,145	211
Operational positions	25,446	7,560	29,596	9,025

AVERAGE WORKFORCE IN PART-TIME AND FULL-TIME

	2019		2020	
	Part-time staff	Full-time staff	Part-time staff	Full-time staff
Women	2,065	4,330	3,418	6,333
Men	1,173	28,050	1,204	29,990



ABSENTEEISM

In recent years, there has been an evolution in the characteristics of employment within the sector: an upgrading, technification and professionalization made possible by the improvement of the quality of employment in terms of safety, health, training and remuneration. This has also led to the attraction of more diverse talent in terms of gender, professional profile and age.

The activity developed by URBASER is very labour intensive. For this reason, one of the main concerns is absenteeism, i.e., any committed hour of work in which the worker does not attend work for reasons beyond the company's control.

To combat this problem, all of the company's middle managers have the necessary training for its management, as well as different technological tools for its analysis and control.

DISMISSALS

	2019	2020
GENDER		
Women	139	274
Men	1,702	2,176
AGE		
< 30	770	725
30 - 50	583	1,201
> 50	488	524
PROFESSIONAL CATEGORY		
Management team	8	9
Middle management	25	24
Technicians	38	139
Operational positions	1,770	2,278

TURNOVER RATE*

	2019	2020
Women	7.86%	1.27%
Men	6.34%	3.18%

TURNOVER RATE*

	2019	2020
Colombia	-	6.47%
Sweden	14.23%	11.76%
United Kingdom	14.58%	12.03%
Oman	19.36%	15.03%
Mexico	56.06%	0%
Morocco	0%	0%
Jordan	11.73%	13.67%
Italy	6.07%	0.81%
France	1.69%	2.51%
Finland	24.43%	16.56%
United States	0%	0%
Spain	5.15%	4.31%
Chile	6.04%	3.95%
Bahrain	10.33%	3.95%
Argentina	0.7%	0.52%
Norway	1.98%	1.67%
Denmark	23.29%	16.22%
Venezuela	37.66%	0%
TOTAL	6.62%	16.22%

* The turnover rate is calculated with the number of workers who left the organization voluntarily divided by the total number of workers.

TALENT MANAGEMENT

For URBASER the sustainable growth of the company depends, to a great extent, on the talent and qualification of its employees. Therefore, it is essential to attract the best professionals and provide them with the best training to boost their professional development.

Over the last few months, the Human Resources Department has been designing and implementing the **People Organisation and Development Master Plan**. This plan will be based on three pillars: HR Organizational Model, Skills Model and HR IT Tool.



TALENT ATTRACTION AND RETENTION

During 2020 we have continued with the implementation of the “Lead the change” programme aimed at developing URBASER’s junior talent. The aim of the programme is to incorporate engineering profiles into the **company’s talent development plan** so that they can acquire training and knowledge of the company so that they can later occupy positions of responsibility in it. This year, 19 employees identified within this key group for the company have been monitored.

Throughout 2020, and within the employer branding initiatives, at URBASER we have continued to strengthen the integration of recent graduates, with a special focus on key degrees due to the activity we carry out. More than 100 training scholarships have been carried out with the main universities and training centres, such as Universidad Complutense de Madrid, Universidad Rey Juan Carlos, Universidad Politécnica de Valencia or Universidad de Valladolid.

PROFESSIONAL DEVELOPMENT OF THE TEAM

The training, qualification and professional development of URBASER’s staff is a key aspect in the improvement of motivation, efficiency and quality of the services provided. Therefore, we try to develop the professional skills of our employees, to adapt them to the needs of expansion and competitiveness of the company, while we try to update and adapt our human resources to the current technological evolution.

Within the Organization and People Development Master Plan, the development and implementation of the new human resources organizational model and the development of the URBASER competences model have been carried out, which will allow to have a guide in the progress of the professional careers:

Biennial Training Plan

Through the Biennial Training Plan, the training needs of the workforce in Spain are identified and assessed and covered throughout the year. Individual training plans are developed in the different countries in which we operate.

Our commitment to the professional development of people is firm and seeks to introduce a culture of learning for continuous updating of skills and an attitude open to innovation in our day-to-day work. In 2020, more than 239,770.35 hours of training (in 2019, 359,306 hours) were provided to 19,087 employees (in 2019, 21,222 employees), thanks to an investment of €1,089,778 (in 2019, €2,202,191) by the company.



HR ORGANIZATIONAL MODEL

Among other objectives, the implementation of this model of organization aims at providing a common language in the HR management in all the countries in which we operate. The new methodology classifies all the personnel in different levels and roles, which will be the base and reference unit of this system in URBASER.



SKILLS MODEL

We have adapted and redesigned the URBASER Skills Dictionary, in order to align it with the company’s strategy and with the rest of the plans that derive from it (Transformation, CSR, etc.). Skills enable professional development initiatives to address future challenges.

HOURS OF TRAINING BY PROFESSIONAL CATEGORY

	2019	2020
Management team	6,944	6,104
Middle management	34,868	40,008
Technicians	33,404	37,433
Operational positions	220,955	145,760

2020	239,770 h HOURS OF TRAINING	19,087 EMPLOYEES	1,089,779 € INVESTMENT
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A PROCESS THAT BEGINS WITH LISTENING

In 2019, the Human Resources Department carried out a process of designing, preparing and applying a work climate survey in Spain to find out employees' perceptions of aspects such as the work environment, its strengths, motivation and satisfaction, as well as to identify points for improvement and aspects of differential value. On the basis of these results, action and reinforcement plans have been drawn up for both the most highly valued aspects and those that need to be improved.

To this end, in 2020 we launched an employee engagement programme in Spain under the name LoQue+iMPorTa. This is a programme of recognition and participation for employees that, through four areas of action, fosters relationships between workers with more personal initiatives and ideas that promote social and environmental innovation inside and outside the company. Some of the projects included in LoQue+iMPorTa are the Sustainable Mobility Plans or the participation in races and solidarity sporting events.

SUSTAINABLE MOBILITY PLANS

A survey was launched at the end of 2019 to study the mobility patterns of URBASER head office employees. As a result of this study, a **Sustainable Mobility Plan has been drawn up for the corporate headquarters in Madrid** (Spain) that will cover more than 350 employees, which includes different measures to improve mobility, both for home-work commute and during the working day. This programme will include different measures that will be implemented progressively.

The first of these has been the provision of two corporate electric vehicles to all employees of the head offices to be used as a means of transport for meetings and events in the work environment, within the Community of Madrid.

On the other hand, our commitment to sustainable mobility has been reflected with the adherence of URBASER to the pact "**Flatten the curve**", promoted by the City Council of Madrid and the Community of Madrid and the platform "The Day After". The main objective of the pact is to promote a commitment to encourage sustainable mobility by coordinating measures to adapt staff mobility patterns or flexible working hours.

In this way, this alliance promotes support for the UN Sustainable Development Goals and, specifically, **SDG 11 on Sustainable Cities and Communities**, setting as a common goal to contribute to a more efficient and safer management of mobility in the Spanish capital.

At URBASER we have mobility plans for specific employees, such as the one for the Collection and Cleaning Service of Barcelona, which covers more than 800 employees.

Over the course of 2021, if the health crisis so allows, we aim at implementing the rest of the initiatives envisaged in the Headquarters Mobility Plan.

Race Against Gender-Based Violence: since 2017, and in 2020 for another year, we sponsor the "**Race Against Gender-Based Violence**", organized together with the Ministry of Equality, whose profits are donated to specific projects, being each year a different association that supports the victims, the one that receives this donation. On 12 July, the 7th edition of this race took place, this time in virtual format, in which more than 70 URBASER employees and collaborators participated, supporting the company's commitment to this cause.

WE PROMOTE DIVERSITY AND EQUAL OPPORTUNITIES

At URBASER we are committed to diversity among employees as an enriching element for the company. Within the framework of the **Corporate Equality and Diversity Policy** we reject all forms of discrimination and are committed to guaranteeing and promoting diversity, inclusion and equal opportunities for the entire workforce.

The incorporation of people of different nationalities, the effort to increase the presence of women in a sector with a traditionally male workforce, as well as the collaboration with different entities to incorporate people at risk of exclusion or with disabilities in the teams, are proof of the commitment acquired by the company in this area.

In this sense, in Spain we work on the areas established by the **Equality Plans**¹². In the rest of the countries, we have begun to implement measures to ensure that all areas of the company ensure equal opportunities and promote greater diversity in the workforce, providing safe working environments for everyone. In addition, we work closely with employee representatives to establish commitments and objectives that are reflected in the different Equality Plans.

The risk identification process derived from the analysis of the Equality Plan includes a diagnosis of the company and the analysis of the human resources policies or practices carried out by the company's equality agent. Among other risks identified, in Spain, activities subject to "labour subrogation" stand out, as they perpetuate existing workforces (mostly male), making it difficult to incorporate female personnel.

At URBASER we work every day to create a company culture in which the gender perspective is applied through formal and informal procedures. In a sector traditionally associated with the male gender, we try to **normalize a greater presence of women**. In this work we have always counted on the collaboration of the workers' representatives as a key element in establishing the joint commitments and objectives that are reflected in the different equality plans.



Team of the (CIAM) Alfonso Maíllo Technological Innovation Centre, located in Zaragoza.

¹² The Equality Plans apply to the companies Urbaser S.A.U., Socamex S.A., Sertego S.A., Enviser S.A., and Sirsa S.A.U.

DIVERSITY AND URBASER

The main objective of this corporate initiative, developed internally by the Organisation and People Management Department in 2020, is to promote training, awareness and dissemination of key concepts related to equal opportunities (including the identification of gender biases) and, even more, related to the diversity that characterises work environments in all their facets.

In line with the company's Equality and Diversity Policy, this project reflects our commitment to achieve a working environment based on equal treatment and opportunities between men and women and the promotion of inclusion and diversity

in our workforces, fostering working environments of understanding and acceptance, in which all people are respected and where there is zero tolerance for all types of discrimination.

The campaign has been addressed to part of the URBASER workforce in Spain, in order to guarantee the commitments mentioned above within the organisation. Approximately 1,000 people have actively participated in the proposed initiative, which has had a considerable impact, also because of the introduction of innovative aspects in the field of pedagogical methodologies.

AVERAGE TOTAL REMUNERATION (IN EUROS)*

CATEGORY	2019			2020		
	Women	Men	Ratio	Women	Men	Ratio
Management Team	89,608.12	129,747.98	0.69	112,548.13	145,338.68	0.77
Middle management	37,994.15	47,755.65	0.80	50,483.64	64,082.56	0.79
Technicians	26,506.12	28,548.15	0.93	33,188.67	34,986.55	0.95
Operational positions	18,579.39	19,164.44	0.97	19,335.42	24,668.72	0.78

* Includes fixed and variable remuneration

Throughout 2020 we have continued to work with different actors to contribute to real equality of opportunity and diversity



Urbaser S.A.U. is adhered to the initiative of the Spanish Ministry of the Presidency, Relations with the Courts and Equality “**More Women, Better Companies**”, by which it is committed to promoting equality through actions that promote the increase of women in management positions.



Since 2019, the company has been part of the **Network of Companies Committed to Diversity (Red+D)**, a meeting place that allows companies and institutions committed to diversity to share ideas, experiences and initiatives in this field.



Urbaser S.A.U. is a signatory of the **Diversity Charter**, assuming and publicly committing itself to the following basic principles regarding Equality and anti-discrimination:

- To raise awareness of the principles of equal opportunities and respect for diversity.
- To advance in the construction of a **diverse workforce** by promoting the integration of people with diverse profiles (regardless of gender, sexual orientation, race, nationality, ethnic origin, religion, beliefs, age, disability, etc.).
- To promote inclusion **by avoiding any type of discrimination** (direct or indirect) at work.
- To consider diversity in all people management policies
- To **promote work-life balance** through a balance between work, family and leisure time.
- To acknowledge the diversity of customers by recognizing that their diversity is also a source of innovation and development.
- To extend and communicate the commitment to being a signatory of the Diversity Charter to employees and supplier companies, administrations, business organisations, trade unions and other social agents.
- To reflect the activities in support of non-discrimination, as well as the results obtained from the **implementation of diversity policies** in the company's annual report.



As a sign of the company's commitment to the Principles of Equal Opportunities, URBASER is adhered in Spain to the **Code of Best Practices for the Management of Talent and the Improvement of the Competitiveness of the Companies**, elaborated by the Spanish Association of Executives and Directors, where recommendations are shown for the adoption of measures oriented to improve its competitiveness facilitating the access of the best talent, without gender biases, to the positions of greater responsibility.



URBASER is part of the **Social Impact Cluster**, coordinated by Forética, a business meeting point for leadership, knowledge, exchange and dialogue on social impact (internal and external).



PROYECTO *Promociona*

Participation in Spain in the “**Programa Promociona**” during the 2019-2020 academic year, organised by the Women's Institute and the CEOE (Spanish Confederation of Business Organisations). This programme is specifically designed to develop the professional and leadership competencies and skills of highly qualified women to facilitate their promotion to the front line of organizations.

At URBASER we are firmly committed to inclusion and diversity as key factors for competitiveness. We have a culturally and generationally diverse workforce, which brings different perspectives to the work teams, encouraging the development of enriching ideas and solutions.

WORKFORCE BY COUNTRY OF ORIGIN

	2020
Spain	22,485
Chile	5,070
Argentina	3,832
Colombia	2,060
France	1,115
India	986
Other	5,397

Sow Equality. Diversity Contributes

SPAIN

This initiative carried out in Spain, launched on 8 March to commemorate International Women's Day, seeks to encourage and promote equality, training and development of all our professionals. José María López Piñol, CEO of URBASER, addressed all employees by letter to encourage everyone's commitment to equality without prejudice or gender roles, betting on a diversity of added value.

In 2020, we achieved 207 job incorporations of people with disabilities (in 2019, 245) and 927 job incorporations of people at risk of social exclusion (in 2019, 1,344).



2020	207 PEOPLE WITH DISABILITIES	927 PEOPLE AT RISK OF SOCIAL EXCLUSION
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PARTNERSHIPS TO PROMOTE EQUAL OPPORTUNITIES AND SOCIAL INCLUSION

In the company we believe in collaboration and interaction with organizations as an engine of change and, therefore, we collaborate with the following entities with the aim of achieving the integration of people at risk of exclusion in the workplace:

- We are a member of the **Board of Trustees of the Integra Foundation in Spain**, which since 2001 has been working to help people at risk of social exclusion and people with disabilities through their integration into the workplace.
- We collaborate with the **“Red de Empresas del Programa Incorpora”** of the Obra Social de la Fundación La Caixa in Spain.
- We participate in the project **“Recycling to change lives”** of Ecoembes and La Caixa, incorporating students for internships.
- As a result of the effort and commitment of the entire company to the integration of people at risk

of social exclusion, the **Integra Foundation** in 2020 awarded the Human Resources Special Mention to Ignacio García Gómez, Human Resources Director, for his work in the recruitment process of people in vulnerable situations.

TIRME RENEWS ITS COLLABORATION AGREEMENT WITH FUNDACIÓ DEIXALLES

The Fundació Deixalles and Tirme, a company belonging to URBASER, have agreed in 2020 to renew the agreement that has been regulating their collaboration for the last 18 years. This is a cooperation project that constitutes a state-level reference of best practices in the field of social responsibility and labour reinsertion.

The results of this long collaboration have allowed the incorporation of around 1,000 people into the labour market. Currently, thanks to this project, 38 people work in the facilities of the public service managed by Tirme, 24 of them with insertion contracts. In addition, 30% of jobs are held by women.

The workers who join from Fundació Deixalles carry out different activities related to waste treatment in the facilities managed by Tirme, such as the triage of waste in the packaging selection plant or in the methanisation-composting plant. During 2020, a training course with internships was held for incorporation in the

light packaging sorting plant and, as a result, 12 new employment contracts were signed.

The complicated health and economic situation generated by COVID-19 made it essential not only to continue supporting the project, but also to reinforce and improve this collaboration as far as possible. Bearing in mind that waste can constitute a vector of contagion, special emphasis has been placed on the implementation of extraordinary measures at the plant to prevent the spread of the virus, without having to reduce the collaboration between the two entities.

In this way Tirme's commitment to the promotion of green employment is maintained, within its strategy based on a circular economy that prioritises aspects related to the sustainability and social aspects of its activity.

HARASSMENT PROTOCOL

Urbaser S.A.U.'s Harassment Protocol is based on three key objectives: to adopt the necessary measures to prevent any situation of harassment from occurring, to make it easier for employees to identify any situation of moral, sexual or gender-based harassment or discriminatory treatment, and to establish an action procedure to investigate and, if appropriate, punish possible situations of harassment.

Operationally, and with the aim of guaranteeing the confidentiality of cases, Urbaser S.A.U. has an "instructor" in Spain, to whom employees or their legal representatives must report any possible situation of harassment they detect. The protocol must be known and available to all the people who work in the company, which is why it is published internally. In

addition, new recruits receive training and complete information on Equal Opportunities and Harassment in their Welcome Plan, where they are provided with all the documents relating to the Equality Plan and the company's harassment protocol.

The main task of the Harassment Prevention Committee, made up of company employees and trade union representatives on a parity basis, is to objectively assess the facts and actions contemplated in the report drawn up by the instructor, to decide whether or not a situation of harassment at work exists and to propose, where appropriate, the necessary corrective and disciplinary measures.

WORK-LIFE BALANCE AND DISCONNECTION

In URBASER we have measures aimed at facilitating the balance between personal, family and work life of the people who work in the company.

At Headquarters, for example, measures such as flexible start and finish times and intensive working hours on Fridays and in the summer months are applied.

As an important element and initiative, during 2020 we approved the Digital Disconnection Policy, which aims at establishing and regulating the general provisions and guiding principles of the right to limit the use of communication technologies for employees in Spain.

86,02% of the workforce has different work-life balance measures recognised through their collective bargaining agreements negotiated at each centre (84% in 2018). For example, many agreements include measures that involve an improvement by extending the leaves and leaves of absence

regulated by law, reduced working hours, flexibility for shift changes, personal days, unpaid leave or leaves of absence with job reservation for longer than required by law.



HUMAN RIGHTS

Respect for human rights is a fundamental part of the company's culture of social responsibility in all its activities.

As established in the Code of Conduct, the Corporate Social Responsibility Policy and the Health and Safety Policy, approved by the Management Board, at URBASER we are committed to respecting human rights (HR) and public freedoms recognized in the Universal Declaration of Human Rights.

The responsibility for HR is incumbent on all persons and entities to which our Code of Conduct and Policies apply.

Likewise, we assume as basic guidelines of behaviour the 10 principles of the United Nations Global Compact and from URBASER we are working on a Human Rights Policy that will be approved during 2021.

This Policy is being designed based on a risk analysis of HR at an international level and includes the following aspects: freedom of association and collective bargaining, fair remuneration, working hours, forced labour, child labour and discrimination. For this analysis, the risk categories were reviewed and the possible human rights risks associated with the countries in which URBASER operates were analysed, paying special attention to those countries in which the risk of violation may be higher due to the existence of lax legislation in this area.

Regarding the supply chain, we have established in our Code of Ethics for suppliers a series of ethical principles for suppliers, contractors and collaborators that include, among others, the rejection and elimination of forced or coerced labour, child labour, and discrimination, among others.

All employees, customers, suppliers, partners and members of the communities in which we operate

can make use of the "Ethical Channels" available to them in each country to send notifications related to non-compliance with the principles contained in our Code of Conduct.

As mentioned before, in URBASER we are committed to the principles of the United Nations Global Compact. In accordance with these principles, we are obliged to ensure that none of our branches and subsidiaries located outside Spanish territory, nor any of the companies with which we contract, carry out practices that involve forced or compulsory labour or child labour.

In this regard, and despite not having detected any risk related to possible child labour, two years ago we established international guidelines on the age of recruitment and defined specific control measures applicable to all countries. We have also carried out checks to ensure compliance with human rights standards that ensure the welfare of migrant workers in the services the company provides in Oman and Bahrain.

Likewise, even though there are some countries that are not signatories of international conventions of the ILO (International Labour Organization), in the activities we carry out in these countries we are committed to the respect for human rights of people belonging to the most vulnerable groups or collectives, regardless of where we operate.

During 2020, no communications related to breaches of HR were received through the ethics channel and other formal reporting mechanisms

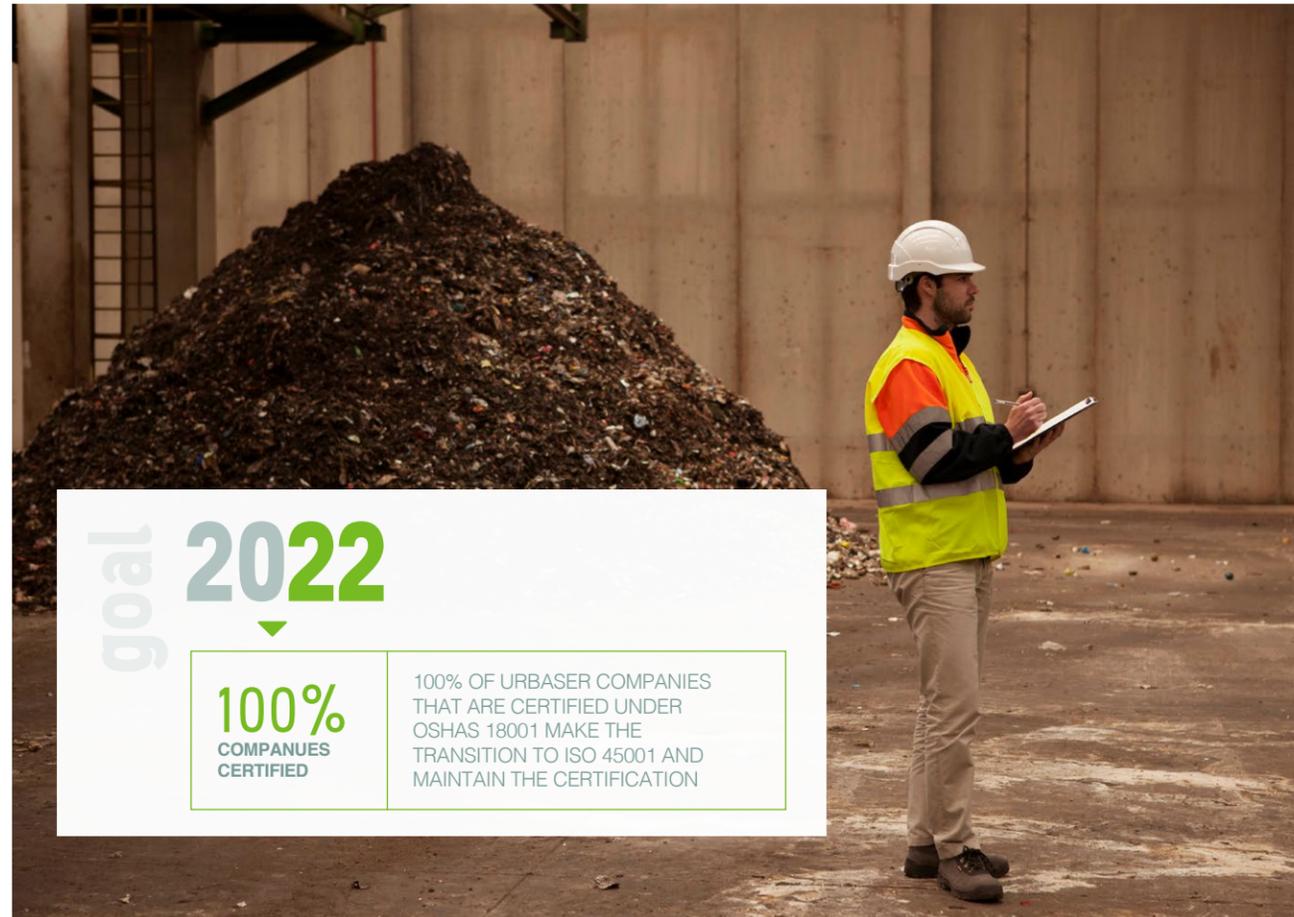
HEALTH AND SAFETY, FUNDAMENTAL COMMITMENTS

At URBASER we consider occupational health and safety a priority objective and a fundamental value for the company's workers to be preserved at all times. The integration of this objective of ensuring a safe and healthy working environment is embodied in the Corporate Policy on Quality, Health and Safety, Environment and Energy.

Since its creation, the company has been committed to the implementation of the OHSAS 18001 standard in its most important activities, guaranteeing that these same requirements are met in the centres that lacked this certification.

ISO 45001:2018 is the first international standard that determines the basic requirements for implementing an Occupational Health and Safety Management

System. Since then, the company has worked to ensure that all the companies that until then had been certified under the OHSAS 18001 standard made the transition to the new ISO 45001. During 2020, work has continued to achieve this objective, and there are already 31 URBASER companies in 9 countries that have an OSH management system certified under ISO 45001.



SAFETY AS A PRINCIPLE

As part of our commitment to occupational safety, at URBASER we pay special attention to operations in which workers are particularly exposed to serious risks.

These situations are managed through the issuance of work permits for the workers involved, who have specific training and information for the development of these operations and in which medical aptitude becomes a fundamental requirement in order to be able to perform them. The duty of surveillance in these situations takes on special importance, which is why these functions are assigned to personnel with special command and qualifications, so that they are present during the development of these works. All this means that these operations are carried out under the strictest safety conditions.

In terms of preventive actions, in 2020 more than 434 specific risk assessments have been carried out (330 assessments in 2019) of different facilities according to planning, in the areas of ergonomics, psychosocial risks, chemical agents, thermal stress, lighting, noise, vibrations, biological agents, etc.

ACCIDENT RATE INDICATORS

	2019	2020
Incidence rate ¹³	100.47	82.18
Frequency index ¹⁴	48.84	37.28
Severity Index ¹⁵	0.94	1.62

RECORDING AND REPORTING ACCIDENTS

Within the framework of the Health and Safety Management System, the internal procedure for the investigation of occupational accidents and incidents and occupational diseases regulates the system for recording and reporting accidents in Spain. It establishes the actions to be carried out, the persons concerned and the information to be provided in the event of an accident at work.

In addition, an investigation report is drawn up for each accident, incident or occupational disease, in which general data is collected, an analysis is made and the preventive and corrective measures to be adopted to avoid repetition are considered.

In 2020, we recorded a total of 3,085 accidents (in 2019, 3,528), 4 fatal accidents (in 2019, 0) and 419 confirmed cases of occupational diseases (in 2019, 17).

In all cases of fatal accidents, an internal communication to the company's management and a compilation of all the information and documentation relating to the accident has been carried out first of all. Subsequently, an investigation is opened to clarify what happened and to establish the necessary preventive and/or corrective measures for each case.

No specific activities with a higher incidence or risk of occupational disease have been identified.

2020	3,085 ACCIDENTS	4 MORTAL ACCIDENTS	419 OCCUPATIONAL DISEASES
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¹³ Incidence rate (No. accidents with sick leave / No. average workers) x 1,000

¹⁴ Frequency index (No. accidents with sick leave / No. hours worked) x 1,000,000

¹⁵ Severity index (No days lost / No hours worked) x 1,000

SHARPS WASTE, A PUBLIC HEALTH PROBLEM

URBASER COLOMBIA

One of the difficulties related to the care of our workers is the improper presentation of sharps waste, which involves two fundamental aspects:

1. The line of waste that can cause cuts such as glass and cans.
2. The line of hypodermic needles.

Although the two types handled wrongly can cause serious injuries, it is necessary to make a differential methodological educational approach. For this reason, the area of social management has undertaken an in-depth work involving the environmental authorities to take high-impact solutions that directly affect the procedures of

identification, selection and responsible delivery of these sharps waste.

Last November, URBASER led the national convention in which municipalities, hospitals and the community participated to address the problem of hypodermic needle sticks, identifying new short- and long-term actions that will minimize the risk of accidents.

In this way we are motivating the prioritization of this issue in the agendas of health organizations and help to reduce the number of accidents among our workers.



HEALTHY COMPANY

We are a healthy company, which fosters a safe working environment and promotes healthy lifestyle habits among employees. To this end, we have designed a plan based on four fundamental pillars: safe working environment, psychosocial health, medical follow-up and social intervention.

In this area, in addition to health assessments by means of employee health surveillance examinations, actions have been channelled in favour of a healthy lifestyle and sport, including solidarity races, the incorporation of healthy food in the company's vending areas and canteens, bicycle parking, campaigns for the consumption of fruit and the use of stairs, the possibility of taking out private medical insurance at advantageous conditions, etc.

For its part, the collection and cleaning service of Barcelona (Spain) has been certified in Healthy Work Environments since 2017 and develops different activities in the four avenues of influence that make up this certification according to the basis and model of the WHO (World Health Organization).

Among the actions carried out, the following are worth mentioning:

Physical work environment.

Improved visibility of service vehicles in order to reduce accidents and traffic incidents.

Psychosocial work environment.

Delivery of a card and cinema tickets to each employee on his or her birthday.

Personal health resources.

Programme to promote healthy habits, both in terms of nutrition and sports.

Involvement in the community enterprise.

Collaboration with the Associació de Veïns del Bon Pastor in the Rebost Solidari, to transport food from the Food Bank and Mercabarna to this entity to help 3240 people throughout 2020.

WE HAVE DESIGNED A PLAN BASED ON FOUR FUNDAMENTAL PILLARS:

health plan



OUTCOME OF COLLECTIVE BARGAINING WITH REGARD TO SAFETY AND HEALTH

Through the agreements and collective bargaining agreements in force in the company and those other agreements reached in the collective negotiations executed throughout 2019 that replace those that have already expired, from URBASER we reinforce day by day our commitment to contribute with a greater improvement and efficiency to the prevention of occupational risks and to reduce the occupational accident rate through the different agreements on the subject included therein.

In this regard, we have reached agreements that strengthen the role of social dialogue in the framework of occupational safety and health. References are reiterated in the company's collective agreements to the need for training, together with information, consultation and participation, to be the most appropriate tool for promoting a preventive culture and attitudinal changes, to the preventive implications of specific examinations to encourage the detection of occupational diseases (or others that may be affected by work performance) and to the application of specific measures in the workplace to prevent them.

From URBASER we reinforce day by day our commitment to contribute with a greater improvement and efficiency to the prevention of occupational risks

WORKERS FORMALLY REPRESENTED IN HEALTH AND SAFETY COMMITTEES



PUBLIC HEALTH

As a company that treats drinking water, we are clearly committed to complying with the legal requirements relating to the sanitary criteria for the quality of water for human consumption, the specifications of the methods of analysis, the exploitation and marketing of water.

All drinking water supply centres have a Self-Control and Supply Management Programme, or a Water Health Plan (for populations with more than 50,000 inhabitants), which includes a description of the supply infrastructure, maintenance programme and analysis programme: frequency, sampling points, parameters to be tested, among others.

For example, the determination of Legionella, a parameter that depends on the characteristics and properties of the water and the environmental temperature and the water itself, is mandatory in certain places where the health inspection so requires, and is included in the aforementioned Self-Control and Supply Management Programme, or a Water Health Plan, as appropriate. This parameter, Legionella, will be mandatory in the future new water directive to be published.

2020 DATA



EMPLOYEES COVERED BY OHSAS 18001 / ISO 45001



INVESTMENT IN HEALTH AND SAFETY TRAINING



INTERNAL AND EXTERNAL AUDITS CARRIED OUT ON HEALTH AND SAFETY ISSUES



HOURS OF HEALTH AND SAFETY TRAINING



HOP: HUMAN & ORGANIZATIONAL PERFORMANCE

HOP: Human & Organizational Performance is a tool used to achieve an evolution towards a resilient corporate cultural framework. The objective is to know how people act in the workplace, in order to subsequently be able to understand and build systems, production processes and organisations that are tolerant of human error.

This process is currently being implemented in Tircantabria, a company belonging to URBASER, where the diagnosis phase has been completed and the beginning of the implementation phase is being planned. In order to achieve the objective, the following phases have been established:



EUROPEAN WEEK CAMPAIGN

At URBASER we are committed to a safe and healthy working environment, seeking continuous improvement in all areas of occupational risk prevention management. Therefore, during the European Week for Safety and Health at Work 2020, focusing on work-related musculoskeletal disorders (MSD), we launched an awareness campaign for employees, reminding them of the most important guidelines to be able to prevent them.

NEW AENOR CERTIFICATION IN SPAIN

URBASER obtained the AENOR certification "Protocol Against COVID-19" which shows the application of best practices in the management of the risks derived from COVID-19, both in offices and in some of the services provided, which demonstrates our commitment to prevent the spread of the virus.



Implementation of the Strategy for the Prevention of Serious and Fatal Injuries by DEKRA at KDM

CHILE

Since April 2020, KDM, a company belonging to URBASER, began the implementation of the Strategy for the Prevention of Serious and Fatal Injuries (SFI) in which through the ACHS-DEKRA alliance we bring the integration of a new safety paradigm, which increases the effectiveness in the prevention of accidents with potential for serious and fatal injuries in our operations,

through the following initiatives:

1. Educate senior leaders on SFI.
2. Provide visibility to SFI exposures.
3. Identify and understand SFI precursors.
4. Integrate interventions into existing safety management systems.

STAGE 1 EVENT EVALUATION AND ANALYSIS

A management team was formed, which defined the alignments for SFI implementation and thus ensured the progress of the process, both in implementation and continuity.

An SFI team was formed to carry out the analysis of SFI precursors, defining the critical controls to verify in the field, making visible the findings associated with culture and leadership that influence the control of exposures with SFI potential, proposing lines of action according to the findings and recommendations for the advancement of the strategy.

STAGE 2 MITIGATION AND SUSTAINABILITY

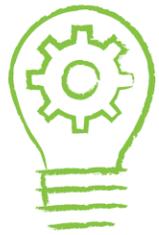
Among the next steps is the prioritization of the lines of action according to the recommendations delivered, following up on the SFI indicators, identifying the barriers to be eliminated and the management and evaluation of the progress of the Critical Controls Verification process.

A team of leaders from the different areas is trained in the Critical Controls Verification to carry out this verification in the field through coaching sessions.

Innovation as a way of being

The current environment is increasingly dynamic and changing, generating constant challenges for the sustainability of companies. This is why that at URBASER we have implemented research, development and technological innovation as the basis for progress, both in our industrial processes and in the urban services we offer.





2020	10.04 MILLION EUROS INNOVATION FIGURE REACHED	35 PROJECTS UNDER DEVELOPMENT
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In recent years, the technical level of the innovation process is becoming complex and requires the dedication of highly specialized resources under an effective formula. For this reason, at URBASER we have implemented an innovation model aimed at positioning ourselves as a benchmark company in the environmental sector by providing innovative solutions for the sustainable development of urban services, municipal and industrial waste treatment and integrated water management.

In Spain we have an R&D&I Management System –certified in accordance with the UNE 166002:2014 standard– to develop innovative actions and a culture of open collaboration that generates high quality knowledge to be applied in the execution of projects related to the different lines of business. Likewise, this R&D&I Management System follows the recommendations collected in the standard of the European Committee for Standardization UNE-CEN/TS 16555-1:2013.

Similarly, URBASER’s innovation model favours collaboration between employees, public administrations, scientific organisations and civil society, thus consolidating the transfer of knowledge to achieve process efficiency and the quality of the services offered through the use of the most appropriate technologies.

Integrating sustainability and innovation, at URBASER we make sustainable innovation possible by following the concept of circular economy; controlling the consumption of natural resources, minimizing waste generation and reducing our carbon footprint.

The success factors in this model are: a highly qualified professional team, first class technological equipment and the incorporation of innovation in the processes and in the key assets for the provision of services, which allow us to offer our clients sustainable urban solutions adapted to each environment.

URBASER’s commitment to R+D+i is reflected in the increase of its own investment for the development of the main innovation actions, which is complemented with public funding, among which national and European aid programmes stand out. In 2020, the innovation figure reached 10.04 million euros, with 35 projects under development.

From URBASER we deploy the innovation strategy through the Technological Innovation Master Plan that includes the main lines of research related to the circular economy, smart cities and the culture of innovation for Spain.

Technological Innovation Master Plan 2019–2023

DURING 2020, WORK HAS BEEN CARRIED OUT ON THE DEPLOYMENT OF THE FIVE STRATEGIC LINES ESTABLISHED IN THE TECHNOLOGICAL INNOVATION MASTER PLAN 2019–2023, THROUGH THE EXECUTION OF THE DIFFERENT INNOVATION PROJECTS AND ACTIONS, WITH A SATISFACTORY EVOLUTION FOR THE ACHIEVEMENT OF THE DEFINED OBJECTIVES.



Processes for waste treatment under the concept of circular economy



Solutions for sustainable mobility in urban services



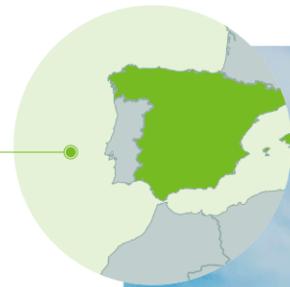
Technologies to reduce environmental impacts



Processes to close the water cycle



Innovative solutions for the management of urban spaces



2020	100 m³ HYDROLYTIC DIGES CAPACITY	60 m³ METHANOGENIC DIGESTER CAPACITY

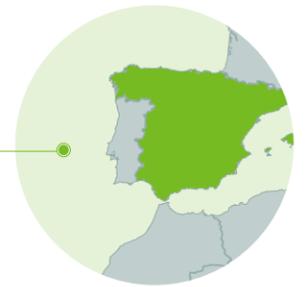
URBIOFIN Project

SPAIN

This project, co-funded by the European Commission through the H2020 Programme, seeks to find the most innovative, profitable, and environmentally sustainable processes aligned with the circular economy, looking for new products to give a second use with greater value and avoiding depositing more and more waste in landfills. That is, reversing the waste pyramid for the benefit of citizens and the environment with the best possible management.

The objective of the URBIOFIN project is to demonstrate the technical and economic viability of the urban biorefinery concept, in which organic waste is not considered as a waste but as a raw material that can be transformed into a variety of usable products, such as new materials, additives, essential components for the chemical industry, biomaterials, etc.

The biorefinery, which has been installed in URBASER's Innovation Centre "Alfonso Maíllo" (CiAM), has a two-phase anaerobic digestion system consisting of a 100 m³ hydrolytic digester to produce volatile fatty acids and a 60 m³ methanogenic digester to produce biogas and digestate (to obtain solid fertilizers). The installed biogas line has an anoxic biofiltration system for the elimination of hydrogen sulphide and a 286m² photobioreactor in which, based on a symbiotic process of microalgae and bacteria, the biogas will be converted into biomethane.



URBABONO Study

SPAIN

At URBASER, as a leader in urban waste management, we not only look for the best and most efficient treatments for each of the waste fractions, but we also try to obtain the highest quality of the products resulting from these processes; this is the case of bio-stabilised waste and compost.

Bio-stabilised waste, which comes from non-selective waste collection, and compost, which comes from the organic fraction collected separately, have a potential for improvement both in their characteristics and in the applications to which they are directed.

The URBABONO study aims to evaluate the fertilizing capacity of the bio-stabilised waste, which comes from an urban waste treatment plant, and its soil improving and enriching power in several specific cereal crops. It is carried out on wheat and barley crops in pots at the INIA facilities¹⁶ and a contract has been signed to carry out a feasibility study on buckwheat during 2021.



URBASER "Alfonso Maíllo" Innovation Centre

SPAIN

A great differentiating element of URBASER is the Innovation Centre "Alfonso Maíllo" (CIAM) as an infrastructure of international reference that develops R+D+i projects in demonstration plants, related to waste treatment in all its phases.

Thanks to the human and technical resources of CIAM, it becomes a tool that favours collaboration and national and European funding in R+D+i. The managers and participants see in these facilities an opportunity for the successful development of projects on a pre-industrial scale, which seek to move from waste to resources, giving value to most of the rejects and by-products generated in waste management and water management activities.

CIAM has specialized resources, laboratory, advanced industrial technological equipment and raw materials for the various wastes. In addition, it is certified according to R&D&I management



standards UNE 16602:2014, quality ISO 9001:2015, environment ISO 14001:2015, energy ISO 50001:2011 and occupational health and safety 45001:2018.

¹⁶ National Institute of Agrarian and Food Research and Technology.

Ethics and corporate governance

Our governance is governed by the principles of efficiency and transparency in decision-making to contribute to the company's profitability and sustainable growth.



SHAREHOLDERS

URBASER's governance is instrumented by different corporate rules, policies and procedures with the aim of making responsible decisions to ensure the proper functioning of the company.

The main governing body, the Board of Directors, is responsible for the supervision, evaluation and monitoring of URBASER's strategy, and its objective is the search for profitability through activities that generate long-term value.

Another of the pillars of URBASER's good governance model is regulatory compliance and internal auditing, developing and implementing rules and controls that guarantee the best way for the company to act.

In 2020 the Board of Directors met 5 times, with an attendance rate of 100%.

Since December 2016, 100% of the shares of Urbaser S.A.U. have belonged to the company "Firion Investments S.L."

GOVERNANCE STRUCTURE: DECISION MAKING PROCESS

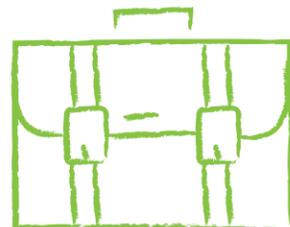
All members of the Board of Directors are men and over 50 years of age.

REMUNERATION POLICY OF THE BOARD OF DIRECTORS

The Sole Shareholder of the company approved, in accordance with the Articles of Association, a maximum amount of remuneration for the members of the Board of Directors.

MANAGEMENT BOARD

The Management Board is made up of seven members with extensive multidisciplinary experience. This Board is the link between the Board of Directors and the rest of the company. The Corporate Social Responsibility area reports directly to a member of the Management Board, so decisions on sustainability are taken at the highest level.



CODE OF CONDUCT

Our Code of Conduct includes the values that must guide the behaviour of all the companies that make up URBASER. The purpose of this Code, which applies to all Directors, Managers and Employees of the company, is to establish the ethical principles and guidelines for action that should govern the development of the company's activities and business relations, both internally, with regard to all its Employees, Managers and Directors in the exercise of their functions, and externally, in the market and with its competitors.

Likewise, the aim is to facilitate the development of daily operations in an ethical, serious, professional and honest environment, in accordance with the most elementary principles of good contractual faith and current legislation.

INTERNAL COMMUNICATION AND WHISTLE-BLOWER CHANNEL

The objective of the internal channel is to facilitate the reporting of any possible irregularity, non-compliance or behaviour contrary to ethics, legality and the rules that govern URBASER. All employees, customers, suppliers, partners and members of the communities in which we operate can make use of the "Ethical Channels" available to them in each country to send notifications related to non-compliance with the principles contained in our Code of Conduct.

During 2020, a total of 19 communications (18 investigated and 17 resolved) were received through channels and / or other formal communication mechanisms (in 2019, 17 communications were resolved), of which 3 were related to alleged situations of harassment and 2 were related to possible violations of the Corporate Anti-Corruption Policy (only one of them could be confirmed). None were related to human rights violations.



URBASER CORPORATE POLICIES

URBASER's corporate policies, designed to establish a framework for action to ensure regulatory compliance, have been approved by the Chief Executive Officer and are applicable to all the company's companies.

With the publication of these policies, we aim at reinforcing our commitment to best practices in corporate governance and transparency as strategic pillars to achieve sustainable growth and increase competitiveness, trust and the positive impact generated in the environments where we operate.



FIGHT AGAINST CORRUPTION, BRIBERY AND MONEY LAUNDERING

In order to prevent corruption, money laundering and bribery, at URBASER we have a Corporate Anti-Corruption Policy whose objective is the promotion of a culture of compliance and the fight against corruption and bribery and other illicit conduct.

On the other hand, we have a Criminal Offence Prevention Model, which is a structured control system aimed at mitigating the risk of committing offences that may result in criminal liability for legal entities, including those that refer to corruption risks.

In order to comply with this Model, we have Regulatory Compliance Bodies, which are responsible for ensuring that the company's ethical commitments are respected, as well as for detecting and mitigating breaches of applicable regulations and improper conduct.

We have also established an action protocol to investigate possible unlawful conduct attributable to the companies, in order to prevent the risk of its possible commission.

During 2020, we have detected, through the internal communication and complaints channel, a case of corruption that could be confirmed (in 2019 there were no cases), having taken the appropriate disciplinary measures.



Reporting criteria and materiality

We are publishing this Report in order to provide our stakeholders with a true and fair view of the company's performance in non-financial reporting during the 2020 financial year.

The company's latest non-financial report was published in 2020, through the Sustainability Report, for financial year 2019.



This Report has been prepared following the information requirements and recommendations of the GRI Consolidated set of Standards for sustainability reporting 2016, according to the essential option). It includes the information necessary to understand the evolution, results and situation of the company, and the impact of its activity with respect to environmental and social issues, as well as those relating to personnel, respect for human rights and the fight against corruption and bribery.

The information included in this Report refers to the activities and services provided by URBASER and its subsidiaries (represented as "URBASER" throughout this Report) during 2020.

The information contained in this Statement of Non-Financial Information has been externally verified by Deloitte.

Scope of information

The scope of the financial and non-financial information corresponds to the scope used in the financial consolidation. This includes investee companies in which the majority shareholding or control is held.

The central departments of URBASER have carried out a process of validation and consolidation of the data obtained.



Materiality and stakeholder relations

This study allows the company to know the importance of the issues related to the business strategy and to identify the expectations and needs of the interested parties. It combines the internal and external view of stakeholders, in accordance with the "Principles for defining report content" of the Global Reporting Initiative (GRI) in accordance with the GRI 101 Standard: Fundamentals.

From URBASER we have reviewed and updated in 2020 the materiality study, through personal interviews and online surveys launched to internal and external stakeholders and reference sources of information for URBASER sectors in order to identify and prioritize the issues of economic, social and environmental nature that are considered of high impact and relevance (material).

PROCESS OUTLINE

5 RELEVANT ISSUES SHEETS

Details on the relevant issues: information on the outlook for Urbaser and link with the **SDGs** and **GRI Standards**

4 RELEVANT ISSUES

Inclusion of internal and external perspectives for the prioritization of **material issues** in terms of sustainability for Urbaser, represented in a materiality matrix.



3 EXTERNAL VIEW

- Assessment of the **relevance of the issues for external stakeholders (unions and suppliers)**
- **Press analysis**
- Inclusion of the relevance of the issues identified in **Ley 11/2018, GRI, SASB and DJSI**

1 IDENTIFICATION OF THE ISSUES

- **Trend analysis**
- **Relevant matters for the business according to prescribers**
- **Industry benchmark**

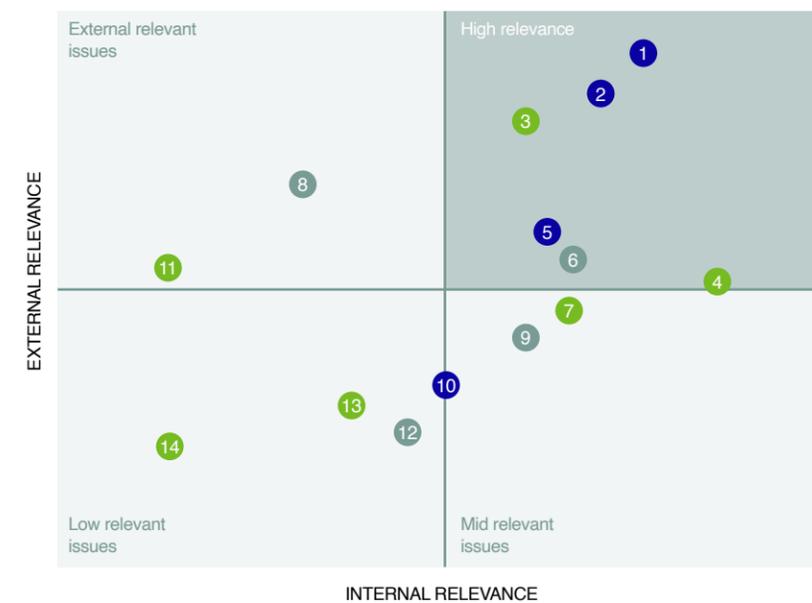
2 INTERNAL PERSPECTIVE

8 interviews with company executives and 2 questionnaires by the delegates

MATERIALITY MATRIX

2020 **14** SUSTAINABILITY ISSUES

A TOTAL OF 14 SUSTAINABILITY ISSUES ISSUES LOCATED IN THE **UPPER RIGHT QUADRANT** OF THE MATRIX ARE THOSE WITH THE **GREATEST INTERNAL AND EXTERNAL RELEVANCE**



RANKING ISSUES

Ordered from highest to lowest relevance

- 1 Corporate governance, ethics and compliance
- 2 Commitment, engagement and stakeholder relation
- 3 Workforce conditions and contractors
- 4 Health and safety conditions
- 5 Strength, business growth and sustainable recovery
- 6 Climate change and energy transition
- 7 Respect of human rights
- 8 Environment protection
- 9 Impacts and integration of circular economy
- 10 Risk management culture
- 11 Socioeconomic impact in the communities
- 12 Smart cities, innovation and digitalization
- 13 Equality and diversity
- 14 Supply chain responsibility



GRI Index



GRI table of contents

GRI Standard	Contents	Material indicator	Section/sub-section of the report	Verification
1. Organisational Profile				
GRI 102-1	Name of the organisation		9. Reporting criteria and materiality	✓
GRI 102-2	Activities, brands, products and services		2. Environmental management for the benefit of the people	✓
GRI 102-3	Location of the headquarters		Queries and additional information	✓
GRI 102-4	Location of operations		2.1 Our figures worldwide	✓
GRI102-5	Ownership and legal form		9. Reporting criteria and materiality	✓
GRI102-6	Markets served		2.1 Our figures worldwide	✓
GRI102-7	Size of the organisation		2.1 Our figures worldwide	✓
GRI102-8	Information about employees and other workers		6.3 Our commitment to employees	✓
GRI102-9	Supply chain		6.2.3 Responsibility and efficiency throughout the supply chain	✓
GRI102-10	Relevant changes in the organisation and its supply chain		2. Environmental management for the benefit of the people 6.2.3 Responsibility and efficiency throughout the supply chain	✓
GRI102-11	Precautionary principle or approach		5.3 Operational risks 5.4 Risks associated to regulatory compliance 5.5 Reputational risks 5.6 Other risks 6.1.2 Environmental provisions and guarantees	✓
GRI102-12	External initiatives		9.2 Materiality and stakeholder relations 6.2 Our commitment to society 6.3.4 We promote diversity and equal opportunities	✓
GRI102-13	Membership in associations		6.3.4 Promoting diversity and equal opportunities 6.2 Our commitment to society	✓
2. Strategy				
GRI102-14	Statement from senior executive decision-makers		Letter from the Chief Executive Officer	✓
GRI102-15	Main impacts, risks and opportunities		5. Minimising risks, enhancing opportunities	✓
3. Business ethics				
GRI 103	Management approach	YES	8. Ethics and corporate governance	✓
GRI102-16	Values, principles, standards and code of conduct	YES	8. Ethics and corporate governance	✓
GRI102-17	Counselling procedure and ethical concerns	YES	8. Ethics and corporate governance	✓

GRI Standard	Contents	Material indicator	Section/sub-section of the report	Verification
4. Governance				
GRI102-18	Governance structure		8. Ethics and corporate governance	✓
GRI102-19	Delegation of authority		8. Ethics and corporate governance	✓
5. Stakeholder engagement				
GRI102-40	List of stakeholders		9.2 Materiality and stakeholder relations	✓
GRI102-41	Collective bargaining agreements		6. Our commitment to employees 6.3.6 Health and safety, fundamental commitments	✓
GRI102-42	Identification and selection of stakeholders		9.2 Materiality and stakeholder relations	✓
GRI102-43	Approaches to stakeholder engagement		9.2 Materiality and stakeholder relations	✓
GRI102-44	Key issues and concerns raised		9.2 Materiality and stakeholder relations	✓
6. Reporting practices				
GRI102-45	Entities included in the consolidated financial statements		9.1 Scope of information	✓
GRI102-46	Defining the contents of the reports and the coverage of the subject matter		Index 9. Reporting criteria and materiality	✓
GRI102-47	List of material topics		9.2 Materiality and stakeholder relations	✓
GRI102-48	Re-expression of information		-	✓
GRI102-49	Changes in reporting		-	✓
GRI102-50	Reporting period		9. Reporting criteria and materiality	✓
GRI102-51	Last report period		9. Reporting criteria and materiality	✓
GRI102-52	Reporting cycle		9. Reporting criteria and materiality	✓
GRI102-53	Contact point for questions about the report		Queries and additional information	✓
GRI102-54	Statement of preparation of the report in accordance with GRI standards		9. Reporting criteria and materiality	✓
GRI102-55	GRI Content Index		10. GRI Index	✓
GRI102-56	External verification		Underwriting report	✓

GRI Standard	Contents	Material indicator	Section/sub-section of the report	Verification
Economic Dimension				
Business continuity plans				
GRI 103	Management approach	YES	2. Environmental management for the benefit of the people	✓
GRI 102-10	Relevant changes in the organisation and its supply chain	YES	2. Environmental management for the benefit of the people 6.2.3 Responsibility and efficiency throughout the supply chain	✓
Diversification of markets and services				
GRI 103	Management approach	YES	2. Environmental management for the benefit of the people	✓
GRI 102-6	Markets served	YES	9. Reporting criteria and materiality	✓
Involvement of Management in sustainability management				
GRI 103	Management approach	YES	8. Ethics and corporate governance	✓
Promoting innovation				
GRI 103	Management approach	YES	7. Innovation as a way of being	✓
Risk management				
GRI 103	Management approach	YES	5.1 Risks inherent to our activity 5.2 Risk management system	✓
GRI 102-15	Main impacts, risks and opportunities	YES	5.3 Operational risks 5.4 Risks associated to regulatory compliance 5.5 Reputational risks 5.6 Other risks 5.7 Turning global challenges into opportunities	✓
Indirect economic impacts				
GRI 103	Management approach	YES	6.2.1 Actions with and for the community	✓
GRI 203-2	Relevant indirect economic impacts	YES	6.2.1 Actions with and for the community 6.2.3 Responsibility and efficiency throughout the supply chain	✓
Compliance				
GRI 103	Management approach	YES	8. Ethics and corporate governance	✓
GRI 205-2	Communication and training on anti-corruption policies and procedures	YES	8. Ethics and corporate governance	✓
GRI 205-3	Confirmed cases of corruption and measures taken	YES	8. Ethics and corporate governance	✓
GRI 413-1	Operations with local community involvement, impact assessments and development programmes	YES	6.2.1 Actions with and for the community	✓

GRI Standard	Contents	Material indicator	Section/sub-section of the report	Verification
Environmental Dimension				
Pollution Prevention				
GRI 103	Management approach	YES	5.1 Risks inherent to our activity	✓
GRI 102-11	Precautionary principle or approach	YES	5.3 Operational risks 5.4 Risks associated to regulatory compliance 5.5 Reputational risks 5.6 Other risks 5.7 Turning global challenges into opportunities 6.1.2 Environmental provisions and guarantees	✓
Environmental Management System				
GRI 103	Management approach	YES	6.1.1 An integral environmental management	✓
Promoting the Circular Economy in treated waste management				
GRI 103	Management approach	YES	6.1.5 Circular economy	✓
GRI 306-2	Waste by type and disposal method	YES	6.1.8 Main environmental magnitudes	✓
Energy management, efficiency and generation				
GRI 103	Management approach	YES	6.1.4 Adaptation to climate change 6.1.5 Mitigation of climate change	✓
GRI 302-1	Energy consumption within the organisation	YES	6.1.4 Adaptation to climate change 6.1.5 Mitigation of climate change 6.1.8 Main environmental magnitudes	✓
GRI 302-3	Energy intensity	YES	6.1.4 Adaptation to climate change 6.1.5 Mitigation of climate change	✓
GRI 302-5	Reducing the energy requirements of products and services	YES	6.1.4 Adaptation to climate change 6.1.5 Mitigation of climate change	✓
Climate change and CO₂ emissions				
GRI 305-1	Direct GHG emissions (Scope 1)	YES	6.1.5 Mitigation of climate change	✓
GRI 305-2	Indirect GHG emissions from power generation (Scope 2)	YES	6.1.5 Mitigation of climate change	✓
GRI 305-3	Other indirect GHG emissions (Scope 3)	YES	6.1.5 Mitigation of climate change	✓
GRI 305-4	Intensity of GHG emissions	YES	6.1.5 Mitigation of climate change	✓
GRI 305-5	Reduction of GHG emissions	YES	6.1.5 Mitigation of climate change	✓
GRI 305-7	Nitrogen oxides (NOX), sulphur oxides (SOX) and other relevant emissions to air	YES	6.1.5 Mitigation of climate change	✓

GRI Standard	Contents	Material indicator	Section/sub-section of the report	Verification
Efficient fleet management				
GRI 103	Management approach	YES	6.1.5 Mitigation of climate change	✓
Promoting the Circular Economy in the management of the treated water cycle				
GRI 103	Management approach	YES	6.1.8 Main environmental magnitudes	✓
GRI 303-1	Interaction with water as a shared resource	YES	6.1.8 Main environmental magnitudes	✓
GRI 303-3	Water extraction	YES	6.1.8 Main environmental magnitudes	✓
Protection of biodiversity				
GRI 304-1	Owned, leased or managed operations located within or adjacent to protected areas or areas of high biodiversity value outside of protected areas		6.1.7 Biodiversity protection	✓
GRI 304-2	Relevant impacts of activities, products and services on biodiversity		5.3 Operational risks	✓
Environmental Compliance				
GRI 307-1	Non-compliance with environmental legislation and regulations	YES	There were no material sanctions registered during 2020.	✓
Social Dimension				
Employment				
GRI 103	Management approach	YES	6.3 Our commitment to employees	✓
GRI 401-1	New employee hires and personnel turnover	YES	6.3 Our commitment to employees	✓ ¹
Health and safety management				
GRI 103	Management approach	YES	6.3.6 Health and safety, fundamental commitments	✓
GRI 403-1	Occupational health and safety management system	YES	6.3.6 Health and safety, fundamental commitments	✓
GRI 403-2	Hazard identification, risk assessment and investigation of incidents	YES	6.3.6 Health and safety, fundamental commitments	✓
GRI 403-3	Occupational Health Services	YES	6.3.6 Health and safety, fundamental commitments	✓

¹ The total number and rate of new employee hires, broken down by age group, gender and region, are not reported.

GRI Standard	Contents	Material indicator	Section/sub-section of the report	Verification
Team				
GRI 103	Management approach	YES	6.3 Our commitment to employees	✓
GRI 102-8	Information about employees and other workers	YES	6.3.1 Main magnitudes regarding employees	✓ ²
GRI 405-2	Ratio of basic salary and remuneration of women vs. men	YES	6.3.4 Promoting diversity and equal opportunities	✓
Training and talent development				
GRI103	Management approach	YES	6.3.2 Talent management	✓
GRI 404-1	Average hours of training per year per employee	YES	6.3.2 Talent management	✓ ³
Risks of human rights violations in our activity				
GRI 103	Management approach	YES	7. Human rights	✓
GRI 102-16	Values, principles, standards and code of conduct	YES	7. Human rights	✓
GRI 102-17	Counselling procedures and ethical concerns	YES	7. Human rights	✓
GRI 406-1	Cases of discrimination and remedial action taken	YES	9.2 Commitment to gender equality and diversity	✓
GRI 408-1	Operations and suppliers with relevant risk of child labour cases	YES	6.3.5 Human rights	✓
GRI 409-1	Operations and suppliers with relevant risk of forced or compulsory labour cases	YES	6.3.5 Human rights	✓
Contribution to the development of sustainable cities				
GRI 103	Management approach	YES	2.2.1 Urban services	✓
Customer management				
GRI 103	Management approach	YES	8. Ethics and corporate governance	✓
Internal communication				
GRI 103	Management approach	YES	6.3.3 A Process that begins with listening	✓
Supply chain				
GRI 204-1	Proportion of spending on local suppliers		6.2.3 Responsibility and efficiency throughout the supply chain Local suppliers are those in which the supplier's country of origin (registered office) coincides with the country making the purchase.	✓
GRI 102 -9	Supply chain		6.2.3 Responsibility and efficiency throughout the supply chain	✓

² The information of the employees that the Group maintains in India is not included.

³ The information is not broken down by gender.

Limited assurance report

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Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT LIMITED ASSURANCE REPORT

To the Sole Shareholder of Urbaser, S.A. (Sole-Shareholder Company),

We have performed the verification, with a scope of limited assurance, of the Sustainability Report for the year ended 31 December 2020 of Urbaser, S.A.U. and Subsidiaries ("Urbaser"), the scope of which is defined in chapter 9, "Reporting and materiality criteria".

Responsibilities of the Directors and Management of the Parent

The preparation and content of Urbaser's Sustainability Report are the responsibility of its Board of Directors. The Report was prepared on the basis of the standards for the preparation of sustainability reports established in the core option of the Global Reporting Initiative (GRI).

These responsibilities also include the design, implementation and maintenance of such internal control as is determined to be necessary to enable the 2020 Sustainability Report to be free from material misstatement, whether due to fraud or error.

The directors of Urbaser are also responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the Sustainability Report is obtained.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our engagement team consisted of professionals who are experts in reviews of non-financial information and, specifically, in information about economic, social and environmental performance.

Our Responsibilities

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed, which refers exclusively to 2020.

We conducted our work in accordance with the requirements established in International Standard on Assurance Engagements (ISAE) 3000 Revised, Assurance Engagements other than Audits or Reviews of Historical Financial Information ("ISAE 3000 Revised"), currently in force, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines published by the Spanish Institute of Certified Public Accountants on attestation engagements regarding non-financial information statements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and, consequently, the level of assurance obtained is substantially lower.

Our work consisted of making inquiries of management and the various units of Urbaser that participated in the preparation of the 2020 Sustainability Report, reviewing the processes used to compile and validate the information presented therein, and carrying out the following analytical procedures and sample-based review tests:

- Meetings held with Urbaser personnel to ascertain the business model, policies and management approaches applied, and the main risks relating to these matters, and to obtain the information required for the external review.
- Analysis of the scope, relevance and completeness of the contents included in the 2020 Sustainability Report based on the business, industry and the nature of Urbaser's operations, taking into account the contents required under current Spanish corporate legislation.
- Analysis of the processes to compile and validate the information presented in the 2020 Sustainability Report.
- Review of the information relating to risks and the policies and management approaches applied in relation to the material matters identified in the 2020 Sustainability Report.
- Verification, by means of sample-based tests, of the non-financial information relating to the contents included in the 2020 Sustainability Report and the appropriate compilation thereof based on the data furnished by Urbaser's information sources.
- Obtainment of a representation letter from the directors and management.

Conclusion

The "GRI Table of Contents" in the Sustainability Report details the content reviewed and the scope limitations of the review, and identifies any content that does not cover all the areas required by the GRI.

As a result of the procedures applied and the evidence obtained, except for the matters identified in the GRI indicators table, nothing came to our attention that might lead us to believe that the Sustainability Report had not been prepared in accordance with the core option of the GRI.

DELOITTE, S.L.



Ignacio Alcaraz Elorrieta

29 April 2021

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