4.2.- Risk management policy

Risk management, as a strategic objective of the OHL Group, focuses on the implementation and maintenance of a reliable risk management system to be used as a management tool at all decision-making levels.

This system develops and implements a common set of processes, risk categories, and management tools and techniques in order to:

- Identify and manage risks at Group and divisional level.
- Implement integrated reporting, enabling the identification and follow-up of key risks.
- Align levels of risk tolerance with Group aims.
- Improve risk-related information and communications.
- Improve risk-response decisions.
- Integrate risk management into the decision-making process.
- Reduce the Group's vulnerability to adverse events.
- Establish and maintain a culture of raising risk awareness.
- Increase the confidence and assurance of the Board of Directors and of stakeholders that material risks are being managed and communicated on a timely basis.

The framework of the OHL Group's risk management process represents how the Group manages risk. The OHL Group manages risk on the basis of the following principles:

- Risk management is included in the main business processes such as planning or operational processes to ensure consistent risk analysis in decision-making.
- The OHL Group analyses and defines its ability to reduce, accept, share or avoid risks. This definition is aligned with and supports the Group's strategic and operational objectives and its declaration on risk tolerance.
- All the OHL Group's risks are identified, prioritised and evaluated, based on risk assessments and potential exposure, by appropriate personnel in the organisation.
- Each functional area and division is responsible for adopting and following the OHL Group Risk Management System. The risks identified are analysed in all divisions and are added together to ensure the adoption of a coordinated response to the most common risks within the Group.
- Each functional area and division carries out periodic reviews of its risk listing in order to update the status of existing risks and to identify emerging risks.
- Each functional area and division supports a culture of transparency, awareness-raising and open dialogue on risk. The OHL Group's Risk Management programme supports and helps facilitate regular debates on risk, corporate risk awareness and communication, and ongoing training on risk management.
- It is the responsibility of each division to proactively disseminate information on significant current or potential risks in a timely manner, and to ensure that risk management information is provided to the corresponding division management, the corporate risk management function or others as deemed appropriate.
- The OHL Group provides the necessary tools and resources to facilitate risk reporting, monitoring and measurement.

The OHL Group's risk management policy is reviewed annually to ensure that it remains in line with the interests of the Group and its stakeholders.

The OHL Group's Audit, Compliance and Corporate Social Responsibility Committee has the ultimate responsibility for ensuring that the commitments included in the risk management policy are up to date and fulfilled on an ongoing basis.

4.2.1 Financial risk management

Financial risks affect mainly the obtainment of the necessary financing when required and at a reasonable cost and the maximisation of the available financial resources. The most significant financial risks are as follows:

- Interest rate risk.
- Foreign currency risk.
- Credit risk.
- Liquidity risk.
- Risk relating to financial instruments associated with the Parent's shares.

Interest rate risk

Interest rate fluctuations change the future flows from assets and liabilities tied to floating interest rates.

This interest rate risk is particularly important in relation to the financing of infrastructure projects and other projects in which project profitability depends on possible changes in interest rates because it is directly linked to project cash flows.

The Group finances its operations using fixed- or floating-rate financial products and, based on estimates of the trend in interest rates and of debt structure targets, it either performs hedging transactions by arranging derivatives to mitigate these risks, also conducting a sensitivity analysis in this connection, or it arranges fixed-rate financing.

Of the Group's total gross debt at 31 December 2017, 3.1% had been hedged while 58.9% was bearing interest at a fixed rate.

The sensitivity of the Group's profit or loss to an increase of 0.5% in interest rates, excluding the debt hedged with hedging instruments and the debt bearing a fixed rate of interest, would have an impact of EUR 2,232 thousand on the profit or loss attributable to the Parent.

Foreign currency risk

Foreign currency risk management is centralised at the Group and various hedging mechanisms are applied to minimise the impact of the changes in value of foreign currencies against the euro.

The foreign currency risks relate basically to:

- Debt denominated in foreign currencies.
- Payments to be made in international markets for the acquisition of procurements or non-current assets.
- Collections arising on projects tied to currencies other than the functional currency of the Parent or of the subsidiaries.
- Investments in foreign subsidiaries.

The Group arranges foreign currency derivatives and currency forwards to hedge significant future transactions and cash flows, in keeping with the acceptable risk limits.

Also, the net assets relating to net investments in foreign operations with a functional currency other than the euro are exposed to the risk of exchange rate fluctuations on the translation of the financial statements of these foreign operations on consolidation.

In October 2017 Obrascón Huarte Lain, S.A. announced that it had entered into an agreement to sell its Concessions division to IFM Investors. The amount receivable for the sale is affected, among other adjustments, by fluctuations in the EUR/MXN and EUR/PEN exchange rates. In this connection, a series of currency forwards were arranged in December 2017. These derivatives do not qualify for hedge accounting and the impact of changes therein is recognised in profit or loss.

EUR (730,641) thousand were recognised in this connection under "Valuation Adjustments - Translation Differences" in the consolidated balance sheet as at 31 December 2017 (31 December 2016: EUR (529,917) thousand).

Non-current assets denominated in currencies other than the euro are financed in that same currency with a view to creating a natural hedge.

The sensitivity analysis of the foreign currency risk of financial instruments for the main currencies in which the Group operates simulated a 10% increase in the foreign currency/euro exchange rate with respect to the rates applicable at 31 December 2017 and 2016, the possible impact of which was as follows:

Currency	Thousands of euros 2017				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	41	693	734	18	752
Algerian dinar	3,842	-	3,842	-	3,842
Kuwaiti dinar	(2,862)	-	(2,862)	-	(2,862)
Canadian dollar	-	32,726	32,726	-	32,726
US dollar	2,078	(5,500)	(3,422)	-	(3,422)
Chilean peso	3,001	(1,044)	1,957	-	1,957
Colombian peso	339	(4,828)	(4,489)	-	(4,489)
Mexican peso	(81)	3,347	3,266	-	3,266
Saudi Arabian nyal	-	7,823	7,823	-	7,823
Qatari riyal	30,672	-	30,672	-	30,672
Peruvian sol	(1,620)	1,544	(76)	-	(76)
Total	35,410	34,761	70,171	18	70,189

Currency	Thousands of euros 2016				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	-	4,463	4,463	138	4,601
Algerian dinar	3,859	-	3,859	-	3,859
Kuwaiti dinar	3,423	-	3,423	-	3,423
Canadian dollar	-	5,092	5,092	-	5,092
US dollar	7,869	32,376	40,245	-	40,245
Chilean peso	7,290	6,781	14,071	-	14,071
Colombian peso	769	5,921	6,690	-	6,690
Mexican peso	340	315,799	316,139	239,697	555,836
Saudi Arabian riyal	-	13,703	13,703	-	13,703
Qatari riyal	46,590	-	46,590	-	46,590
Peruvian sol	1,430	3,932	5,362	-	5,362
Total	71,570	388,067	459,637	239,835	699,472

If a sensitivity analysis were performed using the assumption of a 10% decrease in the foreign currency/euro exchange rate with respect to the rates applicable at 31 December 2017 and 2016, the impact would be as follows:

Currency	Thousands of euros 2017				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	(40)	(631)	(671)	(16)	(687)
Algerian dinar	(3,493)	-	(3,493)	-	(3,493)
Kuwaiti dinar	2,601	-	2,601	-	2,601
Canadian dollar	-	(29,751)	(29,751)	-	(29,751)
US dollar	(1,868)	5,000	3,112	-	3,112
Chilean peso	(2,729)	949	(1,780)	-	(1,780)
Colombian peso	(308)	4,389	4,081	-	4,081
Mexican peso	73	(3,042)	(2,969)	-	(2,969)
Saudi Arabian riyal	-	(7,112)	(7,112)	-	(7,112)
Qatari riyal	(27,883)	-	(27,883)	-	(27,883)
Peruvian sol	1,473	(1,403)	70	-	70
Total	(32,194)	(31,601)	(63,795)	(16)	(63,811)

Currency	Thousands of euros 2016				
	Profit or loss	Translation differences	Attributable equity	Non-controlling interests	Total equity
Czech koruna	-	(4,058)	(4,058)	(125)	(4,183)
Algerian dinar	(3,508)	-	(3,508)	-	(3,508)
Kuwaiti dinar	(3,112)	-	(3,112)	-	(3,112)
Canadian dollar	-	(4,629)	(4,629)	-	(4,629)
US dollar	(7,153)	(29,432)	(36,585)	-	(36,585)
Chilean peso	(6,627)	(6,165)	(12,792)	-	(12,792)
Colombian peso	(699)	(5,383)	(6,082)	-	(6,082)
Mexican peso	(309)	(287,090)	(287,399)	(217,906)	(505,305)
Saudi Arabian ryal	-	(12,457)	(12,457)	-	(12,457)
Qatari riyal	(42,355)	-	(42,355)	-	(42,355)
Peruvian sol	(1,300)	(3,575)	(4,875)	-	(4,875)
Total	(65,063)	(352,789)	(417,852)	(218,031)	(635,883)

Credit risk

Credit risk is the probability that a counterparty to a contract does not meet its contractual obligations, giving rise to a loss.

The Group has adopted a policy of trading only with solvent third parties and obtaining sufficient guarantees to mitigate the risk of incurring losses in the event of non-compliance. The Group obtains information on its counterparty through independent company valuation agencies, other public sources of financial information or its own relationships with customers and third parties.

At 31 December 2017, the net balances of the Group's financial assets exposed to credit risk are:

	Thousands of euros
Non-current financial assets	500,991
Trade and other receivables	1,738,175
Current financial assets	100,330
Current hedging instruments	39,789
Cash and cash equivalents	434,210

Non-current financial assets

Non-current financial assets include loans to associates totalling EUR 67,580 thousand. The Group is aware of the solvency of its associates and does not expect any losses to arise in relation to these financial assets. No write-downs were recognised on these financial assets in 2017.

Non-current hedging instruments

The credit risk of hedging instruments with a positive fair value is limited by the Group, since derivatives are arranged with highly solvent counterparties with high credit ratings and no counterparty accounts for a significant percentage of the total credit risk.

Trade and other receivables

Trade and other receivables includes the balances of "Trade Receivables for Sales and Services" totalling EUR 1,710,407 thousand, of which 51.9% relate to public-sector customers in relation to which the Group does not expect any losses to arise. In certain cases, the Group is entitled to demand interest. The remaining 48.1% relate to private-sector customers which, in general, have a high level of solvency.

Customers are assessed prior to entering into contracts. This assessment includes a solvency study. Over the course of the contract term, changes in debt are monitored on a constant basis and the recoverable amounts are reviewed, and write-downs are recognised whenever necessary.

Liquidity risk

This risk is managed by maintaining adequate levels of cash and marketable securities as well as by arranging and maintaining sufficient financing lines to cover all financing needs and to maintain at all times adequate levels of financial flexibility for the Group's activity.

In order to improve this liquidity position, the Group takes measures in relation to:

- Ongoing management of working capital and, particularly, of "Trade and Other Receivables".
- Optimisation of the financial position of all its companies through ongoing monitoring of cash projections.
- Management of the arrangement of financing lines in capital markets.

The Group presents the repayment schedule at 31 December 2017, of which EUR 680,679 thousand mature in 2018 (see Note 3.17.).

The Group's liquidity position at 31 December 2017 comprises the following:

- Current financial assets amounting to EUR 140,119 thousand.
- Cash and cash equivalents amounting to EUR 434,210 thousand.
- Drawable credit lines and discount facilities amounting to EUR 215,005 thousand.

In 2016 there were four reductions in the Group's credit rating by rating agencies, three levels in the case of Moody's and one level in the case of Fitch, ultimately leaving it at Caa1 and B+ (in both cases with a negative outlook), respectively.

In order to avoid a potential adverse impact on its liquidity profile, the OHL Group initiated a process of dialogue and joint negotiation with its eight main relationship entities (the "Group of Entities"), with a twofold objective: (i) to ensure the maintenance of their support for the Group by signing a formal standstill agreement to maintain the terms and conditions, drawability and limits of the existing financing from that Group of Entities; and (ii) to negotiate a new financing package that would allow the OHL Group to ensure the coverage of its future working capital needs arising from the implementation of its Business Plan.

The renewal of the multi-product syndicated financing agreement (novated on 29 November 2017) was formalised on 30 March 2017 for an aggregate amount of EUR 684 million, for the issue of guarantees (EUR 402 million) and reverse factoring (EUR 92 million), which also includes a revolving credit line of EUR 190 million.

All maturing at 18 months, thereby extending the standstill period until that date, and secured by the shares of OHL Concesiones and OHL Desarrollos.

This financing package, together with the debt reduction measures implemented in 2017 aimed at carrying out a divestment plan and taking decisive actions to generate cash flows/control projects, strengthened the Group's liquidity profile at 31 December 2017.

Note should also be made of the agreement entered into on 30 November 2017 by OHL and IFM Investors for the sale of all the Group's ownership interest in OHL Concesiones. This transaction should be completed in the first quarter of 2018 and will represent a significant cash inflow for the Group, which will substantially reduce its gross recourse borrowings and improve its available recourse liquidity.

4.2.2. - Capital management

The objective of the Group's capital management is to maintain an optimum financial structure that enables it to reduce the cost of capital but also guarantees the capacity to continue managing recurring operations and undertaking new projects focused on growth and the creation of value.

In order to achieve this target, the Group considered it necessary to strengthen its financial structure to undertake investments in new concession operators and also to reduce its net financial debt. Accordingly, on 30 October 2015, it increased capital by a par value of EUR 119,410 thousand, through the issue of 199,018,056 new shares of EUR 0.60 par value and a share premium of EUR 4.42 each, of the same class and series as the existing shares.

The total amount of the capital increase, i.e. par value plus share premium, excluding expenses, was EUR 999,070 thousand.

In addition to obtaining funds from its shareholders, the main sources used by the Group to finance its growth and operations are as follows:

- Cash flows generated by the Group that are not related to project finance, including dividends arising from projects.
- Project finance, which is always long term and with recourse only to the cash flows generated and the project assets being financed and always in the same currency as the revenue from the related project.
- Short-term corporate finance, with recourse mainly to the Parent, used to cover the possible seasonality of business during the year.
- Long-term corporate finance, with recourse mainly to the Parent, always of a moderate amount with respect to equity and in proportion to the cash generated.

The capital structure is controlled through the leverage ratio (calculated as the ratio of net financial debt to equity).

These ratios at 31 December 2017 and 2016 are as follows:

	Thousands of euros				
	2017	%	2016	%	Change %
Equity	**4,183,330**		**4,042,893**		**3.6**
Total financial debt					
Non-current	893,556	56.8	3,777,065	86.0	-76.3
Current	680,679	43.2	615,201	14.0	10.6
Total gross financial debt	**1,574,235**	**100.0**	**4,392,266**	**100.0**	**-64.2**
Total net financial debt	**999,906**		**2,910,946**		**-65.7**
Total net financial debt including that of discontinued operations	**2,243,332**		**2,910,946**		**-1.5%**
Total net debt including discontinued operations/Equity	**0.54**		**0.72**		

Total net financial debt decreased in 2017 due mainly to the discontinuation of the Concessions business (see Note 1.3.).

4.3.- Number of employees

The average number of employees in 2017 and 2016, by professional category, was as follows:

Professional category	Average number of employees	
	2017	2016
Management and university graduates	481	594
Further education college graduates	1,799	1,821
Non-graduate line personnel	2,918	2,925
Clerical staff	1,379	1,631
Other employees	14,991	15,179
Total	21,568	22,150
Permanent employees	12,971	13,945
Temporary employees	8,597	8,205
Total	21,568	22,150

The average number of employees at the Group with a disability equal to or greater than 33% in 2017 was 521 (2016: 393).

Of the average number of employees in 2017, 7,997 were women and 13,571 were men.

4.4.- Related party transactions

Related party transactions are deemed to be transactions with parties outside the Group but with which there are strong ties as defined in Ministry of Economy and Finance Order EHA/3050/2004, of 15 September, and in Spanish National Securities Market Commission (CNMV) Circular 1/2005, of 1 April.

The following transactions were performed with related companies in 2017 and 2016:

Income and expenses	Thousands of euros			
	2017	% of total	2016	% of total
Revenue	33,139	1.03	27,148	0.81
Other operating income	1,359	0.81	1,251	0.69
Finance income	5,382	15.15	3.538	14.32
Procurements	4,568	0.22	9,916	0.38
Other operating expenses	5,409	1.12	6,474	1.00
Other transactions				
Acquisitions of intangible assets	711	-	819	-
Acquisitions of property, plant and equipment	-	-	29	-
Acquisitions of financial assets	8,470	-	49,282	-
Financing agreements: loans granted	-	-	180,209	-
Financing agreements: repayment of loans granted	926	-	103,000	-
Dividends paid	1	-	5,003	-

The following transactions were performed with the related companies of the discontinued Concessions business in 2017 and 2016:

Income and expenses	Thousands of euros			
	2017	% of total	2016	% of total
Revenue	-	-	689	2.17
Procurements	-	-	417	0.29
Other operating expenses	551	0.32	593	0.60
Finance costs	-	-	-	-
Other transactions				
Acquisitions of intangible assets	-	-	90	-
Financing agreements: loans granted	-	-	30,000	-
Financing agreements: repayment of loans granted	-	-	63,000	-
Financing agreements: advances to suppliers	-	-	20,553	-

The detail of the related party transactions in 2017 is as follows:

Employer identification number	Related company		Group company	Thousands of euros
PT502473525	ADP-Fertilizantes, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	10
B22279087	Agralia Fertilizantes, S.L.	Revenue	Avalora Tecnologías de la Información, S.A.	1
B86092145	Centro Canalejas Madrid, S.L.U.	Revenue	Obrascon Huarte Lain, Desarrollos, S.L.	1,920
B86092145	Centro Canalejas Madrid, S.L.U.	Revenue	Obrascon Huarte Lain, S.A.	22,593
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	50
B86413846	Espacio Arpada Desarrollos, S.L.	Revenue	Obrascon Huarte Lain, S.A.	33
A87287223	Espacio Caleido, S.A.	Revenue	Obrascon Huarte Lain, S.A.	4,896
A80400351	Espacio Information Technology, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	166
A80420516	Ferroatlántica, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	60
FR33842005177	FerroPem, SAS	Revenue	Avalora Tecnologías de la Información, S.A.	2
A28165298	Fertiberia, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	97
A28165298	Fertiberia, S.A.	Revenue	Chemtrol Proyectos y Sistemas, S.L.	4
A28165298	Fertiberia, S.A.	Revenue	Comercial de Materiales de Incendio, S.L.	28
A28165298	Fertiberia, S.A.	Revenue	OHL Industrial Mining & Cement, S.A.	4
A28165298	Fertiberia, S.A.	Revenue	S.A. Trabajos y Obras	260
A82500257	Grupo Villar Mir, S.A.U.	Revenue	Obrascon Huarte Lain, Desarrollos, S.L.	1,000
A28027399	Inmobiliaria Colonial, S.A.	Revenue	Obrascon Huarte Lain, S.A.	1,203

Employer identification number	Related company		Group company	Thousands of euros
A28027399	Inmobiliaria Colonial, S.A.	Revenue	OHL Servicios - Ingesan, S.A.U.	125
A28294718	Inmobiliaria Espacio, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	47
A28294718	Inmobiliaria Espacio, S.A.	Revenue	OHL Servicios - Ingesan, S.A.U.	2
A28661262	Intergal Española, S.A.	Revenue	Avalora Tecnologías de la Información, S.A.	2
A28032829	Padacar, S.A.U.	Revenue	Avalora Tecnologías de la Información, S.A.	6
A28032829	Padacar, S.A.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	84
B82607839	Promociones y Propiedades Inmobiliaria Espacio, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	10
B82607839	Promociones y Propiedades Inmobiliaria Espacio, S.L.U.	Revenue	Obrascon Huarte Lain, S.A.	104
B84996362	Torre Espacio Gestión, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	35
B84996362	Torre Espacio Gestión, S.L.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	360
B86727500	Torre Espacio Restauración, S.L.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	7
B85253888	Villar Mir Energía, S.L.U.	Revenue	Avalora Tecnologías de la Información, S.A.	3
B85253888	Villar Mir Energía, S.L.U.	Revenue	OHL Servicios - Ingesan, S.A.U.	27
B86092145	Centro Canalejas Madrid, S.L.U.	Other operating income	Obrascon Huarte Lain, S.A.	42
A80400351	Espacio Information Technology, S.A.U.	Other operating income	Obrascon Huarte Lain, S.A.	69
B87238689	Espacio-OHLD Proyectos Singulares, S.L.	Other operating income	Obrascon Huarte Lain, S.A.	1
A28165298	Fertiberia, S.A.	Other operating income	Obrascon Huarte Lain, S.A.	1
A80420516	Ferroatlántica, S.A.U.	Other operating income	Obrascon Huarte Lain, S.A.	5

Employer identification number	Related company		Group company	Thousands of euros
A82500257	Grupo Villar Mir, S.A.U.	Other operating income	Obrascon Huarte Lain, S.A.	1,218
A28294718	Inmobiliaria Espacio, S.A.	Other operating income	Obrascon Huarte Lain, S.A.	6
B87801668	Proyecto Canalejas Group, S.L.	Other operating income	Obrascon Huarte Lain, Desarrollos, S.L.	8
B84996362	Torre Espacio Gestión, S.L.U.	Other operating income	Obrascon Huarte Lain, S.A.	9
B86830536	Alse Park, S.L.	Finance income	Obrascon Huarte Lain, Desarrollos, S.L.	41
B86092145	Centro Canalejas Madrid, S.L.U.	Finance income	Obrascon Huarte Lain, Desarrollos, S.L.	986
A82500257	Grupo Villar Mir, S.A.U.	Finance income	Obrascon Huarte Lain, S.A.	4,158
A28294718	Inmobiliaria Espacio, S.A.	Finance income	Avalora Tecnologías de la Información, S.A.	110
A28032829	Pacadar, S.A.U.	Finance income	Obrascon Huarte Lain, S.A.	87
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Procurements	Avalora Tecnologías de la Información, S.A.	1
A80400351	Espacio Information Technology, S.A.U.	Procurements	Avalora Tecnologías de la Información, S.A.	2,708
B85253888	Pacadar, S.A.U.	Procurements	Obrascon Huarte Lain, S.A.	394
B85253888	Padacar, S.A.U.	Procurements	Construcciones Adolfo Sobrino, S.A.	1,465
B86830536	Alse Park, S.L.	Other operating expenses	Obrascon Huarte Lain, S.A.	29
B86830536	Alse Park, S.L.	Other operating expenses	OHL Servicios - Ingesan, S.A.U.	2
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Agrupación Guinovart Obras y Servicios Hispania, S.A.	10
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Asfaltos y Construcciones Elsan, S.A.	13

Employer identification number	Related company		Group company	Thousands of euros
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Construcciones Adolfo Sobrino, S.A.	3
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	356
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Agrupación Guinovart Obras y Servicios	107
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Asfaltos y Construcciones Elsan, S.A.	87
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Catalana de Seguretat i Comunicacions, S.L.	15
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Chemtrol Proyectos y Sistemas, S.L.	14
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Construcciones Adolfo Sobrino, S.A.	28
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Constructora de Proyectos Viales de México, S.A. de C.V.	161
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	EyM Instalaciones, S.A.	45
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Obrascon Huarte Lain, Desarrollos, S.L.	10
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	2,973
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Arabia, LLC	26
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	OHLDM, S.A. de C.V.	14
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Industrial Mining & Cement, S.A.	4
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Industrial, S.L.	29
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Servicios - Ingesan, S.A.U.	20
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	S.A. Trabajos y Obras	60
A28165298	Fertiberia, S.A.	Other operating expenses	S.A. Trabajos y Obras	1

Employer identification number	Related company		Group company	Thousands of euros
B82607839	Promociones y Propiedades Inmobiliarias Espacio, S.L.U.	Other operating expenses	Obrascon Huarte Lain, Desarrollos, S.L.	1,200
B82607839	Promociones y Propiedades Inmobiliarias Espacio, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	135
B84996362	Torre Espacio Gestión, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	36
B84996362	Torre Espacio Gestión, S.L.U.	Other operating expenses	S.A. Trabajos y Obras	1
B86727500	Torre Espacio Restauración, S.L.U.	Other operating expenses	Obrascon Huarte Lain, Desarrollos, S.L.	1
B86727500	Torre Espacio Restauración, S.L.U.	Other operating expenses	Obrascon Huarte Lain, S.A.	28
B86092145	Centro Canalejas Madrid, S.L.U.	Sales of property, plant and equipment	Obrascon Huarte Lain, S.A.	1
A80400351	Espacio Information Technology, S.A.U.	Acquisitions of intangible assets	Obrascon Huarte Lain, S.A.	711
A82500257	Grupo Villar Mir, S.A.U.	Acquisitions of financial assets	Obrascon Huarte Lain, Desarrollos, S.L.	8,470
B86830536	Alse Park, S.L.	Financing agreement: repayment of loan granted	Obrascon Huarte Lain, Desarrollos, S.L.	926
B86092145	Centro Canalejas Madrid, S.L.U.	Guarantees for construction work	Obrascon Huarte Lain, S.A.	4,387
B86092145	Centro Canalejas Madrid, S.L.U.	Financial guarantees	Obrascon Huarte Lain, S.A.	21,395

The detail of the transactions performed in 2017 by companies belonging to the discontinued Concessions business is as follows:

Employer identification	Related company		Group company	Thousands of euros
B83393066	Enérgya VM Gestión de Energía, S.L.U.	Other operating expenses	Terminales Marítimas del Sureste, S.A.	250
A80400351	Espacio Information Technology, S.A.U.	Other operating expenses	OHL Concesiones, S.A.	295
B84996362	Torre Espacio Gestión, S.L.U.	Other operating expenses	OHL Concesiones, S.A.	2
B86727500	Torre Espacio Restauración, S.L.U.	Other operating expenses	OHL Concesiones, S.A.	4

These transactions, which are performed under a contractual relationship, were carried out on an arm's length basis.

At 31 December 2017 and 2016, the balances with related companies were as follows:

	Thousands of euros			
	2017	% of total	2016	% of total
Non-current assets				
Other receivables	101,524	22.56	96,578	25.53
Current assets				
Advances to suppliers and subcontractors	-	-	37,087	31.48
Trade receivables for sales and services	10,744	0.63	5,266	0.29
Sundry accounts receivable	1,613	2.36	490	0.34
Investment securities	-	-	6,326	1.60
Other receivables	7,000	6.95	7,909	2.91
Non-current liabilities				
Other non-current liabilities	1,500	9.45	-	-
Current liabilities				
Customer advances	4,587	0.96	5,280	1.14
Accounts payable for purchases and services	841	0.08	895	0.06
Notes payable	-	-	2,118	11.00
Other non-trade payables	212	0.93	199	0.20

The balances with related companies associated with discontinued operations at 31 December 2017 are as follows:

	Thousands of euros	
	2017	% of total discontinued operations
Non-current assets		
Advances to suppliers and subcontractors	34,110	95.67
Current liabilities		
Accounts payable for purchases and services	7	0.01

In addition, at 31 December 2017 the Group had provided guarantees for related entities amounting to EUR 57,570 thousand.

4.5 Backlog

At 31 December 2017, the Group's backlog amounted to EUR 6,460,737 thousand (31 December 2016: EUR 6,900,292 thousand).

The breakdown of the Group's backlog, by activity and geographical market, is as follows:

Business activity	Thousands of euros					
	2017			2016		
	Short-term	Long-term	Total	Short-term	Long-term	Total
Construction	5,568,294	224,487	5,792,781	5,880,909	225,396	6,106,305
Industrial	312,107	-	312,107	437,256	-	437,256
Services	355,849	-	355,849	356,731	-	356,731
Total backlog	6,236,250	224,487	6,460,737	6,674,896	225,396	6,900,292

The long-term backlog includes an estimate of the future net sales of Construction concession operators over the entire term of the concession based on the economic and financial plan of each concession.

Of the total short-term backlog at 31 December 2017, EUR 4,976,279 thousand related to public sector customers and EUR 1,259,971 thousand to private sector customers (2016: EUR 4,514,772 thousand and EUR 2,385,520 thousand, respectively).

Geographical market	Thousands of euros					
	2017			2016		
	Short-term	Long-term	Total	Short-term	Long-term	Total
US and Canada	2,079,173	-	2,079,173	1,691,379	-	1,691,379
Mexico	387,963	-	387,963	600,045	-	600,045
Chile	999,455	87,615	1,087,070	1,125,205	88,524	1,213,729
Peru	224,297	-	224,297	247,583	-	247,583
Colombia	374,011	-	374,011	624,435	-	624,435
Spain	1,407,092	136,872	1,543,964	1,400,922	136,872	1,537,794
Central and Eastern Europe	214,666	-	214,666	190,906	-	190,906
Other countries	549,593	-	549,593	794,421	-	794,421
Total backlog	6,236,250	224,487	6,460,737	6,674,896	225,396	6,900,292

At 31 December 2017, the backlog abroad represented 76.1% of the total backlog (31 December 2016: 77.7%).

4.6.- Contingent assets and contingent liabilities

4.6.1.- Contingent assets

There were no material contingent assets at 31 December 2017.

4.6.2.- Contingent liabilities and guarantees

4.6.2.1.- Guarantees provided to third parties

The contingent liabilities include the normal liability of construction companies for the performance and completion of the project contracts held by the Group companies and those arranged by the UTEs in which they have interests. The subsidiaries in Spain also have a secondary liability for the obligations of their subcontractors to the social security system with respect to their site employees. No losses are expected to be incurred by the Group in this connection.

At 31 December 2017, the Group companies had provided EUR 3,672,965 thousand of guarantees to third parties (31 December 2016: EUR 3,922,822 thousand), of which, in accordance with standard practice in the industry, EUR 3,550,465 thousand (31 December 2016: EUR 3,759,089 thousand) related to completion bonds deposited with public authorities and private sector customers to guarantee proper performance of the project contracts, and the remainder to provisional guarantees for project bids.

Of the total EUR 3,762,965 thousand of guarantees to third parties, EUR 348,846 thousand relate to companies belonging to the discontinued Concessions business. Also, of the total EUR 3,550,867 thousand of guarantees deposited with public authorities and private sector customers to guarantee proper performance of the project contracts, EUR 288,718 thousand relate to companies belonging to the discontinued Concessions business.

4.6.2.2.- Joint and several personal financial guarantees

Also, certain Group companies had provided joint and several personal guarantees to various entities (mainly banks) as security for the credit facilities granted to other associates, which amounted to EUR 50,493 thousand at 31 December 2017 (31 December 2016: EUR 26,435 thousand).

The Parent's directors do not expect any additional liabilities to arise in connection with these guarantees that might affect the 2017 consolidated financial statements.

4.6.2.3.- Guarantees for financial instruments

The Group has loans secured by shares of its investees (see Notes 3.17.1. and 4.2.).

Certain Group companies have provided guarantees to various entities to secure derivatives granted to other associates, the amount of which at 31 December 2017 was EUR 6,095 thousand (31 December 2016: EUR 4,199 thousand).

The Parent's directors do not expect the collateral guarantees to pose a significant risk for the Group's liquidity.

4.6.2.4.- Investment commitments

The concession operators are obliged, under the concession arrangements, to make certain investments (see Note 3.2.).

These investments will be financed through loans granted to, capital increases at, and cash flows generated by, the concession operators. Given that these are estimates and neither the amounts to be received through the loans nor the cash flows to be generated by the concessions are fixed, the amount and the timing of the capital increases at the subsidiaries is not certain.

4.6.2.5.- Litigation

At the end of 2017 certain lawsuits were in process involving the Parent and/or its subsidiaries as a result of the ordinary course of their operations.

The Group's most significant lawsuits, by operating segment, are as follows:

Concessions

- In June 2008 and 2009 the concession operator **Autopista Eje Aeropuerto Concesionaria Española, S.A.U.** filed two claims (the latter refiled on 31 July 2013) against the Ministry requesting that the economic feasibility of the concession be restored and that the concession arrangement be rendered null and void with the reimbursement of the amounts invested, respectively.

  At the date of these consolidated financial statements, the authorities had not handed down any decision on these requests.

  In order to compensate for the shortfall in traffic, in 2012, 2013, 2014, 2015, 2016 and 2017 the company claimed from the Ministry of Public Works the approval and payment of the amounts earmarked in the compensation account and approval of the annual participating loans pursuant to Additional Provision Eight of Law 43/2010. All the requests were rejected in the administrative jurisdiction, and a decision has yet to be handed down by the Supreme Court on those relating to 2013, 2014 and 2015.

  The total requested in relation to amounts earmarked in the aforementioned years is EUR 25.7 million, and that requested in relation to participating loans is EUR 116.0 million.

  Pursuant to Additional Provision 41 of Law 26/2009, the concession operator filed 14 participating loan applications with the Ministry of Public Works for the payment of compulsory purchases made in 2012, 2013, 2014, 2015 and 2016. The total amount claimed through these applications is EUR 111.7 million. The request for payment of these loans was dismissed in a final judgment by the Supreme Court in appeal 397/2014 claiming the restoration of the economic feasibility of

the concession for compulsory purchase cost overruns. At the reporting date, and with respect to compulsory purchase proceedings, reappraisals and related proceedings (*voie de fait* (an administrative proceeding performed outside its jurisdiction or dispensing with the established procedure) and request for compensation), one court proceeding and two administrative proceedings are in progress. Also, at the reporting date a decision had yet to be handed down on the appeal filed by the concession operator in June 2014 at the Supreme Court against the alleged dismissals of the request for compensation filed by the concession operator for the performance of additional works.

Also, in relation to the insolvency proceeding involving Autopista Eje Aeropuerto Concesionaria Española, S.A.U. and Aeropistas, S.L.U.:

a) Petition for initiation of insolvency proceedings

Autopista Eje Aeropuerto Concesionaria Española, S.A.U. was declared to be legally involved in an insolvency proceeding together with its sole shareholder, Aeropistas, S.L.U. in the court order of 12 December 2013 of the Madrid Commercial Court No. 2, which gave rise to the orders of Voluntary Insolvency Proceeding 863/13.

b) The common phase of the insolvency proceeding

On 19 May 2015, the insolvency manager submitted the final reports, introducing amendments to the list of creditors of Autopistas Eje Aeropuerto Concesionaria Española, S.A.U, due to: (i) the definitive nature of the majority of judicial decisions in matters of compulsory purchases; (ii) the inclusion of the decision handed down on insolvency event 588/2014; and (iii) the recognition of debts not included due to error.

There were no changes to the inventory of assets and rights of the concession operator, and the total value remained at EUR 412.6 million, of which intangible assets accounted for EUR 396.1 million.

In the case of Aeropistas, S.L.U. no amendments were made to the list of creditors in the final reports or the inventory of assets and rights, with assets totalling EUR 336.6 million, comprising mainly investments in Group companies and equity instruments.

On 31 July 2015, an order was issued to end the common phase and open the phase of arrangement, as both SEITTSA and the insolvent companies had submitted arrangement proposals.

c) Opening and processing of the liquidation phase.

The court order of 13 October 2015 rejected the arrangement proposals submitted and, consequently, ordered the opening of the liquidation phase, with the legal effects that this entails. Furthermore, the insolvency manager was requested to submit a liquidation plan in 15 days, although it requested an extension to that period (at the date of these consolidated financial statements that request has not been answered).

Also, on 23 October 2015 the insolvency manager requested that the Spanish Ministry of Public Works terminate and liquidate the concession arrangement, to which the Spanish Ministry of Public Works responded, in the notification of 9 February 2016, that "the requested termination of the concession arrangement shall only be carried out when the liquidation [in the insolvency proceeding of the concession operator Autopista Eje Aeropuerto] becomes final, if the decision handed down on the appeal filed by the Spanish government lawyers on behalf of SEITTSA orders this to happen".

SEITTSA filed an appeal against the order initiating the liquidation phase, requesting, furthermore, the stay of the liquidation proceedings until that court order becomes final. Subsequently, SEITTSA and the Spanish Ministry of Public Works withdrew this appeal. As a result of the foregoing, on 19 December 2017 the Spanish Ministry of Public Works declared the termination of the concession arrangement and ordered the procedure to liquidate the concession arrangement to be processed.

The insolvency manager and AEA submitted pleadings against this decision of the Spanish Ministry of Public Works in which they requested the dismissal of the initiated

proceeding, since it was not taken into account that the concession arrangement had already been terminated, by operation of Law, on 13 October 2015 (date of the opening of the liquidation phase) and, accordingly, the Governmental Liability ("Responsabilidad Patrimonial de la Administración -RPA-") should be calculated as of that date.

The above in consonance with the information presented previously, which was fully aligned with the decision of the Chamber for Jurisdictional Conflicts of the Supreme Court in relation to the insolvency proceedings of another toll road concession operator, i.e. the decision of 15 December 2016 of the Chamber for Jurisdictional Conflicts of the Supreme Court (which resolved the conflict of jurisdiction raised between the Spanish Ministry of Public Works and Madrid Commercial Court No. 6, in relation to who was the competent authority to terminate and liquidate a toll road concession arrangement involved in insolvency proceedings), which establishes, inter alia, that the opening of the liquidation phase ordered by the judge overseeing the insolvency proceedings produces by operation of Law the termination of the concession arrangement and, therefore, the public authorities cease to have the power to declare the concession terminated, without prejudice to continuing to maintain the power to liquidate the concession arrangement once it is indeed terminated.

The opening of the liquidation phase at the two companies led to the exclusion from consolidation thereof from October 2015 onwards.

In this context, and with respect to the termination of the liquidation process of the investees, the Group's directors consider that in a base-case resolution scenario, which is inferior to the scenario requested by the companies' liquidator, both the net investments recognised (EUR 19 million) and the balance receivable associated with the construction of the infrastructure (EUR 43 million) would be recovered.

- In accordance with the provisions of Article 2 of Insolvency Law 22/2003, of 9 July, and following an agreement dated 19 May 2016 of its Board of Directors, on 24 May 2016 the concession operator **Cercanías Móstoles Navalcarnero, S.A.** filed a petition for voluntary insolvency proceedings to be initiated since it met the objective prerequisite of insolvency referred to in the aforementioned Article of the Insolvency Law.

On 12 July 2016, Madrid Commercial Court no. 1 issued an order admitting the aforementioned petition for insolvency and declared the initiation of ordinary voluntary insolvency proceedings in relation to the company.

This order designated an insolvency manager and established that the company's situation of insolvency arose from:

a) The Grantor's refusal to amend the concession arrangement and restore its economic feasibility.

b) The breaches of the concession arrangement by the Grantor.

c) The imposition by the Grantor of an unjustified penalty amounting to EUR 34,080,687 pursuant to the resolution of 12 February 2016.

The declaration of insolvency entailed the interruption of the principal activity that the company had been carrying on until that time (the construction of infrastructure). Currently, the company only takes actions that are strictly necessary to defend its rights against third parties in relation to the claims filed and to continue with the normal development of the insolvency proceedings.

On 16 August 2016, the initiation of the ordinary voluntary insolvency proceedings of Cercanías Móstoles Navalcarnero, S.A. was published in the Spanish Official State Gazette.

On 15 March 2017, Madrid Commercial Court no. 1 ordered the liquidation of Cercanías Móstoles Navalcarnero, S.A., opening the liquidation phase, declaring the dissolution of the company, the removal of its directors and their substitution by the insolvency managers.

On 20 June 2017, as a result of the aforementioned imposition of the penalty on the company, the Autonomous Community Government of Madrid enforced the guarantees that OHL, S.A. and OHL Concesiones, S.A.U. had provided to secure performance of their obligations under that company's concession arrangement. The enforced guarantees amounted to EUR 15,869,300.60 (EUR 12,696,240.48 from Banco Popular Español, S.A. and EUR 3,173,060.12 from Abanca Corporación Bancaria, S.A.). On 7 July 2017, subsequent to filing an appeal for judicial review, the High Court of Madrid resolved to stay the court proceeding due to a preliminary point of law until a decision had been handed down on the appeal for judicial review filed by the company requesting the termination of the concession arrangement.

Also, on 21 July 2017 the concession operator was notified of the order issued by the Autonomous Community of Madrid's Regional Minister for Transport, Housing and Infrastructure declaring the termination of the concession arrangement, the attachment of the guarantee and the obligation to pay compensation for damage and losses to the grantor for an amount to be determined in the corresponding adversary process. The company lodged an administrative appeal against this order, which was dismissed by the Autonomous Community Government of Madrid on 10 October 2017 and, accordingly, on 5 December 2017 the company filed an appeal for judicial review against this decision. The complete administrative dossier, which is required to submit this appeal, has not yet been received.

Lastly, on 2 November 2017 Madrid Commercial Court No. 1 approved the company's liquidation plan as part of the aforementioned insolvency proceedings.

In line with the situation described above, the Group considers that, based on opinions of its internal and external legal advisers, the concession arrangement supports the right to recover the net investments and the amounts contributed in the form of a loan to the company, with respect to which no provisions have been recognised.

Construction

- In 2014 the Parent reported that as a consequence of the **contract for the Design and Construction of the Sidra Medical Research Centre (Doha, Qatar), Qatar Foundation for Education, Science and Community Development (QF)** and the joint venture (JV) between the company and Contrack Cyprus Ltda. (55% - 45%, respectively) had initiated arbitration proceedings on 30 July 2014, at the International Chamber of Commerce.

At the end of 2015 a partial award was handed down on the existence or otherwise of an agreement to novate the construction contract, in relation to which the company reached the conclusion that although there was an agreement, it lacked certain formalities required under Qatari legislation for it to be considered legally enforceable by the parties.

Subsequent to the aforementioned partial award, the arbitration process continued to consider the legality or illegality of the termination of the contract and the economic and financial consequences thereof. The amount of the claim is estimated to stand within a range of between EUR 270 million and EUR 376 million, with the inclusion of EUR 98 million relating to the incorrect enforcement of guarantees in both cases.

At the reporting date, the proceeding was ongoing and no developments worthy of note had occurred.

- **OHL Construction Canada and Fomento de Construcciones y Contratas Canada Limited Partnership (owned 50% by OHL Canada and 50% by FCC Canada Limited Partnership), (OHL - FCC LLP)**, filed a court claim against the customer -the Toronto Transit Commission (TTC)- at the Ontario courts on 5 May 2014. OHL - FCC LLP claimed an amount estimated at CAD 205.0 million (EUR 138,654 thousand) in this proceeding, which may be modified in the course of the proceeding. TTC filed a defence and counterclaim for CAD 40.7 million (EUR 27,528 thousand). The proceeding is stayed by court order and will resume once OHL - FCC LLP issues to the customer the last invoice arising from the arrangement.

At the date of these consolidated financial statements, the proceeding is still stayed.

- On 7 February 2017, Rizzani de Eccher, SpA, Trevi, SpA and Obrascon Huarte Lain, S.A. initiated an arbitration proceeding to protect an investment against the State of Kuwait at the International

Centre for Settlement of Investment Disputes (ICSID) in relation to the **"Construction, Completion and Maintenance of Roads, Overpasses, Sanitary and Storm Water Drains, as well as other Services for Jamal Abdul Nasser Street"** agreement. OHL holds a 50% ownership interest in the construction joint venture. This arbitration proceeding was initiated under the international treaties for the reciprocal protection of investments entered into by the State of Kuwait with Spain and Italy and as a result of the breach thereof by the State of Kuwait through its obstructive, abusive and arbitrary actions, to the detriment of the foreign investors, in the performance of that agreement. A request for compensation for the losses caused by the State of Kuwait has been submitted to the tribunal.

A group of external consultants has been engaged to assess the economic compensation to which the claimants are entitled. The definitive outcome of this assessment will become known in the phase to submit and take evidence of the arbitration. The tribunal rejected the injunctive measures requested by the parties.

- On 12 May 2017, **Judlau Contracting Inc.** (a US company fully owned by Obrascon Huarte Lain, S.A. through OHL USA Inc.) received a statement of claim from Welsbach Electric Corp. claiming from Judlau Contracting Inc. an amount initially estimated at USD 39.7 million (EUR 34,827 thousand). Welsbach Electric Corp. brought this claim as subcontractor of Judlau Contracting Inc. in the **"Construction of Part of Second Avenue Subway Route 132ª 72nd Street Station, Finishes, Mechanical, Electrical and Plumbing Systems, Ancillary Buildings and Entrances in the Borough of Manhattan "B" Division"** project. The litigation is being conducted at the courts of the city of New York (US).

- On 13 December 2017, Samsung C&T Corporation, Obrascon Huarte Lain, S.A. and Qatar Building Company filed a request for arbitration at the International Chamber of Commerce against Qatar Railways Company. The claim arose from the **"Design & Build Package 5 - Major Stations - Doha Metro Project"** agreement. OHL holds a 30% ownership interest in the construction joint venture. The joint venture claims an amount initially estimated at QAR 1,500 million (EUR 341.0 million).

<u>Industrial</u>

- **Cogeneración Complejo Pajaritos, SAPI de CV (SAPI)**, a company 50% owned by OHL Industrial, S.L.U. and Sener Ingeniería y Sistemas, S.A. de C.V., filed at the International Chamber of Commerce (ICC) in Mexico, a request for arbitration against **CYDSA S.A.B de C.V (CYDSA)** in relation to the performance of the **Coatzacoalcos II combined heat and power plant** project. The defendant, in turn, submitted an initial counterclaim. Once the respective lists of claims had been submitted by the two parties, the amounts claimed were specified. SAPI specified its initial application, requesting confirmation of the legality of the termination of the construction contract and the payment of USD 6.6 million (EUR 5.36 million) for invoices not paid by CYDSA. The latter submitted a counterclaim against SAPI, claiming a total amount of approximately USD 162 million (EUR 130.5 million) for various items.

  These arbitration proceedings are expected to conclude in 2019.

- **OHL Industrial, S.L.U.** filed a claim at the International Chamber of Commerce (ICC) of New York against **Energía Limpia de Guatemala, S.A. (ELGUA)** for a final total of USD 19.8 million (EUR 10.5 million) for costs incurred and a 455-day overrun of the deadline in the **Xacbal Delta Hydroelectric Facility** project, arising from access being blocked by indigenous communities and problems caused by the geological conditions of the land and changes in the location of certain key construction items.

  Also, ELGUA submitted a counterclaim for USD 27.0 million in connection with penalties (EUR 23.7 million).

The resolution of the arbitration proceedings is expected in 2018.

In addition to the aforementioned litigation in which each division is involved, the Group is involved in other minor lawsuits arising from the ordinary course of its operations, none of which are for a significant individual amount.

The Group has recognised sufficient provisions for the purpose of meeting any adverse economic effects that might arise.

The Parent's directors do not expect any significant additional liabilities to arise in connection with the litigation in progress that might affect the consolidated financial statements as at 31 December 2017.

4.6.2.6 OHL México - Investigations

The current status of the various litigation and investigations initiated concerning OHL México, S.A.B de C.V. ("OHL México") and its subsidiaries can be summarised as follows:

1) **Litigation relating to Concesionaria Mexiquense, S.A. de C.V ("ConMex"):** on 20 November 2015, ConMex, as an interested third party, was informed of a claim for protection brought by Tecnología Aplicada Infraiber, S.A. ("Infraiber") against Sistema de Autopistas, Aeropuertos, Servicios Conexos y Auxiliares del Estado de México (SAASCAEM), claiming the invalidity of the Sixth Amendment to the Concession Arrangement and the effectiveness of the provision in Infraiber's favour in the Fifth Amendment thereto.

   Although at the date of these consolidated financial statements no ruling has been handed down in relation to the matters at issue, based on the actions taken in the court proceeding and the legal opinions of its external advisers, the Group considers that no significant effects should arise as a result of the final decision handed down in relation to the litigation initiated, in which the OHL México Group companies are not involved.

   Official internal investigations launched by the Mexican Government (State Comptroller): The State Comptroller is conducting an internal investigation into the activities of SAASCAEM in relation to the awards of certain concessions. Neither OHL México nor its subsidiaries are the subject of the investigation. At the reporting date, the Parent is not aware of whether the aforementioned investigation has officially come to an end. Although the Group cannot foresee the final outcome of this investigation, in which none of the companies that form part of the OHL México Group are involved, it considers that the final outcome thereof should not give rise to adverse economic effects.

2) **Official internal investigations opened by the Secretariat of the Civil Service of the Government of the Republic of Mexico:** the Secretariat of the Mexican Civil Service is conducting an investigation into the Secretariat of Communications and Transport (SCT) in relation to the award procedure and execution of the concession arrangement for the Amozoc-Perote toll road and the Atizapán-Atlacomulco toll road. Neither OHL México nor its subsidiaries are the subject of the investigation.

   Although the Group cannot foresee the final outcome of these investigations, it considers that the final outcome thereof, in which the OHL México Group companies are not involved, should not give rise to adverse economic effects.

3) **Official investigations initiated by the Mexican National Banking and Securities Commission (CNBV):** on 23 October 2015 various official letters were received notifying OHL México, S.A.B de C.V., Organización de Proyectos de Infraestructuras, S.A.P.I. de C.V. (OPI), Concesionaria Mexiquense, S.A. de C.V. and certain employees and former employees thereof of the possible commission of various violations relating mainly to:

- The accounting treatment under IFRSs of guaranteed minimum revenue concession arrangements.
- The lack of information disclosed to the market on the existence of certain deviations in toll road traffic.
- The recognition of certain transactions without adequate supporting information.
- Related party transactions.

As a result of these investigations, the CNBV declared the inexistence of any prosecutable actions pursuant to criminal law, but, since it also declared the existence of certain administrative inaccuracies, imposed penalties of MXN 71.7 million (EUR 3.7 million) on various Mexican subsidiaries in 2016.

On 17 February 2017, a document was submitted to the CNBV informing it of the manner in which the investment in concessions and the return on them would be recognised, taking into account the economic nature thereof and the terms and conditions established in the concession arrangements and the laws applicable thereto, pursuant to IFRIC 12.

On 21 February 2017, the Commission acknowledged receipt of the monitoring document; however, at the reporting date, no additional communication had been issued by the CNBV on this matter.

With respect to the recognition of the guaranteed minimum revenue in the consolidated financial statements of the OHL Group, taking into account all the aforementioned matters (i.e. unqualified auditor's reports by Deloitte, specific reports from the other leading global audit firms concurring with OHL's interpretation, and the response to the CNMV's request), the OHL Group continues to apply the same accounting treatment used in the consolidated financial statements for 2016. This investment forms part of the Group's discontinued operations, which must be taken into consideration when reading the consolidated financial statements.

4.7.- Disclosures on the payment periods to suppliers. Additional Provision Three. "Disclosure obligation" provided for in Law 15/2010, of 5 July.

Law 15/2010, of 5 July, establishes measures for combating late payment in commercial transactions, and the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 January 2016 implements the disclosure obligation provided for in Additional Provision Three of the aforementioned law. This resolution repeals the immediately preceding resolution of 29 December 2010, which was based on the previous wording of Additional Provision Three of Law 15/2010, of 5 July.

The disclosures on the average period of payment, ratios of transactions settled and transactions not yet settled, and total payments made and outstanding at 31 December 2017 and 2016 are as follows:

	Days	
	2017	2016
Average period of payment to suppliers	60	58
Ratio of transactions settled	59	56
Ratio of transactions not yet settled	65	64

	Thousands of euros	
	2017	2016
Total payments made	526,145	608,571
Total payments outstanding	166,117	198,254

The average period of payment excluding transactions with Group companies is calculated as the quotient whose numerator is the sum of the ratio of transactions settled multiplied by the total amount of the payments made plus the sum of the ratio of transactions not yet settled multiplied by the total amount of outstanding payments, and whose denominator is the result of adding the total amount of the payments made to the total amount of the outstanding payments.

The ratio of transactions settled is the sum of the products of the amount of each transaction multiplied by the number of days elapsed until payment, divided by the total amount of the payments made.

The ratio of transactions not yet settled is the sum of the products of the amount of each transaction not yet settled multiplied by the number of days until the last day of the year, divided by the total amount of the aforementioned payments.

The information furnished relates exclusively to the fully consolidated Spanish Group companies.

The companies which, taken separately, slightly exceed the legal limit of the ratio of transactions not yet settled are taking measures to comply therewith.

4.8.- Remuneration of directors and senior executives

Remuneration of the Board of Directors

The remuneration of the Board of Directors is regulated by Article 24 of the bylaws and the Directors' Remuneration Policy approved, as established in Article 529 novodecies of the Spanish Limited Liability Companies Law, by the shareholders at the Annual General Meeting held on 9 May 2017, for 2017 and the following three years and which established annual fixed remuneration for the directors, in their capacity as directors, for attendance at meetings of SIX HUNDRED THOUSAND EUROS (EUR 600,000), with the distribution criteria that the Board of Directors itself approved and which it set for distribution among the independent non-executive directors. In 2017, as in prior years, the non-executive directors did not receive any kind of variable remuneration or benefits. This fixed remuneration is compatible with, and independent from, remuneration, termination benefits, pensions and compensation of any kind received by those members of the Board of Directors as a result of the employment relationship with or the rendering of services to the Parent.

The Board of Directors of the Parent, on this same date, prepared the Annual Report on Directors' Remuneration, as established in Article 541 of the Spanish Limited Liability Companies Law, with an individualised breakdown of all items earned in 2017 by each director. Following is an individualised detail of the remuneration earned by each director in his or her capacity as such in 2017, excluding the remuneration earned for executive functions subsequently disclosed:

	Individual remuneration of the directors in their capacity as directors (in euros)
Juan Villar-Mir de Fuentes (Non-Executive Proprietary)	-
Silvia Villar-Mir de Fuentes (Non-Executive Proprietary)	-
Juan Luis Osuna Gómez (1) (Executive)	-
José Luis Díez García (Non-Executive Independent)	129.000
Mónica de Oriol e Icaza (Non-Executive Independent)	123,000
Reyes Calderón Cuadrado (Non-Executive Independent)	132,000
Manuel Garrido Ruano (Non-Executive Independent)	-
Juan José Nieto Bueso (Non-Executive Independent)	123,000
Juan Antonio Santamera Sánchez (Non-Executive Proprietary)	-
Ignacio Moreno Sánchez (Non-Executive Independent)	93,000
Álvaro Villar-Mir de Fuentes (Non-Executive Proprietary)	-
Javier Goñi del Cacho (Non-Executive Proprietary)	-
Tomás García Madrid (2) (Executive)	-
TOTAL	600,000

(1) Appointed 25 October 2017

(2) Resigned 25 October 2017

In 2017 the executive directors earned total remuneration of EUR 12,365 thousand for the performance of their executive duties (2016: EUR 6,263 thousand), including the amount earned by the then CEO of the Parent until 25 October 2017, Tomás García Madrid, as express economic compensation for post-contractual non-competition amounting to EUR 6,022 thousand, EUR 11 thousand (2016: EUR 12 thousand) for other benefits relating to life insurance policies and EUR 283 thousand in employee welfare plan contributions (2016: EUR 132 thousand).

No advances or loans have been granted to the Board members.

Remuneration of senior executives

The remuneration earned by the Company's senior executives in 2017 -excluding those who are also members of the Board of Directors (whose remuneration is detailed above)- amounted to EUR 8,208 thousand (2016: EUR 4,239 thousand), of which EUR 1,904 thousand correspond to variable remuneration (2016: EUR 1,575 thousand).

No advances or loans have been granted to the Parent's senior executives.

Conflicts of interest

At 31 December 2017, none of the directors had notified the Board of Directors of any direct or indirect conflict of interest that they or persons related to them might have had with respect to the Parent in 2017.

4.9.- Fees paid to auditors

The detail of the fees for financial audit and other services provided by the auditors, or by other companies related to the auditors, of the companies comprising the Group's continuing operations in 2017 and 2016 is as follows:

	Thousands of euros					
	Principal auditor		Other auditors		Total	
	2017	2016	2017	2016	2017	2016
Financial audit services	1,336	1,604	640	1,001	1,976	2,605
Other attest services	222	83	9	18	231	101
Total audit and related services	**1,558**	**1,687**	**649**	**1,019**	**2,207**	**2,706**
Tax counselling services	124	314	43	147	167	461
Other services	656	460	34	32	690	492
Total professional services	**780**	**774**	**77**	**179**	**857**	**953**
Total	2,338	2,461	726	1,198	3,064	3,659

The detail of the fees for financial audit and other services provided by the auditors, or by other companies related to the auditors, of the companies comprising the Group's discontinued operations in 2017 and 2016 is as follows:

	Thousands of euros					
	Principal auditor		Other auditors		Total	
	2017	2016	2017	2016	2017	2016
Financial audit services	690	603	49	30	739	633
Other attest services	109	207	1	-	110	207
Total audit and related services	**799**	**810**	**50**	**30**	**849**	**840**
Tax counselling services	84	122	6	-	90	122
Other services	26	11	-	4	26	15
Total professional services	**110**	**133**	**6**	**4**	**116**	**137**
Total	909	943	56	34	965	977

"Financial Audit Services" includes the fees for professional services performed by the auditor, normally due to regulatory requirements, such as statutory audits, internal control review reports, limited reviews of periodic public information performed at listed companies, etc.

"Other Attest Services" includes the fees for professional services in which some kind of assurance is expressed, but which are not regulated by any mandatory legislation, such as one-off limited reviews, special reports on security placement processes, agreed-upon procedures reports, covenant reports, etc.

"Tax Counselling Services" includes the fees for the provision of services relating to all forms of tax counselling.

"Other Services" includes the fees for the other professional services not included in the above line items which, by nature, are more akin to consultancy or independent third-party services.

6.- EVENTS AFTER THE REPORTING PERIOD

The shareholders at the Extraordinary General Meeting Held on 9 January 2018 resolved to reduce the Parent's share capital by EUR 7,326,425.40 by retiring 12,210,709 treasury shares of EUR 0.60 par value each, representing a total of 4.087% of the share capital. Consequently, following the capital reduction the share capital shall amount to EUR 171,928,973.40, represented by 286,548,289 shares of EUR 0.60 par value each.

The capital reduction approved by the shareholders at the Extraordinary General Meeting was recorded in a public deed and filed at the Madrid Mercantile Registry on 6 February 2018.

The shareholders at the aforementioned Extraordinary General Meeting also resolved to approve the transfer of shares representing all the share capital of OHL Concesiones, S.A.U. to Global Infraco Spain, S.L.U. (a company controlled by IFM Investors Pty Ltd.) in connection with the sale agreement entered into by Obrascón Huarte Lain, S.A., OHL Concesiones, S.A.U. and Global Infraco Spain, S.L.U. on 30 November 2017.

The shareholders also resolved to modify the Parent's Directors' Remuneration Policy in force, bringing it in line with the provisions of Article 529 novodecies of the Spanish Limited Liability Companies Law, and to grant extraordinary remuneration of EUR 18 million to the CEO Juan Osuna Gómez for his work and leadership in the process of selling OHL Concesiones, S.A.U.

6.- EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 2.1.). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

APPENDIX I
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the most significant companies included in the scope of consolidation at 31 December 2017

Subsidiaries (fully consolidated)

COMPANIES WITH REGISTERED OFFICE IN SPAIN

Concessions (*)

(1) Euroconcesiones, S.L.
(1) Euroglosa 45 Concesionaria de la Comunidad de Madrid, S.A.
(1) Magenta Infraestructuras, S.L.U.
(1) OHL Concesiones, S.A.
(1) OHL Emisiones, S.A.U.
(1) Pachira, S.L.
(1) Terminal de Contenedores de Tenerife, S.A.
(1) Terminal Polivalente Sureste, S.L.
(1) Terminales Marítimas del Sureste, S.A.
(1) Tráfico y Transporte Sistemas, S.A.U.

Construction

(1) Agrupación Guinovart Obras y Servicios Hispania, S.A.
(1) Asfaltos y Construcciones Elsan, S.A.
(1) Construcciones Adolfo Sobrino, S.A.
(1) EyM Instalaciones, S.A.
(1) Obrascón Huarte Lain, Construcción Internacional, S.L.
n/a Posmar Inversiones 2008, S.L.
n/a Puente Logístico Mediterráneo, S.A.
(1) S.A. Trabajos y Obras
(1) Sociedad Concesionaria Aguas de Navarra, S.A.

COMPANIES WITH REGISTERED OFFICE ABROAD

Concessions (*)

(1) 0606 Investments S.a.r.l.
(1) Autopista del Norte, S.A.C.
(2) Autopista Río Magdalena, S.A.S.
(1) Autopista Urbana Norte, S.A. de C.V.
(1) Autovías Concesionadas OHL, S.A. de C.V.
(1) Concesionaria AT - AT, S.A. de C.V.
(1) Concesionaria Mexiquense, S.A. de C.V.
(1) Construcciones Amozoc Perote, S.A. de C.V.
(1) Grupo Autopistas Nacionales, S.A.
(1) Latina México, S.A. de C.V.
(2) OHL Concesiones Argentina, S.A.
(1) OHL Concesiones Chile, S.A.
(2) OHL Concesiones Colombia, S.A.S.
(1) OHL Concesiones Perú, S.A.
n/a OHL Concessões Brasil Ltda.
n/a OHL Infrastructures, Inc.
(1) OHL Investments, S.A.
(1) OHL México, S.A.B. de C.V.
(1) OHL Toluca, S.A. de C.V.
(1) OPCEM, S.A.P.I. de C.V.
(1) Operaciones Cerro Valparaíso, SpA
(1) Operaciones Portuarias Valparaíso, SpA
(1) Operadora Concesionaria Mexiquense, S.A. de C.V.
(1) Operadora de Carreteras, S.A.C.
(1) Organización de Proyectos de Infraestructura, S.A.P.I. de C.V.
(1) Seconmex Administración, S.A. de C.V.
(2) Sociedad Concesionaria Nuevo Camino Nogales - Puchuncaví, S.A.
(1) Sociedad Concesionaria Puente Industrial, S.A.
(1) Terminal Cerros de Valparaíso, S.A.
n/a Tráfico y Transporte Sistemas México, S.A. de C.V.
(1) Viaducto Bicentenario, S.A. de C.V.

Construction

n/a BNS International, Inc.
n/a CAC Vero I, LLC
(2) Community Aspha I Corp.
(2) Construcciones Colombianas OHL, S.A.S.
(1) Constructora de Proyectos Viales de México, S.A. de C.V.
n/a Constructora e Inmobiliaria Huarte Ltda.
(2) Constructora TP, S.A.C.
(2) E y M Arabia, LLC
n/a Empresa Constructora Huarte San José, Ltda.
(1) EYM México Instalaciones, S.A. de C.V.
(2) Judleu Contracting, Inc.
n/a OHL Andina, S.A.
(2) OHL Arabia, LLC
(2) OHL Arellano Construction Company
(1) OHL Austral, S.A.
n/a OHL Brasil S.A.
(2) OHL Building, Inc.
(2) OHL Central Europe, a.s.
(2) OHL Colombia, S.A.S.
n/a OHL Construction Canada, Inc.
(2) OHL Construction India Private Limited
n/a OHL Construction Pacific Pty. Ltd.
n/a OHL Finance, S.à.r.l.
(1) OHL Health Montreal (Holding) Inc.
(1) OHL Health Montreal (Partner) Inc.
(1) OHL Ireland Construction and Engineering Limited
(2) OHL Sverige AB
n/a OHL Uruguay, S.A.
(2) OHL USA, Inc.
(2) OHL ZS d.o.o. Banja Luka
n/a OHL ZS MO, S.R.L.
(2) OHL ZS Polska, S.Z.o.o.
(1) OHL ZS SK
(1) OHL ZS, a.s.
(1) Premol, S.A. de C.V.
n/a Sawgrass Rock Quarry, Inc.
(1) Sociedad Concesionaria Centro de Justicia de Santiago, S.A.
(1) Sociedad de Obras Civiles e Infraestructuras Viales, S.A. de C.V.
(2) Tomi Remont, a.s.
(2) ZPSV Caña, a.s.
(2) ZPSV Eood, a.s.
(1) ZPSV, a.s.
(1) ZS Brabsava, a.s.

(1) Audited by the principal auditor
(2) Audited by other auditors
n/a Unaudited company
(*) Discontinued operations

APPENDIX I
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the most significant companies included in the scope of consolidation at 31 December 2017

Subsidiaries (fully consolidated)

COMPANIES WITH REGISTERED OFFICE IN SPAIN

Industrial

(1) Catalana de Seguretat i Comunicacions, S.L.
(1) Chemirot Proyectos y Sistemas, S.L.
n/a Comercial de Materiales de Incendios, S.L.
(1) Ecoliaire España, S.A.
(1) OHL Industrial Mining & Cement, S.A.
(1) OHL Industrial, S.L.

Services

n/a Gizatzen, S.A.
(1) OHL Servicios-Ingesan, S.A.U.

Other

(1) Avalora Tecnologías de la Información, S.A.
(2) Manna Urola, S.A.
n/a Tenedora de Partcipaciones Tecnológicas, S.A.

Development

n/a Obrascon Huarte Lain, Desarrollos, S.L.

COMPANIES WITH REGISTERED OFFICE ABROAD

Industrial

(1) Cogeneración Complejo Pajaritos, S.A.P.I. de C.V.
n/a Consorcio Instalaciones Mecánicas Hospital Dr. Gustavo Fricke SpA
(1) Estación Rebombeo Degollado, S.A.P.I. de C.V.
(1) Hidro Parsifal, S.A. de C.V.
(1) Hidrógeno Cadereyta, S.A.P.I. de C.V.
(1) IEPI México, S.A. de C.V.
(1) OHL Industrial and Partners, LLC
n/a OHL Industrial Brasil, Ltda
(1) OHL Industrial Chile, S.A.
n/a OHL Industrial Colombia, S.A.S.
(1) OHL Industrial Delegación Guatemala, S.A.
n/a OHL Industrial Honduras S. de R.L.
(2) OHL Industrial Perú, S.A.C.
(1) Sthim Maquinaria de México, S.A. de C.V.

Services

n/a Ingesan Chile, SpA
(1) Ingesan Servicios Administrativos México, S.A. de C.V.
(1) Ingesan Servicios México S.A. de C.V.
(1) Ingesan Servicios Profesionales México, S.A. de C.V.

Other

n/a Eisengrund Bau, GmbH

Development

(1) Constructora Mayakuum Servicios, S.A. de C.V.
(1) Constructora Mayakuum, S.A. de C.V.
(1) Controladora L 4 - 5 Mayakoba, S.A. de C.V.
(1) Desarrollo Vivienda MKI, S.A.P.I. de C.V.
(1) Gastronómica Santa Fé, S.A. de C.V.
(1) Huanbe, S.A. de C.V.
(1) Huanbe Servicios, S.A. de C.V.
(1) La Ceiba en Ciudad de Mayakoba, S.A.P.I. de C.V.
(1) L 6 Hotel Mayakoba, S. de R.L. de C.V.
(1) Lotes 4-5 Hotel Mayakoba, S.A. de C.V.
(1) Manna Mayakoba, S.A. de C.V.
(1) MKB Real Estate, S.A. de C.V.
(1) OHLOM, S.A. de C.V.
(1) Playa 4 - 5 Mayakoba, S.A. de C.V.
(1) Villas de Mayakoba, S.A. de C.V.
(1) Viveros de Mayakoba, S.A. de C.V.

(1) Audited by the principal auditor
(2) Audited by other auditors
n/a Unaudited company

APPENDIX I
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the most significant companies included in the scope of consolidation at 31 December 2017

Joint ventures and associates (accounted for using the equity method)

COMPANIES WITH REGISTERED OFFICE IN SPAIN

Concessions (*)

(1) Sestibalsa Alicante, S.A., de Gestión de Estibadores Portuarios

Construction

n/a Navarra Gestión del Agua, S.A.
(1) Nuevo Hospital de Burgos, S.A.
n/a Nuevo Hospital de Toledo, S.A.

Industrial

(1) Arenales Solar PS, S.L.

Other

(2) Nova Dársena Esportiva de Bara, S.A.

Development

n/a Alse Park, S.L.
n/a Espacio-OHLD Proyectos Singulares, S.L.
(1) Proyecto Canalejas Group, S.L.

COMPANIES WITH REGISTERED OFFICE ABROAD

Concessions (*)

(1) Admra. Mexiquense del Aeropuerto Intl. de Toluca, S.A. de C.V.
(1) Constructora Libramiento Elevado de Puebla, S.A. de C.V.
(1) Controladora Vía Rápida Poetas, S.A.P.I. de C.V.
(1) Coordinadora Vía Rápida Poniente, S.A.P.I. de C.V.
(1) Libramiento Elevado de Puebla, S.A. de C.V.
(2) Operadora AVO, S.A.
(1) Operadora Libramiento Elevado Puebla, S.A. de C.V.
(1) Operadora Vía Rápida Poetas, S.A.P.I. de C.V.
(1) Prestadora de Servicios Vía Rápida Poniente, S.A.P.I. de C.V.
(1) Servicios Administrativos Mexiquenses del Aeropuerto Internacional de
(2) Sociedad Concesionaria Vespucio Oriente, S.A.

Construction

(2) Health Montreal Collective CJV L.P.
(1) Health Montreal Collective Limited Partnership
(2) Obalovna Boskovice, s.r.o.
n/a OHL Construction Canada and FCC Canada Limited Partnership
n/a OHL FCC North Tunnels Canada INC
n/a Prestadora de Servicios PLSV, S.A. de C.V.
n/a Servicios Administrativos TMT, S.A. de C.V.

Industrial

(1) Proyecto CCC Empalme I, S.A.P.I. de C.V.
(2) Refinería Madero Tamaulipas, S.A.P.I. de C.V.

Other

Development

n/a 57 Whitehall Holdings Limited
n/a 57 Whitehall Holdings S.A.R.L.
(1) FHP Villas Lote 2, S.A. de C.V.
(1) Fideicomiso Desarrollo OV CIB/2165
(1) Novaterra Caribe, S.A.P.I. de C.V.
n/a Westminster Development Services Limited

APPENDIX II
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Identification of the most significant companies composing the consolidated Group at 31 December 2017

Company	Registered office	Main line of business
Concessions (*)		
0606 Investments S.a r.l.	15, Rue Edward Steichen, L-2540, Luxembourg	Issue of shares and of debt instruments of any kind
Admra. Mexiquense del Aeropuerto Intl. de Toluca, S.A. de C.V.	Aeropuerto Internacional Ciudad de Toluca, C.P. 50226 San Pedro Totoltepec, Estado de México, Mexico	Construction and operation of Toluca Airport (Mexico)
Autopista del Norte, S.A.C.	Avda. 28 de Julio, no. 150 (Piso 4 oficina 401) Lima- Lima, Miraflores	Road construction and operation
Autopista Rio Magdalena, S.A.S.	C/CR17 93 09 OF 703 704, Bogotá D.C. Colombia	Toll road concession, Magdalena River, Colombia
Autopista Urbana Norte, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Road construction and operation
Autovías Concesionadas OHL, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Road construction and operation
Concesionaria AT - AT, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Road construction, operation and maintenance in Mexico
Concesionaria Mexiquense, S.A. de C.V.	Autopista Circuito Exterior Mexiquense Km 39 Caseta T-2, Col. San Cristóbal, 55024 Ecatepec de Morelos, Mexico	Concession and operation of the Mexico City outer ring road
Construcciones Amozoc Perote, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Road construction, operation and maintenance in Mexico
Constructora Libramiento Elevado de Puebla, S.A. de C.V.	Lateral de la autopista México-Toluca no. 1235, Piso 3, oficina 302, Colonia Santa Fe Cuajimalpa, Delegación Cuajimalpa,	Road maintenance and repair
Controladora Vía Rápida Poetas, S.A.P.I. de C.V.	Avda. Santa Fe 495, Piso 8, Cruz Manca, Mexico City 05349	Road construction and operation
Coordinadora Vía Rápida Poniente, S.A.P.I. de C.V.	Avda. Santa Fe 495, Piso 8, Cruz Manca, Mexico City 05349	Road maintenance and repair
Euroconcesiones, S.L.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Operation of concessions
Eurogiosa 45 Concesionaria de la Comunidad de Madrid, S.A.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Concession and operation of M-45 road (Madrid)
Grupo Autopistas Nacionales, S.A.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Road construction, operation and maintenance in Mexico
Latina México S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Road maintenance and repair
Libramiento Elevado de Puebla S.A. de C.V.	Lateral de la autopista México-Toluca no. 1235, Piso 3, oficina 302, Colonia Santa Fe Cuajimalpa, Delegación Cuajimalpa,	Road construction, operation and maintenance in Mexico
Magenta Infraestructura, S.L.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Operation of concessions
OHL Concesiones Argentina, S.A.	CU Avenida Córdoba 632 - Piso 7, C1054AAS, Ciudad Autónoma Buenos Aires	Operation of concessions
OHL Concesiones Chile, S.A.	C/ Cerro El Plomo, no. 5855 Piso 16, Las Condes Oficina 1607 y 1608 (Santiago de Chile)	Operation of concessions
OHL Concesiones Colombia, S.A.S.	C/CR17 93 09 OF 703 704, Bogotá D.C. Colombia	Operation of concessions
OHL Concesiones Peru, S.A.	Avda. 28 de Julio, no. 150 (Piso 4 oficina 401) Lima- Lima, Miraflores	Operation of concessions
OHL Concesiones, S.A.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Operation of concessions
OHL Concessoes Brasil Ltda	Avda. Angélica 2.491, Planta 19, Cory 192 01227-200 São Paulo	Operation of concessions
OHL Emisiones, S.A.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Issue of shares and of debt instruments of any kind
OHL Infrastructures Inc	555 Theodore Fremd Ave, Suite B 201 RYE 10580 New York	Financial studies
OHL Investments, S.A.	15, Rue Edward Steichen, L-2540, Luxembourg	Issue of shares and of debt instruments of any kind
OHL México, S.A.B. de C.V.	Avda. Paseo de la Reforma, no. 222 Piso 22, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Operation of concessions
OHL Toluca, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222 Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Operation of concessions
OPCEM, S.A.P.I. de C.V.	Avda. Paseo de la Reforma, no. 222 Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Operation of concessions
Operaciones Cerro Valparaíso, SpA	CU Avenida Errazuriz 755 Oficina708-B, Valparaiso Chile	Operation of concessions
Operaciones Portuarias Valparaíso, SpA	Avda. Errazuriz 755 Oficina 708-B Valparaiso Chile	Operation of concessions
Operadora AVO S.A.	C/ Presidente Riesco no. 5711, OF 802 Las Condes 001 Santiago de Chile	Operation of concessions
Operadora Concesionaria Mexiquense, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222 Piso 25, Colonia Juárez, Delegación Cuauhtemoc Mexico City 06600	Operation of concessions
Operadora de Carreteras, S.A.C.	Avda. del Pacífico no. 360 Urb. Buenos Aires Ancash - Santa - Nuevo Chimbote, Peru	Operation of concessions
Operadora Libramiento Elevado Puebla, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez Delegación Cuauhtemoc Mexico City 06600	Operation of concessions
Operadora Vía Rápida Poetas, S.A.P.I. de C.V.	Avda. Santa Fe 495, Piso 8, Cruz Manca, Mexico City 05349	Operation of concessions
Organización de Proyectos de Infraestructura, S.A.P.I. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc Mexico City 06600	Operation of concessions
Pachira, S.L.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Operation of concessions
Prestadora de Servicios Vía Rápida Poniente, S.A.P.I. de C.V.	Avda. Santa Fe 495, Piso 8, Cruz Manca, Mexico City 05349	Operation of concessions
Seconmex Administración, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222, Piso 25, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Operation of concessions
Sestibelsa Alicante, S.A., de Gestión de Estibadores Portuarios	C/ Muelle de Poniente, 11 03003 Alicante	Operation of ports and canals
Sociedad Concesionaria Nuevo Camino Nogales - Puchuncaví, S.A.	C/ Cerro El Plomo, no. 5855 Oficina 1607 001 Las Condes (Santiago de Chile)	Operation of concessions
Sociedad Concesionaria Puente Industrial, S.A.	C/ Cerro El Plomo, no. 5855 Piso 16, Las Condes Oficina 1607 y 1608 (Santiago de Chile)	Construction and operation of toll road in Chile
Sociedad Concesionaria Vespucio Oriente, S.A.	C/ Presidente Riesco no. 5711, OF 802, Las Condes, 001 Santiago de Chile	Operation of concessions
Terminal Cerros de Valparaíso, S.A.	Avda. Errazuriz 755 Oficina 708-B, Valparaiso, Chile	Operation of concessions
Terminal de Contenedores de Tenerife, S.A.	Nueva Terminal del Dique del Este Vía de Servicio, s/n 38180, S.C.T.	Loading and unloading of vessels
Terminal Polivalente Sureste, S.L.	Avl Prolongación Sur Puerto de Alicante, muelle 23 (Buzón 41) 03008 Alicante	Port terminal operation
Terminales Marítimas del Sureste, S.A.	Avl Prolongación Sur Puerto de Alicante, muelle 23 (Buzón 41) 03008 Alicante	Port terminal operation
Tráfico y Transporte Sistemas, S.A.U.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Research and development of new technologies
Viaducto Bicentenario, S.A. de C.V.	C/ 4 no. 25, Local 2 and C Col Industrial Alce Blanco Municipio Naucalpan de Juárez, 53370	Road construction and operation

(*) Discontinued Operations

APPENDIX II
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Identification of the most significant companies composing the consolidated Group at 31 December 2017

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
Construction		
Agrupación Guinovart Obras y Servicios Hispania, S.A.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Construction
Asfaltos y Construcciones Elsan, S.A.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Infrastructure and urban services
BNS International, Inc.	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 US	Construction
CAC Vero I, LLC	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 US	Construction
Community Asphalt Corp.	9675 N.W. 117 th Avenue, Suite 108, Miami, FL, 33178 US	Construction
Consorcio Conpax OHL-VALKO, S.A.	Palacio Riesco No. 4583, Comuna De Huechuraba, Santiago de Chile	Construction
Construcciones Adolfo Sobrino, S.A.	Gran Vía de Don Diego López de Haro, 33 - 4º 48009 Bilbao	Construction
Construcciones Colombianas OHL, S.A.S.	Cra. 17 No. 93-09 Piso 8 Edificio Ecotower (Colombia)	Construction
Constructora de Proyectos Viales de México, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222. Piso 22. Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Construction
Constructora e Inmobiliaria Huarte Ltda.	C/ Cerro El Plomo, no. 5855 Piso 15. Las Condes (Santiago de Chile)	Construction
Constructora TP, S.A.C.	Av. 28 de Julio, no. 150, piso 7. Miraflores - Lima, Peru	Construction
E y M Arabia, LLC	Sultan Road (North) // Ahmed Al-Hamoody St (Al Naseem District 4) - Building 8, 4th floor - Jeddah, Saudi Arabia	Construction
Empresa Constructora Huarte San José Ltda.	C/ Cerro El Plomo, no. 5855 Piso 15. Las Condes (Santiago de Chile)	Construction
EyM Instalaciones, S.A.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Construction
EYM México Instalaciones, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222. Piso 25. Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Construction
Health Montreal Collective CJV L.P.	810 St-Antoine str East. Montreal, H2Y 1A6. Quebec. Canada	Construction
Health Montreal Collective Limited Partnership	1440 St Catherine West, Suite 500 Montreal. Quebec H3G1R8	Construction
Judlau Contracting, Inc.	26-15 Ulmer Street, College Point, NY 11354	Construction
Navarra Gestión del Agua, S.A.	Camino Labiano, no. 45, 1ª derecha (31192 - Mutiloa) Navarra	Construction
Nuevo Hospital de Burgos, S.A.	C/ Islas Baleares, s/n 09006 Burgos	Construction
Nuevo Hospital de Toledo, S.A.	Avda. de Europa 24 Bajo 45003 Toledo	Construction and operation of new Burgos hospital
Obalovna Boskovice, s.r.o.	Rovná 2146, 680 01 Boskovice. Brno	Construction
Obrascón Huarte Lain, Construcción Internacional, S.L.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Construction
OHL Andina, S.A.	C/ Cerro El Plomo, no. 5855 Piso 15. Las Condes (Santiago de Chile)	Construction and operation
OHL Arabia, LLC	Jameel Squre - Tahlia, Po Box 8909 - Jeddah 23326 (Saudi Arabia)	Construction
OHL Arellano Construction Company	7051 S.W. 12 th Street, Miami, FL 33144, US	Construction and maintenance
OHL Austral, S.A.	C/ Cerro El Plomo, no. 5855 Piso 15. Las Condes (Santiago de Chile)	Construction
OHL Brasil, S.A.	Rua Tabapuã, 1 123 - 16º Andar. Brazil	Construction
OHL Building, Inc.	7051 S.W. 12 th Street, Miami, FL 33144, US	Construction
OHL Central Europe, a.s.	C/ Olsanska, 2643/1A, 130 80 (Prague - Czech Republic)	Construction
OHL Colombia, S.A.S.	Cra. 17 no. 93-09 Piso 8, Bogotá (Colombia)	Construction
OHL Construction Canada and FCC Canada Limited Partnership	5945 Airport Road, N.144, Mississagua. Ontario. L4V1R9	Construction
OHL Construction Canada, Inc.	1440 Ste Catherine Ouest, Suite 410, Montreal. Quebec H3G1RS	Construction
OHL Construction India Private Limited	Unit 701. 7th Floor. Tower 4A, DLF Corporate Park. DLF Phase 3, Gurgaon 122010, Haryana. India	Construction
OHL Construction Pacific Pty. Ltd.	Level 21. 110 Mary Street - Brisbane QLD 4000. Australia	Construction
OHL Finance, S.à.r.l.	14 rue Edward Steichen, L - 2540, Luxembourg	Construction
OHL Health Montreal (Holding) Inc.	1440 St Catherine West, Suite 500 Montreal, Quebec H3G1R6	Management
OHL Health Montreal (Partner) Inc.	1440 St Catherine West, Suite 500 Montreal, Quebec H3G1R8	Construction
OHL Ireland Construction and Engineering Limited	88 Harcourt Street, Dublin 2, D02 DK18. Ireland	Construction
OHL Sverige AB	C/O Baker & Mckenzie Advokatbyra KB BOX 180 101 23. Stockholm. Sweden	Construction
OHL Uruguay, S.A.	Edificio Argela, calle Rio Negro, 1354, piso 3, escritorio 16 Montevideo 11105, Uruguay	Construction
OHL USA, Inc.	26-15 Ulmer Street. College Point, NY 11354	Construction
OHL ZS MD, S.R.L.	65, Stefan cel Mare blvd. of 806, Chisinau, MD-2012, Moldova	Construction
OHL ZS Polska, Sp. z o.o.	UL. Tarnogajska 11/13, 50-512 Wroclaw	Construction
OHL ZS, a.s.	Burešova 938/17. Veveří. 602 00. Brno	Construction
OHL-FCC North Tunnels Canada INC	5945 Airport Road, N.144, Mississagua. Ontario. L4V1R9	Construction
Posmar Inversiones 2006, S.L.	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Construction
Premol, S.A. de C.V.	Avda. Paseo de la Reforma, no. 222. Piso 22. Colonia Juárez, Delegación Cuauhtémoc. Mexico City 06600	Construction
Puente Logístico Mediterráneo, S.A.	Torre Espacio. Pº de la Castellana no. 259 D (28046 Madrid)	Construction
S.A. Trabajos y Obras	Torre Espacio, Pº de la Castellana no. 259 D (28046 Madrid)	Construction

APPENDIX II
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Identification of the most significant companies composing the consolidated Group at 31 December 2017

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
Sawgrass Rock Quarry, Inc.	9675 N W 117 th Avenue, Suite 108, Miami, FL, 33178 US	Construction
Servicios Administrativos TMT, S A. de C.V	Avda. Paseo de la Reforma, no 383, Piso 8, Colonia Cuahtemoc, Delegación Cuauhtemoc, Mexico City 06500	Construction
Sociedad Concesionaria Aguas de Navarra, S A	Camino Labiano, no 45, 1ª derecha (31 192 - Mutiva) Navarra	Operation of concessions
Sociedad Concesionaria Centro de Justicia de Santiago, S A	Av Manuel Rodriguez Sur 2261, Santiago de Chile	Construction
Sociedad de Obras Civiles e Infraestructuras Viales, S A de C.V	Avda. Paseo de la Reforma, no. 222, Piso 22, Colonia Juárez, Delegación Cuauhtemoc Mexico City 06600	Construction
Tomi Remont, a.s.	C/ Premyslovka c p 2514/4, PSC 796 01 (Prostejov - Czech Republic)	Construction
ZPSV Caña, a.s	C/ Osloboditerov 127, 044 14 (Caña - Slovak Republic)	Construction
ZPSV Eood, a s	9000 Varna, 45 "Al.Dyakovich" Str Office No 40, Bulgaria	Construction
ZPSV, a.s.	C/ Trebizskeho 207, 687 24 (Uhersky Ostroh - Czech Republic)	Construction
ZS Bratislava, a s	Turnovska 29 (Bratislava - Slovak Republic)	Construction
Industrial		
Arenales Solar PS, S.L.	Torre Espacio, Pº de la Castellana no 259 D (28046 Madrid)	Construction and operation of a fossil-fuel power plant
Catalana de Seguretat i Comunicacions, S.L.	C/ Laurea Miro 401, nave 8, Sant Feliu de Llobregat	Installation and maintenance of security and fire safety systems
Chemtrol Proyectos y Sistemas, S.L	C/ Arturo Soria 343 (28033 Madrid)	Installation and maintenance of security and fire safety systems
Cogeneración Complejo Pajantes, S.A P I de C.V	Hamburgo 213, Piso 7, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Industrial engineering and maintenance at industrial plants
Comercial de Materiales de Incendios, S L	Pg EL Rincón Nave 44-45, 21007 Huelva	Installation and maintenance of security and fire safety systems
Consorcio Instalaciones Mecánicas Hospital Dr. Gustavo Fricke SpA	Los Militares 6191, Piso 8 Las Condes, Santiago de Chile Chile	Execution of HVAC projects
Ecolaire España, S.A	C/ Arturo Soria 343 (28033 Madrid)	Design and performance of industrial engineering projects
Estación Rebombeo Degollado, S A.P.I. de C V	Hamburgo 213, Piso 7, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Industrial engineering for a repumping station
Hidro Parsifal, S A. de C V	Hamburgo 213, Piso 7, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Civil engineering construction
Hidrógeno Cadereyta, S.A P I. de C V	Hamburgo 213, Piso 7 Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Civil engineering construction
IEPI México, S A de C.V	Hamburgo 213, Piso 7, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Industrial engineering and maintenance at industrial plants
OHL Industrial and Partners, LLC	Muscat, Governorate Muscat 112	Industrial engineering and maintenance at industrial plants
OHL Industrial Brasil, Ltda	Rua Joel Jorge de Melo, 713 - Sala 4 Itaim Bibi, CEP 04128-081, São Paulo, SP, Brazil	Industrial engineering and maintenance at industrial plants
OHL Industrial Chile S.A.	Los Militares 6191, Piso 8 Las Condes Santiago de Chile Chile	Engineering works, technical advisory services, water treatment and
OHL Industrial Colombia, S A S	Cra 17 No 93-09 Oficina 702 Edificio Ecotower	Industrial engineering and maintenance at industrial plants
OHL Industrial Delegación Guatemala, S A	13 Calle 3-40 zona 10 Edificio Atlantis nivel 13, oficina 1304	Industrial engineering and maintenance at industrial plants
OHL Industrial Mining & Cement, S.A.	C/ Arturo Soria 343 (28033 Madrid)	Industrial engineering and maintenance at industrial plants
OHL Industrial Perú S.A.C	Av 28 de Julio, no 150, piso 8, Miraflores - Lima, Peru	Construction of industrial plants in the mining and cement, oil and
OHL Industrial, S L	Torre Espacio Pº de la Castellana no 259 D (28046 Madrid)	Industrial engineering and maintenance at industrial plants
Proyecto CCC Empalme I, S A P I de C V	Hamburgo 213 Piso 7 Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Development of a fossil-fuel power plant
Refinería Madero Tamaulipas, S A P I de C V	Juan Racine No 112 Piso 10 Colonia Los Morales Delegación Miguel Hidalgo, Mexico City C P 11510	Industrial engineering for a refinery
Sthim Maquinaria de México, S A de C V	Hamburgo 213, Piso 7, Colonia Juárez, Delegación Cuauhtemoc, Mexico City 06600	Administration consultancy services
Services		
Gestzen, S A	C/Gran Vía Don Diego López de Haro, no 33 5º 48009 Bilbao (Bizkaia)	Building maintenance and upkeep
Ingesan Chile, SpA	C/ Rosario Norte no. 100 Dpto 804 - Las Condes, Santiago de Chile Chile	Building maintenance and upkeep
Ingesan Servicios México S.A. de C.V	Hamburgo 213, Piso 9, Colonia Juárez, Delegación Cuauhtemoc Mexico City 06601	Building maintenance and upkeep
OHL Servicios-Ingesan, S A U	Torre Espacio, Pº de la Castellana no 259 D (28046 Madrid)	Building maintenance and upkeep

APPENDIX II
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Identification of the most significant companies composing the consolidated Group at 31 December 2017

COMPANY	REGISTERED OFFICE	MAIN LINE OF BUSINESS
Other		
Avalora Tecnologías de la Información, S.A.	Torre Espacio, Pª de la Castellana no. 259 D, planta 7, (28046 Madrid)	New technologies
Marina Urola, S.A.	Barrio Santiago - Puerto deportivo - (Zumaia - Guipúzcoa)	Concession and operation of marina, Zumaia (Guipúzcoa)
Nova Dársena Esportiva de Bara, S.A.	C/ Puerto deportivo Roda de Bará. Edificio Capitanía, Bajos. Pª Marítimo s/n. 43883 Roda de Bara. Tarragona	Port concession and operation
Tenedora de Participaciones Tecnológicas, S.A.	Torre Espacio, Pª de la Castellana no. 259 D (28046 Madrid)	New technologies
Development		
57 Whitehall Holdings S.A.R.L.	20 Avenue Marie - Therese 2132 Luxembourg - Luxembourg	Operation, upkeep and maintenance of car parks
ALSE Park, S.L.	Torre Espacio, Pª de la Castellana no. 259 D (28046 Madrid)	Operation of hotels and leisure centres
Altos de Ciudad Mayakoba, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Constructora Mayaluum, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Real estate project development services
Controladora L 4 - 5 Mayakoba, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Real estate project development
Desarrollo Vivienda MK1, S.A.P.I. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Construction of housing
Espacio - OHL.D Proyectos Singulares, S.L.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
FHP Villas Lote 2, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Fideicomiso Desarrollo OV CIB/2185	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Construction of housing
Gastronómica Santa Fé, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operating of shopping and leisure centres
Huarbe Servicios, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Real estate project development services
Huaribe, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Real estate project development services
L6 Hotel Mayakoba, S.R.L. de C.V.	Carretera Federal Chetumal-Puerto Juárez KM 298 Ent. Hotel Capitán Lafitte Playa del Carmen Solidandad CP 77712	Operation of hotels and leisure centres
La Ceiba DCM, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77711	Real estate project development
La Ceiba en Ciudad de Mayakoba, S.A.P.I. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Real estate project development
Lotes 4-5 Hotel Mayakoba, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Marina Mayakoba, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Mayakoba Country Club, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
MKB Real Estate, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77712	Real estate project development
Novatierra Ceiba, S.A.P.I. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Obrascón Huarte Lain, Desarrollos, S.L.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Real estate project development
Playa 4 - 5 Mayakoba, S.A. de C.V.	Torre Espacio, Pª de la Castellana no. 259 D (28046 Madrid)	Real estate project development services
Proyecto Canalejas Group, S.L.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Villas de Mayakoba, S.A. de C.V.	Torre Espacio, Pª de la Castellana no. 259 D (28046 Madrid)	Operation of hotels and leisure centres
Viveros de Mayakoba, S.A. de C.V.	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Operation of hotels and leisure centres
Westminster Development Services Limited	Carretera Federal Chetumal-Puerto Juárez Km. 298, Playa del Carmen, Solidandad, Quintana Roo, Mexico C.P. 77710	Construction of single-family housing
	33 St. James's Square. London Executive Offices, Ec M 05 London SW1Y 4JS	Growing of indigenous plants and reforestation services

APPENDIX III

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the equity and the net cost of the investment in the main companies composing the consolidated Group at 31 December 2017

Thousands of euros

COMPANY	Ownership interest: Direct	Indirect	Total	Share capital	Uncalled capital payments payable	Reserves	Profit (Loss) for 2017	Interim dividends	Total shareholders' equity	Valuation adjustments	Total equity	Participating loans	Total equity + participating loans	Underlying carrying amount	Net cost of the investment
Fully consolidated companies															
Agrupación Gamovart Obras y Servicios Hispania, S.A.	100.00	-	100.00	30,050	-	72,501	4,225	-	106,776	-	106,776	-	106,776	106,776	69,056
Asfaltos y Construcciones Elsan, S.A.	100.00	-	100.00	7,603	-	(322)	1,265	-	8,546	-	8,546	5,000	13,546	13,546	13,940
Avalora Tecnologías de la Información, S.A.	-	100.00	100.00	455	-	6,312	31	-	6,798	-	6,798	-	6,798	6,798	12,497
BNS International, Inc.	-	100.00	100.00	3	-	(1,070)	(350)	-	(1,417)	-	(1,417)	-	(1,417)	(1,417)	-
CAC Verde I, LLC	-	100.00	100.00	2,918	-	534	84	-	3,516	-	3,516	-	3,516	3,516	2,918
Catalana de Seguretat i Comunicacions, S.L.	-	100.00	100.00	180	-	(7,252)	(6,277)	-	(13,349)	-	(13,349)	14,500	1,151	1,151	721
Chemtrol Proyectos y Sistemas, S.L.	-	100.00	100.00	630	-	(4,359)	(6,718)	-	(10,447)	-	(10,447)	11,000	553	553	180
Cogeneración Complejo Pajares, S.A.P.I. de C.V.	-	50.00	50.00	6	-	(3,439)	4,333	-	900	-	900	-	900	450	4
Comercial de Materiales de Incendios, S.L.	-	100.00	100.00	161	-	(2,408)	(844)	-	(3,089)	-	(3,089)	3,350	261	261	196
Community Asphalt Corp	6.50	93.50	100.00	2	-	62,341	(2,157)	-	60,186	-	60,186	-	60,186	60,186	154,332
Consorcio Instalaciones Mecánicas Hospital Dr. Gustavo Fricke SpA	-	100.00	100.00	1	-	114	(1,440)	-	(1,325)	-	(1,325)	-	(1,325)	(1,325)	1
Construcciones Adolfo Sobrino, S.A.	100.00	-	100.00	1,520	-	11,894	1,819	-	15,233	-	15,233	-	15,233	15,233	18,841
Construcciones Colombianas OHL, S.A.S.	30.00	70.00	100.00	79	-	2,042	4,015	-	6,136	-	6,136	-	6,136	6,136	104
Constructora de Proyectos Viales de México, S.A. de C.V.	-	100.00	100.00	2,115	-	103,487	12,946	-	118,548	-	118,548	-	118,548	118,548	4,453
Constructora e Inmobiliaria Huarte Ltda.	89.90	10.10	100.00	705	-	(173)	(27)	-	505	-	505	-	505	505	999
Constructora Mayallum Servicios, S.A. de C.V.	-	100.00	100.00	2	-	61	(16)	-	47	-	47	-	47	47	15
Constructora Mayallum, S.A. de C.V.	-	100.00	100.00	3,457	-	391	24	-	3,872	-	3,872	-	3,872	3,872	3,050
Constructora TP, S.A.C.	-	100.00	100.00	2,575	-	126	353	-	3,054	-	3,054	-	3,054	3,054	5,359
Controladora L 4 - 5 Mayakoba, S.A. de C.V.	-	100.00	100.00	4,834	-	(28)	(4)	-	4,802	-	4,802	-	4,802	4,802	729
Desarrollo Vivienda MK1, S.A.P.I. de C.V.	-	100.00	100.00	7,195	-	(485)	(863)	-	5,846	-	5,846	-	5,846	5,846	13,017
E y M Arabia, LLC	-	100.00	100.00	111	-	18,006	2,110	-	20,227	-	20,227	-	20,227	20,227	102
Ecolare España, S.A.	-	100.00	100.00	905	-	(20,296)	(626)	-	(20,017)	-	(20,017)	22,000	1,983	1,983	1,753
Empresa Constructora Huarte San José, Ltda.	95.00	5.00	100.00	18	(17)	217	(1)	-	217	-	217	-	217	217	12
Estación Rebombeo Degollado, S.A.P.I. de C.V.	-	50.00	50.00	-	-	(2,134)	142	-	(1,992)	-	(1,992)	-	(1,992)	(998)	-
EyM Instalaciones, S.A.	-	100.00	100.00	601	-	5,060	(1,604)	-	4,077	-	4,077	-	4,077	4,077	4,490
EYM México Instalaciones, S.A. de C.V.	-	100.00	100.00	13	-	(59)	346	-	300	-	300	-	300	300	14
Gastronómica Santa Fé, S.A. de C.V.	-	100.00	100.00	4,664	-	1,207	(313)	-	5,558	-	5,558	-	5,558	5,558	3,386
Gizatzen, S.A.	-	100.00	100.00	60	(45)	-	-	-	15	-	15	-	15	15	15
Hidro Pandal, S.A. de C.V.	-	79.66	79.66	33	-	(4,060)	(280)	-	(4,327)	-	(4,327)	-	(4,327)	(3,447)	-
Hidrógeno Cadereyta, S.A.P.I. de C.V.	-	53.90	53.90	-	-	1,645	(344)	-	1,301	-	1,301	-	1,301	701	-
Huarte, S.A. de C.V.	-	100.00	100.00	63,989	-	(39,412)	(256)	-	24,321	-	24,321	-	24,321	24,321	34,908
Huarte Servicios, S.A. de C.V.	-	100.00	100.00	2	-	490	585	-	1,077	-	1,077	-	1,077	1,077	854
IEPI México, S.A. de C.V.	-	100.00	100.00	988	-	7,073	(335)	-	7,706	-	7,706	-	7,706	7,706	1,300
Ingesan Servicios México S.A. de C.V.	-	100.00	100.00	120	-	(587)	(800)	-	(1,267)	-	(1,267)	-	(1,267)	(1,267)	132
Josefa Valcárcel 42, S.A.	100.00	-	100.00	69	-	(963)	-	-	(894)	-	(894)	962	68	68	320
Judiau Contracting, Inc.	-	100.00	100.00	22	-	88,080	9,548	-	97,628	-	97,628	-	97,628	97,628	162,109
L 6 Hotel Mayakoba, S. de R.L. de C.V.	30.35	69.65	100.00	25,684	-	(20,984)	(74)	-	4,626	-	4,626	-	4,626	4,626	7,991
Lotes 4-5 Hotel Mayakoba, S.A. de C.V.	-	100.00	100.00	3,005	-	(8,592)	92	-	(5,495)	-	(5,495)	-	(5,495)	(5,495)	3,005
Marina Mayakoba, S.A. de C.V.	-	100.00	100.00	729	-	(133)	65	-	661	-	661	-	661	661	678
Marina Urola, S.A.	25.50	25.50	51.00	503	-	716	(14)	-	1,205	-	1,205	-	1,205	615	480
MKB Real Estate, S.A. de C.V.	-	100.00	100.00	472	-	151	216	-	849	-	849	-	849	849	1,455
Obrascón Huarte Lain, Construcción Internacional, S.L.	100.00	-	100.00	41,830	-	(6,982)	(63,226)	-	(28,378)	-	(28,378)	-	(28,378)	(28,378)	134,895
Obrascón Huarte Lain, Desarrollos, S.L.	100.00	-	100.00	80,334	-	227,960	(45,115)	-	263,199	-	263,199	-	263,199	263,199	379,136
OHL Andina, S.A.	99.00	1.00	100.00	3,153	-	22,040	(1,696)	-	23,497	-	23,497	-	23,497	23,497	3,285
OHL Arabia, LLC	95.00	5.00	100.00	111	-	25,083	(7,817)	-	17,377	-	17,377	-	17,377	17,377	105
OHL Arellano Construction Company	-	100.00	100.00	1	-	10,977	(1,809)	-	9,169	-	9,169	-	9,169	9,169	57,827
OHL Austral, S.A.	-	100.00	100.00	14,018	-	(208)	12,032	-	25,842	-	25,842	-	25,842	25,842	5,450
OHL Brasil, S.A.	1.00	99.00	100.00	325	-	(200)	(8)	-	117	-	117	-	117	117	117
OHL Building, Inc.	-	100.00	100.00	1	-	13,835	(10,549)	-	3,287	-	3,287	-	3,287	3,287	43,988
OHL Central Europe, a.s.	-	100.00	100.00	19,819	-	145,185	(119,455)	-	45,349	-	45,349	-	45,349	45,349	78,802
OHL Colombia, S.A.S.	-	100.00	100.00	104	-	829	(2,217)	-	(1,484)	-	(1,484)	-	(1,484)	(1,484)	10,537
OHL Construction Canada, Inc.		100.00	100.00	31,122	-	(17,211)	(28,372)	-	(14,461)	-	(14,461)	-	(14,461)	(14,461)	32,565

APPENDIX III
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the equity and the net cost of the investment in the main companies composing the consolidated Group at 31 December 2017

Thousands of euros

Company	Ownership interest			Share capital	Uncalled capital payments payable	Reserves	Profit (loss) for 2017	Interim dividend	Total shareholders' equity	Valuation adjustments	Total equity	Participating loans	Total equity + participating loans	Underlying carrying amount	Net cost of the investment
	Direct	Indirect	Total												
OHL Construction India Private Limited	1.00	99.00	100.00	487	-	(79)	(384)	-	24	-	24	-	24	24	24
OHL Construction Pacific Pty. Ltd	100.00	-	100.00	-	-	(7,371)	(2,227)	-	(9,598)	-	(9,598)	-	(9,598)	(9,598)	-
OHL Finance, S.à.r.l.	-	100.00	100.00	2,456	-	29,809	(57)	-	32,268	-	32,268	-	32,268	32,268	(410)
OHL Health Montreal (Holding) Inc.	-	100.00	100.00	-	-	(15)	(3)	-	(18)	-	(18)	-	(18)	(18)	-
OHL Health Montreal (Partner) Inc.	-	100.00	100.00	1,498	-	(15)	(5)	-	1,478	-	1,478	-	1,478	1,478	1,498
OHL Industrial and Partners, LLC	-	70.00	70.00	542	(162)	(9,066)	(9,567)	-	(18,273)	-	(18,273)	-	(18,273)	(12,791)	-
OHL Industrial Brasil, Ltda.	-	100.00	100.00	309	-	(307)	-	-	2	-	2	-	2	2	2
OHL Industrial Chile, S.A.	0.00	100.00	100.00	48,645	-	(42,957)	(2,127)	-	1,561	-	1,561	-	1,561	1,561	235
OHL Industrial Colombia, S.A.S.	-	100.00	100.00	499	-	(462)	(704)	-	(667)	-	(667)	-	(667)	(667)	-
OHL Industrial Delegación Guatemala, S.A.	-	100.00	100.00	1	-	(8,174)	(5,317)	-	(13,490)	-	(13,490)	-	(13,490)	(13,490)	-
OHL Industrial Mining & Cement, S.A.	-	100.00	100.00	1,954	-	(1,867)	890	-	987	-	987	-	987	987	6,983
OHL Industrial Perú, S.A.C.	-	100.00	100.00	4,095	-	(1,828)	70	-	2,337	-	2,337	-	2,337	2,337	2,337
OHL Industrial, S.L.	100.00	-	100.00	47,394	-	(974)	(85,643)	-	(19,223)	-	(19,223)	63,000	43,777	43,777	40,883
OHL Ireland Construction and Engineering Limited	-	100.00	100.00	-	-	-	(56)	-	(56)	-	(56)	-	(56)	(56)	-
OHL Servicios-Ingesan, S.A.U.	100.00	-	100.00	790	-	11,709	412	-	12,911	-	12,911	-	12,911	12,911	1,172
OHL Sverige AB	-	100.00	100.00	5	-	-	(467)	-	(462)	-	(462)	-	(462)	(462)	5
OHL Uruguay, S.A.	100.00	-	100.00	-	-	16	(80)	-	(64)	-	(64)	-	(64)	(64)	-
OHL USA, Inc	-	100.00	100.00	6,254	-	346,130	3,128	-	355,512	-	355,512	-	355,512	355,512	432,608
OHL ZS MO, S.R.L.	-	98.94	98.94	-	-	(2,146)	2,134	-	(12)	-	(12)	-	(12)	(12)	-
OHL ZS Polska, S.Z.o.o.	-	98.94	98.94	12	-	203	(541)	-	(326)	-	(326)	-	(326)	(323)	-
OHL ZS, a.s.	-	98.94	98.94	33,143	(7)	30,725	(19,826)	-	44,033	(335)	43,698	-	43,698	43,235	496
Playa 4 - 5 Mayakoba, S.A. de C.V.	-	100.00	100.00	1,786	-	(5,446)	15	-	(3,647)	-	(3,647)	-	(3,647)	(3,647)	1,786
Posmar Inversiones 2008, S.L.	-	100.00	100.00	3	-	(1,236)	2	-	(1,231)	-	(1,231)	1,266	35	35	38
Premol, S.A. de C.V.	-	100.00	100.00	44	-	1,608	442	-	2,094	-	2,094	-	2,094	2,094	45
Puente Logístico Mediterráneo, S.A.	-	100.00	100.00	105	-	(1,335)	7	-	(1,223)	-	(1,223)	1,281	58	58	60
S.A. Trabajos y Obras	100.00	-	100.00	1,854	-	63,937	13,769	-	79,560		79,560	-	79,560	79,560	43,347
Sawgrass Rock Quarry Inc	-	100.00	100.00	1	-	3,008	84	-	3,093	-	3,093	-	3,093	3,093	9,589
Sociedad Concesionaria Aguas de Navarra, S.A.	65.00	-	65.00	7,370	-	2,765	(273)	-	9,862	(846)	9,016	-	9,016	5,860	4,791
Sociedad Concesionaria Centro de Justicia de Santiago, S.A.	100.00	-	100.00	14,107	-	7,853	868	-	22,828	-	22,828	-	22,828	22,828	11,245
Sociedad de Obras Civiles e Infraestructuras Viales, S.A. de C.V.	-	100.00	100.00	18,897	-	(18,675)	3,574	-	3,796	-	3,796	-	3,596	3,596	-
OHLOM, S.A. de C.V.	-	100.00	100.00	118,339	-	3	(10,634)	-	107,708	-	107,708	-	107,708	107,708	139,882
Sitram Maquinaria de México, S.A. de C.V.	-	100.00	100.00	2	(2)	(179)	1	-	(178)	-	(178)	-	(178)	(178)	-
Tenedora de Participaciones Tecnológicas, S.A.	100.00		100.00	601	-	(34,759)	217	-	(33,941)	-	(33,941)	38,162	4,221	4,221	4,199
Torre Remont, a.s.	-	98.94	98.94	1,939	-	10,591	322	-	12,852	-	12,852	-	12,852	12,716	7,362
Vacua, S.A.	99.11	0.89	100.00	15,541	-	(14,901)	7	-	647	-	647	-	647	647	604
Villas de Mayakoba, S.A. de C.V.	-	100.00	100.00	2,625	-	(3,655)	3,905	-	2,875	-	2,875	-	2,875	2,875	8,835
Viveros de Mayakoba, S.A. de C.V.	-	100.00	100.00	534	-	(465)	3	-	72	-	72	-	72	72	34
ZPSV Caña, a.s.	-	57.02	57.02	3,564	-	3,450	18	-	7,032	-	7,032	-	7,032	4,010	2,021
ZPSV Eood, a.s.	-	96.75	96.75	1,802	-	(3,356)	(277)	-	(1,831)	-	(1,831)	-	(1,831)	(1,771)	-
ZPSV, a.s.	-	96.75	96.75	23,353	-	20,823	3,219	-	47,395	-	47,395	-	47,395	45,855	17,423
ZS Bratislava, a.s.	-	98.94	98.94	5,398	-	(2,044)	(2,341)	-	1,013	-	1,013	-	1,013	1,002	5,256

APPENDIX III

OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the equity and the net cost of the investment in the main companies composing the consolidated Group at 31 December 2017

Thousands of euros

Company	Ownership interest: Direct	Indirect	Total	Share capital	Uncalled capital pay-back - payable	Reserves	Profit/(Loss) for 2017	Interim dividend	Total shareholders' equity	Valuation adjustments	Total equity	Participating loans	Total equity + participating loans	Unpaid and callable dividend	Net cost of the investment
Companies accounted for using the equity method															
Joint ventures															
Altos de Ciudad Mayakoba, S.A. de C.V	-	50.00	50.00	2,752	-	-	(33)	-	2,719	-	2,719	-	2,719	1,360	1,378
Consorcio Conpax OHL VALKO, S.A.	-	49.00	49.00	1,355	-	-	3,736	-	5,091	-	5,091	-	5,091	2,495	373
FHP Villas Lote 2, S.A. de C.V	-	50.00	50.00	5,456	-	(3,177)	1,204	-	3,483	-	3,483	-	3,483	1,742	7,190
Fideicomiso Desarrollo OV CIB/2185	-	50.00	50.00	5,072	-	(345)	(460)	-	4,267	-	4,267	-	4,267	2,134	3,981
Health Montreal Collective CJV LP	-	50.00	50.00	1	-	(307,895)	(4,854)	-	(312,748)	-	(312,748)	433,493	120,745	60,373	216,747
La Ceiba DCM, S.A. de C.V	-	50.00	50.00	1,479	(370)	-	(61)	-	1,048	-	1,048	-	1,048	524	555
Nova Dársena Esportiva de Bara, S.A.	-	50.00	50.00	3,731	-	(6,815)	(183)	-	(3,267)	-	(3,267)	32,006	28,739	14,370	18,003
Novatierra Caribe, S.A.P.I. de C.V	-	50.00	50.00	5,584	-	(1,263)	4,558	-	8,889	-	8,889	-	8,889	4,445	5,223
OHL Construction Canada and Fomento de Construcciones y Contrat	-	50.00	50.00	1	-	(119,414)	(52,327)	-	(171,740)	-	(171,740)	135,243	(36,497)	(18,249)	67,622
OHL FCC North Tunnels Canadá, Inc.	-	50.00	50.00	-	-	-	(17)	-	(17)	-	(17)	17,006	16,989	8,495	8,503
Proyecto CCC Empalme I, S.A.P.I. de C.V	-	50.00	50.00	-	-	11,964	(7,963)	-	4,021	-	4,021	-	4,021	2,011	-
Refinería Madero Tamaulipas, S.A.P.I. de C.V	-	50.00	50.00	-	-	186	(1,857)	-	(1,671)	-	(1,671)	-	(1,671)	(836)	-
Servicios Administrativos TMT, S.A. de C.V	-	50.00	50.00	-	-	33	43	-	76	-	76	-	76	38	-
Westminster Development Services Limited	-	50.00	50.00	11	-	161	364	-	536	-	536	-	536	268	7
Associates															
57 Whitehall Holdings S.A.R.L.	-	49.00	49.00	28	-	143,658	(224)	-	143,462	-	143,462	-	143,462	70,296	77,512
ALSE Park, S.L.	-	35.00	35.00	4,296	-	9,486	(2,097)	-	11,667	-	11,667	-	11,667	4,083	5,444
Arenales Solar PS, S.L.	-	25.02	25.02	71	-	(44,985)	(11,382)	-	(56,297)	(24,272)	(80,569)	158,110	77,541	19,401	19,401
E.M.V. Alcalá de Henares, S.A.	34.00	-	34.00	1,202	-	4,608	-	-	5,810	-	5,810	-	5,810	1,975	409
Espacio-OHLD Proyectos Singulares, S.L.	-	25.00	25.00	50	-	199	(740)	-	(491)	-	(491)	-	(491)	(123)	12
Health Montreal Collective Limited Partnership	-	25.00	25.00	5,992	-	20,323	1,840	-	28,155	-	28,155	-	28,155	7,039	1,498
Navarra Gestión del Agua, S.A.	30.00	-	30.00	60	-	277	64	-	401	-	401	-	401	120	18
Nuevo Hospital de Burgos, S.A.	20.75	-	20.75	55,033	-	(53,264)	(5,554)	-	(3,785)	-	(3,785)	-	(3,785)	(785)	11,420
Nuevo Hospital de Toledo, S.A.	33.34	-	33.34	23,803	(12,625)	162	26	-	11,366	(8,629)	2,737	-	2,737	913	3,726
Obsiovna Bosiovce, s.r.o.	-	44.52	44.52	1,492	-	-	218	-	1,710	-	1,710	-	1,710	781	555
Proyecto Canalejas Group, S.L.	-	17.50	17.50	71,670	-	265,825	(11)	-	337,484	-	337,484	-	337,484	59,060	46,658

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Thousands of euros

Company	Ownership interests: Direct	Indirect	Total	Share capital	Unpaid capital payments payable	Reserves	Profit (loss) for 2017	Interim dividend	Total shareholders' equity	Valuation adjustments	Total equity	Participating loans	Total equity + participating loans	Underlying carrying amount	Net cost of the investment
DISCONTINUED OPERATIONS															
Fully consolidated companies															
0505 Investments S a r l	-	100 00	100.00	150	-	217	(6,515)	-	(6,148)	-	(6,148)	-	(6,148)	(6,148)	150
Autopista del Norte, S.A.C.	-	100 00	100.00	73,153	-	41,728	6,939	-	121,820	(1,451)	120,369	-	120,369	120,369	73,189
Autopista Rio Magdalena, S.A.S	-	100 00	100 00	703	-	45,558	4,578	-	50,839	-	50,839	-	50,839	50,839	47,277
Autopista Urbana Norte, S.A. de C.V.	-	56 85	56.85	221,245	-	335,417	134,524	-	691 186	2,988	694,174	-	694,174	394,638	125,778
Autovías Concesionadas OHL, S.A. de C.V.	-	56 85	56.85	22,434	-	425	4,774	-	27 633	-	27,633	-	27,633	15,709	12,754
Concesionaria AT - AT, S.A. de C.V.	-	56 85	56.85	192,129	-	-	-	-	192 129	-	192,129	-	192,129	109,225	109,225
* Concesionaria Mexiquense, S.A. de C.V.	-	28 99	28 99	235,798	-	1,116,992	277,492	-	1,630,282	7,002	1,637,284	-	1,637,284	474,649	75,041
* Construcciones Amozoc Perote, S.A. de C.V.	-	39 33	39 33	2	-	530	2,502	-	3 034	-	3,034	-	3,034	1 193	43
Euroconcesiones, S.L.	-	100.00	100 00	3,641	-	366	484	-	4 491	(11,082)	(6,591)	-	(6,591)	(6,591)	3,641
Euroglosa 45 Concesionaria de la Comunidad de Madrid, S.A.	-	100.00	100.00	22,897	-	17,388	5,896	-	45 781	-	45,781	-	45,781	45,781	23,075
* Grupo Autopistas Nacionales, S.A.	-	39.33	39 33	14,561	-	7,853	5,100	-	27,534	-	27,534	-	27,534	10,829	9,030
Latina México, S.A. de C.V.	-	56 85	56.85	2	-	4,395	560	-	4,957	-	4,957	-	4,957	2,818	1
Magenta Infraestructura, S.L.	-	58 73	58.73	1,175,782	-	813,374	(13,756)	-	1,975,400	-	1,975,400	-	1,975,400	1,160,152	389,879
OHL Concesiones Argentina S.A.	10 00	90 00	100.00	403	(375)	(219)	(82)	-	(273)	-	(273)	-	(273)	(273)	-
OHL Concesiones Chile S.A.	0 00	100 00	100 00	84,266	-	(3,536)	(3,531)	-	77 197	-	77,197	-	77,197	77,197	77,508
OHL Concesiones Colombia, S.A.S.	-	100 00	100 00	337	-	65,490	(1,673)	-	64 154	-	64 154	-	64,154	64 154	79,643
OHL Concesiones Peru S.A.	-	100 00	100 00	7,868	-	(2,145)	(1 344)	-	4,379	-	4 379	-	4,379	4,379	4,380
OHL Concesiones, S.A.	100 00	-	100 00	187 455	-	1,663,507	330,082	-	2 161,044	-	2,161,044	-	2,161,044	2,161,044	800,078
OHL Concessões Brasil Ltda	-	100 00	100 00	5,489	-	(1,965)	(3,289)	-	235	-	235	-	235	235	235
OHL Emisiones, S.A.U.	-	100.00	100 00	60	-	10,743	82 983	(79,513)	14,273	-	14,273	-	14,273	14,273	00
OHL Infraestructures, Inc.	-	100 00	100 00	24,509	-	(23,846)	(2,211)	-	(1,548)	-	(1,548)	-	(1,548)	(1,548)	-
OHL Investments, S.A.	-	100.00	100 00	208,320	-	73,681	128,843	-	410,844	-	410,844	-	410,844	410,844	181,095
OHL México, S.A.B. de C.V.	-	56 85	56 85	648,080	-	637,266	220,902	-	1,505,948	-	1,505,948	-	1,505,948	856,131	321,990
OHL Toluca, S.A. de C.V.	-	56 85	56 85	69,823	(17)	(3,009)	(5)	-	66 792	-	66,792	-	66,792	37 971	43 197
* OPCEM, S.A.P.I. de C.V.	-	28.99	28 99	-	-	1 025	2,645	-	3,670	-	3,670	-	3,670	1,064	-
Operaciones Cerro Valparaíso, SpA	-	100 00	100 00	68	(68)	(4)	(6)	-	(10)	-	(10)	-	(10)	(10)	-
Operaciones Portuarias Valparaíso, SpA	-	100 00	100 00	68	-	(193)	118	-	(7)	-	(7)	-	(7)	(7)	68
Operadora Concesionaria Mexiquense, S.A. de C.V.	-	56 85	56 85	2	-	5,691	5,898	-	11,591	-	11,591	-	11,591	6,589	1
Operadora de Carreteras, S.A.C.	-	100 00	100 00	1,456	-	15	198	(356)	1,311	-	1,311	-	1,311	1,311	1,454
* Organización de Proyectos de Infraestructura, S.A.P.I. de C.V.	-	28 99	28.99	224,541	-	(59,123)	(24,800)	-	140,613	-	140,613	-	140,613	40 764	64,011
Pachira, S.L.	-	100 00	100 00	4	-	(628)	(352)	-	(976)	-	(976)	4 866	3,890	3,890	4,866
Secoinmex Administración, S.A. de C.V.	-	56 85	56 85	2	-	1,998	791	-	2,789	-	2,789	-	2,789	1,566	7
Sociedad Concesionaria Nuevo Camino Nogales - Puchuncaví, S.A.	-	100 00	100 00	34,959	(11,217)	885	2,470	-	27,097	-	27,097	-	27,097	27,097	23,742
Sociedad Concesionaria Puente Industrial, S.A.	-	100.00	100.00	27,958	-	1,097	1,046	-	30,101	-	30,101	-	30,101	30,101	27,959
Terminal Cerros de Valparaíso, S.A.	-	100 00	100.00	37,266	-	4,150	7,043	-	48,459	-	48,459	-	48,459	48,459	37,270
Terminal de Contenedores de Tenerife, S.A.	-	100 00	100.00	22,608	-	(6,187)	444	-	16,865	(928)	15,937	-	15,937	15,937	23,470
Terminal Polivalente Sureste, S.L.	-	100 00	100 00	48	-	(28)	-	-	20	-	20	15	35	35	63
Terminales Marítimas del Sureste, S.A.	-	100.00	100 00	17,820	-	(22,699)	(1,299)	-	(6,178)	(1,110)	(7,288)	40,400	33,112	33,112	62 720
Tráfico y Transporte Sistemas, S.A.U.	-	100.00	100 00	1,350	-	(438)	(476)	-	436	-	436	100	536	536	508
Viaducto Bicentenario, S.A. de C.V.	-	56 85	56 85	344,032	(4,541)	296,125	87,259	-	722,875	-	722,875	-	722,875	410,954	193,001
Companies accounted for using the equity method															
Joint ventures															
Constructora Libramiento Elevado de Puebla, S.A. de C.V.	-	28.99	28 99	2	-	20,525	(3,135)	-	17,392	-	17,392	-	17,392	5,042	1
Constructora Vía Rápida Poetas, S.A.P.I. de C.V.	-	28 43	28 43	91,713	-	201,055	78,787	-	371,555	-	371,555	-	371,555	105,633	25,744
Coordinadora Vía Rápida Poniente, S.A.P.I. de C.V.	-	28 43	28 43	2	-	3,834	(306)	-	3,530	-	3,530	-	3,530	1,004	1
Libramiento Elevado de Puebla, S.A. de C.V.	-	28 99	28.99	144,527	-	(4,561)	4,805	-	144,771	-	144,771	-	144,771	41,969	41,380
Operadora AVO, S.A.	-	50 00	50 00	27	-	1	-	-	28	-	28	-	28	14	14
Operadora Libramiento Elevado Puebla, S.A. de C.V.	-	28.99	28 99	2	-	(101)	229	-	130	-	130	-	130	38	1
Operadora Vía Rápida Postas, S.A.P.I. de C.V.	-	28.43	28 43	2	-	1,807	674	-	2,483	-	2,483	-	2,483	706	1
Prestadora de Servicios Vía Rápida Poniente, S.A.P.I. de C.V.	-	28 43	28 43	2	-	163	34	-	199	-	199	-	199	57	1
Sociedad Concesionaria Vespucio Oriente, S.A.	-	50 00	50 00	121,953	(71,332)	2,981	3,670	-	57,272	-	57,272	-	57,272	28,636	81,783
Associates															
Administradora Mexiquense del Aeropuerto Internacional de Toluca, S	-	27.86	27 86	92,150	-	32,187	11,373	-	135,710	-	135,710	-	135,710	37,809	37,497
Sestibalse Alicante, S.A. de Gestión de Estibadores Portuarios	-	44.68	44.68	87	-	-	-	-	87	-	87	-	87	39	39

* Controlled through OHL México, S.A.B. de C.V

APPENDIX IV
OBRASCÓN HUARTE LAIN, S.A. AND SUBSIDIARIES

Detail of the changes in the scope of consolidation at 31 December 2017

Subsidiaries (fully consolidated)

INCLUSIONS	
COMPANY	REASON
Avalora Chile SpA	Incorporation
EYM Norway, AS	Incorporation
Gizabizen, S.A.	Incorporation
Ingesan Chile, SpA	Incorporation
OHL Ireland Construction and Engineering Limited	Incorporation
OHL Sverige AB	Incorporation

EXCLUSIONS	
COMPANY	REASON
Cercanías Móstoles Navalcarnero, S.A.	Investment Securities
OHL Industrial Power, S.A.	Merger
OHL Industrial USA, Inc.	Liquidation
OHL ZS SK, a.s	Merger

Joint ventures and associates (accounted for using the equity method)

INCLUSIONS	
COMPANY	REASON
Altos de Ciudad de Mayakoba, S.A. de C.V.	Incorporation
Le Caibe DCM, S.A. de C.V.	Incorporation
Mayakoba Country Club, S.A. de C.V.	Incorporation
NCC - OHL Lund-Anlöv fyra spar Handelsbolag	Acquisition
OWO Residence Limited	Incorporation
Proyecto Canalejas Group, S.L.	Incorporation
Rhatigan OHL Limited	Incorporation
Tenedora de Hoteles y Golf MKB, S.A. de C.V.	Incorporation
Whitehall Residences Limited	Incorporation

EXCLUSIONS	
COMPANY	REASON
Concepteur-Constructeur St-Carles SEC	Liquidation
Gestión PCC SC INC	Liquidation
Port Tomebamba, S.A.	Sale

Companies included in the scope of consolidation in 2016 whose situation changed in 2017

COMPANY	SCOPE OF CONSOLIDATION IN
Activos Hoteleros de Lujo MKB, S.A. de C.V.	Fully consolidated
Agua Mayakoba, S.A. de C.V.	Fully consolidated
Autovía de Aragón-Tramo 1, S.A.	Fully consolidated
Controladora Hoyo 1, S.A. de C.V.	Fully consolidated
Desarrollos RBK en la Riviera, S.A. de C.V.	Fully consolidated
Golf de Mayakoba Servicios, S.A. de C.V.	Fully consolidated
Golf de Mayakoba, S.A. de C.V.	Fully consolidated
HH1 Servicios S de R.L. de C.V.	Fully consolidated
Hotel Hoyo Uno, S. de R.L. de C.V.	Fully consolidated
Islas de Mayakoba Servicios, S.A. de C.V.	Fully consolidated
Islas de Mayakoba, S.A. de C.V.	Fully consolidated
Lagunas de Mayakoba, S.A. de C.V.	Fully consolidated
Lotes 3 Servicios, S.A. de C.V.	Fully consolidated
Mayakoba Thai, S.A. de C.V.	Fully consolidated
Operadora Hotelera del Corredor Mayakoba, S.A. de C.V.	Fully consolidated
Operadora Mayakoba, S.A. de C.V.	Fully consolidated
Servicios Hoteleros del Corredor Mayakoba, S.A. de C.V.	Fully consolidated

COMPANY	SCOPE OF CONSOLIDATION IN 2017
Activos Hoteleros de Lujo MKB, S.A. de C.V.	Accounted for using the equity method
Agua Mayakoba, S.A. de C.V.	Accounted for using the equity method
Autovía de Aragón-Tramo 1, S.A.	Accounted for using the equity method
Controladora Hoyo 1, S.A. de C.V.	Accounted for using the equity method
Desarrollos RBK en la Riviera, S.A. de C.V.	Accounted for using the equity method
Golf de Mayakoba Servicios, S.A. de C.V.	Accounted for using the equity method
Golf de Mayakoba, S.A. de C.V.	Accounted for using the equity method
HH1 Servicios S de R.L. de C.V.	Accounted for using the equity method
Hotel Hoyo Uno, S. de R.L. de C.V.	Accounted for using the equity method
Islas de Mayakoba Servicios, S.A. de C.V.	Accounted for using the equity method
Islas de Mayakoba, S.A. de C.V.	Accounted for using the equity method
Lagunas de Mayakoba, S.A. de C.V.	Accounted for using the equity method
Lotes 3 Servicios, S.A. de C.V.	Accounted for using the equity method
Mayakoba Thai, S.A. de C.V.	Accounted for using the equity method
Operadora Hotelera del Corredor Mayakoba, S.A. de C.V.	Accounted for using the equity method
Operadora Mayakoba, S.A. de C.V.	Accounted for using the equity method
Servicios Hoteleros del Corredor Mayakoba, S.A. de C.V.	Accounted for using the equity method

OBRASCÓN HUARTE LAIN, S.A.
AND SUBSIDIARIES

2017 Consolidated Directors' Report

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

Chapter I.- OHL in a click

a) Group profile

I.- Presentation

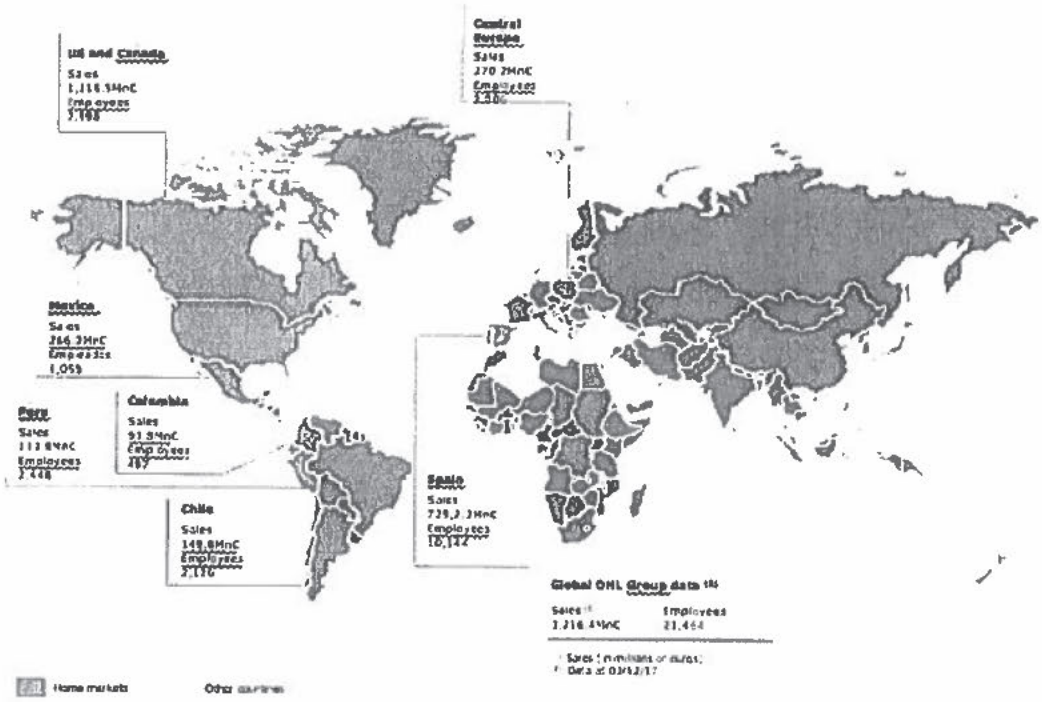
Obrascón Huarte Lain (OHL), an international concessions and construction group, carries on its activity primarily in the US, Canada, Mexico, Colombia, Peru, Chile, Spain and Central Europe.

- A strategic promotor of public-private partnerships.
- The thirty-seventh largest international contractor, tenth in the US and fourth in Latin America[1].
- A benchmark in hospital and railway construction.
- A member of the FTSE4Good IBEX sustainability stock market index
- A reference in the low-carbon economy. Leader in CDP Climate Change (A List) and in water resource management (A List Water)

In the framework of a responsible performance of its activity, OHL is committed to the main initiatives and guidelines led by international organisations such as the United Nations - Global Compact, Guiding Principles for Business and Human Rights and Sustainable Development Goals (SDGs), the Organisation for Economic Cooperation and Development (OECD) and the Tripartite Declaration of the International Labour Organization (ILO).

[1] ENR 2017.

II.- Worldwide presence



b) Group performance and main milestones in 2017

2017 represents a year of transition for the OHL Group, marked by the signing of an agreement (Share Purchase Agreement) for the sale of all the share capital of OHL Concesiones, S.A.U. (OHL Concesiones) to the fund IFM Investors (IFM).

As a result of this transaction, the Concessions business was classified as a discontinued operation in the consolidated financial statements, the profit or loss from these operations was included separately in the statement of profit or loss, along with that corresponding to non-controlling interests and the figures for 2016 were restated. Both the non-current assets and liabilities of this activity are classified as held for sale in the consolidated balance sheet.

The enterprise value of the transaction was EUR 2,775.0 million (net of project finance), which will be paid on completion of the transaction, subject to the usual price adjustments in transactions of this nature (net debt, exchange rate, and cash contributed from greenfield projects). The Group estimates that after these adjustments the net price paid will be approximately EUR 2,235.0 million.

The transaction was approved by the shareholders at an Annual General Meeting of OHL held on 9 January 2018, and is conditional upon, inter alia, the obtainment of the required authorisation from the competent Mexican authorities, the obtainment of a waiver from certain financial creditors, and the approval and launch of a tender offer by IFM Investors or a subsidiary for the share capital of OHL México, S.A.B. de C.V. not owned by IFM at the transaction closing date. The process of obtaining the authorisation is in progress and the transaction will foreseeably be completed in the first quarter of 2018.

This is an exceptional transaction for the OHL Group, as it makes it possible to repay gross recourse borrowings and leave an excellent cash position. From this sound financial position, the Group is embarking on a new era that will be focused on its Construction business, strengthening its capacity in this area in the regions in which it is currently present, concentrating its efforts on generating sustainable cash flow and prioritising profitability over growth.

The execution of the transaction led to a rise in the rating from the Moody's rating agency, which on 1 December 2017 improved OHL's rating to B3 from Caa1, and keeps it under review to assess possible further increases, which represents the endorsement by a third party of the Group's successful divestment policy.

At the operating level, the Group's main aggregates show a change of scale when the Concessions business was eliminated, showing signs of recovery in terms of the EBITDA margin and cash generation in the Construction business:

	2017	2016*	Change (%)
Revenue	**3,216.4**	**3,342.4**	**-3.8%**
EBITDA	**-56.5**	**-576.3**	**-90.2%**
% of sales	-1.8%	-17.2%	
Net attributable loss	**-12.1**	**-432.3**	**-97.2%**
% of sales	-0.4%	-12.9%	

Millions of euros
(*) Restated

Revenue amounted to EUR 3,216.4 million, a slight decrease compared to 2016, due mainly to lower construction activity in the US as a result of the end of contracts during the period which was not offset by the production under new contracts that are in their initial phase. The delays in the commencement of the construction phase of certain concession projects in Latin America also contributed to this fall.

EBITDA in 2017 amounted to EUR -56.5 million, -1.8% as a percentage of sales, affected primarily by:

I. A lower than expected contribution in terms of production and EBITDA by start-up projects in the US and Latin America (construction work for concessions in Chile and Colombia) that will bring higher margins in the future and that did not offset the lower contribution from projects completed in the period.

II. Losses recognised on projects in the Industrial business.

III. The extraordinary recognition of losses at the Gustavo Fricke Hospital (Chile), a legacy project awarded in 2013.

IV. The cost of the collective redundancy procedures (CRP) at OHL, S.A., OHL Industrial, S.L. and other factors.

The aggregate of the latter two one-off impacts on EBITDA, relating to the losses recognised at Gustavo Fricke Hospital (Chile) and the cost of the CRP and other, was EUR -76.5 million. Excluding this effect, EBITDA would stand at EUR +20.0 million.

It is worth recalling that the EBITDA for 2016 was EUR -576.3 million, affected mainly by the reorganisation process, which included EUR -520.2 million of one-off losses on legacy projects, due to the re-estimation of objectives carried out. In comparable terms, eliminating one-off effects, EBITDA in 2017 improved by EUR 76.1 million compared to 2016, marking a turning point for the Company this year, with a healthy backlog that aims to obtain higher margins in the coming years.

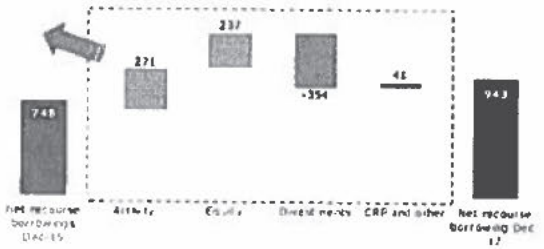
The attributable net loss was EUR -12.1 million, affected by the aforementioned impacts. Excluding one-off impacts, there would be a net attributable profit of EUR 64.4 million.

In the financial area, the following matters should be noted:

Changes in net recourse borrowings

The changes in the net recourse borrowings in 2017 were as follows:

	2017	2016	Var.
Construction	46	281	(235)
Legacy	54	269	(215)
Regular & Stre.	(8)	12	(20)
Industrial	94	24	70
Services	(4)	5	(8)
Development	23	46	(23)
Corporate	111	146	(34)
Total	**271**	**501**	**(230)**



At 31 December 2017, net recourse borrowings amounted to EUR 943.5 million, representing an increase of EUR 195.1 million in 2017, a significant improvement on the EUR 369.0 million increase seen in 2016, due primarily to the worsening of cash due to the legacy projects.

Of particular note was the sound performance of the net recourse borrowings in the Construction business, which in 2017 used only EUR 46.4 million of cash in comparison with the EUR 281.4 million used in 2016, demonstrating the effort made to contain the deterioration in cash flow and opening a new stage towards the generation of sustainable cash flow at project level. In turn, the legacy projects used less cash than expected. In the fourth quarter of 2017 the Construction business performed excellently, generating cash amounting to EUR 172.3 million.

Of particular note is the reduction in net cash outflows in the Corporate area, showing the first effects of the cost reduction initiatives implemented.

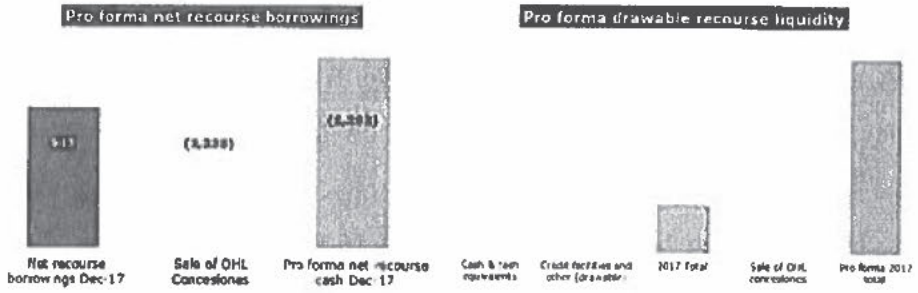
The execution of the asset rotation plan contributed funds amounting to EUR 355.0 million and the new equity investments resulted in a cash outflow of EUR 236.8 million, with Concessions being the main investor division, with expenditure of EUR 164.6 million.

Drawable recourse liquidity

The Company continues to enjoy financial flexibility thanks to a drawable recourse liquidity position of EUR 748.4 million at the end of December 2017, measured as cash and cash equivalents plus the available recourse financing, which ensure that the working capital needs are covered for being able to carry on the business activities in 2018.

In this connection, mention should be made of the support received by the OHL Group from the main banks with which it works with the signature, on 30 March 2017, of the multi-product syndicated financing agreement (novated on 29 November 2017) for an aggregate amount of EUR 684 million, for the issue of guarantees (EUR 402 million) and reverse factoring (EUR 92 million), which also includes a revolving credit line of EUR 190 million.

Additionally, the execution of the sale of 100% of OHL Concesiones will enable the Group to simplify and significantly reduce its structure of total gross recourse borrowings, thereby giving a positive cash position and an excellent drawable recourse liquidity position.



- As regards the asset rotation process, various divestments were made during 2017:

Asset	Ownership interest	Net funds (millions of euros)	Status	Collection date
abertis	2.50%	57	Cobrado	January 2017
mayakoba	80% - 51%	179.1 + 7.9*	Cobrado	April 2017
Canalejas	17.50%	68.1m + 3.5*	Cobrado	April 2017
Autovia Aragón	75%	c. 51	Cobrado	June 2017

* Collection pending per contract

Negotiations are ongoing for the possible sale of the Czech sleeper factory ŽPSV and other assets in Mayakoba, which could be completed in the first half of 2018.

c) 2017 in figures

I.- Main aggregates

Millions of euros

	2017	2016*	% change 2017-2016
STATEMENT OF PROFIT OR LOSS			
Revenue	**3,216.4**	**3,342.4**	**-3.8%**
EBITDA	**-56.5**	**-576.3**	**-90.2%**
% EBITDA/Sales	-1.8%	-17.2%	
EBIT	**-132.7**	**-706.0**	**-81.2%**
% EBITDA/Sales	-4.1%	-21.1%	
Attributable net loss	**-12.1**	**-432.3**	**-97.2%**
% Attributable net loss/Sales	-0.4%	-12.9%	
REVENUE BY LINE OF BUSINESS			
Engineering and Construction	3,168.2	3,211.6	-1.4%
% of total sales	98.5%	96.1%	
Development	48.2	130.8	-63.1%
% of total sales	1.5%	3.9%	
Total revenue	**3,216.4**	**3,342.4**	**-3.8%**
% of total sales	100.0%	100.0%	
EBITDA BY LINE OF BUSINESS			
Engineering and Construction	18.0	-84.5	-121.3%
% EBITDA/Sales	0.6%	-2.6%	
Development	2.0	28.4	-93.0%
% EBITDA/Sales	4.1%	21.7%	
EBITDA	**20.0**	**-56.1**	**-135.7%**
% EBITDA/Sales	0.6%	-1.7%	
CRP and other	-76.5	-520.2	
Total EBITDA	**-56.5**	**-576.3**	**-90.2%**
% EBITDA/Sales	-1.8%	-17.2%	
EQUITY			
Equity attributable to the Parent	2,166.7	2,439.7	-11.2%
Non-controlling interests	2,016.6	1,603.2	25.8%
NET BORROWINGS			
Net recourse borrowings	943.5	748.4	26.1%
Net non-recourse borrowings	56.4	2,162.5	-97.4%
Total net borrowings	**999.9**	**2,910.9**	**-65.6%**
BACKLOG			
Short-term backlog	6,236.2	6,674.9	-6.6%
Long-term backlog	224.5	225.4	-0.4%
Total backlog	**6,460.7**	**6,900.3**	**-6.4%**
EMPLOYEES			
Permanent employees	12,910	13,741	-6.0%
Temporary employees	8,554	8,299	3.1%
Total headcount	**21,464**	**22,040**	**-2.6%**
MARKET CAPITALISATION	**1,488.1**	**984.4**	**51.2%**
Recourse EBITDA (LTM)**	203.1	204.2	

Millions of euros

*Restated.

** Calculated based on the contractual definitions, including EUR 165 million of dividends of OHL Concesiones in 2017 (2016: EUR 250.0 million) and excluding EUR 76.5 million of losses due to the CRP, other and legacy projects in 2017 (EUR 520.2 million in 2016 due to the legacy projects).

II.- Profit/loss by division

OHL CONCESIONES

In view of the process underway to sell all of the shares of OHL Concesiones, S.A.U., this business is carried as a discontinued operation in the consolidated financial statements.

The agreed-upon transaction excludes the sale of the two OHL concessions in liquidation, Cercanías Móstoles Navalcarnero S.A. (CEMONASA) and Autopista Eje Aeropuerto, for which OHL will be entitled to future collection of all compensation received arising from these liquidation processes.

For information purposes, please find attached as an Appendix in Chapter V the main operating aggregates of this business.

OHL ENGINEERING AND CONSTRUCTION

Main aggregates	2017	2016	Var. (%)
Sales	**3,168.2**	**3,211.6**	**-1.4%**
EBITDA	**18.0**	**-84.5**	**121.3%**
% of Sales	0.6%	-2.6%	
EBIT	**-54.6**	**-201.8**	**72.9%**
% of Sales	-1.7%	-6.3%	

Millions of euros

With the sale of OHL Concesiones, the Engineering and Construction division accounts for 98.5% of the Group's sales, with sales of EUR 3,168.2 million, slightly lower than in 2016. EBITDA for the year was EUR +18.0 million, compared to -84.5 million euros in 2016, after eliminating the one-off recognition of losses in legacy projects. Performance, by activity segment, is as follows:

CONSTRUCTION

Main aggregates	2017	2016	Var. (%)
Sales	**2,660.7**	**2,773.6**	**-4.1%**
EBITDA	**54.9**	**-43.7**	**225.6%**
% of Sales	2.1%	-1.6%	
EBIT	**-10.9**	**-141.8**	**92.3%**
% of Sales	-0.4%	-5.1%	

Millions of euros

Construction, with sales amounting to EUR 2,660.7 million, accounts for 84.0% of Engineering and Construction sales and 82.7% of the Group's total sales.

The volume of activity decreased by -4.1% compared to 2016. This decrease is due mainly to the recent commencement of production in the new North American projects that will bring more activity in the near future (expansion of the I-405, Canarsie tunnel and others) and that have not offset the decrease in sales due to the completion of other projects between both periods. The decrease was exacerbated by the delay in starting work on the concessions in Latin America, due to causes not attributable to OHL, which led to a reduction in the sales in 2017.

Legacy projects represented sales of EUR 265.7 million, 10.0% of the total.

EBITDA amounted to EUR 54.9 million, 2.1% of sales (compared to -1.6% in 2016), affected mainly by the negative results of certain projects and the completion of projects in the period, not offset by the margin on new contracts in the initial phase in North America and concessions in Latin America that will provide higher margins in the future. The improvement in the EBITDA margin reinforces the viability and sustainability of the regular Construction business.

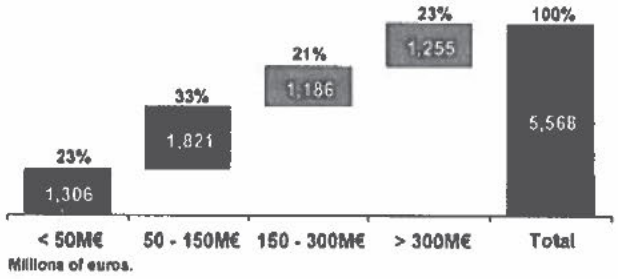
Operating cash flow used by legacy projects in 2017 totalled EUR -26.0 million (EUR -53.9 million, including Gustavo Fricke Hospital), improving the initial forecast for the year of EUR -64.0 million.

The short-term backlog at 31 December 2017, EUR 5,568.3 million, represents 25.2 months of sales, which guarantees the future growth of this activity. The backlog has a balanced profile both geographically and in terms of the size of the construction projects, with 91.4% coming from the home markets (including most notably 37.3% from the US and 32.4% from Latin America), and with only 22.5% of the projects of more than EUR 300 million.

The geographical distribution of the short-term construction backlog is as follows:

	31/12/2017
Home Markets	**91.4%**
Latin America	32.4%
US	37.3%
Spain	17.8%
Czech Rep. & Eastern Europe	3.9%
Other	**8.6%**

Based on the size of the construction project, the distribution of the backlog is as follows:



Of the total construction backlog, 25.6% corresponds to construction projects to be performed for concessions. The current backlog of the ten principal contracts[1] at 31 December 2017 is as follows:

	Country	2017
Project I-405	US	605.0
Vespucio Oriente toll road*	Chile	315.4
New York Canarsie tunnel rehabilitation	US	284.4
Atizapán-atlacomulco toll road*	Mexico	271.2
Curicó Hospital	Chile	219.0
Valparaiso Port*	Chile	176.3
Río Magdalena toll road*	Colombia	151.2
LAV Oslo-Ski (Follo Line Project)	Norway	133.8
Camino Nogales Puchuncaví*	Chile	118.8
Chimbote bypass*	Peru	113.9
10 main projects in portfolio		**2,389.0**

Millions of euros

* Construction projects for OHL Concesiones.

[1]Excluding Marmaray Railway Project (EUR 372.0 million) in relation to which a subcontracting agreement was reached for near to 75%

The diversification of the backlog by type of project should be noted, where 44.3% corresponds to roads, 21.8% to railways, 18.3% to building and 15.6% to other activities. Contracts in 2017 amounted to EUR 2,342.3 million, 64.2% of the projects in the US, compared to EUR 2,310.0 million of contracts in 2016. The book-to-bill ratio stands at 0.9 times.

The new awards obtained in 2017 include most notably:

	Country	2017
Project I-405	US	679.0
New York Canarsie tunnel rehabilitation	US	312.1
NY Outfall replacement contract 1	US	66.5
Moquegua Omate Arequipa road	Peru	47.7
Mecca workshop	Saudi Arabia	43.3
Illinois O'Hare International Airport	US	42.8
Florida Medical Campus Centre	US	39.8
Quellaveco project	Peru	33.4
Total main awards		**1,264.6**
Other awards		1,077.7
Total awards		**2,342.3**

Millions of euros

In addition to the foregoing, OHL won two significant contracts as part of a joint venture without effective control and, therefore, they are accounted for using the equity method: the extension of the track on the Lund-Arlov railroad, in Sweden (EUR 106.3 million), and the National Forensic Mental Health Service Hospital, in Ireland (EUR 62.0 million). These amounts are not included in the data furnished on contracts and the backlog.

INDUSTRIAL

Main aggregates	2017	2016	Var. (%)
Sales	**269.8**	**243.6**	**10.8%**
EBITDA	**-40.5**	**-43.3**	**-6.5%**
% of Sales	-15.0%	-17.8%	
EBIT	**-44.6**	**-61.9**	**-27.9%**
% of Sales	-16.5%	-25.4%	

Millions of euros

The Industrial business recorded sales of EUR 269.8 million, which represents an increase of 10.8%% with respect to 2016.

The main activity is located in the new EPC mining and cement projects, mainly Cementos Molins, as well as the renewable energy projects at the solar PV plants in Jordan (Al Mafrag and Empire) and the condensate recovery and cycle unit project in Oman (Saih Rawl). The falloff in activity in the oil and gas EPCs continued, following the division's decision not to enter this market segment.

EBITDA stood at EUR -40.5 million, -15.0% of sales, up 6.5% on the same period in 2016. The improved margins on the new projects are contributing to this, partially offsetting the adverse margins on certain oil and gas EPC projects and other services, as well as a structure of fixed costs that are not yet being absorbed, although they are in the process of being reduced.

Industrial's backlog at 31 December 2017 stands at EUR 312.1 million, with the main project being Cementos Molins (EUR 132.0 million), scheduled for completion period in the second half of 2019.

SERVICES

Main aggregates	2017	2016	Var. (%)
Sales	**237.7**	**194.4**	**22.3%**
EBITDA	**3.6**	**2.5**	**44.0%**
% of Sales	1.5%	1.3%	
EBIT	**0.9**	**1.9**	**-52.6%**
% of Sales	0.4%	1.0%	

Millions of euros

Sales of this division amounted to EUR 237.7 million, with growth of +22.3%, due mainly to the positive performance of facility management activities (cleaning, maintenance, energy efficiency and urban services) at the national level. The latter urban services segment, which the division is introducing, enables higher returns to be obtained which compensate for the lower margins in the other segments, all of which are affected by increased competition.

EBITDA totalled EUR 3.6 million, 1.5% of sales, slightly higher than in 2016 (1.3%), reflecting the strong competitive environment of a very mature sector.

The backlog at 31 December 2017 totalled EUR 355.8 million, having contracted EUR 236.8 million in 2017, the most important contracts being the maintenance of court buildings in Galicia, the urban waste collection service (Lot 2) in Madrid, the cleaning and maintenance contract for

Benidorm Municipal Council, the stations and trains in the Barcelona metro network, and the integral cleaning of Spanish Government buildings and offices.

OHL DEVELOPMENT

Main aggregates	2017	2016	Var. (%)
Sales	**48.2**	**130.8**	**-63.1%**
EBITDA	**2.0**	**28.4**	**-93.0%**
% of Sales	4.1%	21.7%	
EBIT	**-1.6**	**16.0**	**-110.0%**
% of Sales	-3.3%	12.2%	

Millions of euros

The economic aggregates of this division underwent a significant change in scale following the asset rotation transactions at Mayakoba, which means that most of its assets are accounted for using the equity method as a result of the loss of control. Thus it posted sales of EUR 48.2 million that, in comparable terms and adjusting the recent transactions, would be similar to those of 2016. EBITDA totalled EUR +2.0 million, compared to EUR +28.4 million in 2016, which included that generated by the divested Mayakoba companies. In comparable terms, it is approximately 12% higher due to increased real estate sales.

The assets of this division include:

Mayakoba tourism development

On 21 December 2016, OHL Desarrollos and RLH Properties S.A.B. de C.V. entered into an agreement for the partial sale of the Group's interest in the main hotel subsidiaries of Mayakoba. The sale agreement includes a percentage of up to 80% of Fairmont and Rosewood (guaranteed minimum of 51%) and 51% of Banyan Tree, Andaz and Golf. On 24 April 2017, the sale was completed on 51% of these assets and on 18 May 2017 the sale was increased to 80% of the more mature assets (Fairmont and Rosewood).

The cash inflow at the end of June 2017 amounted to EUR 179.1 million -not yet collected- subject to the achievement of certain milestones, EUR 7.9 million. The gain obtained on this transaction, excluding the revaluation gain on the interest retained, was EUR 2.7 million.

The hotel subsidiaries in which the development business holds ownership interests include: 49.0% of the El Camaleón golf club; 43.3% of Banyan Tree; 9.0% of Andaz; 9.8% of Fairmont and 20.0% of Rosewood.

Ciudad Mayakoba

Worthy of note is the sound evolution of the projects being carried out in Ciudad Mayakoba, which have continued to advance with an excellent pace of sales and development, reaching between 90%-95% of inventory sales up for sale, as well as the international recognition and awards received (the project has been presented as a development model at the Habitat III congress, organised by the UN).

Centro Canalejas, Madrid

On 9 February 2017, OHL entered into an agreement to sell 17.5% of Centro Canalejas Madrid for EUR 78.8 million. The division continues to hold an ownership interest of 17.5%.

The transaction was completed on 7 April, EUR 68.1 million having been collected in 2017 net of expenses. The other EUR 3.5 million will be received when the project enters into operation. The gain obtained on this transaction was EUR 31.6 million. The project is currently at the construction phase and certain areas of the complex began to be marketed towards the end of 2017.

Old War Office

The emblematic Old War Office project, in which Development holds a 49% ownership interest, has successfully completed the licensing phase. Preliminary work has recently begun.

The assets of this division had a total carrying amount of EUR 369.7 million at 31 December 2017, as detailed below:

Asset	Ownership interest	Carrying amount millions of euros
Mayakobá	≤ 49%[1]	53.8
Ciudad Mayakobá	100%	165.4
Canalejas	17.50%	71.4
Old War Office	49%	79.1
		369.7

[1] Interests in subsidiaries of Mayakoba: 49.0% Golf, 43.3% Banyan Tree, 9.0% Andaz, 9.8% Fairmont and 20.0% at Rosewood.

III.- Main significant events after 2017 year-end

- On 9 January 2018, the shareholders at the Annual General Meeting approved the following resolutions:

  i. The transfer of 100% of OHL Concesiones, S.A.U. to Global Infraco Spain, S.L.U., under the terms and conditions of the report of the Board of Directors and the information communicated to the market, per the relevant event communications published on 16 and 17 October 2017.

  ii. Ratification of the appointment of Juan Luis Osuna Gómez as the Company's CEO.

  iii. Ratification of the appointment of Javier Goñi de Cacho as a proprietary director of the Company.

  iv. Reduction of share capital by EUR 7,326,425.4 through the retirement of 12,210,709 treasury shares, with a charge to unrestricted reserves.

  v. Amendment to the directors' remuneration policy, following a favourable report from the Nomination and Remuneration Committee.

vi. Approval of extraordinary remuneration of EUR 18 million to the CEO Juan Osuna Gómez, for his work and leadership in the process to sell the shares of OHL Concesiones, S.A.U.

- The public deed for the capital reduction approved by the shareholders at the Extraordinary General Meeting was filed at the Madrid Mercantile Registry on 6 February 2018.

d) Outlook for the near future

After the sale of OHL Concesiones, the Group is facing a new stage focused on its main businesses (Construction, Industrial, Services and Development), being eminently a construction company focused on achieving priority objectives such as:

- Prioritising profitability over growth.
- Ensuring sustainable cash flow generation in projects by strengthening the application of risk control mechanisms.
- Continuing with the rotation of mature assets to maximise their value.
- Simplifying the capital structure and reduce corporate debt, strengthening the Group's balance sheet.
- Recovering the trust of rating agencies and other stakeholders.

To this end, the Group has a solid portfolio of Engineering and Construction (E&C) projects, comprising the Construction, Industrial and Services businesses Of particular note is the diversification of the backlog, both geographically and by project size, encompassing the majority of its business in three main geographical areas: The US, Latin America and Europe.

The Group has extensive past experience in these geographical areas, recurring business and the human and technical resources necessary to undertake the construction projects in compliance with the established risk control parameters. In the future, the Group will value new opportunities to invest in concession projects.

As regards Industrial's business, the company is continuing with the process of restructuring and integrating this activity into the Construction business and focuses on cement, mining and renewable EPC projects, operation and maintenance and fire protection, while withdrawing from EPC oil and gas and power projects. Synergies and a more efficient cost structure are expected as a result of this integration.

With respect to the Services business, this is a very mature business in a competitive environment and the Group must therefore be highly selective in the projects and markets in which it operates in the future, with priority being given to profitability.

In addition, the Group has a number of unique and diversified assets in the Developments division, which are in the development or construction phase and whose value has been recognised by leading investors. The Company has the opportunity to rotate these assets once they are mature and maximise their value, which can be an additional source of income.

Chapter II.- Strategy

a) Business model

I.- Strategic Plan

With the focus of its business on its areas of action, the OHL Group strengthened its leadership position in 2017, reaffirming itself as a Company that stands out for its experience in executing high value-added projects in the transport infrastructure and singular building sectors.

US

Following President Trump's announcement in August 2017 of an ambitious infrastructure plan, the US is committed to this industry as an engine for boosting the economy. This plan envisages accumulated investments until 2027 of up to USD 1.5 trillion. However, the construction market is expected to be affected to some extent by the introduction of a restrictive migration policy, as well as by the high budget deficit.

Currently, the US market represents more than a third of the total Construction backlog and is currently the Group's reference market. In 2017 it continued to strengthen its presence with more than EUR 1,500 million of contract orders. Notable among the most significant awards was the refurbishment of the Canarsie tunnel in New York for EUR 312 million (69.7% for the Group), the main communication link between Brooklyn and Manhattan, damaged after Hurricane Sandy.

LATIN AMERICA

The OHL Group's activity in Latin America was affected by the political and economic situation of the countries in the region. Worthy of note was the change of political cycle in Chile, with elections at the end of 2017; and in Mexico and Colombia, with general elections in 2018. Additionally, the impact of the Odebrecht case and the uncertainty created by the arrival of Donald Trump slowed down activity in the industry. However, from 2018 onwards macroeconomic indicators are expected to improve, with average GDP growth projected at around 2% per annum, according to International Monetary Fund forecasts.

Chile's construction industry is expected to be revitalised with the arrival of the new president, Sebastián Piñera, who will continue to drive the country's economic development through the promotion of public infrastructure with a programme that foresees the construction of an extensive road and motorway network, the expansion of the underground and the construction of a new international airport in Concepción or Antofagasta.

Also, in Peru, after the first year of the presidential term, infrastructure activity will focus on the recovery of the mining sector and the implementation of the Integral Reconstruction Plan, arising from the damage caused by the heavy flooding inflicted by the El Niño meteorological phenomenon, with planned investments of EUR 6,500 million over four years.

In Mexico, projects continue to be developed through the National Infrastructure Programme, with a percentage of completion of nearly 80%. In this Plan, valued at more than EUR 43,000 million, the construction of Mexico City's New International Airport stands out.

Also, in Colombia the Infrastructure Plan that began with the fourth generation of road concessions (4G) in the road sector, is expected to be consolidated.

In this context, the OHL Group has continued to strengthen its leading position in the region, through the various contracts awarded during 2017. Highlights include the improvement of the Moquegua Omate Arequipa road in Peru and the recent award of a contract at the world's largest underground copper deposit, the El Teniente mine in Chile. In addition, Codelco has awarded the contract for the Tranque Talabre expansion project in the Chilean city of Calama.

EUROPE

In Eastern Europe, of particular note is the positive forecast for the construction industry in the Czech Republic and Slovakia, the main countries for the OHL Group in the region, thanks to the support of the European Union through funds for infrastructure projects. The recovery of consumer and investor confidence in this market is evident in the consumer confidence index, which has been increasing progressively since 2012 and is expected to lead to a greater increase in investment in the country.

In Western Europe, the Nordic countries, especially Norway and Sweden, are consolidating their position as the main growth drivers for the Group in the coming years, thanks to the host of opportunities for contracts that are expected to be tendered in the coming years. These countries stand out for their political stability and the expected growth in the infrastructure market, with important state plans including the Norwegian government's National Transport Plan and Sweden's High-Speed Infrastructure Development Plan.

Thus, one of the OHL Group's achievements in 2017 was its entry into the Swedish market, thanks to the award of the project to improve the railway line between Lund and Arlöv (Malmö) amounting to EUR 106 million (49.3% of the joint venture), which is one of the most important railway projects in the country in the coming years.

In Spain, the Extraordinary Road Investment Plan (PIC), presented by the Prime Minister, Mariano Rajoy, in July 2017, and the recovery of GDP augur an improvement in the construction industry. The PIC envisages construction and maintenance works for approximately 2,000 kilometres of dual carriageways, with a total planned investment of EUR 5,000 million.

In 2017 several railway infrastructure maintenance contracts were awarded for ADIF.

THE COMPANY'S STRATEGIC PLAN

2017 was marked by significant changes in the Group's scope: the sale of the Concessions division to the fund Australian IFM was agreed on, for an estimated net price of EUR 2,235.0 million, a transformational transaction for the Company; and the divestment of other non-strategic

assets continued. The sale of Concessions leaves OHL with an important cash position, allowing the Group to continue its activity with an enhanced strategic position in the future.

Thus, OHL will begin a new phase in which the construction business, the most experienced in the Company, will be the mainstay of the Group's activity in those countries with the greatest competitive advantage and where growth prospects are more favourable.

In this context, a number of strategic priorities have been established to help the OHL Group consolidate its leading position in the markets in which it operates:

1. Promote the Group's construction business, focusing on those countries and regions where the Company has the most experience and minimising exposure to risk.
2. Maximise profitability and cash flow generation of projects in progress.
3. Guarantee a portfolio of profitable projects, with a commitment to a balanced mix of contracts in terms of size.
4. Continue the process of disinvestment of non-strategic assets.
5. Integrate the Industrial and Construction businesses.
6. Adapt the cost structure to the new size of the Company.
7. Strengthen recruitment and talent management policies.
8. Digital transformation: digitisation of production processes.

II.- CSR management

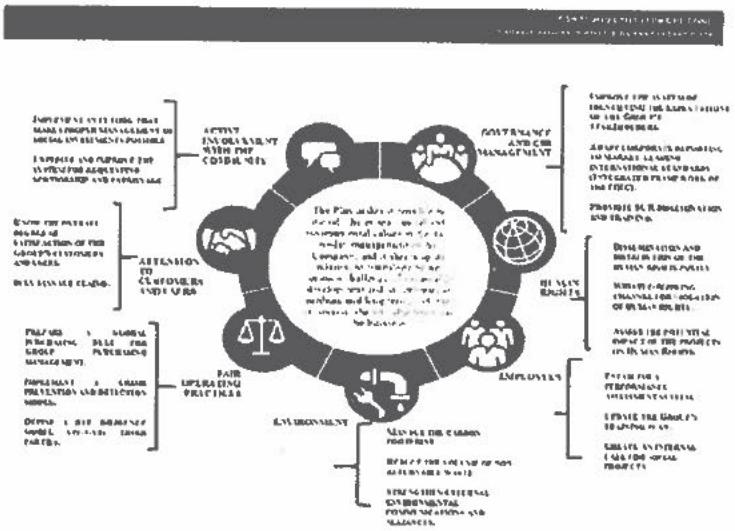
The OHL Group is aware that the new challenges presented at global scale require sustainable and responsible business management, committed to the development and well-being of society. Meeting these demands requires taking on challenges and integrating the sustainability strategy along the entire production chain of the business, with a long-term perspective of value creation and meeting the needs of its stakeholders.

This approach has meant that the voluntary commitments made since 2003 by the OHL Group in the areas of human and labour rights, environmental protection, business ethics and transparency in the dissemination of information have led to the drafting of a total of ten corporate policies that apply across the entire OHL Group and, in addition to internal regulations, make up OHL's particular framework of action.

Further information: http://www.ohlcompromiso.com/presentacion/responsabilidad-corporativa/politicas/

As a signatory of the United Nations Global Compact, the Group works to disseminate and promote the Ten Principles.

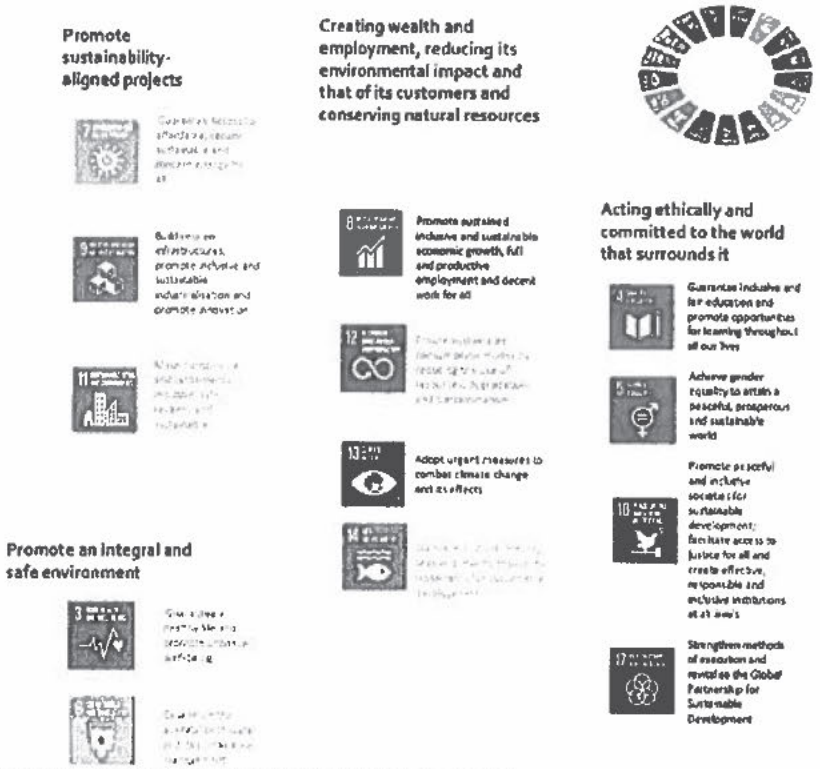
CSR, as a strategic tool for the OHL Group's sustainability management, is implemented through action plans. The 2015-2020 CSR Strategic Plan, articulated around the seven fundamental areas of ISO 26000, aims to act as a guide for the fulfilment of CSR commitments and unite efforts within the Group. The important changes that took place in 2017 in the business model, structure and organisation have led to the need to adapt the Plan to the new reality of the Group. This exercise was at the planning stage at the time of writing this report.



The Group-wide management of CSR is conducted through the highest governing body, the Nomination and Remuneration Committee of OHL's Board of Directors, which is responsible for promoting and monitoring the CSR policy, and the Sustainability Committee, chaired by the CEO and made up of the senior management of the OHL Group as the delegated body to coordinate and supervise CSR management.

SDGS AS A GUIDE TO FOCUS EFFORTS ON SUSTAINABILITY

In 2017 the OHL Group reaffirmed its commitment to meeting the 2030 Agenda, an action plan for people, the planet and prosperity. A total of 17 Sustainable Development Goals (SDGs) and 169 targets to end poverty, fight inequality and injustice and tackle climate change. The OHL Group assumes this role and contributes to tackling the collective challenge of sustainable development when carrying out its business activity. It therefore strives to integrate SDGs in its internal management.



The activities described in each chapter of this Report are associated with the SDGs on which they have an impact (see logos at the beginning of each section)
Further Information: GRI Tables

HOW WE CONVEY CSR

In 2017 the Group promoted internal communication of CSR through the training of all its employees. In this way, a new call to complete the CSR course has been designed and launched through the new training platform for obligatory online courses.

This has made it possible to strengthen employees' knowledge in this area and to consolidate its value as a transversal pillar of the Group.

2017 CSR training data

Through this course, in 2017 a total of 2,586 people in the Group received CSR training, totalling 10,344 hours of training.

In addition, the half-yearly CSR Newsletter disseminates relevant news and events, including interviews with Company executives that include the experience of integrating CSR in the development of the business.

In this regard, the OHL and Sustainable Development brochure gives visibility to the creation of value from the business activity itself. It includes successful CSR initiatives implemented in corporate services or in the business lines themselves.

Externally, OHL pays attention to requests for information from industry watchers and CSR-linked international organisations; it prepares documentation on its management in this area in business presentations and tenders, as well as for the working groups, meetings and specific conferences in which it participates.

The Group has been included in the FTSE4Good IBEX index since its launch in 2008. Featuring in this index distinguishes the Company as a committed value of special interest to investors who add to their profitability objectives their concern for ethical, social, environmental and good governance issues in business management.

FTSE4Good

Further Information
Appendix 1 Relationship with analysts and international CSR bodies

III.- Directors' report by division

OHL CONCESIONES

In view of the process underway to sell all of the shares of OHL Concesiones, S.A.U., this business is carried as a discontinued operation in the consolidated financial statements.

The agreed-upon transaction excludes the sale of the two OHL concessions in liquidation, Cercanías Móstoles Navalcarnero S.A. (CEMONASA) and Autopista Eje Aeropuerto, for which OHL will be entitled to future collection of all compensation received arising from these liquidation processes.

For information purposes, please find attached as an Appendix in Chapter V information on the Corporate Social Responsibility of this business line.

OHL CONSTRUCCIÓN

The OHL Group's construction activity in 2017 was shaped by the development of projects in the fields of transport infrastructure and non-residential building construction. This activity focuses on eight markets: The US, Canada, Mexico, Chile, Colombia, Colombia, Peru, Spain and Central

Europe -as defined in the Group's Strategic Plan. Added to this was OHL's incursion into Norway, Sweden and Ireland.

ACTIVITY BY GEOGRAPHICAL AREA

North America

This is one of the Company's main markets, with total sales of EUR 1,126.3 million, 42% of the total for Construction and 35% of the Group's total. OHL continued to operate in key US states: Primarily, New York, California, Florida and Texas.

This fact is reflected in the achievement of outstanding projects such as the upgrade of the I-405 in California, the most important project in OHL's history in the country. Awarded by the Orange County Transportation Authority (OCTA) for an amount of close to EUR 679.0 million (56.5% of the joint venture), it represented for the Group a volume of work executed in 2017 of EUR 41.6 million. The construction work covers a 27.4 km stretch of the I-405 and consists of adding an additional lane in each direction and improving the slip roads, exits and bridges from State Road 73 to Interstate 605. This project consolidates OHL's presence in the State of California, where OHL currently has more than twelve ongoing projects with a value of EUR 1,300 million.

In New York, OHL is carrying out, through its subsidiary Judlau, the refurbishment of the Canarsie tunnel, damaged by Hurricane Sandy. Awarded by the New York Metropolitan Transportation Authority (MTA), for EUR 312.1 million, it includes the refurbishment and upgrade of infrastructure considered to be the main connection between Brooklyn and Manhattan, which also provides service to subway line L.

Other projects won in the USA in 2017 include:

- New York Outfall Replacement Project, for EUR 66.5 million.
- Illinois O' Hare International Airport Chicago, for EUR 42.8 million.
- Florida Medical Campus Center, for EUR 39.8 million.

Pacific Alliance

The Group's activities are focused on the markets that form part of the Pacific Alliance - Mexico, Peru, Colombia and Chile. Its joint activity translates into revenue that represents 19.2% of the total for Construction.

In Mexico, the construction of the first section of the Mexico-Toluca intercity train is noteworthy, with revenue of EUR 84 million. The project includes the construction of 36.15-km section.

In Chile, the Company is carrying out actions on Route 60 (Section 2, Sector 1, Variante Panquehue), on which the work performed totals EUR 80 million.

In Peru, OHL is upgrading the Moquegua-Omate-Arequipa road, in a 118-kilometre section of the Moquegua-Sierra Sur in Peru, between the departments of Arequipa and Moquegua; and is working on cleaning and eliminating material from the Piura river (Peru) in the 14-kilometre section that runs from Laguna San Ramón to the Cordillera sector, within the framework of the Amended

Reconstruction Plan*(Plan de Reconstrucción con Cambios)* of the Peruvian Government to reconstruct the areas of the country most affected by the 2016–17 South America floods *(El Niño Costero)*.

Europe

The Company's activity in Europe (Spain, Czech Republic and Slovakia and the Nordic countries) represents 32% of Construction revenue. It should be noted that projects in this area are of lower volume and the revenue is more fragmented among a greater number of initiatives.

After OHL's entry into Norway in 2016, thanks to winning the EUR 67.4 million EPC Ski project, OHL made its way into another Nordic country, Sweden, in 2017, where it will improve the railway line between Lund and Arlöv stations in Malmö, one of the country's busiest rail routes. The contract, awarded by Trafikverket (Swedish Transport Administration), for EUR 106 million (49.3% of the joint venture), will cover the construction of the first 8 km section between the Swedish cities of Arlöv-Flackarp, as well as the construction of three new stations, four overpasses and two underpasses.

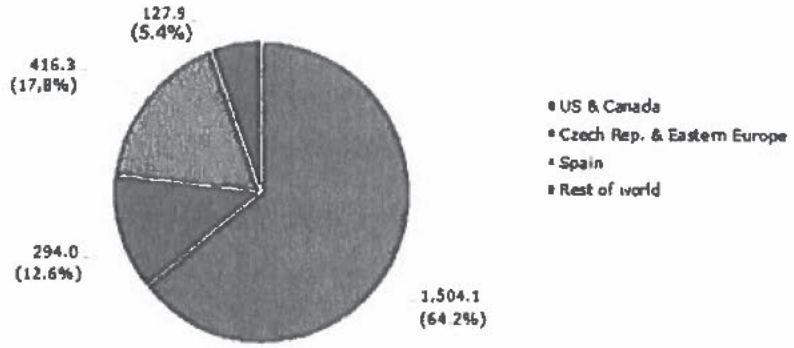
In Ireland, the Company is carrying out its first hospital contract in Ireland, the construction of the National Forensic Mental Health Hospital (NFMHS) in Portrane, north of Dublin, for more than EUR 120 million (50% of the UTE). The project was awarded by the Health Service Executive and includes the construction of a forensic hospital for the mentally ill within the St. Ita's Hospital complex. It will have an area of 24,000 m² distributed among 170 rooms; a 30-bed intensive care rehabilitation unit, 13 hospital wards and a primary health care centre.

Other European projects

- Marmaray CR3 Project (Turkey), with work performed in the year of EUR 122.3 million.
- Expansion of the port of Bilbao (Spain), with more than EUR 34.3 million of production in the year.

MAIN CONTRACTS AWARDED IN 2017

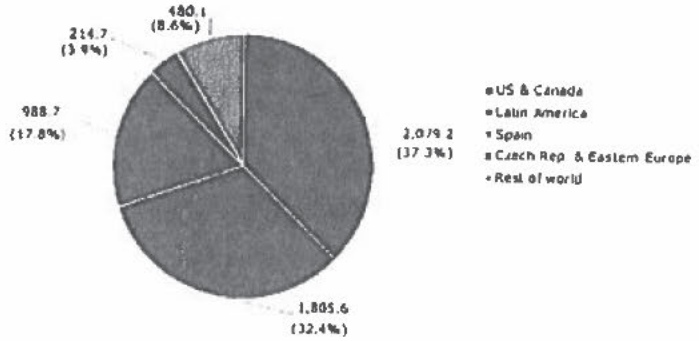
In 2017 Construction won contracts amounting to EUR 2,342.3 million, broken down as follows:



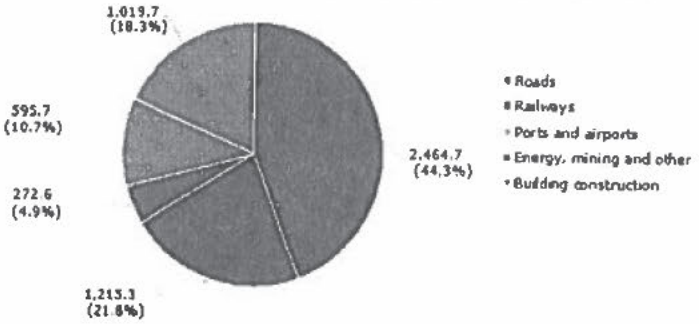
These results reinforce the OHL Group's commitment to its home markets, where contracting represents 93.8% of the total number of new contracts.

CONSTRUCTION DIVISION BACKLOG AT 2017 YEAR-END

2017 ended with a backlog of EUR 5,568.3 million, the distribution of which by market and type of project is as follows:



Distribution of the backlog by type of project (millions of euros)



According to these data, 83% of the backlog is oriented towards civil engineering work and building construction, with the backlog of building construction being practically all non-residential building construction.

In relation to the size of the projects, within the Strategic Plan, it was decided to diversify risk through the distribution of the backlog into smaller projects. Currently, 77.5% of the total amount of projects in the backlog corresponds to projects with a size of less than EUR 300 million.

Success stories

Second Avenue Subway. New York, USA

Innovation, sustainability and accessibility are three of the features on which the construction project for stations 72 and 63 is based, integrated into the new subway line on Second Avenue, which extends the services of the Q and F lines of the New York subway. The project, awarded

by the Metropolitan Transport Authority (MTA) to Judlau, the Group's New York subsidiary, is the first major expansion of the city's subway system in the last six decades.

The project includes the use of the BIM (Building Information Modelling) methodology in the construction of station 72. This is an innovative platform that incorporates collaborative modelling techniques in multiple dimensions; they cover the entire project life cycle and make it possible to visualise changes in each of the dimensions and areas simultaneously and dynamically.

From the accessibility standpoint, the new infrastructure has a design that conforms to the standards of the Americans with Disabilities Act (ADA) and its image responds to the cultural diversity that characterises New York, thanks to decoration by artists from several countries, within the framework of the Arts for Transit program promoted by the MTA.

In addition, Judlau received a commemorative award by Friends of the New York Transit Museum in November 2017, which recognises the benefit of its construction for the more than 200,000 users who use it every day.



EPC SKI. Ski, Norway

The Group is carrying out the EPC Ski contract in Norway as part of the Follo Line high-speed railway project, one of the leading transport initiatives in Norway. The work covers a 3.5 km-long stretch of track, which will enable trains to reach 250 km/h, and includes the reconstruction of the Ski city railway station, the redevelopment of its surroundings and all railway facilities related to the reconstruction of the existing line and the new line.

The project will lead to an improvement in the quality of life of the inhabitants and the commercial development of the area where the infrastructure is located, by reducing the travel time of the Oslo-Ski route by 50% (11 minutes compared to the 22 minutes in which the journey was being made). It will also reduce CO_2 emissions through reduced use of private transport while decongesting traffic in southern Oslo at peak times of day. In addition, the use of this new infrastructure will make it possible to increase the capacity of rail traffic arriving to and departing from Oslo.

OHL INDUSTRIAL

In 2017 Industrial continued with the process of its integration with the Construction division, with which it has significant synergies (e.g. mining sector), with a view to training in Engineering and Construction.

COMPLETION AND OPTIMISATION OF EPC PROJECTS ALREADY CONTRACTED

In Mexico, where, in recent years Industrial has carried on most of its activity, the completion of the Cydsa II 60-MW cogeneration plant in Coatzacoalcos is noteworthy. To this are added the two completed project management contracts for the gas pipelines of the Ramones north and south segments.

Also in Mexico and for Pemex, the Company completed, from a mechanical standpoint, a sulphur solidification plant; and by the end of 2017, it had practically completed (99.4%) of the 30-MW cogeneration plant at the Madero refinery, for which early completion was requested.

In addition, the Degollado pumping station and the Cadereyta hydrogen generation plant are also in the final mechanical phase. In addition, the Empalme I 770-MW combined cycle plant in Sonora, which Industrial executed for CFE during 2017, is scheduled to be provisionally accepted in 2018.

In Guatemala, Industrial brought the 55-MW Xacbal hydroelectric plant into service in the fourth quarter of 2017. In Colombia, the construction of the cement plant for the company Ecocemento, in which the Molins Group holds a stake, is proceeding, with an estimated production of 3,150 tonnes of cement per day.

In Jordan, Industrial is constructing a storage terminal for oil-based products, which is scheduled to be completed in 2018. In addition to this initiative, there are two solar PV projects in the country for Al Mafraq Empire; and in Oman, the Group is carrying out the condensate recovery unit for the state-owned company PDO, which will be completed at the beginning of 2018, as well as performing the cycle closure of Saih Rawl.

OUTLOOK

Mining and cement

The worldwide recovery of the raw materials sector is making it possible to redirect part of Industrial's commercial objective towards mining projects in international markets. This triggered, in 2017, commercial activities with the large mining undertakings from Chile (Codelco) and Peru (CB Holdings or Brocal).

Renewable energies

The Middle East and Latin America are becoming target markets for the development of renewable energy projects (mainly solar PV and wind power). In this regard, of particular note is the obtainment, at the beginning of 2017, of the renewable energy projects in Jordan for Fotowatio, a recurring customer of Industrial.

Operation and Maintenance

The aforementioned activities will be complemented by the opportunities identified in the areas of O&M, as well as those of industrial services, in the home markets in which the Company operates.

Fire safety systems

In 2017 reduced activity was maintained in the adaptation of the nuclear sector in Spain. However, greater activity was detected in the field of fire safety systems inspection.

which would make it possible to increase the commercial demand for these services and comply with market requirements and the legislation in force in this area.

MOST SIGNIFICANT AWARDS

The main contracts in Industrial amounted to EUR 150 million in 2017 and reflect the new approach described above.

To the two solar PV projects in Jordan for Fotowatio, amounting to EUR 68.3 million, are added the Shauhindo mining crushing project (Peru) totalling EUR 17 million and the transport and crushing machinery for Power Machines (Vietnam) amounting to EUR 15.6 million. To this must be added the EUR 23 million derived from fire safety business in Spain and Mexico, and EUR 27 million achieved through the activity of O&M and industrial engineering carried out in habitual industrial markets in Latin America, especially in Chile.

Success stories

Valiente wind farm. Gurrea de Gállego, Huesca, Spain

The Group will be responsible for the engineering, civil engineering works and power evacuation infrastructure of the Valiente wind farm. The facility will be fitted with ten 2.0-MW G114 WTGs and has a total rated capacity of 20 MW.

In its construction and design, measures will be applied to minimise the environmental impact, resulting in significant savings in emissions compared to other technologies, which will in turn have an effect on the protection of native species and respect and guarantee the continuity of agricultural activity in the area. In addition, the project will encourage local employment during its construction and operation phases. This is the first project of its kind to be built in this area, after the energy reform, and it will be the first of several projects planned for construction in the region next year.

OHL SERVICES

In 2017 Services followed a recovery trend in the Spanish market while continuing to make progress in its internationalisation in countries such as Mexico and Chile.

As regards the division's activity, the year was used to consolidate the activities in the urban services area, thanks to the incorporation of new contracts in cities where no such work was being carried out: Huelva, Granollers and Bilbao, which exceed EUR 25 million.

On the other hand, the cleaning sector, with EUR 9,970 million managed in Spain, experienced growth of 1.8% compared to 2016; and for 2018 and 2019 growth is expected to be slightly below 2%.

The building maintenance sector generated revenue of EUR 8,170 million, and registered an increase of 1.7% with forecast growth of 1.7% and 1.6% for 2018 and 2019, respectively.

The urban services market in 2017 confirmed the slight increase experienced in 2016, after five consecutive years of declines. It generated revenue of EUR 5,475 million, 2% up on 2016, when the change was 1.4%. Growth is expected to be around 2.5% in 2018.

In the home-based care services sector, it is expected that business will increase by 2.9% in 2018, reaching EUR 1,500 million.

Despite this incipient improvement in the markets in which Services operates, profitability in these sectors has fallen. Particularly significant was the loss of profitability due to the political instability in Catalonia. Even so, the Company's billings were higher than those of the leaders in the sector, rising 13% from EUR 175 million in facilities management to EUR 198 million. Billings in urban services (EUR 39 million) also grew by 56% compared to 2016, consolidating the strong growth in this activity that generates a higher operating margin.

OHL Services maintained its EBITDA in 2017 in Spain, rising from 1.3% to 1.5%, despite the reduction in profitability experienced by leading companies in the sector, thanks to the division's significant effort in terms of reducing structural costs.

CONTRACTS AND BACKLOG

In terms of contracts, Services achieved revenue of EUR 237.7 million in 2017, consisting of a backlog of EUR 355.8 million, equal to 18 months, well above the average for comparable companies in the sector.

NEW CONTRACTS AWARDED IN 2017

With a backlog of more than 500 contracts in force, of particular note in the various business lines are the following:

Cleaning

- Cleaning service for Metro de Madrid stations. Lot 4 (lines 8 and 10) for EUR 26.0 million (48-month period).
- General cleaning services and related services at the Ministry of Defence facilities (includes all offices in Extremadura, Andalusia and Murcia) for EUR 21.4 million (24-month period).
- Comprehensive cleaning service for local buildings and offices of the Spanish Government, located in the Community of Madrid, for EUR 15.6 million (30-month period).

Social and health care sector

- Management and administration of the Fortpienc municipal assisted residence and day centre. Barcelona City Council for EUR 8.7 million (24-month period).
- Management under a concession arrangement of the "Mossen Vidal i Aunos" residence and day care centre. Department of Welfare and Family, Barcelona. Catalonia Autonomous Community Government, for EUR 4.0 million (24-month period).

Maintenance

- Maintenance, repair and conservation contracts in several districts of the Madrid City Council, for EUR 11.5 million (period between 12 and 24 months).
- Maintenance service of the administrative buildings of the Galicia Autonomous Community Government and the energy supply of the administrative complex of San Caetano, for EUR 6.7 million (28-month period).

Urban services

- Street and beach cleaning service in the municipalities of Isla Cristina and Cartaya, Huelva, for EUR 10.4 million (48-month period).
- Service for the conservation of green and wooded areas in several districts of Torrejón de Ardoz, Madrid, for EUR 8.7 million (48-month period).

OUTLOOK

Cleaning

The sector has shown moderate growth in Spain, thanks to the increase in GDP. Services has consolidated itself in the public sector and is beginning its expansion in the private sector with an extension to more specialised sectors, such as industrial, transport, hospitality, retail or food.

Social and health care sector

This sector has a positive growth outlook thanks to family spending power and greater dynamism as regards public-sector contracts.

Building maintenance

There is a marked improvement in this market in terms of investment. It is expected that the brand will be consolidated in this sector through geographical positioning, with the aim of continuing to grow in the energy efficiency sector and incorporating it into new areas such as public lighting and the industrial environment.

Energy efficiency

Worthy of note are the new criteria for calculating the debt relating to the investments made in contracts for public authorities through energy service companies and the new Public Procurement Law.

OHL Services will continue to back:

- Efficiency in buildings and facilities.
- Street lighting, in medium-sized towns.

Urban services

This sector will continue to base its development on strong competition due to the extension of the deadline for the resolution of public tenders.

One of the main challenges for this year is the entry into the activity of waste treatment that closes the urban management cycle.

Management improvements

Measures aimed at improving the profitability of contracts and reducing management risks include:

- Improvement of processes in the commercial area, introducing the use of a CRM (Customer Relationship Management) in the commercial process of planning the sales process, preparation of the offer, follow-up of the commercial action and analysis of results.
- Strengthening of risk management with the implementation of the due diligence review process and analysis of relations with third parties, and the implementation of actions to reduce accidents at work and absenteeism, among others.

Success stories

Responsible residence management Residència i Centre de Dia Fort Pienc. Barcelona, Spain

The OHL Group's commitment to the well-being of society is evident, among other aspects, in its management of homes for the elderly, distinguished with the Joint Commission International (JCI) accreditation, awarded to UTE OHL Servicios-Ingesan and Mensajeros de la Paz, responsible for the Fort Pienc Residence and Day Care Centre of the Barcelona City Council. It acknowledges compliance with the requirements of quality of care, safety in high-risk medication, reducing the risk of infections associated with health care or reducing the risk of injury to residents caused by falls.

Complementarily, the centre carried out projects aimed at making the elderly socially visible and promoting intergenerational exchange. The *Viure millor a casa (Living better at home)* programme is of particular note, as it provides professional advice at home to users of day centres in order to inform them about mobility techniques, patterns of stimulation in daily life, the elimination of architectural barriers and the day-to-day life of people in a situation of dependency and their families. Also, in order to promote generational exchange, residents and users of the day centre share weekly leisure time with students from the children's education centre and the El Tren de Fort Pienc municipal nursery school.

Furthermore, the *Bici sense edat (Cycling without age)* activity has also been carried out at the centre, organised by the Barcelona City Council and has been used to promote the ability of older people to ride a bicycle, thanks to the use of electric tricycles.

OHL DEVELOPMENT

In 2017 the division continued to develop its activity with the aim of entering into preliminary phase projects and, at the same time, disinvesting in those projects that have reached a sufficient degree of maturity to capitalise on value creation.

SIGNIFICANT ACTIVITIES IN 2017

Inclusion of an investor in the Mayakoba tourism development hotel projects

Located 10 km from Playa del Carmen, in an area of approximately 240 hectares, stands Mayakoba, a tourism development that boasts four hotels in operation, operated by some of the most prestigious international hotel chains, all of them in the 5 star luxury category: Fairmont (401 rooms), Rosewood (128 rooms), Banyan Tree (132 rooms) and Andaz (213 rooms), as well as the El Camaleón golf course, designed by Greg Norman and the only one to host, until 2017, an official tournament of the prestigious circuit PGA outside the USA and Canada.

In September 2016, a market survey process began that culminated in the first quarter of 2017, after completing the transaction with the Mexican investment group RLH Properties, S.A.B. de C.V. (RLH).

The transaction consisted of the acquisition by RLH of an 80% stake in the share capital of the companies owning the Rosewood Mayakoba and Fairmont Mayakoba hotels, as well as 51% of the share capital of the companies owning the Banyan Tree Mayakoba, Andaz Mayakoba and the El Camaleón golf course. This heterogeneity in the divestment of investments is due to the different levels of maturity achieved, with greater divestment in the more mature assets.

Celebration of the 11th Anniversary of the OHL Classic at Mayakoba

In November 2017, the 11th OHL Classic at Mayakoba, the only PGA Tour sponsored and named by the Group, was hosted by the El Camaleón Golf Course. The tournament featured a field of 132 players and was won by the American Patton Kizzire.

Progress of the Ciudad Mayakoba projects

In 2017 Ciudad Mayakoba continued to make progress in its consolidation in the Playa del Carmen real estate market, in its different projects -Mayakoba Trails, Lagunas de Ciudad Mayakoba and Jardines de Ciudad Mayakoba-.

In addition, agreements were reached in 2017 to launch additional projects for the global development and consolidation of Ciudad Mayakoba: La Ceiba de Ciudad Mayakoba, houses of innovative design that will begin to be marketed in February 2018; Altos de Ciudad Mayakoba, characterised by having 100% vertical, medium-high level housing, which will foreseeably be launched commercially in February 2018; and Mayakoba Country Club, the most relevant and largest project in all of Ciudad Mayakoba, with more than 500,000 m² of single-family and multi-family lots for sale. This large medium-high and high housing project will begin to be sold commercially in 2018.

Awards and prizes In 2017 Ciudad Mayakoba participated again in the Habitat III congress, organised by the UN, an event of the utmost importance that takes place every 20 years and is a meeting point and discussion point for determining urban development policies for the next two decades. Ciudad Mayakoba was invited as a model of planned community development in tourism development centres, and as an example of joint participation between business, government and UN-Habitat in the generation and management of public spaces that integrate the community.

Progress at Centro Canalejas, Madrid

Throughout 2017 and after the inclusion of Mohari Ltd as a new shareholder in the capital of the project in March, the progress of Centro Canalejas, Madrid continued in accordance with the action plan, with the aim of opening to the public in mid-2019.

The project has all the necessary permits for the completion of the works, and the City Council approved the Special Plan for Underground Transport Infrastructure of Sevilla-Canalejas, which provides a solution to the entrances and exits, both for parking and loading and unloading of Centro Canalejas, Madrid.

At the end of 2017 sales of the Canalejas Commercial Gallery and the residences started, and has been warmly received.

Progress on the Old War Office project

There were many and very important achievements in 2017 in the Old War Office project that Development is carrying out in London, together with the Hinduja Group.

First of all, there is a binding proposal for the financing of the project, in addition to the design and urban procedures with the incorporation of two interior design firms of the highest international prestige.

In February 2017 the City Council approved the project and in July the final agreement was signed with it and the Directorate General of Historical Heritage, which consolidated all approvals in addition to the changes of use and all the necessary urban planning requirements. Worthy of note is the substantial increase in built surface area, which improves the economic viability of the project.

2017 was also very important in terms of defining the various businesses to be developed in the building. The first major milestone was the selection and signing of contracts with the hotel operator Raffles. Once the partner had been selected, every effort was made to define the best strategy for the residential component.

Construction work has now commenced. Certain preliminary tasks (soft strip) were started in December 2016 and in July 2017 the contractor was selected to execute the first work package (demolition, excavation and structure). Work commenced in October and, in parallel, the selection process for the general contractor was initiated, which is expected to end in 2018.

Success stories

Jardines de Ciudad Mayakoba. Ciudad Mayakoba. Playa del Carmen, Mexico.

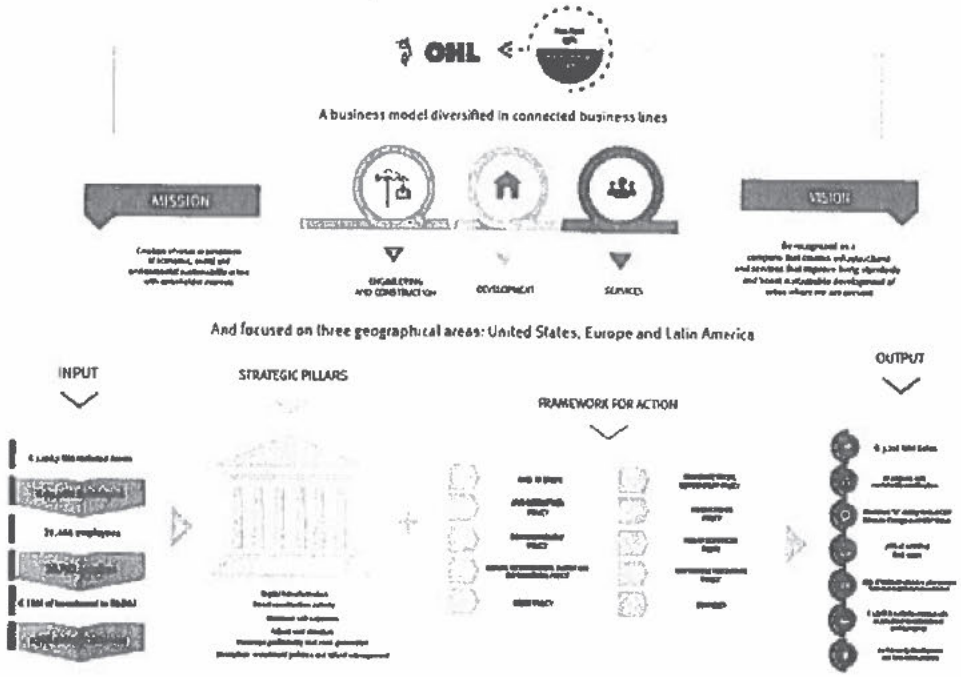
In the vicinity of Playa del Carmen, in the Riviera Maya, lies Jardines de Ciudad Mayakoba, an innovative residential project of affordable and protected housing located in a natural environment of 38.7 ha. Its use is intended for personnel who work in

hotels at the Mayakoba complex, with the aim of helping to reconcile work and personal life, and to prevent them from travelling for up to three and four hours a day.

Jardines de Ciudad Mayakoba is part of the Ciudad Mayakoba development, an initiative managed by the Group through Development. It will house residences and educational, hospital, commercial, cultural, and sports services, extensive green areas, biological corridors and pedestrian and bicycle paths. It will also have a golf course and a large 10 ha metropolitan park.

The first phase, currently under development, includes the construction of 3,576 dwellings that correspond to five models of houses and flats, with an extension that ranges from 45 m² to 98 m², distributed in two, three and four heights. Its surroundings are characterised by a neighbourhood park of 11,459 m², a basic commercial area and 5.36 hectares of green areas.

Chapter III.- Generating value



a) Financial value

As a result of the decision to sell all the shares of OHL Concesiones, this business is presented as a discontinued operation, and the profit or loss of this operation and that corresponding to non-controlling interests are presented separately in the consolidated statement of profit or loss, with the adjustment of the figures for 2016. Also, in the consolidated balance sheet the non-current assets and liabilities of this operation are presented as discontinued operations.

I.- Statement of profit or loss

	2017	2016*	Var. (%)
Revenue	**3,216.4**	**3,342.4**	**-3.8%**
Other operating income	166.8	181.5	-8.1%
Total operating income	**3,383.2**	**3,523.9**	**-4.0%**
% of sales	105.2%	105.4%	
Operating expenses	-2,600.4	-3,245.4	-19.9%
Staff costs	-839.3	-854.8	-1.8%
Gross loss from operations	**-56.5**	**-576.3**	**-90.2%**
% of sales	-1.8%	-17.2%	
Depreciation and amortisation charge	-73.4	-100.3	-26.8%
Period provisions	-2.8	-29.4	-90.5%
Loss from operations	**-132.7**	**-706.0**	**-81.2%**
% of sales	-4.1%	-21.1%	
Finance income	35.5	24.7	43.7%
Finance costs	-86.4	-93.1	-7.2%
Changes in fair value of financial instruments	32.6	-74.0	-144.1%
Exchange differences	-26.8	8.4	-419.0%
Impairment and gains or losses on disposals of financial instruments	-1.5	99.1	-101.5%
Financial loss	**-46.6**	**-34.9**	**33.5%**
Result of companies accounted for using the equity method	-45.5	-148.9	-69.4%
Loss before tax	**-224.8**	**-889.8**	**-74.7%**
% of sales	-7.0%	-26.6%	
Income tax	7.3	32.1	-77.3%
Loss for the year from continuing operation	**-217.5**	**-857.7**	**-74.6%**
% of sales	-6.8%	-25.7%	
Profit for the year from discontinued operations net of tax	497.6	622.3	-20.0%
Consolidated profit/loss for the year	**280.1**	**-235.4**	**-219.0%**
% of sales	8.7%	-7.0%	
Profit attributable to non-controlling interests	-292.2	-197.0	48.3%
Loss attributable to the Parent	**-12.1**	**-432.4**	**-97.2%**
% of sales	-0.4%	-12.9%	

Millions of euros

*Restated.

The Group's revenue in 2017 amounted to EUR 3,216.4 million, down 3.8% from 2016, due largely to the decrease in Construction activity.

The Engineering and Construction Division obtained revenue of EUR 3,168.2 million in 2017, which represents a decrease of 1.4% and accounts for 98.5% of the Group's total revenue.
OHL's main line of business after the discontinuation of the Concessions business is that relating to the Construction division, whose sales of EUR 2,660.7 million represent 82.7% of total sales and a drop of 4.1% with respect to 2016, due mainly to the fall in activity in the US and the delay in the commencement of concession projects in Latin America.
The revenue of the Development Division, which accounts for a comparatively much smaller 1.5% of total sales, decreased by 63.2% with respect to 2016, principally as a result of the sale in April and May 2017 of the hotel companies and the El Camaleón golf course in Mayakoba (Riviera Maya, Mexico). In like-for-like terms, sales would be virtually unchanged between periods
In 2017 77.3% of revenue was generated outside Spain, as compared with 78.4% in 2016.
As regards the distribution of sales by geographical area, the US and Canada represent 34.7% of the total, Spain 22.7%, Central and Eastern Europe 8.4% and Mexico 8.3%.
Total operating income amounted to EUR 3,383.2 million in 2017, a drop of 4.0% with respect to 2016.
EBITDA totalled EUR -56.5 million in 2017, -1.8% of revenue.
May 2017 saw the ratification of the collective redundancy agreement between OHL, S.A. and OHL Industrial, S.L. and the workers' representatives that led to the elimination of 457 jobs. The estimated expenses associated with this and other similar collective redundancy procedures, amounting to EUR 40.1 million, and the loss of EUR 36.4 million on the Gustavo Fricke Hospital project in Chile were deducted from EBITDA. Disregarding these two effects, EBITDA totalled EUR +20.0 million.
Substantially all of the Group's positive EBITDA was generated outside Spain, primarily in Mexico and the US.
EBIT amounted to EUR -132.7 million, although without the effect of the collective redundancy procedure mentioned above and other similar procedures it would have totalled EUR -56.2 million.
Finance income minus finance costs totalled EUR -50.9 million in 2017, the improvement with respect to the EUR -68.4 million recorded in 2016 being due to lower average interest rates in 2017.
The gross recourse borrowings amount to EUR 68.0 million.

Main disposals of investments in companies

The most significant disposals of ownership interests in companies in 2017 were:

- On 7 April 2017, 17.5% of the shares of Centro Canalejas Madrid, S.A. were sold.

- On 28 April 2017, a 51% ownership interest in the hotel companies and El Camaleón golf course in Mayakoba was sold, and on 18 May an additional interest of 29% in two of the hotel companies (Fairmont and Rosewood), also in Mayakoba, was sold.

The following table details the impact on each statement of profit or loss line item:

2017	Canalejas	Mayakoba	Total
Selling price	78.8	186.9	265.7
Impact on profit or loss			
Exchange differences	-	38.3	38.3
Changes in fair value of financial instruments	-1.8	0.8	-1.1
Result of companies accounted for using the equity method	-	-11.6	-11.6
Impairment and gains or losses on disposals of financial instruments	33.4	-24.7	8.7
Total impact on profit or loss	31.6	2.7	34.3

Millions of euros

2016	Construction concession operators
Selling price	142.0
Impact on profit or loss	
Exchange differences	-
Changes in fair value of financial instruments	-77.9
Result of companies accounted for using the equity method	-
Impairment and gains or losses on disposals of financial instruments	90.9
Total impact on profit or loss	13.0

Millions of euros

The **changes in fair value of financial instruments** amounted to EUR 32.6 million due to the effect of the increase in the value of the foreign currency derivatives. In 2016 EUR -74.0 million were recorded, due mainly to the sale of Construction concession operators that incurred losses as a result of the revaluation of derivatives associated with those assets.

Exchange differences amounted to EUR -26.8 million in 2017, a negative change with respect to the EUR 8.4 million recognised in 2016.

In addition, in 2017 the exchange differences included EUR +38.3 million as a result of the sale of the Mayakoba companies, which partially offset the negative effect of the transactions mainly in Qatari reals, Canadian dollars and Algerian dinars.

The **Impairment and gains or losses on disposals of financial instruments** amounted to EUR -1.5 million and include mainly EUR +8.7 million relating to the principal divestments indicated above, plus an impairment loss of EUR -10.0 million on the shares of Banco Popular, S.A. owned by the Group.

The figure in 2016 included the gain of EUR +90.9 million on the sale of the construction concession operators.

The **result of companies accounted for using the equity method** totalled EUR -45.5 million in 2017 and includes most notably the loss arising from the revaluation of the ownership interest retained in Mayakoba, amounting to EUR -11.6 million, and the loss of EUR -26.7 million of the

consortium carrying out the Toronto subway project. It should be noted that in 2016 a loss of EUR 149.4 million was recognised in relation to the Centre Hospitalier de l'Université de Montréal (CHUM) construction project.

The **loss before tax** amounted to EUR -224.8 million in 2017.

Income tax totalled EUR 7.3 million in 2017, reflecting an effective tax rate of 27.7%, as compared with 27.9% in 2016.

This rate was calculated by eliminating the results of companies accounted for using the equity method and other items without any tax effect, and it must be taken into consideration that the Group does not recognise tax assets if it is not certain that they will be recovered. The change in tax rates in the US had practically no effect on the Group.

The **profit for the year from discontinued operations net of tax** relates to the Concessions activity and amounted to EUR 497.6 million in 2017, as compared with EUR 622.3 million in 2016. The detail of the main aggregates is shown in the Appendices.

The**profit attributed to non-controlling interests** amounted to EUR 292.2 million, of which EUR -0.4 million relate to **continuing operations** and EUR 292.5 million to **discontinued operations**.

The loss attributable to the Parent totalled EUR -12.1 million in 2017. Disregarding the impact of the collective redundancy procedure, legacy projects and other effects, totalling EUR -76.5 million, plus other impairment losses on financial assets, amounting to EUR -10.0 million, it would totalled EUR 74.4 million, 2.3% of revenue.

II.- Balance sheet

	31/12/2017	31/12/2016	Var. (%)
Non-current assets	**1,666.3**	**8,589.0**	**-80.6%**
Intangible assets	243.9	287.0	-15.0%
Concession infrastructure	66.8	6,439.6	-99.0%
Property, plant and equipment	212.1	257.0	-17.5%
Investment property	73.3	66.8	9.7%
Investments accounted for using the equity method	303.1	513.6	-41.0%
Non-current financial assets	501.0	402.9	24.3%
Deferred tax assets	265.1	622.1	-57.4%
Current assets	**10,543.2**	**4,331.3**	**143.4%**
Non-current assets classified as held for sale and discontinued operations	8,023.6	492.0	1530.8%
Inventories	152.4	211.9	-28.1%
Trade and other receivables	1,753.5	2,103.2	-16.6%
Other current financial assets	140.1	663.5	-78.9%
Other current assets	39.4	42.8	-7.9%
Cash and cash equivalents	434.2	817.9	-46.9%
Total assets	**12,208.5**	**12,920.3**	**-5.5%**
Equity	**4,183.3**	**4,042.9**	**3.5%**
Shareholders' equity	**2,918.0**	**3,027.9**	**-3.6%**
Share capital	179.3	179.3	0.0%
Share premium	1,265.3	1,265.3	0.0%
Reserves	1,485.5	2,015.6	-26.3%
Loss for the year attributable to the Parent	-12.1	-432.3	-97.2%
Valuation adjustments	**-751.3**	**-588.2**	**27.7%**
Equity attributable to the Parent	**2,166.7**	**2,439.7**	**-11.2%**
Non-controlling interests	**2,016.6**	**1,603.2**	**26.8%**
Non-current liabilities	**1,124.1**	**5,453.9**	**-79.4%**
Government grants	2.2	2.1	4.8%
Long-term provisions	50.1	199.4	-74.9%
Non-current bank borrowings*	893.5	3,777.1	-76.3%
Other non-current financial liabilities	4.4	53.0	-91.7%
Deferred tax liabilities	139.5	1,246.3	-88.8%
Other non-current liabilities	34.4	176.0	-80.5%
Current liabilities	**6,901.1**	**3,423.5**	**101.6%**
Liabilities associated with non-current assets classified as held for sale and discontinued operations	4,141.7	220.0	1782.8%
Short-term provisions	225.4	298.2	-24.4%
Current bank borrowings*	680.7	615.2	10.6%
Other current financial liabilities	4.7	7.1	-33.8%
Trade and other payables	1,614.9	1,915.4	-15.7%
Other current liabilities	233.7	367.6	-36.4%
Total equity and liabilities	**12,208.5**	**12,920.3**	**-5.5%**

*Including bank borrowings and bond issues.
Millions of euros.

The detail of the main headings in the consolidated balance sheet as at 31 December 2017 and of the changes therein with respect to 31 December 2016 is as follows:

Concession infrastructure: this line item includes all of the Group's concession infrastructure. The balance of EUR 66.8 million at 2017 year-end represents a decrease of EUR 6,372.8 million with respect to 31 December 2016, due largely to the transfer to "Non-Current Assets Classified as Held for Sale and Discontinued Operations" of the assets of the Concessions Division, which at 31 December 2016 amounted to EUR 6,386.3 million.

At 31 December 2017, the main concession operator was Sociedad Concesionaria Aguas de Navarra, S.A., contributing a balance of EUR 66.2 million to this line item.

Investments accounted for using the equity method: the balance of EUR 303.1 million at 2017 year-end represents a decrease of EUR 210.5 million with respect to 31 December 2016, due largely to the transfer to "Non-Current Assets Classified as Held for Sale and Discontinued Operations" of the companies in the Concessions Division, which at 31 December 2016 amounted to EUR 296.4 million.

Non-current assets and liabilities classified as held for sale and discontinued operations: At 31 December 2017, these line items related to the assets and liabilities of the companies in the Concessions Division in the process of being sold.

At 31 December 2016, these line items related to the assets and liabilities of the hotel companies and the El Camaleón golf course in Mayakoba that were in the process of being sold, with the sale ultimately taking place in April and May 2017.

Trade and other receivables: at 31 December 2017, the balance of this line item amounted to EUR 1,753.5 million, accounting for 13.9% of total assets.

Progress billings receivable and amounts to be billed for work performed represented 80.4% of the total "Trade and Other Receivables" balance and amounted to EUR 1,410.8 million (5.4 months of sales).

The balance relating to the projects the revenue from which was re-estimated in 2016 (legacy projects) accounted for 14.0% of the balance at 31 December 2017 (31 December 2016: 14.7%).

The balance of "Trade and Other Receivables" was reduced by EUR 40.8 million (31 December 2016: EUR 53.3 million) in relation to trade receivables factored without recourse (which is why they were deducted from the balance).

The Equity attributable to the Parent amounted to EUR 2,166.7 million at 31 December 2017, which represents 17.2% of total assets and a decrease of EUR 273.0 million with respect to 31 December 2016, due to the net effect of:

- The decrease in the attributable profit for 2017, which amounted to EUR -12.1 million.
- The decrease in reserves of EUR 200.7 million arising from the translation of the financial statements in foreign currency, mainly of the Mexican companies.
- The increase of EUR 15.1 million in reserves due to the effect of the net fair value of the financial instruments transferred to profit or loss.
- The drop of EUR 2.5 million relating to treasury shares. At 31 December 2017, 12,531,939 treasury shares with a value of EUR 48.6 million were held.

- The decrease of EUR 72.2 million relating to other changes in reserves, due mainly to changes in the scope of consolidation.

Non-controlling interests: at 31 December 2017, this item amounted to EUR 2,016.6 million, relating substantially in full to the non-controlling interests of the discontinued Concessions business.

The balance was EUR 413.4 million higher than at 31 December 2016 due to the net effect of:

- The increase of EUR 292.1 million as a result of the profit for 2017 attributable to non-controlling interests.
- The decrease of EUR 233.9 million arising from the translation of the financial statements in foreign currency.
- The increase of EUR 2.0 million due to the effect of the remeasurement of financial instruments.
- The increase of EUR 399.4 million as a result of the sale of 24.01% of Concesionaria Mexiquense.
- The decrease of EUR 31.0 million relating to the Mayakoba hotel companies, which started to be accounted for using the equity method in 2017.
- The drop of EUR 15.2 million relating to other changes in the scope of consolidation.

Long-term provisions: the balance of EUR 50.1 million at 2017 year-end represents a decrease of EUR 149.3 million with respect to 31 December 2016, due largely to the transfer to "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations" of the companies in the Concessions Division. At 31 December 2016, the balance amounted to EUR 199.4 million, of which EUR 134.1 million related to Concessions.

Bank borrowings: the comparison of the bank borrowings at 31 December 2017 compared with those at 31 December 2016 is as follows:

Gross borrowings [1]	31/12/2017	%	31/12/2016	%	Var. (%)
Recourse borrowings	1,517.0	96.4%	1,519.9	34.6%	-0.2%
Non-recourse borrowings	57.2	3.6%	2,872.4	65.4%	-98.0%
Total	**1,574.2**		**4,392.3**		**-64.2%**

Millions of euros

(1) The gross borrowings group together non-current and current bank borrowings which include bank borrowings and bond issues

Net borrowings [2]	31/12/2017	%	31/12/2016	%	Var. (%)
Recourse borrowings	943.5	94.4%	748.4	25.7%	26.1%
Non-recourse borrowings	56.4	5.6%	2,162.5	74.3%	-97.4%
Total	**999.9**		**2,910.9**		**-65.6%**

Millions of euros

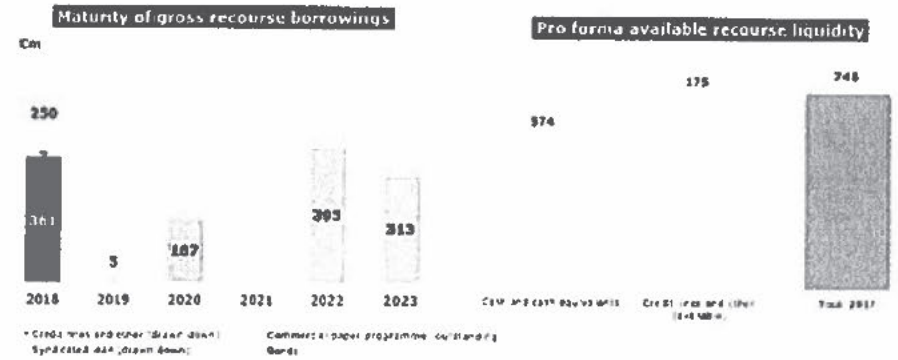
(2) The net borrowings comprise gross borrowings less other financial assets and cash and cash equivalents

The gross recourse borrowings amounted to EUR 1,517.0 million at 31 December 2017, similar to the balance at 2016 year-end.

The net recourse borrowings amounted to EUR 943.5 million in 2017, up EUR 195.1 million on 2016. Worthy of mention is the significant inflow of cash

arising from the implementation of the Group's divestment plan, which partially offset the investments made and the operating needs of the various businesses.

The detail of the maturities of the Group's gross recourse borrowings and available recourse liquidity:



Recourse liquidity	31/12/17	31/12/16
Bonds	894.5	894.5
Commercial paper	6.7	9.4
Syndicated loan	250.0	250.0
Credit lines and other*	540.7	491.5
Recourse liquidity	**1,691.9**	**1,645.4**
Gross recourse borrowings	**1,517.1**	**1,519.9**
Available recourse financing	174.8	125.5
Cash and current financial assets	573.6	771.5
Net recourse liquidity	**748.4**	**897.0**

Millions of euros

* Including EUR 190.0 million relating to the revolving credit line of the multiproduct syndicated financing

The Group's drawable recourse funds amounted to EUR 1,691.9 million.

The Group's recourse liquidity, measured as cash and cash equivalents and available recourse financing, amounted to EUR 748.4 million.

56.8% of the total gross bank borrowings falls due at long term and the remaining 43.2% matures at short term.

Following the transfer to "Liabilities Associated with Non-Current Assets Classified as Held for Sale and Discontinued Operations" of the gross borrowings relating to the Concessions Division, the gross non-recourse bank borrowings amounted to EUR 57.2 million, only 3.6% of the total gross borrowings.

The Group's financial risk management is explained in Note 4.2.1. to the consolidated financial statements.

III. Shareholder and investor relations in 2017

STOCK MARKET INFORMATION

OHL's share performance was positively affected in 2017 by the asset rotation carried out, by the launch and settlement of the OHL México IPO and by the signing of an agreement with IFM for the sale of all the shares of OHL Concesiones.

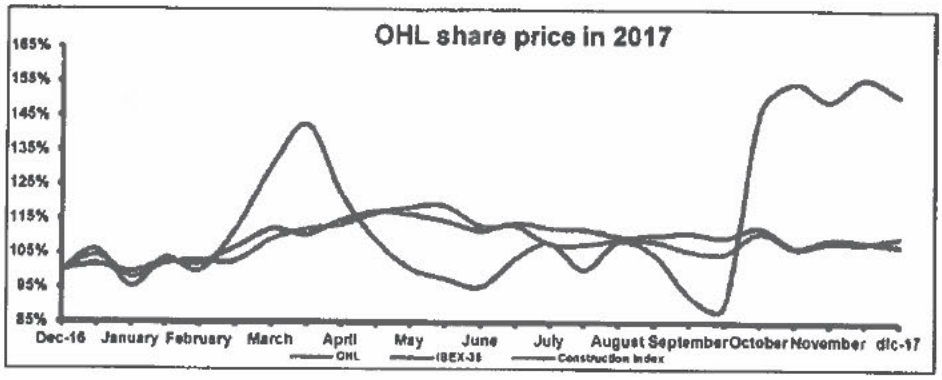
OHL on the Spanish Stock Market Interconnection System:

OHL on the stock market

OHL stock market indicators in 2017:

OHL, S.A.	31/12/2017
OHL closing Price	4.981
YtD performance of OHL share price	51.168%
High	5.455
Low	2.300
Average price	3.935
Treasury shares	12,531,234
Value of treasury shares	62,418,077
Treasury shares as % of OHL share capital	4.194%
Total number of OHL shares	298,758,998
Par value of OHL share capital	179,255,399
Par value per share	0.60
Market capitalisation (Millions of euros)	1,488
Number of shares traded in the year	643,366,934
Number of shares traded daily in the year	2,523,008
Shares traded as a % of total shares	215.3%
Annual turnover	2,531,582,262
Average daily turnover	9,927,774
Total days traded	255
Ibex - 35 index	10,043.9
YtD performance of Ibex 35 Index	7.4%
Spanish construction index	1,443.4%
YtD performance of construction index	9.9%
Gross dividend paid in the year	-
Net dividend paid in the year	-

Source: Bolsas y Mercados Españoles and Bloomberg



- Price (2017 closing price and change with respect to 2016: high, low and average), shares traded, turnover, days traded and average daily turnover.
- Share capital of the Company and number of ordinary shares.
- Treasury shares at year-end and par value.
- Share performance of OHL and of the construction industry in 2017.

At 31 December 2017, the share capital of OHL, S.A. amounted to EUR 179,255,398.8, represented by 298,758,998 shares of EUR 0.6 par value each, all of the same class and series. The share price of OHL S.A. was EUR 3.295 per share at the beginning of 2017. The share price increased by +51.2% over the year, closing at EUR 4.981 per share.

In 2017 the share price reached a high of EUR 5.455 per share, a low of EUR 2.300 per share, and the average price for the period being EUR 3.935 per share.

At 31 December 2017, OHL S.A. held 12,531,234 treasury shares, i.e., 4.194% of the Company's current share capital, which at the closing market price amounted to EUR 62.4 million. In 2016 a total of 643,366,934 shares were traded on the stock market (215.3% of the total shares admitted for trading) with an average daily volume of 2,523,008 shares.

The performance of the Ibex-35 and construction indexes in Spain was more modest during the period, with increases of +7.4% and +9.9%, respectively.

Historically, until 2016 OHL had a pay-out of 25% of the recurring net profit. In 2016 the Group, due to the re-estimation of the final objectives of several Construction projects due to the negative evolution of the situation of various claims and of the Industrial Division, incurred a significant loss, as a result of which no dividend was distributed.

At 31 December 2017, OHL S.A. owned 12,531,939 treasury shares, i.e., 4.195% of the Company's share capital (see Note 3.13 to the consolidated financial statements).

Although the activity of the Concessions Division is presented as a discontinued operation in the Group's consolidated financial statements, we detail in this section the information relating to the stock market performance of OHL México S.A.B. de C.V., a subsidiary of OHL Concesiones, S.A.U.

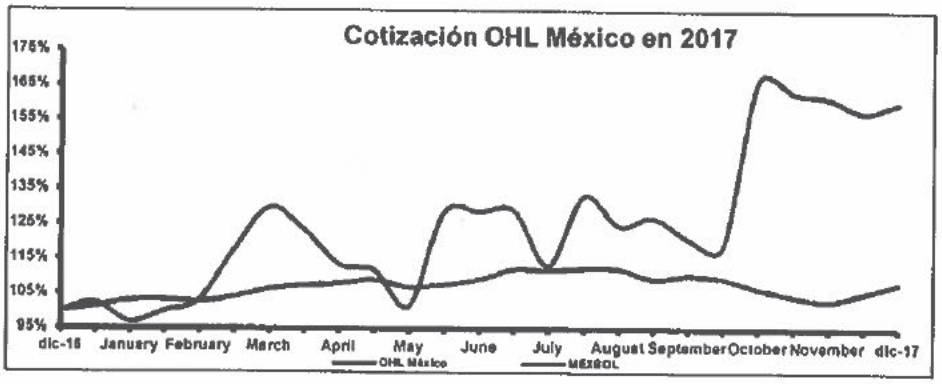
OHL México on the stock market

OHL México stock market indicators in 2017:

	31/12/2017
Closing price (Mexican pesos)	32.63
YtD performance	60.0%
Number of shares	1,732,185,269
Market capitalisation (Millions of Mexican pesos)	56,521.2
Value of 56.85% of OHL (Millions of euros)*	1,358.1

*EUR/MXN exchange rate 23.6612

Source: Bloomberg



- Share performance in 2017.
- OHL México share and S&P/BMV IPC market prices in 2017.
- Number of shares and par value.
- Market price at 31/12/17, market capitalisation in Mexican pesos at 2017 year-end.

The OHL Group, through its Concessions Division has a 56.85% stake in OHL México S.A.B. of C.V., which is listed on the stock market in Mexico and whose share price increased by +60.0%from the share price of MXN 20.39 at the beginning of 2017 to MXN 32.63 per share.
The performance of the OHL Mexico share price was positive for most of 2017, thanks in part to the takeover bid launched jointly by OHL Concessions and IFM.

It was in the last quarter of the year when the bid launched by the Australian fund IFM for OHL Concessions (the parent of OHL Mexico S.A.B. de C.V.) was made public that the share was at its strongest, close to MXN 35 per share in November 2017 (the low of around MXN 19 per share was seen at the beginning of February). The market capitalisation of OHL México at 2017 year-end was MXN 56,521,205,327.5.

At 31 December 2017, the share capital of OHL México S.A.B. de C.V. amounted to MXN 15,334,502 thousand, represented by 1,732,185,269 ordinary shares, all of the same class and series.

OHL bond issues currently outstanding in the market

OHL, S.A. currently has outstanding in the market three bond issues listed in London, the most relevant data at the end of the year being as follows:

Issuer	Maturity	Coupon	Outstanding balance	Price	YtM
OHL S.A.	March 2020	7.625%	187	101.855%	6.695%
OHL S.A.	March 2022	4.750%	395	101.263%	4.415%
OHL S.A.	March 2023	5.500%	313	102.834%	4.874%

Communication with shareholders, investors and analysts

- Main channels of communication and dialogue with shareholders, investors and analysts.
- New developments in 2017, if any.
- Most important communications in 2017.

The OHL Group has an Investor Relations Department at the corporate headquarters of the Group -Paseo de la Castellana 259-D, Torre Espacio, 28046 Madrid-, and at its subsidiary OHL México. These teams manage communication with shareholders, investors and analysts with a clear objective: maximum transparency with the dissemination of relevant information for these stakeholders.

To this end, the Group promotes various on-site meetings during the year (meetings with analysts, national and international roadshows, Investor Day and ad-hoc informative meetings) and offers several communication channels (e.g. the email account: relación accionistas@ohl.es).

In 2017 several national and international roadshows were held (London, Paris and New York), and the Group also participated in various forums and seminars (e.g. Spain Investors Day 2017), and organised the traditional annual presentation of the Group's results for the year, together with the Annual General Meeting and Investor Day. These presentations, due to their importance, are always broadcast on the website so that they can be followed by the Group's various stakeholders.

Currently, around 15 financial analysts on the equities side and about 10 analysts on the fixed-income side (bonds) from various banks regularly monitor the OHL Group and the Investor Relations Department maintains ongoing communications with them in response to market needs.

Since 2011 OHL has made quarterly results presentations through conference calls in English, in which the Group's executive team answers the questions of the participants and establishes direct communication with the financial community, without vetoing questions of any kind.
Over the rest of the year communication with analysts, shareholders and investors is guaranteed through the email address: relacion.accionistas@ohl.es and the shareholder hotline +34 91 348 41 57.

b) Value for the customer

I.- Digital transformation

The infrastructure industry has been slower than others in adapting to new technologies and for many years has undergone few significant transformation processes. In today's global environment companies in the industry have to face bigger and more complex challenges and, therefore, technological and digital innovation are considered to be strategic pillars in the infrastructure field.
The OHL Group is prepared for this transformational process since innovation and technology have always been part of its culture, and the Group has been a pioneer for more than 20 years in the development of proprietary information technologies aimed at optimising its processes and giving it a competitive edge over its competitors.

OHL Group digitisation strategy

User experience

BIM methodology

Advanced Data

Analytics/Big Data

The Internet of Things

Augmented virtual reality

In this context, one of the main projects initiated in 2016 consists of implementing BIM methodology in the Company's construction processes. With this objective, a total of 27 pilot projects have been designed which started to be implemented in 2017 and from which it is expected that the first results will be obtained in 2018.

In 2017 these pilot projects focused on:

- Improving and completing the foundations for the Construction value chain, adapting OHL's operating processes and developing the appropriate technological platform to improve process efficiency and competitiveness in the various different phases of the project life cycle.
- Obtaining predictive and analytical capacity from the projects implemented by the Group in the past so that knowledge remains within a homogeneous platform that in turn allows the results of the experiences to be extrapolated to future projects.

Also, in 2017 work continued in the field of information security and privacy, with the adoption of various initiatives aimed at adapting the systems and processes to current and future legislation. The following initiatives are particularly worthy of mention:

- Adaptation to the new European General Data Protection Regulation (GDPR), with the aim of complying with this legislation and increasing the privacy of the Group's data.
- Implementation of the Information Security Risk Management processes, which facilitate better monitoring and treatment of the cybersecurity risks in the face of external threats and potential technological vulnerabilities.

II.- Innovative culture and R&D+i

The OHL Group embraces research, development and innovation as fundamental pillars of its strategy, aware of their importance in long-term value creation.

2017
Start-up of 22 R&D+i projects
Investment of EUR 10.2 million

2017 saw the continuation of the implementation of the 2016-2020 Strategic Innovation Plan. In addition, this plan covers both the technology and management fields.

PRIORITY R&D+I ACTIVITIES

In the civil engineering area, work was performed on the development of new construction solutions, especially for railways and maritime works.

Work in the emblematic building construction sphere focused mainly on development work and experimentation in the energy efficiency field.

In the industrial area, R&D focused on the development and validation of Fresnel-type thermosolar technology and on innovation in industrial system design.

Results that create value
12 patent families in 26 countries
Cubipod was distinguished with the Quality Award (QIA)
Signing of a new agreement for the construction of a Port in Denmark using Cubipod technology

INNOVATION MANAGEMENT MODEL

The implementation of a common innovation management model for the entire Company and the promotion of the culture of innovation among its employees have been basic principles of the OHL Group in its R&D+i activities.

In the promotion of intrapreneurship, innovative proposals have been gathered from all the lines of activity. Worthy of particular mention are those received through the programmes to facilitate the generation of innovative ideas:

- VI award for the + Innovative idea. Organised by the Group.
- V LIDERA! programme, organised by the Construction Division.

In addition, the Construction Division promoted the following models: open innovation, flexible development, collaborative intelligence, incubation of new businesses and improvement to intangible asset management.

Renewal of certification under the UNE 166 002 standard at the six companies

Partnerships

+ 40 research centres and universities

14 countries

INDUSTRY BENCHMARKS IN R&D+i

In the commitment to play a leading role in identifying challenges and defining innovation policies, the OHL Group actively participates in various international groupings, including:

European Network of Construction Companies for Research and Development (ENCORD), the Spanish Technological Construction Platform (PTEC) and the SEOPAN R&D+i Commission, in the construction area.

II.- Quality management

OHL offers the best designs and services to respond to customers' needs.

Quality management at the OHL Group is based on processes and on managing risks and opportunities. It is implemented through a management system integrated with other areas and meets the requirements of the ISO 9001 international standard. Additionally, it has external quality standard certification for 75% of Sales.

Quality plans include control and specific assurance of the activity and location, as well as communication with customers and users, continuous improvement and innovation.

Particularly important factors in contract quality are the supervision of critical activities by specialised personnel, document management to guarantee fast and secure access to documentation and adequate coordination with suppliers.

2016-2020 Strategic Quality Lines

- Treatment of non-quality, as a tool for controlling and improving efficiency.
- Claims management, as an indicator of the degree of compliance.
- Customer satisfaction, as an indicator of excellence in the performance of projects and the provision of services.

Furthermore, OHL maintains dialogue with its customers and users and provides them with assistance through periodic meetings, the management of their claims and consultations regarding their degree of satisfaction. Other stakeholders such as government, analysts and investment groups are served through the website, periodic reports, email and telephone hotlines. All complaints from clients and users are processed by the channel through which they are received, and all are answered. The time periods and measures needed to resolve each case depend on the type of claim, although the Group maintains a firm commitment to ongoing information on the progress made.

Also, when assessing satisfaction, various resources are used, such as: interviews, questionnaires, market analysis, extension of contracts and services and new awards.

All employees and outside collaborators assume the quality of their activities as a working principle, as set forth in the Code of Ethics and corporate policies. The Group facilitates training, resources and technology to offer the best possible service.

Results in 2017

- The quality management systems are certified by 8 external entities such as: SGS, TUV Rheinland, BV, BSI, Aenor and JCI.
- 75% of sales certified, corresponding to markets and customers.
- Almost 400 days of quality audit without any serious breaches.

Customer satisfaction rate: 7.9/10 76% of end users consider themselves satisfied and 73% would recommend working with the OHL Group.

0.54 claims per million euros of Construction sales. The average response period is 4 days and the average resolution period is 17 days.

Satisfaction was measured on the basis of the result obtained from quality surveys for certain customers of the Construction, Industrial and Development Divisions. The figures were not weighted on the basis of the sales of each company.

The customer satisfaction measurement figure for the Construction Spain Division relates to 2016.

IV.- Supply chain

Key purchasing indicators of the OHL Group

	Number of suppliers	Total volume of the expense (M EUR) relating to purchases from suppliers/subcontractors made in the year	Total volume of the expense (M EUR) relating to purchases from local (same country) suppliers/subcontractors
US and Canada	3,280	1,338 5	521.4
Spain	4,958	231 6	204 2
Europe	6,857	407 3	302 0
Latam	5,231	596 0	595 2
Other countries	666	140 7	93 5
Total	**20,792**	**2,714.2**	**1,716.4**

Responsible supply chain management

The quest for global synergies in hiring and the establishment of a collaborative network among projects that allows information to be shared on suppliers and subcontractors are fundamental aspects for OHL. To this end, framework agreements of a global nature are being prepared in the Construction Division with a view to achieving economies of scale at Group level.

In this scenario, the Code of Ethics, the Anti-corruption Policy, the Responsible Purchasing Policy and the internal Purchasing regulations continue to be the main pillars of supply chain management at the OHL Group.

All contracts include a clause on compliance with the Code of Ethics, and knowledge and compliance with the ten Principles of the Global Compact. Also, under the supplier accreditation requirements, suppliers must not have been adjudged in a final decision to have breached of any of these Principles during the last three years.

These policies governing the supply chain are part of the clauses and general purchasing conditions for the supply of general services, while the signature of the supplier, which infers its knowledge and compliance, is an essential requirement to be able to work with the OHL Group.

As a common requirement for all Group companies, suppliers considered critical are subject to a Third Party Due Diligence analysis, in which their suitability is assessed from the technical, financial and compliance standpoints.

Purchasing management tools

The Computerised Purchasing System *(SIC)* permits the automated registration of the entire purchasing process and guarantees the transparency of the process and equal opportunities for all OHL suppliers.

2017 saw the launch of Ariba, a purchasing management system that will foreseeably replace, in the medium term, the system that has been used until now. Ariba will streamline and optimise processes, increase control and provide more value and traceability to the business. Moreover, it will produce time and cost savings in the processes involved in documentation analysis and validation, will increase legal security and will provide a centralised database for all the OHL Group companies.

During the year Ariba was implemented in some of the corporate divisions, and is at the trial phase at the Hospital de Fuenlabrada (Madrid, Spain)

Green purchases

The standard purchasing terms of the General Services Division place special emphasis on environmental criteria and incorporate, in their records, environmental management factors and even certifications of their suppliers, aligning them with the objectives of accessibility, sustainability and security of the Group's work spaces.

95% Purchases of stationery and consumables at the OHL head offices are environmentally friendly.

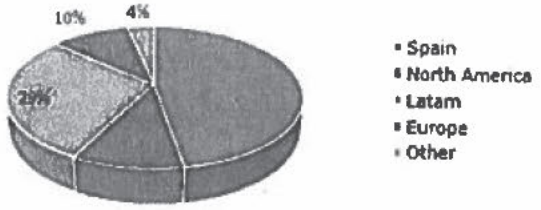
c) The value of people

In a year of significant changes in structure and internal organisation, the OHL Group continued with talent management materialised in opportunities for professional development and mobility in a global environment, promoting ethics, diversity and equal opportunities.

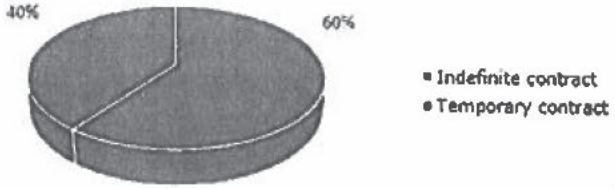
At 31 December 2017, the OHL Group had 21,464 employees, 2.6% fewer than in 2016. 53% of the total workforce is outside Spain.

Distribution of the employees of the OHL Group

By geographical area



By type of contract



Directly employed by the OHL Group

	Subcontractors		Directly created induced jobs	
	2017	2016	2017	2016
OHL	772	841	4,126	4,759
Subsidiaries				
Construction	694	1,065	6,861	8,827
Industrial	54	122	1,415	9,364
Services	674	167	1,527	334
Total	**2,194**	**2,195**	**13,929**	**23,284**

The induced jobs were estimated on the basis of the information available on the number and type of subcontractors and the average number of employees of companies of that type in each geographical area, per public data available in each country. The induced employment corresponds to 100% of the estimated workforce of the subcontractors without weighting the volume of transactions with the OHL Group.

In 2017, and in response to the OHL Group's need to adapt to the new business and economic context, Obrascón Huarte Lain, S.A. and OHL Industrial, S.L. each implemented a collective redundancy procedure for economic, production and organisational reasons, framed within cost reduction measures aimed at ensuring the sustainability of the companies and guaranteeing their future viability.

Both procedures were concluded with an agreement with the respective workers' representatives, with a total of 381 employees affected at the end of the year.

Although these collective redundancy procedures involved the adoption of restructuring measures, both companies implemented social support measures in order to minimise the social impact of the redundancies. Thus, it should be highlighted that in both cases an outplacement and professional support programme was set up for the affected employees in order to minimise their unemployment time.

In the case of Obrascón Huarte Lain, S.A., thanks to this outplacement programme, up to the end of 2017 43% of those included in it had found work; at OHL Industrial, S.L. this percentage was 29%. This programme is still up and running today with a view to increasing the percentage of employees affected by the collective redundancy procedures.

I.- Diversity

OHL understands diversity as an enriching element that increases and augments the company's capacity to meet the expectations of stakeholders and adapt to the different scenarios in which it operates.

Breakdown of employees by professional category, age and gender

Professional category	TOTAL	Total		Under 30		30-45		46-55		Over 56	
		M	W	M	W	M	W	M	W	M	W
Senior executives	7	7	0	0	0	1	0	4	0	2	0
Senior managers	121	111	10	0	0	31	6	56	4	24	0
Managers	333	293	40	1	1	131	27	116	11	45	1
Middle managers	1,670	1,403	265	57	21	693	156	444	66	209	22
Other line personnel	3,042	2,266	776	365	134	1,119	355	567	216	217	71
Clerical staff	1,286	620	666	167	152	225	311	145	162	83	41
Manual workers	15,005	8,465	6,540	1,451	310	3,632	1 695	2,350	2,729	1,032	1,806
TOTAL	21,464	13,167	8,297	2,041	618	5,632	2,550	3,682	3,188	1,612	1,941

With regard to gender equality, the **II Equality Plan** is in force, which underlines the Company's commitment to the promotion of professional development and the enhancement of skills and competencies, without any gender distinction. In 2017 work was carried out on the preparation of these training materials to sensitise the Group's employees.

The **Equality Committee** is responsible for monitoring the plan and the various projects that arise in this area.

EMPLOYMENT INTEGRATION PLAN FOR VULNERABLE GROUPS

The Group has a firm commitment to the inclusion of people in situations of social vulnerability. The Services Division is the most active in this connection. In 2017 the Company generated 80 job opportunities for these groups, especially people with disabilities, at risk of social exclusion and victims of gender violence.

In addition to the generation of job opportunities, the Group participates in other initiatives to promote the employability of these groups, such as the development of professional volunteering in HR or through calls for the presentation of social projects by employees.

OHL Servicios-Ingesan was awarded the **2017 Estela Prize**, the 2017 **Integra Prize** and a distinction awarded by **Obra Social La Caixa** for its commitment to society and its most vulnerable groups.

II.- Remuneration and benefit systems

The purpose of the remuneration system is to define, implement and execute the remuneration policies and practices of the OHL Group in accordance with its business strategy, based on a total compensation approach that guarantees internal fairness and external competitiveness, as well as its capacity to attract, retain and obtain the commitment of executives and employees, based on criteria of objectivity and equality.

In this regard, the Group has carried out a job analysis and description process, assessing and classifying it into organisational levels, defining a salary structure by division and geographical area for these levels, with a specific positioning with respect to the market, based on the level of competitiveness required by the business in each case.

The remuneration policy of the OHL Group is based on criteria of fairness, competitiveness, objectivity and equality.

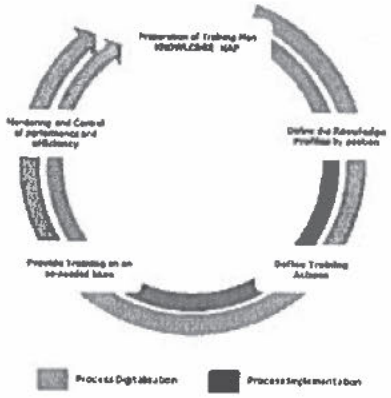
Further information:
Appendices:

- Appendix 2. OHL Group employee benefits.
- Appendix 3. Information on freedom of association and collective bargaining

III.- Training and development

Within the framework of the Training Plan, a new training model has been implemented (Knowledge Map), aimed at continuous professional development and adaptation to technological, organisational and market changes, to achieve maximum training and excellent performance.

Training Model Process



In 2017 work was also performed on the digitisation of the Group's processes and training management data through the implementation of both the knowledge profiles of the job positions and of the training associated with these positions and their internal management.

Training in 2017 (data in Spain)

	Gender		Hours			
Type of training	Men	Women	Classroom-based	Online	Number of courses	Hours
Knowledge map	216	114	9,970	-	33	9,970
e-Learning	125	59	-	7,913	73	7,913
Corporate	808	296	-	4,416	3	4,416
Unplanned	1,095	583	25,778	8,616	197	34,394
Total	2,244	1,052	35,748	20,945	306	56,693

Training by professional category

	OHL (*)		Industrial		Services		Total	
	Men	Women	Men	Women	Men	Women	Men	Women
Senior executives	78	0	0	0	96	0	174	0
Senior managers	570	85	248	0	241	119	1,059	204
Managers	1,664	987	392	7	57	53	2,113	1,047
Middle managers	7,774	2,106	2,068	408	176	272	10,018	2,786
Other line personnel	10,450	6,542	4,239	2,376	1,263	1,149	15,952	10,067
Clerical staff	1,052	2,779	24	622	358	673	1,434	4,074
Manual workers	1,611	55	194	0	5,504	3,224	7,309	3,279
Total	23,199	12,554	7,165	3,413	7,695	5,490	38,059	21,457

(*) Data relating to Construction, Development and corporate areas in Spain

KNOWLEDGE PROFILES AND ASSOCIATED TRAINING

In 2017 the Group developed, with internal experts from all areas, knowledge profiles in order to tailor them -as well as the associated training- to the specific needs of the job positions.

Job positions by knowledge profile

Construction	Industrial	Services	Corporate
105	46	41	30

ESCUELA OHL (OHL SCHOOL)

2017 saw the creation of the OHL Group School, a platform that responds to the international growth being experienced by the Company and where employees with technological means can access online training. In this area, specific actions linked to the business model and the legal changes affecting the Company have been promoted, including the Fundamentals of Information Security course.

OTHER INITIATIVES

Also in 2017, the EPI programme (individual protection equipment) was launched, in conjunction with the Group's Occupational Risk Prevention team, from which 556 students have now benefitted.

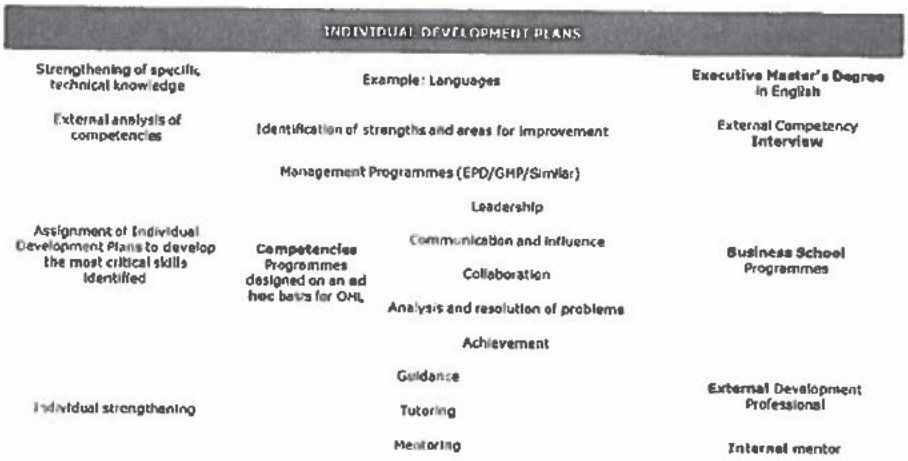
PERFORMANCE EVALUATION

In 2017 the Performance Evaluation Model was consolidated for management positions, service heads and middle management, and was extended to technical positions.

PERSONAL DEVELOPMENT

In 2017 the first competency development programme was launched, which is carried out in three phases:

- **Phase 1. Identification** of people with initial capacity to assume greater responsibilities within the organisation.
- **Phase 2. Proposal of individual measures** for the development of the people identified with indications of potential (knowledge, skills and assumption of greater responsibilities).
- **Phase 3. Group succession map**. Identification of risks due to lack of succession and inclusion of the key positions for which a successor is needed.



IV.- Communication

2017 saw the first anniversary of the launch of the Group's new intranet, OHL Link. A tool designed to promote the corporate culture and the participation and collaboration of the Company's employees. The intranet currently has more than 9,500 users in 20 countries.

In 2017 the number of followers of the OHL Group LinkedIn account passed 70,000, thereby strengthening its reputation. In addition, the 100th and 200th editions of the corporate publications Tecno and Mosaico, respectively, were published.

V.- Health and safety

The internal and external audit process continued in 2017. In the external certification process all the certificates obtained in 2016 were retained and the scope thereof was extended to Ireland. It should be noted that that no "non-compliance" classifications were received in the year in the Construction and Industrial areas, demonstrating their commitment to safety.

21 countries certified under the OHSAS 18001 standard.

36.3 days of external audit in Occupational Risk Prevention (ORP). 19.8 in Construction, 5 in Industrial, 6.5 in Services and 5 in General Services

Also, the internal audit process initiated in 2016 continued, constituting the best tool for self-control and self-assessment in the safety area.

OHL GROUP ACCIDENT RATES

DIVISION	F.I			S.I.			I.R.		
	2016	2017	CHANGE	2016	2017	CHANGE	2016	2017	CHANGE
CONSTRUCTION	11.0	9.7	-12.4%	0.4	0.4	6.2%	2.457 0	2,149.0	-12.5%
INDUSTRIAL	3 5	3.7	6 0%	0.2	0.03	-88 7%	676.0	1.182.0	74.7%
SERVICES*	53.6	40.9	-23 6%	1.4	4 8	239 5%	6.919.0	6.974.0	0.8%
DEVELOPMENT**		164.4			1.1			787.0	
TOTAL GROUP	19.1	14.9	-21 5%	0.6	1.3	119.4%	3,667,0	3,368 0	-8.1%

*The headcount and number of hours worked at Servicios-Ingesan increased in 2017. Occupational accidents in this area also increased

** The 2016 information corresponding to OHL Desarrollos not available (NA).

Calculations obtained from the following formulas:

$$\text{FREQUENCY RATE (FR)} = \frac{\text{NO. OF ACCIDENTS}}{\text{NO. OF HOURS WORKED}} \times 10^6$$

$$\text{SEVERITY RATE (SR)} = \frac{\text{NO. OF WORKING DAYS LOST}}{\text{NO. OF HOURS WORKED}} \times 10^3$$

$$\text{INCIDENT RATE (IR)} = \frac{\text{NO. OF ACCIDENTS}}{\text{NO. OF EMPLOYEES}} \times 10^5$$

STANDARDS MANUAL AND IPP

At the end of 2016 the standards manual was finalised to standardise OHL's preventative criteria worldwide. In 2017 its implementation commenced.

Similarly, the Inspection Point Programme (PPI) was developed to import concepts from the quality assurance world into the preventive management field. The Programme was developed jointly with the School of Civil Engineering of the Universidad Politécnica de Madrid through the Agustín de Betancourt Foundation.

TRAINING

Safety training is a fundamental tool for the Group. In 2017 training continued in the various business areas. 2,823 hours of ORP training were taught in the corporate areas in Spain. Also, the following training was provided at construction sites:

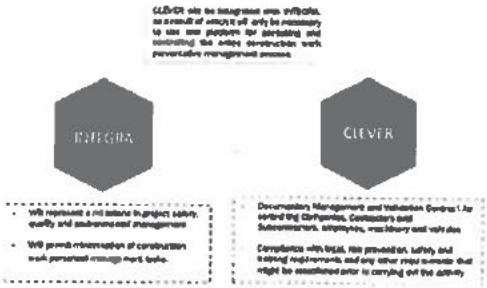
	No. of hours		
	INITIAL TRAINING	PERIODIC TRAINING	SPECIFIC TRAINING
Spain	4,105	546	3,907
Abroad	112,003	188,171	142,419
TOTAL	116,108	188,717	146,326

In 2017 21 ORP courses were given consisting of 2,823 hours of training

	No. of hours
	TOOL BOX Meeting*
Spain	14,713
Abroad	93,788
TOTAL	108,501

*Preventative ORP training at construction sites.

	No. of hours
	Emergency/ First aid
Spain	215
Abroad	3,405
TOTAL	3,620



At the end of 2017 work commenced on the integration of the Construction Division's prevention management system with those of the Industrial and Services Divisions. This integration will simplify the audit processes and make it possible to achieve a worldwide multi-site certificate.

PARTICIPATION IN FORUMS

- Fundación Prevent: to promote and contribute to the social and occupational inclusion of people with disabilities, and to promote a preventative culture at the Company, through greater social awareness that guarantees safer work environments and more responsible companies.
- Conference on Health and Safety in the Workplace and Environmental Protectionin Gulf Cooperation Council (GCC) states. Madrid, Spain
- Florida State Associated General Contractors, US.

VI.- Human rights

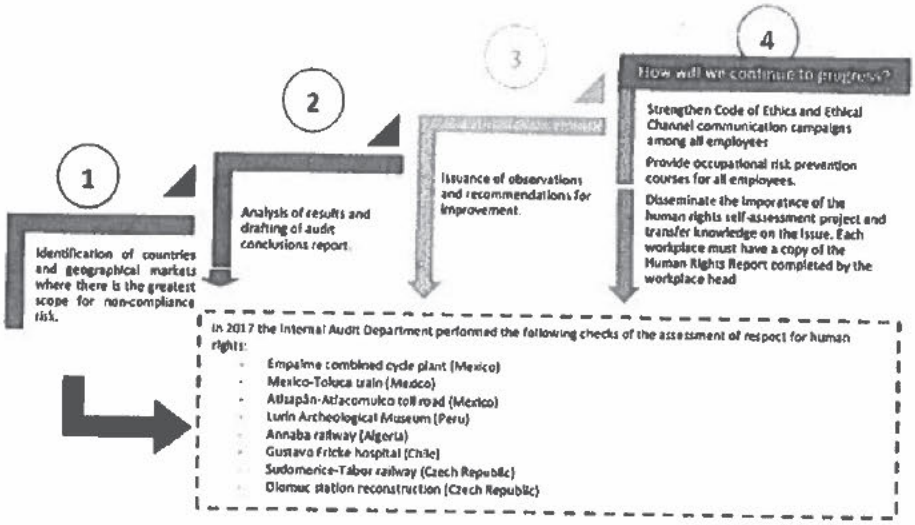
The OHL Group's commitment to the protection of Human Rights (HR) materialised with the approval in February 2017 of the Group's Human Rights Policy, through which it reaffirms its commitment to respecting and protecting the human rights of the people at the Company, those in its supply chain and those in the communities affected by the activity of OHL.

This commitment is reinforced by the adhesion of OHL to the main international HR initiatives and guidelines.

1. UN Universal Declaration of Human Rights.
2. UN Global Compact (Member and founding partner of its Spanish network).
3. International Labour Organization (ILO) Tripartite Declaration on fundamental principles and rights at work.
4. OECD guidelines for multinational enterprises.
5. UN guiding principles on business and human rights.

The Audit and Compliance Committee is ultimately responsible for ensuring compliance in the HR area at the OHL Group and it performs the associated monitoring and control functions through the Group's Internal Audit Department.

In 2017 the Internal Audit Department verified compliance with procedures relating to human rights in projects in Mexico, Peru, Algeria, Chile and the Czech Republic.



d) Environmental value

The OHL Group, through its activities, promotes the consolidation of a circular and low-carbon economy, aligning itself with the main global initiatives focused on procuring the progress and welfare of society under conditions of sustainability such as Caring for Climate, the Nazca platform, Neutral Climate Now and CDP.

To this end, it incorporates into its strategy the responsible use of natural resources and practices aimed at reducing the carbon footprint, water footprint and waste. It also strives towards the conservation of biodiversity and heritage and works in favour of resilience.

Strategic environmental lines of the 2015-2020 CSR Strategic Plan

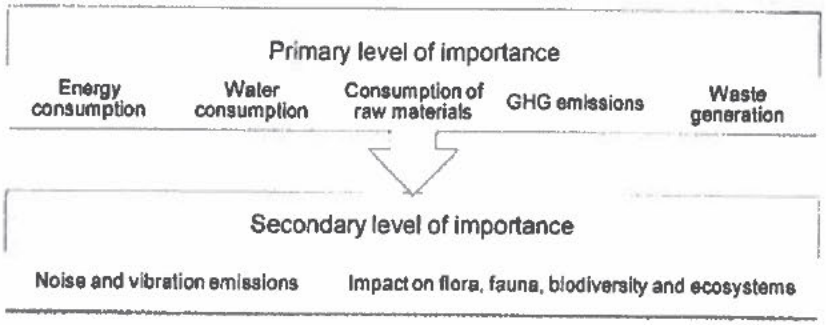
Carbon Footprint	Circular Economy
Water Footprint	Natural Capital and Biodiversity
Heritage	Resilience
Environmental management excellence	Communication

- ✓ Public Commitments
- ✓ Footprint Protocols
- ✓ Footprint Reports
- ✓ Employee awareness-raising
- ✓ Suppliers
- ✓ Partnerships with leading organisations
- ✓ Communication and cooperation
- ✓ Improvement objectives
- ✓ Action Plans

I.- Environmental risk management

The Group's environmental management establishes the resources for controlling risks, compliance with regulations and performance improvement.

Environmental highlights of 2017



In 2017 the significant environmental issues were energy consumption, water consumption, consumption of raw materials, greenhouse gas emissions and waste generation. The Group identified as being of secondary importance noise and vibration emissions, the impact on flora, fauna, biodiversity and ecosystems. A life cycle analysis perspective was used in the identification and evaluation process, taking into account the main activities and assessing, inter alia, origin, destination and use by third parties

The activities that so require adjust their management to benchmark international standards such as: ISO 14001, EMAS Registers, ISO 50001, ISO 14064-1 and ISO 14046. In 2017 a total of six external entities, including most notably SGS, TUV Rheinland and Bureau Veritas, certified the Group's environmental management in response to customers' requirements. The volume of business certified was 61% and highlights the successful conclusion, in all business lines and locations, of the process to renew the 2015 ISO 14001 certification one year before the 2018 deadline.

Internally, the best environmental practices are encouraged through the Environment Prize, which is awarded annually and is aimed at all employees. This initiative acknowledges the most significant actions and promotes replication at the Group

INTERNATIONAL CLIMATE CHANGE CREDENTIALS

The OHL Group has been working for some years now on transparency through its participation in various initiatives:

In the communication field, OHL participated in the 2017 European Mobility Week with a campaign to raise awareness in social networks and a selfie competition for employees. In addition, the Group was invited to participate in various workshops such as TRAFFIC, Basque Ecodesign Meeting IV Jornada IAHR - Spain Water.

	Regulatory risk	Operational risk	Other risks
Climate change	Carbon markets. Emissions limits and reporting. Taxes on fossil fuels. Energy efficiency and product labelling.	Extreme climates. Changes in precipitation regimes.	Non-compliance with climate change commitments. Late adaptation to Industry 4.0
Water	Water use restrictions.	Extreme climates. Changes in precipitation regimes. Poor water quality.	Limitations on resource to the community. Impact on biodiversity.

SUSTAINABLE CONSTRUCTION

OHL has a firm commitment to sustainable construction and to this end it harnesses the experience of renowned professionals to carry out projects subject to the LEED (Leadership in Energy & Environmental Design), BREEAM (Building Research Establishment Environmental Assessment Methodology) or CES (Certificación Edificio Sustentable) reference guides in Chile.

To date OHL has built 26 projects that have been certified as sustainable.

ENVIRONMENTAL PERFORMANCE AND INNOVATION

The OHL Group evaluates its environmental performance through economic indicators (expenditure, investment and penalties), environmental indicators (number of protected natural areas, restored surface area and affected animal and plant species) and socio-environmental indicators (consumption of natural resources, waste generation and land occupation, among others).

It is important to note that the Construction activity is characterised by taking on projects that vary widely in economic and time horizon terms. Development activities are more homogeneous, but their maturation period and asset rotation period makes it difficult to make year-on-year comparisons.

The Group places particular importance on production process and support activity improvement initiatives. Some outstanding examples are the purchase of energy with certificates of origin; investment in energy efficiency improvements in headquarters and offices; the re-use of construction waste or sustainable office and sustainable mobility plans in Spain.

II.- Climate change and energy

For a decade now OHL has been a leader in the transition towards an energy efficient economy and in the improvement of air quality in cities.

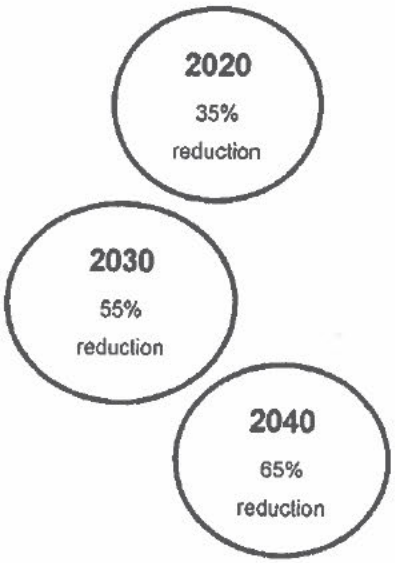
The scope 1 (fuels) and scope 2 (electricity) GHG reduction objectives, updated in 2017, use Science-Based Target methodology and aim to reduce 1+2 emissions by 35% in 2020, by 55% in 2030 and by 65 % in 2040. In the case of scope 3 (indirect emissions), the objective is to reduce emissions in 2030 by 10% with respect to 2015.

In its analysis of risks and opportunities linked to climate change, the Group uses carbon pricing estimated on the basis of the cost of the offsetting plan. In 2017 3,050 t CO_2e were offset in Chile, Mexico, Peru, Colombia, Canada and the US.

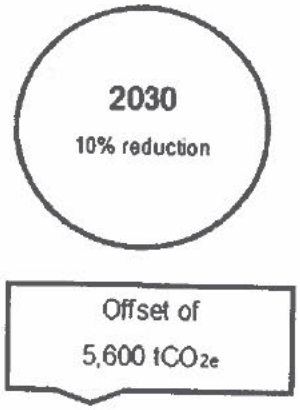
705 GJ of electricity with 100% renewable source guarantee

119,084.18 tCO_2e of scope 1+2 emissions are produced by Construction

Scope 1 (fuel) GHG reduction



scopes 3* and 2 (electricity)* GHG reduction



* Updated in 2017 using Science-Based Target methodology

** Canada, Chile, Mexico, Peru and Colombia

III.- Circular economy and water management

The OHL Group promotes the responsible consumption of resources and the minimisation of waste generation as measures for economic and production efficiency. These principles are the pillars of the circular economy, whose objective is to achieve a low carbon and competitive economy that makes efficient use of resources.

In line with its strategy, OHL works to promote the consumption of responsible products from source, promoting recycling and their reincorporation into the waste production cycle. The main types of materials consumed are concrete and cement, and earth, rocks and aggregates, with 27% of the latter obtained from recycling and re-use activities.

The waste generated relates to earth and aggregates (99.6% of the total), with a high percentage of recycling (41%) vs. dumping. This percentage cannot readily be improved due to the difficulty involved in locating profitable alternative uses in the vicinity of the construction sites. Most of the rest of the non-hazardous waste is managed by recycling and re-use as a result of the development of a by-product market.

In the Development activities, the waste generated is mostly urban and organic sent to specialist recycling managers.

In 2017 OHL formalised its adhesion to the Pact for a Circular Economy promoted by the Spanish Ministry of Agriculture and Fisheries, Food and the Environment, and collaborated

in the process of drafting the Spanish Circular Economy Strategy with the Government.

In water management priority is given to locations where it is a scarce resource, is difficult to access or is a key factor for the ecosystem. OHL uses an innovative scarce water footprint calculation protocol, based on the main international standards of reference, namely ISO 14046, WFN and CEO Water Mandate, as a result of which OHL intends to publish a Scarce Water Footprint report.

IV.- Biodiversity

Lastly, as regards biodiversity and ecosystem conservation, it should be noted that the OHL Group's impact on protected natural spaces (or unprotected but high-biodiversity value natural spaces) arises from projects on which it works as a partner or contractor.

In 2017 OHL worked in protected areas or areas of high biodiversity that are not protected. The impacts are controlled through measurement plans and with offsetting actions included in the corresponding Environmental Impact Assessment.

Further information. Other supporting and supplementary documents (available on the website):

- Appendix 4. GRI Table - Environmental performance indicators
- Appendix 5. Methodologies, assumptions and sources used in the environmental indicators.

e) Social and relationship value

The OHL Group is aware of the role it plays as an engine of economic and social development and an agent that transforms environments; consequently, it implements a social management policy that covers the entire life cycle of the projects, from their initial stages right up to their completion, defining appropriate means of dialogue with the communities in which it works, as well as with society in general.

Also, it adopts specific measures to prevent and minimise the possible adverse effects, and to amplify the positive effects, that may arise from its activities, promoting the creation of shared values in all the countries in which it operates.

I.- Distribution of generated and distributed value*

(Amounts in thousands of euros)

	2017	2016
GENERATED ECONOMIC VALUE		
a) Income		
Revenue	3,216,351	3,342,369
Other operating income	166,842	181,483
Finance and other income	68,083	132,242
	3,451,276	3,656,094
DISTRIBUTED ECONOMIC VALUE		
b) Operating costs		
Procurements	2,118,250	2,600,073
Other operating expenses	480,726	643,083
c) Employee salaries and benefits		
Staff costs	839,321	854,777
d) Payments to capital providers		
Dividends	-	-
Finance costs and exchange differences	114,709	167,009
e) Taxes		
Income tax	-7,288	-32,055
f) Resources allocated to Society		
Resources allocated to the Community**	1,435	2,230
	3,547,153	4,235,117
Difference between generated and distributed value	-95,877	-579,023

*In the calculation of the distribution of the generated and distributed value the value of the discontinued operations was not taken into account. Also, the information corresponding to 2016 was restated in order to make its presentation consistent with that of 2017.

** Resources allocated to the community pursuant to LBG methodology

II.- Tax contribution

TAX TRANSPARENCY

The non-delegable powers of the Board of Directors of OHL, S.A. established by Article 249 bis of the Spanish Limited Liability Companies Law includes "The determination of the general policies and strategies of the company".

Similarly, under Article 529 ter of the aforementioned Law, it may not specifically delegate, among others, the following decision-making powers:

a) The determination of the risk control and management policy, including tax risks, and the supervision of the internal reporting and control systems.

b) The approval of investments or other transaction that, due to their high amount or special characteristics, are of a strategic nature or involve a particularly significant tax risk, unless their approval corresponds to the shareholders at a General Meeting.

c) Approval of the creation or acquisition of equity interests in special-purpose entities or entities domiciled in countries or territories classified as tax havens or territories with low

or no taxation, as well as any other transactions or operations of a similar nature that, due to their complexity, could undermine the transparency of the company and its group.

To comply with the foregoing, the Board of Directors updated and approved on 29 March 2017 a tax policy (see www.ohl.es) the main objectives of which are as follows:

- To publicise the OHL Group's commitment to observing and fully complying with all laws and regulations applicable to it in the scope of its activity and, in particular, those of a tax nature in all the territories in which it operates.
- The reputation of the OHL Group is based, inter alia, on promoting the actions of all the people who represent it in accordance with the highest ethical standards, which includes strict compliance with the tax legislation applicable to the Group.
- One of the basic pillars of the OHL Group's contribution to society is that of returning to it, through taxes, a portion of the wealth generated and, therefore, it must take active measures to guarantee responsible behaviour in this connection.

This tax policy of the OHL Group is applicable to all its subsidiaries and permanent establishments in all the countries in which it operates, and compliance with it is also encouraged at those entities in which the Group has non-controlling interests.

The points contained in the tax policy include most notably the requirement that the Group include among its customary practices all those that reduce significant tax risks and prevent behaviour likely to generate such risks, with a transfer pricing policy that faithfully respects the legislation applicable in each country, as well as the principles established by the OECD in its transfer pricing guidelines.

Moreover, in its relations with the tax authorities, the OHL Group *promotes a relationship based on the principle of transparency and mutual trust*, which gives rise to a relationship in accordance with the principle of good faith and loyalty between the parties, and this is promoted in all jurisdictions in which it has adhered to any cooperation agreement with the tax authorities, in order to establish a collaborative relationship with society, as represented by those institutions.

To further its achievement of this commitment to tax transparency, the OHL Group is actively working to be able to make voluntary disclosures of tax contributions in the countries in which it has a permanent presence; however, the corporate transactions carried out in 2017 (disinvestments of significant subsidiaries or highly significant divestments of other subsidiaries in progress) made it advisable to postpone this process in order to obtain a better understanding of the Group's tax contribution.

In 2018 the methodology to be used will be defined and the reporting procedures of all the subsidiaries will be established for the purpose of report on own and third-party taxes, detailing the total tax contribution of the OHL Group.

III.- Social investment

The priority objective of OHL's social investment is to foster economic and social progress and improve the quality of life of people, through the promotion of social action, patronage and sponsorship activities. To these initiatives was added, exceptionally, the support that the Group has lent to countries such as Peru, Mexico and the US, as a result of the natural disasters that occurred in 2017.

In Peru, employees of the Group participated in the *Una sola fuerza*, (A single force) campaign, aimed at the population affected by the floods that ravaged the country in March 2017. Worthy of particular mention in this connection were the primary care, road assistance and the distribution of essential goods among the population affected.

The humanitarian aid provided by the Group in Mexico in September 2017 as a result of the earthquake that took place there took the form of Company employees working alongside the Red Cross. The implementation of safety and civil protection protocols is one example of the work carried out. In addition, the Group is a member of the *Fuerza México* Trust set up to mitigate the effects of earthquakes.

In the US, following the passage of Hurricanes Harvey and Irma, a damage assessment protocol was implemented at the Houston (Texas) and Fort Meyers (Florida) work centres, and assistance was provided to Group employees and their families as well as to other affected groups. The Group also participated in cleaning tasks in the area hit by the earthquake.

<u>OHL's contribution in emergency situations and humanitarian aid</u>
EUR 315,819 invested
8,200 direct beneficiaries

OTHER INITIATIVES

In 2017 the Company promoted initiatives aimed at giving several groups of people access to an inclusive, fair and quality education. To this end, educational scholarship programmes were launched from which disadvantaged families have benefited; and the Group worked with schools and universities to achieve social integration through education.

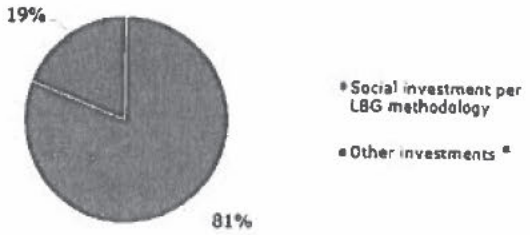
<u>Social integration through education</u>
+ EUR 320,470 invested
+ 1,600 beneficiaries in Spain, Mexico and Colombia
13 educational projects

SOCIAL INVESTMENT IN 2017

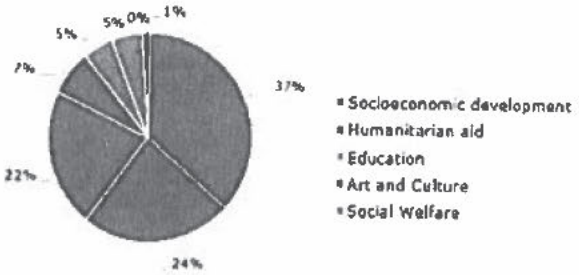
The Group's total social investment in 2017 amounted to EUR 1.8 million and took the form of **134** social actions. To measure this investment, the Group applies the **London Benchmarking Group (LBG)** methodology, which makes it possible to determine its social impact. 81% of the investment made meets the requirements established by that methodology.

<u>Investment in 2017</u>
EUR 1.8 million invested
21,661 beneficiaries
679 cooperating and beneficiary organisation

Investment that meets LBG requirements

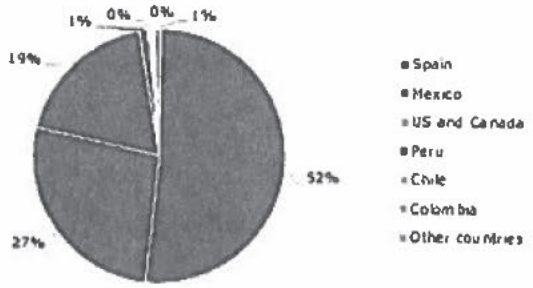


Investment by area of activity



*In addition, there are other social investments that do not comply with the requirements established in the LBG methodology, since they are contractual, legally binding or restricted to employees and family members.

Investment by geographical area



Main axes of social investment by geographical area

Latin America	Projects in the social welfare, education, and healthcare areas. These include most notably initiatives targeted at vulnerable groups, with special attention paid to women, children, people with disabilities and indigenous populations, as well as support in emergency situations in countries such as Peru and Mexico.
US	Projects with entities specialised in education and healthcare, as well as other sponsorship and patronage projects that promote local socioeconomic and cultural development.
Europe	Projects to help people with disabilities and those at risk of social exclusion to find work. Sponsorship and patronage actions in the areas of socioeconomic development, social welfare and education.

Further information

- Appendix 6. Social investment report pursuant to LBG methodology

IV.- Corporate volunteering

The Group promotes social initiatives in collaboration with its employees, thus strengthening corporate volunteering and, through it, the commitment of its employees to society.

Noteworthy in this context is the OHL Volunteers programme which in 2017, celebrated its tenth anniversary. Currently, OHL Volunteers is made up of more than 400 employees from Spain and Mexico. In addition, the Group engages in volunteering, on a more sporadic basis, in the US, Canada, Chile, Peru and Colombia.

10 years of OHL Volunteers in figures
+ 6,500 participating employees
+ 150 initiatives
+20,000 beneficiaries

In 2017 more than 10,000 people benefitted from 32 social initiatives carried out by the Group. More than 500 employees assisted the Group in promoting this work.

Further information

- Appendix 7. Corporate volunteering actions in the framework of the 10th Anniversary of OHL Volunteers. OHL Volunteers website www.voluntariosohl.com

V.- Relationship with stakeholders and alliances

The OHL Group values its reputation as a fundamental intangible asset, since it evidences the trust that its stakeholders place in the Company. The OHL Group's stakeholders are: customers, shareholders, the financial community, the media, employees, suppliers, local communities, R&D partners, industry associations, government agencies, employer branding influencers, trade unions, consulting firms, NGOs and Foundations and the general public. In order to promote active management of the Company, in 2017 a specific management body was set up, namely, the Reputation Working Group, made up of senior management (CEO, Division General Managers and Corporate General Managers), as well as those responsible for the areas most linked to the relationship with stakeholders, such as the Communication, Compliance, Risks and Internal Control, Investor Relations and CSR.

Through this working group, the reputation management model and a plan that includes specific initiatives focused on improving the perception, at short term, of the Company were defined.

In addition to these management mechanisms, OHL has channels for continuous interaction and dialogue with its main stakeholders. Worthy of particular mention are the customer satisfaction and claims management analysis systems; the face-to-face meetings with senior management and other channels of communication with shareholders and investors; the supplier hotlines; the local community interaction projects; and the performance evaluation meetings with employees

Further information:

- Appendix 8. OHL Group alliances

Chapter IV.- Good Governance

a) Good Governance

I. Ownership structure (percentages of ownership). At 31 December 2017

SHAREHOLDER	% OF OWNERSHIP
Inmobiliaria Espacio, S.A.	51.12
Societe Generale, S.A.	4.28
Deutsche Bank, A.G.	4.24
Hengistbury Investment Partners LLP	3.69
Hengistbury Master Fund Limited	3.39
Santander Asset Management, S.A., SGIIC	3.02
Invesco, Ltd	2.54
Other shareholders	30.55

II.- Governing bodies

BOARD OF DIRECTORS

Composition at 31 December 2017:

Chairman

Juan Villar-Mir de Fuentes (proprietary)

First Deputy Chairman

Silvia Villar-Mir de Fuentes (proprietary)

Second Deputy Chairman and CEO

Juan Luis Osuna Gómez (executive)

Directors

Álvaro Villar-Mir de Fuentes (proprietary)

Ignacio Moreno Martínez (independent)

Javier Goñi del Cacho (proprietary)

José Luis Díez García (independent)

Juan Antonio Santamera Sánchez (proprietary)

Juan José Nieto Bueso (independent) (coordinating director)

Manuel Garrido Ruano (proprietary)

Mónica de Oriol Icaza (independent)

Reyes Calderón Cuadrado (independent)

In 2017 the Board approved the appointment through co-optation of two new directors: Ignacio Moreno Martínez, independent director, and Javier Goñi del Cacho, proprietary director, subsequently ratified by the shareholders at a General Meeting.

The appointment of Ignacio Moreno Martínez increased the percentage of independent directors on the Board, the number rising from 4 to 5, representing more than 45% of the non-executive directors, in accordance with the Good Governance recommendations.

Further information in the Annual Corporate Governance Report (ACGR) for 2017.

BOARD COMMITTEES

Audit and Compliance Committee (ACC)

Composition at 31 December 2017:

Chairman

José Luis Díez García (independent)

Directors

Manuel Garrido Ruano (proprietary)

Reyes Calderón Cuadrado (independent)

On 29 March 2017, the Committee appointed José Luis Díez García as its Chairman.

Main business transacted by the ACC in 2017:

- Review of the separate and consolidated financial statements for the year ended 31 December 2016 and periodic, quarterly and half-yearly information, provided to the market, together with information demanded from the Company by the Spanish National Securities Market Commission (CNMV) and the replies thereto.
- Submit to the Board of Directors, for authorisation for issue, the Annual Corporate Governance Report for 2016.
- Sustainability Report for 2016.
- Analysis of internal auditor's reports included in its annual plan and other reviews conducted in the year.
- 2016 tax report.
- Analysis of the independence and proposal for the appointment of the external auditor.
- Proposal for the appointment of the external auditor for 2017.
- Supervision of the risk control systems and actions in relation to the OHL Group's Risk Management Model.
- Supervision of the actions of the Compliance Department in its work in relation to the Code of Ethics, surveillance measures, management model and crime prevention and management of incidents reported through the Ethics Channel.
- Self-assessment of the functioning of the Committee.

For further information please see the Annual Corporate Governance Report (ACGR) for 2017.

Nomination and Remuneration Committee (NRC)

Composition at 31 December 2017:

Chairman

Mónica de Oriol e Icaza (independent)

Directors

Juan Antonio Santamera Sánchez (proprietary)

Juan Villar-Mir de Fuentes (proprietary)

Juan José Nieto Bueso (independent)

Reyes Calderón Cuadrado (independent)

On 29 March 2017, Juan Antonio Santamera Sánchez and Reyes Calderón Cuadrado became members of the Committee.

Main business transacted by the NRC in 2017:

- Evaluate competencies, knowledge and experience needed by the candidates to cover the vacancies arising on the Board of Directors during the year, actively participating in the independent director selection process, and reporting on the proposals relating to the other directors appointed in 2017.
- Analyse and report on the appointments to the Board of Directors in 2017 as a result of the replacement of the Chief Executive Officer of the Board.
- Report on the director remuneration policy approved at the Annual General Meeting for 2017 and subsequent years pursuant to article 529 novodecies of the Spanish Limited Liability Companies Law.
- Propose to the Board of Directors the remuneration of the executive director and the other contractual terms and conditions.
- Report on the appointment and removal of senior executives and the basic terms and conditions of their contracts.
- Submit to the Board of Directors for authorisation for issue the Board Directors Remuneration Report for 2016.
- Analyse and report on transactions with related parties carried out in 2017 in accordance with Group regulations.
- Actions in relation to the Group's Corporate Social Responsibility Policy.
- Self-assessment of the functioning of the Committee.

Further information in the Annual Corporate Governance Report (ACGR) for 2017.

Incompatibilities and conflicts of interest (Regulations of the Board of Directors)

The Regulations of the Board of Directors of the OHL Group regulate situations of incompatibility and conflicts of interest of its directors. They also address, in detail, those situations in which, due to the existence of a possible conflict of interests, the director must inform the Board of Directors of any situation of direct or indirect conflict that they may have with the interests of the Company; and they must refrain from attending and intervening in deliberations and voting that affect matters related to the conflict.

The Company has a specific rule that, implementing the provisions of the Regulations of the Board of Directors and approved by the Board of Directors, reinforces and details the procedures and controls of transactions that the Company or any of the companies in its Group wish to carry out with the directors, with the significant shareholders or with persons related to them.

The transactions affected by this procedure are all transfers of resources, services, rights and obligations, regardless of whether or not there is any consideration, made by any of the persons referred to in the previous section, with the Company or with any of the Group companies.

Neither the directors nor the executives of the Company reported any incompatibility or conflict of interest in 2017. The Company reports in the financial statements and the corporate governance report the significant related party transactions performed by it or by Group companies with significant shareholders, directors, executives or parties related to them.

Further information in the financial statements and Annual Corporate Governance Report (ACGR) for 2017.

MANAGEMENT COMMITTEE

Composition at 31 December 2017:

Chairman

Juan Luis Osuna Gómez

Second Deputy Chairman and CEO of the OHL Group

Directors

- Ignacio Botella Rodríguez

General Manager of the Engineering and Construction Division

Jose Antonio de Cachavera Sánchez

General Manager of the Services Division

- Alfonso Gordon García

General Manager of Human Resources and Organisation

- Alfonso Orantes Casado de Amezúa

General Manager of Strategy, Systems and Innovation

Andrés Pan de Soraluce Muguiro

General Manager of the Development Division

Enrique Weickert Molina
General Economic and Financial Manager of the OHL Group
José María del Cuvillo Pemán*
General Manager of Legal Services of the OHL Group
Gonzalo Targhetta Reina**
Risk and Internal Control Manager of the OHL Group

*Acts as secretary.
** Standing invitee.
❖ Not senior executives at the date of this report.

Diversity Policy Applied in connection with the Board of Directors
In 2017 the Group also approved the Director Selection Policy, which ensures that the proposals for appointment or re-election of these positions are based on a prior analysis of the needs of the Board of Directors and favour the diversity of knowledge, experience and gender.
Specifically, the policy establishes the mechanisms required for the selection procedure not to be afflicted by bias hindering the appointment of women directors and for it to deliberately seek women who could potentially be candidates for the post. This policy also provides for the goal that in 2020 women directors represent at least 30% of the total number of directors.

b) Ethics and compliance

I.- Code of Ethics and Anti-Corruption Policy

Ethics, integrity, honesty, spirit of improvement, continuous improvement and transparency are the corporate values of the OHL Group that guide the conduct of all its directors and employees in the performance of their work.
The Code of Ethics, approved by the Board of Directors in 2010 and revised in 2012 and 2015, is an express and precise indication of the values, principles and behavioural guidelines, in order to:

- Develop the models and guidelines for professional, ethical and responsible behaviour that should guide all the people who make up the OHL Group in the performance of their work
- Prevent the commission of criminal acts and any unlawful behaviour by the persons bound by this Code in the performance of their professional activity.
- Establish the monitoring and control mechanisms necessary to guarantee compliance with it.

The Code of Ethics constitutes one of the cornerstones of OHL's Corporate Social Responsibility management and is the channel for the development of its corporate values, which are:

- Professional ethics, integrity, honesty, loyalty, efficiency and responsibility vis-à-vis stakeholders, in all the actions of the Group, while at all times fully complying with the law in force.
- Will to succeed and continuous improvement in professional performance, while striving at all times for excellence.
- Transparency in the dissemination of information, which must be adequate, accurate, checked and complete.
- Creation of value with a quest for profitability and sustainable growth.
- Constant promotion of committed quality, innovation, safety and respect for the environment.

All OHL employees must know and sign the Code of Ethics; therefore, since 2012 a clause has been included in the employment contract for new hires and a copy of the document is given to them when they sign it.

The Group signed the United Nations Global Compact and, accordingly, it is committed to working anywhere in the world against corruption and bribery and following the recommendations in this field of international organisations such as the OECD.

These values constitute the foundations on which the Code of Ethics is based and establish the general action guidelines that must be observed by all OHL Group employees in performing their professional duties. In 2017, although there was no specific training on the Code of Ethics and the Anti-Corruption Policy, e-mails and informative bulletins were sent to the Group's employees. Also, the course on the Code of Ethics and Anti-Corruption Policy was updated by migrating it to an interactive online platform.

II.- Ethical Communications Channel

The Ethical Channel is available to all the people that form part of the OHL Group, as well as to the stakeholders, for any consultation or for the communication in good faith of any professional conduct that may involve, by action or omission, irregularities, breaches or acts contrary to the rules and principles set forth in the Code of Ethics, to all the other rules and procedures making up the Group's internal regulatory system or to law.

The Audit and Compliance Committee guarantees the proper management of the complaints made, which ensures that they will be treated with complete confidentiality and in accordance with the internal procedure that regulate its modus operandi. Also, it is responsible for implementing such disciplinary, enforcement and legal actions as might be required until such time as they have been resolved.

The Ethics Channel provides, inter alia, for the processes for dealing with complaints to ensure confidentiality, fair treatment (and the absence of reprisals), notification, analysis, investigation and resolution.

In 2017 a total of 60 complaints were received, 48 of which were made through the Ethical Communications Channel, the other 12 being made through other channels. A total of 29 of the complaints were investigated and 31 were dismissed because they did not represent any violation of the Code of Ethics. In 11 of the cases investigated disciplinary measures were taken.

III.- Crime Prevention Model

OHL has an Organisation and Management Model for the Crime Prevention (CPM) in Spain, which was updated in 2017 to adapt it to the organisational changes at the Group and which has the following characteristics:

- The model is ordered on the basis of the organisational structure of the OHL Group, highlighting, in specific sections, the criminal risks and the corresponding controls, both for the corporation and for each of the divisions.
- Based on this structure, the model identifies the criminal risks to which there is exposure for each activity or support function in Spain.
- Internal controls have been associated with each risk identified that mitigate or decrease the probability of each criminal risk materialising.
- The model documents these internal controls with the attributes that characterise them, including the area or department responsible for implementing them, a specific description of the control activity and the evidence supporting that activity. Also, where applicable, each control is accompanied by the policy, rule, process or procedure setting forth and specifying the criteria followed for adopting decisions relating to the management of the Group's activity.

The CPM includes controls relating to the OHL Group's system of Internal Control over Financial Reporting (ICFR), which also has the capacity to prevent crimes, including most notably those associated with the management of financial resources.

The model is updated on the basis of the organisational and legal changes that take place and will gradually be implemented in the various countries in which it has a presence, adapting it to local legislation.

c) Effective risk management

Risk management is a strategic priority for the OHL Group. Through advanced analysis and control systems, it aims to minimise exposure to such risks, ensure compliance with the profitability targets of each project and that the new contracting is in line with the risk control parameters set by the managing bodies.

In this context, in 2017 progress was made in the following lines of action:

STRONGER AND MORE ORGANISED MANAGEMENT STRUCTURE

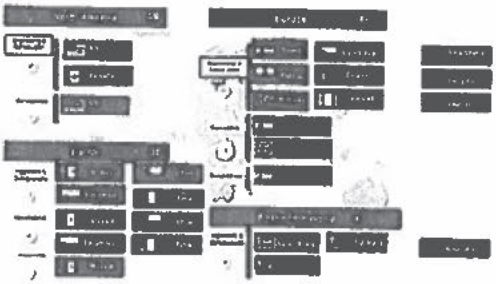
The organisational units required for risk management in each division were strengthened and the Risk Monitoring Committee was consolidated as a forum for ensuring the alignment of the initiatives launched in each of them with the strategy

set by the Corporate Risks Department and for sharing good practices among the various divisions.

BUSINESS RISK IDENTIFICATION AND PRIORITISATION PROCESS RISK MAPS

Progress was made in the identification, assessment and prioritisation of business risks by drawing up risk maps with a capillary and bottom-up approach: more than 120 evaluators from all the divisions and corporate departments participated in the evaluation process, assessing the risks of their respective companies and regions and completing the risk materialisation reports for the year.

Once this information had been consolidated, it was used to determine the priority risks for the OHL Group, on which mitigation actions were proposed and approved by the Group's Management Committee and Board of Directors.



RISK EXPOSURE CONTROL SYSTEMS: COUNTRY RISK AND RED LINES

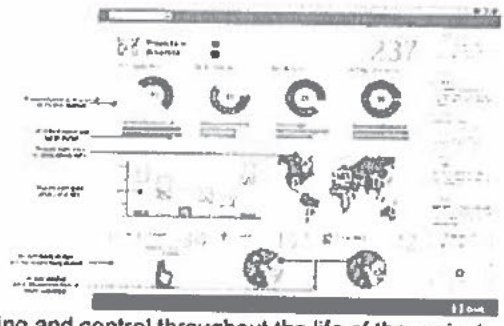
In addition to risk maps, the OHL Group has mechanisms for controlling exposure to key risks. Thus, to manage its expansion in new markets, OHL has defined a Country Risk Model, with the inclusion of two new types of risk (weather risk and cybersecurity risk) which will be consolidated in the risk assessment of each country under study. The results of the model, which is periodically updated, serve to make investment decisions.

In addition, in order to manage the operational performance risks, there is a system of red lines that mark the risk tolerance level of the OHL Group in relation to commercial and contractual issues. In 2017 these red lines were updated for the projects of the Engineering and Construction Division and were approved by the Board of Directors.

PROJECT RISK MANAGEMENT SYSTEM: MANAGING RISKS IN DAY-TO-DAY OPERATIONS

In addition to the tools for managing the aforementioned high-level risks, the OHL Group also has systems for managing the specific risks of the projects carried out by the Company, which cover the entire life cycle of the project, from the bidding phase right through to performance and closing.

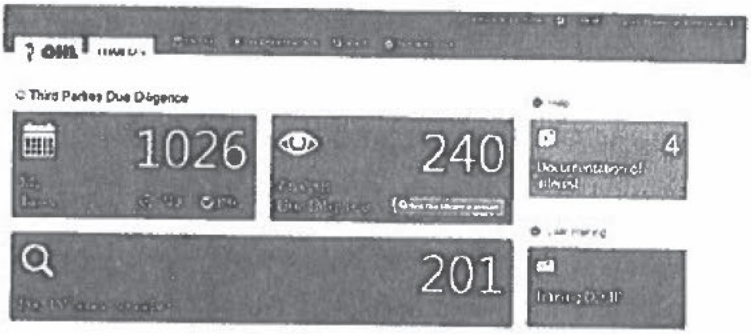
In this regard, in 2017 the Engineering and Construction Division defined a new risk management process for projects at the bidding phase and a specific tool was designed to optimise that management, which is being implemented in various pilot markets. This tool not only makes management more flexible, but it also establishes a homogeneous and coordinated model for action, decision making and control throughout the life of the project.



TECHNOLOGICAL SOLUTIONS: DIGITISING RISK MANAGEMENT

The OHL Group's Risk and Internal Control Department continued to make progress on the digitisation of risk management by designing new tools and updating existing ones.

Worth noting in this connection are the design and implementation of the new tool that supports the third-party due diligence process, an in-house development of the OHL Group to integrate the technical, financial and compliance risk analyses performed before formalising relationships with customers, shareholders and subcontractors/critical suppliers, among other third parties.



In addition, progress continues to be made in the implementation of a risk management tool for projects at the performance phase, which was launched in prior years.

d) Internal audit

The Internal Audit Department is an independent and objective assurance, internal control and consultation service to provide support to the organisation in the effective fulfilment of its responsibilities and objectives. Moreover, it is not an executive body within OHL and operates in accordance with the policies established by the Board of Directors, through its Audit and Compliance Committee.

Its basic functions are:

- To review the veracity, reliability and completeness of the financial and operating records and information.
- To report on the proper performance of processes and the efficient use of resources.
- To verify the reliability of the risk management and internal control systems and the quality of the information.
- Specifically, to review the system of Internal Control over Financial Reporting (ICFR).
- To verify the existence and status of assets and their protection.
- To verify the existence of internal rules and procedures that adequately regulate the main activities and that make it possible to correctly measure the economy and effectiveness thereof.
- To evaluate the degree of compliance with internal and external rules and procedures.
- To propose modifications, revisions or adaptations of the set of internal regulations required to enhance operations.
- To monitor investment and divestment transactions.
- To maintain coordinated relationships with the work performed by the external auditor as a complementary activity.
- To make recommendations to help correct the anomalies detected and monitor their implementation.
- To prepare their work plans and keep them updated, including the preparation of the annual activity report, etc.
- To keep an inventory of fraud risks and the associated controls, and test the effectiveness of those controls on a rotating basis.
- To participate as a guest on various committees: Management, Investments, Quality and Environment and Systems Security.

The Audit and Compliance Committee reviews all the reports it issues and they are presented at its monthly meetings.

In 2017 audits were carried out in all the Group's divisions and in most of the countries in which operates. The scope of those audits encompasses mainly the following:

- Concessions, construction projects and industrial projects and services.
- Regular obtainment of indicators/alerts on specific parameters (preventative audit).
- System of Internal Control over Financial Reporting.
- Economic control and other significant aspects of the implementation of new systems.
- Insurance.
- Variable remuneration.
- Verification that investments approved by the Investments Committee have actually been made.

Also, the Committee has a specialist fraud prevention and investigation unit, which performed actions in this connection throughout the year. It also continued with the verification of compliance with human rights policies.

For the most significant recommendations and corrective measures, monthly monitoring activities are performed in the Management Committee and in the Annual Internal Audit Report submitted to the Audit and Compliance Committee.

Chapter V.- About this Report

a) Scope

The scope of this report for the purposes of the Global Reporting Initiative (GRI) is the same as that of the consolidated financial statements, which includes OHL, S.A. and subsidiaries.

In the case of the Concessions business and in view of the decision to sell it, it is included as a discontinued operation and, therefore, the information thereon has been excluded from the Group's indicators. The most significant non-financial information relating to this discontinued operation is presented in Chapter III, CSR in the Concessions Division.

Any difference with respect to the scope described, due to the fact that the information is not available in a given country, has been indicated in each of the corresponding sections and in the table of GRI contents.

US environmental information was not included in 2017 due to the unavailability thereof at the time of preparation of this report. The relative weight of the US in total consolidated employees is 10%.

b) Preparation methodology

The process of preparing the OHL Group's 2017 consolidated directors' report followed the recommendations of the International Integrated Reporting Framework (IR) of the International Integrated Reporting Council (IIRC) and regulatory guidance in this area[2].

The quality of the information collected at source is a key element in the preparation of the 2017 consolidated directors' report. The collection and consolidation of information at source is done through the Enablon software application.

- [2] Directive 2014/95/EU of the European Parliament and of the Council amending Directive 2013/34/EU as regards the disclosure of non-financial and diversity information.
- European Commission Guidelines: Methodology for reporting non-financial information
- Royal Decree-Law 18/2017, of 24 November, amending the Spanish Commercial Code, the Consolidated Spanish Limited Liability Companies Law approved by Royal Legislative Decree 1/2010, of 2 July, and Spanish Audit Law 22/2015, of 20 July, in the area of non-financial information and diversity.

The principles of inclusiveness, materiality and responsiveness, included in the AA1000 standard, which includes the AA1000APS Accountability Principles, are used in its preparation.

For the first time, this report has been prepared in accordance with the reporting principles in the new version of the GRI-Standards, with regard to determining the content of the report (stakeholder inclusiveness, sustainability context, materiality, completeness) and the quality of the report (balance, comparability, accuracy, timeliness, clarity and accuracy). In cases where some of these principles have not been applied, this is specifically indicated in the content in question.

With this Report, the OHL Group aims to address the demands for information from the Company's stakeholders and demonstrate the relevance of CSR to it.

In order to provide complete, transparent and rigorous communication, the OHL Group submits the contents of its Sustainability Report and its adaptation to GRI-Standards to various internal and external control and audit processes.

The verification of the contents collected and included in this report has been carried out by Deloitte, following the ISAE 3000 standard with a limited assurance scope.

c) Materiality

The OHL Group analyses the most relevant issues for the Company and its stakeholders in order to define the axes of its strategic CSR plan and to prioritise the contents to be reported in this 2017 consolidated directors' report. With this exercise, the Group seeks to enhance its sustainability efforts and respond to the demands for information from its key stakeholders. This ensures that the issues addressed in this report cover the main expectations of the stakeholders identified by OHL, thus following the principle of materiality of international reporting standards such as the Global Reporting Initiative or Integrated Reporting.

In 2017 the materiality analysis used to define the 2015-2020 CSR strategic Plan was updated. For this purpose, external sources were consulted, such as regulations on reporting of non-financial information, international standards, questionnaires from the main sustainability analysts, reports on the sustainability challenges of our industry or monitoring reports on media and social networks. In addition, the materiality matrices published in the integrated reports and CSR reports of the main companies in our industry and other leading companies were exhaustively benchmarked.

Lastly, in order to complete this analysis, a series of internal interviews were conducted with those responsible for key areas of the organisation. Particular emphasis was placed on those that have a direct relationship with the main stakeholders, who also manage and know first-hand their concerns and information requirements (quality, HR, investor relations, CSR, communication and compliance, among others).

As a result of this external and internal analysis, the following list of material matters was updated:

Good governance and CSR	Section of the consolidated directors' report	GRI-Standard indicator	SDG
Risk management	Pages 58-59 Pages 74-78	102-15 102-30	16
Compliance, ethical management and transparent business	Pages 74-78	From 102-16 to 102-29 From 102-31 to 102-34	5,16
Communication and dialogue with stakeholders	Pages 18-19 Page 54 Page 56 Page 69 Page 75 Page 81	102-40 102-42 102-43 102-44	17
Transparent reporting of financial and non-financial information	Pages 16-19 Page 54 Page 56 Pages 64-65 Page 69 Page 75 Pages 80-83	NA	16
Integrated CSR management	Pages 16-19	NA	16
Mechanisms to fight against corruption and the prevention of money laundering	Pages 74-78	From 205-1 to 205-3	16
Conflicts of interest	Pages 74-78	102-25 201-4 415-1	16
Whistle-blowing channel	Page 75	102-17 419-1	16
Strategy			
Strategy	Pages 14-19	102-2 102-6 102-14	16, 17
Offer of sustainable solutions	Pages 44-46 Pages 60-61	103-1, 103-2 and 103-3	9, 11
Financial value			
Economic growth	Pages 12-19 Pages 31-44 Page 64	201-1	2,7,8,9
Solvency and financial management	Pages 12-16 Pages 31-44	201-1	2,7,8,9
Tax	Pages 64-65	201-1	16
The value of people			
Commitment to compliance with human rights	Pages 16-17 Pages 56-57	406-1 407-1 409-1 410-1 412-1 412-2 412-3	5, 8.16
Quality employment	Pages 49-57	102-8 201-3	8
Health and safety	Pages 55-56	From 403-1 to 403-4	3,8
Diversity and integration	Pages 50-51	405-1	5, 8
Equality	Pages 50-51	202-1 401-2 405-2	5,8,10

Talent management (attraction, retention and development)	Pages 52-54	401-1 401-3	5,8
Training	Pages 52-54	401-1 401-2 401-3	4,5,8
Value for the customer			
Management of customer relationships and satisfaction	Pages 46-47		
Quality control and satisfactory performance of projects	Pages 46-47	417-1 417-2	12
Security of facilities, infrastructure and services	Pages 46-47	416-1 416-2	12
Responsible supply chain management	Pages 47-49	102-9 102-10 204-1 308-1 308-2 414-1 414-2	5,8,16
Innovation (R&D+i)	Pages 45-46	417-1	8,9,11,13
Digital transformation	Pages 44-45	417-1	8,9,11,13
Privacy and information security	Page 45	418-1	16
Environmental value			
Fight against and adaptation to climate change	Pages 58-62	201-2 From 302-1 to 302-5 From 305-1 to 305-7 307-1	3,7,8,12,13,14,15
Efficient use of raw materials and the circular economy	Pages 61-63	301-1 301-2 306-2 306-4	3,6,8,12
Water footprint management	Page 63	From 303-1 to 303-3 306-1 306-3 306-5 307-1	3,6,8,12
Management of impact on biodiversity	Page 63	From 304-1 to 304-4 307-1	6,15
Social and relationship value			
Management of the social impact of the Group's projects and its relationships with communities	Pages 63-69	413-1 413-2	1,5,8
Corporate action and voluntary work	Pages 63-69		17

d) Contact details

For any clarification, suggestion or additional information about this publication please contact the following addresses:

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Tel. +34 91 348 41 00
www.ohl.es

Corporate Social Responsibility Service
rsc@ohl.es

e) Appendix. OHL Concesiones (discontinued operation)

For information purposes, the main **operating aggregates** of this division are presented.

Main aggregates	2017	2016	Var. (%)
Sales	**440.0**	**520.3**	**-16.4%**
EBITDA	**984.3**	**799.2**	**23.2%**
% of Sales	223.7%	153.6%	
EBIT	**957.8**	**728.0**	**31.6%**
% of Sales	217.7%	139.9%	

Millions of euros

The changes in sales and EBITDA of Concesiones with respect to the prior period are as follows:

Sales	2017	2016	Var. (%)
Toll revenue	389.5	387.5	0.5%
Own construction business	7.1	6.2	14.5%
IFRIC 12	43.4	126.6	-65.7%
TOTAL sales	**440.0**	**520.3**	**-16.4%**

Millions of euros

EBITDA	2017	2016	Var. (%)
Toll EBITDA	223.0	256.7	-13.1%
Guaranteed IRR EBITDA	761.3	542.5	40.3%
TOTAL EBITDA	**984.3**	**799.2**	**23.2%**

Millions of euros

The main factors that influenced the growth in sales and EBITDA were as follows:

Sales and EBITDA in comparable terms (at a constant exchange rate and without the effect of the change in the method used to account for Metro Ligero Oeste and Autovía de Aragón) increased by +8.3% and +17.8%, respectively.

The trend in traffic and tolls in the Group's concessions is shown in the table below:

	Changes in traffic			Toll revisions	
	From 01/01/17 to 31/12/17	From 01/01/16 to 31/12/16	Var. (%)	% Revision (5)	Last revision
Mexico					
Amozoc-Perote (1)	39,746	37,664	5.5%	9.30%	January 2017
Concesionaria Mexiquense (1)	354,415	337,219	5.1%	4.00%	August 2017
Viaducto Bicentenario (2)	32,695	32,764	-0.2%	19.00%	August 2017
Autopista Urbana Norte (2)	55,207	53,874	2.5%	5.65% (6)	April 2017
Spain					
Euroglosa M-45 (2)	91,257	86,024	6.1%	2.90%	March 2017
Puerto de Alicante (T.M.S.) (3)	84,571	82,056	3.1%	-	-
Terminal de Contenedores de Tenerife (3)	139,655	92,652	50.7%	-	-
Chile					
Nuevo camino Nogales-Puchuncavi (1)	5,814	5,727	1.5%	4.00%	January 2017
Terminal Cerros de Valparaiso (4)	113,371	120,236	-5.7%	1.07%	January 2015
Peru					
Autopista del Norte (1)	34,697	48,643	-28.7%	1.80%	March 2017

(1) Equivalent average paying traffic.

(2) Average daily traffic (ADT): total km travelled by all the users of the toll road, divided by the total km in operation on the road. This measurement represents the number of users that would have travelled the total km in operation along the toll road.

(3) Cumulative number of TEUs shipped.

(4) Average tonnes of general goods.

(5) Average increase in toll applied at each toll plaza, obtained from the toll revision provided for in each concession arrangement

(6) Average increase in toll revision at off-peak and peak hours.

The 65.7% decrease in sales under IFRIC 12 (construction activity carried out by the concession operators themselves) is due to the reduction in the amounts invested in 2017, mainly in Concesionaria AT-AT, compared to 2016.

The appreciation/depreciation of the average exchange rate of the euro in December 2017 vis-à-vis the Latin American currencies compared to December 2016 was as follows:

	31/12/2017	31/12/2016	Var. (%)
Mexican peso	21.39	20.65	3.6%
Chilean peso	735.84	742.39	-0.9%
Peruvian sol	3.69	3.72	-0.8%

As a result of these factors, the changes in sales and EBITDA of the main concession operators, grouped together by country, were as follows:

Main aggregates	Sales			EBITDA		
	2017	2016	Var. (%)	2017	2016	Var. (%)
Mexico	**284.2**	**261.4**	**8.7%**	**958.3**	**726.6**	**31.9%**
Amozoc-Perote	33.1	29.4	12.6%	18.0	17.5	2.9%
Concesionaria Mexiquense [1]	173.1	163.6	5.8%	540.0	413.8	30.5%
Viaducto Bicentenario [1]	38.3	35.1	9.1%	155.3	119.7	29.7%
Autopista Urbana Norte [1]	39.7	33.3	19.2%	245.0	175.6	39.5%
Spain	**57.3**	**71.0**	**-19.3%**	**30.4**	**88.8**	**-65.8%**
Euroglosa M-45	13.7	13.3	3.0%	11.5	11.2	2.7%
Autovía de Aragón [2]	14.1	31.7	-55.5%	11.5	32.0	-64.1%
Puerto de Alicante (T.M.S.)	16.4	16.0	2.5%	3.7	3.9	-5.1%
Terminal de Contenedores de Tenerife	13.1	10.0	31.0%	3.7	2.0	85.0%
Metro Ligero Oeste [3]	0.0	0.0	-	0.0	39.7	n.a.
Chile	**25.7**	**21.6**	**19.0%**	**12.0**	**9.6**	**25.0%**
Nogales-Puchuncaví	4.8	1.5	220.0%	3.3	1.1	200.0%
Terminal Cerros de Valparaíso	20.9	20.1	4.0%	8.7	8.5	2.4%
Peru	**22.3**	**33.5**	**-33.4%**	**22.6**	**23.6**	**-4.2%**
Autopista del Norte	22.3	33.5	-33.4%	22.6	23.6	-4.2%
Total Concessions	**389.5**	**387.5**	**0.5%**	**1,023.3**	**848.6**	**20.6%**
Central and Other	50.5	132.8	-62.0%	-39.0	-49.4	-21.1%
Total	**440.0**	**520.3**	**-15.4%**	**984.3**	**799.2**	**23.2%**

Millions of euros.

(1) Including EBITDA from the guaranteed revenue adjustment pursuant to the concession arrangements, which is classified under "Other Operating Income" and is excluded from "Revenue", as in the case of the other concession operators accounted for using the financial asset model. The detail at 31 December 2017 is as follows: Concesionaria Mexiquense EUR 411.8 million, Viaducto Bicentenario EUR 130.2 million and Autopista Urbana Norte EUR 219.3 million.

(2) In 2017 including sales and EBITDA until May, after having sold 75.0% of the investment in June 2017.

(3) In 2016 including EBITDA until June, after having sold 14.0% of the investment and starting to account for it using the equity method.

f) CSR in the Concessions Division

The detail of the principal CSR parameters of this division is as follows:

I.- Human capital

The human capital of the Concessions Division at 31 December 2017 was made up of 2,229 people compared to 2,211 in 2016.

Changes in direct induced employment				
Division	Subcontractors		Directly created induced jobs	
	2017	2016	2017	2016
Concessions	88	70	4,255	2,557

II.- Health and safety

Division	Frequency rate		Seriousness rate		Incidence rate	
	2017	2016	2017	2016	2017	2016
Concessions	7.14	13.97	0.18	0.37	1,884.0	2,857.0

III.- Investment in R&D+i

Investment in R&D+i		
Division	2017	2016
Concessions	EUR 1,075.8 thousand	EUR 2,187.5 thousand

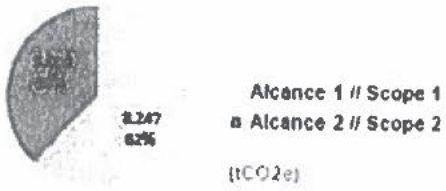
V.- Environmental value

Emissions

2017

Scope 3 (2017): 3,164,513.43 t of CO_2e

2016



2010
año base
base year

Alcance 3 por división de negocio (tCO2e contabilizadas)
Scope 3 by business division (tCO2e accounted)

Scope 3 (2016): 6,146,001 t of CO_2e

V.- Social and relationship value

Social investment		
Division	2017	2016
Concessions	EUR 2,679.3 thousand*	EUR 734,421.0

*Data distributed between LBG (EUR 1,816,300) and NO LBG (EUR 863,026.4). In addition, there are other social investments that do not comply with the requirements established in the LBG methodology, since they are contractual, legally binding or restricted to employees and family members.

g) Alternative performance measures

The OHL Group presents its results in accordance with International Financial Reporting Standards (IFRSs) and also uses certain Alternative Performance Measures (APMs) that facilitate a better understanding and comparability of the financial information. In order to comply with the guidelines of the European Securities and Markets Authority (ESMA), we hereby disclose the following:

EBITDA: profit from operations before the depreciation and amortisation charge and changes in provisions and allowances, deducting, where appropriate, extraordinary/non-recurring gains or losses with no impact on cash.

Recourse EBITDA: total EBITDA (including interest income and excluding non-recurring extraordinary losses), less the EBITDA of the project companies, and including, where appropriate, dividends paid to the Parent by the project companies.

Project companies: companies for whose debt there is no recourse to the Parent OHL, S.A.

EBIT: calculated on the basis of the following line items in the consolidated statement of profit or loss: "Revenue", "Other Operating Income", "Operating "Expenses", "Staff Costs", "Depreciation and Amortisation Charge" and "Changes in Provisions and Allowances".

Gross borrowings: groups together the balances of the "Non-Current Liabilities - Debt Instruments and Other Marketable Securities", "Non-Current Liabilities - Bank Borrowings", "Current Liabilities - Debt Instruments and Other Marketable Securities" and "Current Liabilities - Bank Borrowings" headings on the liability side of the consolidated balance sheet, including bank borrowings and bonds.

Net borrowings: made up of gross borrowings less "Other Current Assets" and "Cash and Cash Equivalents· on the asset side of the consolidated balance sheet.

Non-recourse borrowings (gross or net): the borrowings (gross or net) of the project companies.

Recourse borrowings (gross or net): total borrowings (gross or net) less non-recourse borrowings (gross or net).

Backlog: short-and long-term unearned revenue from contracts awarded. Once they have been formalised, these contracts are included in the backlog.

- **Short-term backlog:** represents the estimated unearned Construction, Industrial and Services revenue, and also includes expected revenue from changes in contracts or additional work estimated on the basis of the percentage of completion of the projects.
- **Long-term backlog:** represents the estimated future revenue of the concessions, over the concession term, based on the financial plan of each concession and including assumptions concerning changes in the exchange rates between the euro and other currencies, inflation, prices, tolls and traffic volumes.

Market capitalisation: number of shares at year-end multiplied by the year-end share price.

Earnings per share (EPS): profit or loss attributable to the Parent divided by the average number of shares in the year.

PER: year-end share price divided by the earnings per share for the last twelve months.

Comparable: sometimes adjustments are made to certain figures to make them comparable between years, for example by eliminating extraordinary impairment, significant inclusions in or exclusions from the scope of consolidation that can distort the comparison between years of aggregates such as sales, the exchange rate effect, etc. The adjustments made in each case are detailed in the corresponding heading.

GRI table – Environmental performance indicators

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) TOTAL (without Concessions)
301-1 Materiales utilizados, por peso o volumen // Materials used, by weight or volume						
Tierras, rocas y áridos de cantera // Quarry-sourced earth and rock (t)	19,436,069.61		-	-	-	19,436,069.61
Tierras, rocas y áridos subproducto de otras actividades // Earth and rock, byproducts of other activities (t)	6.536.468.01		-	322.00	-	6,536,790.01
Tierra vegetal // Topsoil (t)	146,290.88	-	-	86.64	-	146,377.52
Tierra vegetal subproducto de otra actividad // Topsoil, byproduct of another activity (t)	1.756.157.29		-	-	-	1,756,157.29
Metales // Metals (t)	658,659.98	1,562.23	-	-	-	660,222.21
Hormigón // Concrete (t)	3,977,217.20	185,472.72	-	-	-	4,162,689.92
Cemento // Cement (t)	172,037.82		-	-	-	172,037.82
Mezclas bituminosas // Asphalt mixes (t)	280,911.41	-	-	-	-	280,911.41
Betunes // Bitumen (t)	15,431.29	-	-	-	-	15,431.29
Aceites y grasas industriales // Industrial oils and greases (t)	166.12	0.18	-	1,17	-	167.47
Productos químicos (disolvente) // Chemicals (solvents) (t)	60.99	23.20	13.51	1.51	0,07	99.28
Fertilizantes // Fertilizers (t)		-	-	-	-	0.00
Plásticos y derivados // Plastics and derivatives (t)			-	1.83	-	1.83
Pintura organoclorada // Organochlorine paint (t)	14.79		-	-	-	14.79

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
Pintura no organoclorada // Non-organochlorine paint (t)	111,67		-	-	-	111,67
Gases refrigerantes // Refrigerant gases (t)	0,03	-	0,43	0,01	-	0,47
Productos forestales certificados // Certified forestry products (t)	435,69	-	-	-	-	435,69
Papel (producto forestal no certificado reciclado) // Paper (non-certified recycled forestry products) (t)	14,84	0,00	0,10	0,10	35,18	50,22
Papel (producto forestal no certificado no reciclado) // Paper (non-certified non-recycled forestry products) (t)	129,40	0,00	0,37	4,72	92,06	226,54
Madera (producto forestal no certificado) // Wood (non-certified forestry product) (t)	126,695,85	-	-	-	0,00	126,695,85
Tejidos // Fabrics (t)	-	-	55,39	0,03	-	55,42
TOTAL (t)	33,106,872,86	187,058,33	69,80	418,02	127,30	33,294,546,30
PRODUCTOS COMPRADOS DIRECTOS // PRODUCTS PURCHASED DIRECTLY (t)	33,106,501,51	187,034,95	55,83	410,51	0,00	33,294,002,79
PRODUCTOS-MATERIALES NO RENOVABLES // NON-RENEWABLE PRODUCTS-MATERIALS (t)	31,077,148,91	187,058,33	13,94	326,52	0,07	31,264,547,77
301-2 Porcentaje de los materiales utilizados que son materiales valorizados // Percentage of materials used that are recycled input materials						
TOTAL (t)	8,951,300	1,562	0	322	-	8,953,219,73
PORCENTAJE // PERCENTAGE (%)	27,0%	0,8%	0,1%	77,1%	-	26,9%
301-3 Porcentaje de productos vendidos, y sus materiales de embalaje, que son recuperados al final de su vida útil, por categorías de productos // Percentage of products sold and their packaging materials that are reclaimed by category	La actividad del Grupo OHL no produce bienes con embalajes destinados a la venta // The business activity of the OHL Group does not produce goods with packaging intended for sale					

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
302-1 **Consumo energético interno // Energy consumption within the organization**						
Consumo de combustible de fuentes no renovables // Consumption of fuels from non-renewable sources						
Gasoil // Gasoil (l)	32,567,543	2,135,029	635,134	16,893	15,044	35,369,642
Gasoil // Gasoil (GJ)	1,238,898	81,218	24,161	643	572	1,345,493
Gasolina // Gasoline (l)	1,681,268	518,575	8,490	69,812	16,041	2,294,185
Gasolina // Gasoline (GJ)	55,518	17,124	280	2,305	530	75,758
Gas natural // Natural gas (m^3)	892,339	0	0	0	0	892,339
Gas natural // Natural gas (GJ)	34,810	0	0	0	0	34,810
GLP // LPG (l)	234,299	43,082	0	50,697	0	338,078
GLP // LPG (GJ)	5,510	1,013	0	1,427	0	7,950
Lignito // Lignite (kg)	374,053	0	0	0	0	374,053
Lignito // Lignite (GJ)	9,725	0	0	0	0	9,725
CONSUMO TOTAL DE COMBUSTIBLE DE FUENTES NO RENOVABLES // TOTAL CONSUMPTION OF FUEL FROM NON-RENEWABLE SOURCES (GJ)	1,344,462	99,356	24,441	4,375	1,102	1,473,736
Consumo de combustible de fuentes renovables // Consumption of fuel from renewable sources						
Biodiesel (l)	3,903	695	0	0	0	4,597

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
Biodiesel (GJ)	134	24	0	0	0	157
CONSUMO TOTAL DE COMBUSTIBLE DE FUENTES RENOVABLES // TOTAL CONSUMPTION OF FUEL FROM RENEWABLE SOURCES (GJ)	134	24	0	0	0	157
Energía indirecta adquirida para consumo // Indirect energy purchased for consumption						
ELECTRICIDAD // ELECTRICITY (GJ)	213.900	30.145	982	2,035	1,577	248,640
Energía indirecta autogenerada para consumo // Self-generated indirect energy for consumption						
SOLAR (GJ)	0	101	0	0	0	101
CONSUMO TOTAL DE ENERGIA // TOTAL ENERGY CONSUMPTION (GJ)	1.558.495	129.626	25.423	6,410	2.679	1,722,634
302-2	**Consumo energético externo // Energy consumption outside of the organization**					
CONSUMO DE ENERGIA FUERA DE LA ORGANIZACIÓN // ENERGY CONSUMPTION OUTSIDE OF THE ORGANIZATION (GJ)	El consumo energético externo más relevante se produce por parte de los usuarios de las infraestructuras y por los proveedores y subcontratista//The most important external energy consumption is produced by the users of the infrastructures and by the suppliers and subcontractors					
302-3	**Intensidad energética // Energy intensity**					
MEDIDA DE LA ORGANIZACIÓN: VENTAS (Millones de euros) // MEASURED BY THE ORGANIZATION: SALES (Millions of euros)	1.533	270	238	48	-	2,088
INTENSIDAD ENERGÉTICA DE LAS VENTAS (GJ/Millones de euros) // ENERGY INTENSITY OF THE SALES (GJ/Millions of euros)	1 017	480	107	133	-	825
302-4	**Reducción del consumo energético // Reduction of energy consumption**	Ver Informe de Emisiones de GEI del Grupo OHL // See the GHG Emissions Report of the OHL Group				

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCIÓN // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
302-5 Reducciones de los requisitos energéticos de los productos y servicios // Reductions in the energy requirements of the products and services	Ver Informe de Emisiones de GEI del Grupo OHL // See the GHG Emissions Report of the OHL Group					
303-1 Captación total de agua por fuentes // Total water withdrawal by source						
AGUAS SUPERFICIALES // SURFACE WATER (m^3)	513,004	199,544	0	0	0	712,547
AGUAS SUBTERRANEAS // GROUND WATER (m^3)	526,203	423,510	0	5,378	0	955,091
AGUAS PLUVIALES captadas y almacenadas por la organización // RAIN WATER collected and stored by the organization (m3)	0	0	0	0	0	0
AGUAS RESIDUALES de otra organización // WASTEWATER from another organization (m^3)	0	0	0	0	0	0
AGUAS DE SUMINISTRO PÚBLICO // MUNICIPAL WATER SUPPLIES OR OTHER WATER UTILITIES (m^3)	650,823	131,313	178,781	0	9,442	970,359
TOTAL (m^3)	1,690,030	754,366	178,781	5,378	9,442	2,637,997
303-2 Fuentes de agua que han sido afectadas significativamente por la captación de agua // Water sources significantly affected by withdrawal of water	El Grupo OHL no realiza captaciones de agua que afecten significativamente a la biodiversidad y hábitats de los recursos hídricos afectados. Todas las captaciones son actividades autorizadas por la administración, garantizando que la toma de agua no influye en el caudal ecológico ni en las necesidades de consumo de la población. En las zonas de estrés hídrico se toman medidas especiales para reducir al máximo el impacto. // The OHL Group does not make extractions of water that significantly affect the biodiversity and habitats of the water resources affected. All of the collections/uses are activities approved by the authorities, guaranteeing that the intake of water does not influence the ecological abundance or the consumption needs of the population. Special measures are taken in water-stressed areas to reduce the impact as far as possible					
Número de fuentes de agua afectadas por la captación (desglosadas por tamaño, por clasificación como área protegida, en términos de biodiversidad y según valor para las comunidades locales) // Number of sources of water affected by extraction (YYSize of water source; whether or not the source is designated as a protected area YYBiodiversity value; value or importance of water source to local communities and indigenous peoples)	Descripción recogida en el indicador EN11, EN12, EN13 y EN14 // Description set out in indicators EN11 EN12 EN13 and EN14					

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS		CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
303-3	**Porcentaje y volumen total de agua reciclada y reutilizada // Percentage and total volume of water recycled and reused**						
	VOLUMEN TOTAL DE AGUA RE RECICLADA O REUTILIZADA // TOTAL VOLUME OF RECYCLED OR REUSED WATER (m^3)	248,515	7,749	0,00	0,00	0,00	256,264
	PORCENTAJE DE AGUA REUTILIZADA O RECICLADA SOBRE EL TOTAL CONSUMIDO // PERCENTAGE OF REUSED OR RECYCLED WATER ON THE TOTAL CONSUMED (%)	15%	1%	0%	0%	0%	10%
304-1	**Instalaciones operativas propias, arrendadas, gestionadas que sean adyacentes o estén ubicadas en áreas protegidas y áreas no protegidas de gran valor para la biodiversidad // Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas**	Con actividades en 27 áreas. Ver más información en anexo sobre Actuaciones de Protección de la Biodiversidad // With activities in 28 areas. See more information in appendix on Biodiversity Protection Measures	Con actividades en 1 área. Ver más información en anexo sobre Actuaciones de Protección de la Biodiversidad // With activities in 1 area. See more information in appendix on Biodiversity Protection Measures	Con actividades en 2 áreas. Ver más información en anexo sobre Actuaciones de Protección de la Biodiversidad // With activities in 1 area. See more information in appendix on Biodiversity Protection Measures	Con actividades en 0 áreas. Ver más información en anexo sobre Actuaciones de Protección de la Biodiversidad // With activities in 0 areas. See more information in appendix on Biodiversity Protection Measures	Sin actividades en áreas protegidas y áreas no protegidas de gran valor para la biodiversidad // No activities in protected and non-protected areas of high biodiversity value	Ver detalle para cada una de las divisiones // See details for each of the divisions
304-2	**Descripción de los impactos más significativos en la biodiversidad de áreas protegidas o áreas de alto valor en términos de biodiversidad no protegidas, derivados de las actividades, productos y servicios // Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas**	Con caracter general, la actividad de OHL puede producir algunos impactos sobre las aguas, la atmósfera, el litoral costero, la flora y la fauna. Estos impactos son controlados mediante planes de seguimiento específicos y aplicando las correspondientes medidas preventivas, correctivas y compensatorias incluidas en cada Evaluación de Impacto Ambiental. Ver más información en anexo sobre Actuaciones de Protección de la Biodiversidad // On a general basis, OHL's business activity can bring about some impacts on the water, the air, coastal areas, plant and animal life. These impacts are controlled through specific monitoring plans and by applying appropriate preventive, corrective and compensatory measures included in each Environmental Impact Assessment. More information is available in the appendix on Biodiversity Protection Measures					
304-3	**Hábitats protegidos o restaurados // Habitats protected or restored**						

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
AREAS PROTEGIDAS DURANTE LAS OPERACIONES // PROTECTED AREAS DURING OPERATIONS (Ha)	192	0	9		0	201
AREAS RESTAURADAS // RESTORED AREAS (Ha)	51	6	9		0	66
Ubicación, verificación externa y estado al final del periodo de reporte // Location, external verification and status at the end of the reporting period	Ver más información en documento sobre Actuaciones de Protección de la Biodiversidad // See more information in appendix on Biodiversity Protection Measures					
VERIFICACIÓN EXTERNA Y ESTADO AL FINAL DEL PERIODO DE REPORTE // EXTERNAL VERIFICATION AND STATUS AT THE END OF THE REPORTING PERIOD	La verificación o control de habitats se realiza por organismos gubernamentales o por verificadores externos independientes. En el caso particular de OHL Desarrollos se dispone de verificación externa por parte de la autoridad ambiental PROFEPA y otros certificados ambientales voluntarios Rain Forest Alliance y Ecocheck de Cristal. El estado de las áreas protegidas y restauradas al final del periodo de reporte se mantiene conforme con lo planificado // The verification or monitoring of habitats is carried out by government bodies or by external independent verifiers. In the particular case of OHL Desarrollos there is external verification by the environmental authority, PROFEPA, and through other voluntary environmental certificates, such as the Rain Forest Alliance and the Cristal Ecocheck. The status of the protected and restored areas at the end of the reporting period is in consonance with the status planned					
304-4	**Número de especies, desglosadas en función de su peligro de extinción, incluidas en la Lista Roja de la IUCN y en listados nacionales y cuyos hábitats se encuentren en áreas afectadas por las operaciones según el grado de amenaza de la especie // Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk**					
ESPECIES EN PELIGRO CRÍTICO // CRITICALLY ENDANGERED SPECIES (Nº)	0	2	0	0	0	2
ESPECIES EN PELIGRO // ENDANGERED SPECIES (Nº)	4	0	0	0	0	4
ESPECIES VULNERABLES // VULNERABLE SPECIES (Nº)	6	0	2	0	0	8
ESPECIES CASI AMENAZADAS // NEAR-THREATENED SPECIES (Nº)	5	0	1	0	0	6
ESPECIES DE PREOCUPACIÓN MENOR // LEAST CONCERN SPECIES (Nº)	61	0	20	0	0	81
OTRAS ESPECIES CON DATOS INSUFICIENTES // OTHER DATA DEFICIENT SPECIES (Nº)	55	0	2	0	0	57
OTRAS ESPECIES SIN GRADO DE VULNERABILIDAD DEFINIDO // OTHER SPECIES WITHOUT A DEFINED DEGREE OF VULNERABILITY (Nº)	3	0	0	0	0	3

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS		CONSTRUCCIÓN // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin concesiones) // TOTAL (without concessions)
305-1	**Emisiones directas de gases de efecto invernadero (Alcance 1) // Direct greenhouse gas emissions (Scope 1)**	Ver Informe de Emisiones de GEI del Grupo OHL // See the GHG Emissions Report of the OHL Group					
	EMISIONES DIRECTAS DE ALCANCE 1 // DIRECT SCOPE 1 EMISSIONS (t CO_2 eq)	100,357.68	7,365.77	2,505.37	304.04	80.63	110,613.50
	OTRAS EMISIONES DIRECTAS BIOGÉNICAS - FUERA DE ALCANCE // OTHER DIRECT BIOGENIC EMISSIONS - OUTSIDE OF SCOPES (t CO_2 eq)						
305-2	**Emisiones indirectas de gases de efecto invernadero (Alcance 2) // Indirect greenhouse gas emissions (Scope 2)**	Ver Informe de Emisiones de GEI del Grupo OHL // See the GHG Emissions Report of the OHL Group					
	EMISIONES INDIRECTAS DE ALCANCE 2 // INDIRECT SCOPE 2 EMISSIONS (t CO_2 eq)	18,726.49	5,402.79	83.84	254.41	79.75	24,547.29
305-3	**Otras emisiones indirectas de gases de efecto invernadero (Alcance 3) // Other indirect greenhouse gas emissions (Scope 3)**	Ver Informe de Emisiones de GEI del Grupo OHL // See the GHG Emissions Report of the OHL Group					
	EMISIONES INDIRECTAS DE ALCANCE 3 // INDIRECT SCOPE 3 EMISSIONS (t CO_2 eq)	1,633,277.99	37,485.20	1,798.84	614.87	1,592.44	1,674,769.35
	OTRAS EMISIONES INDIRECTAS BIOGÉNICAS - FUERA DE ALCANCE // OTHER INDIRECT BIOGENIC EMISSIONS - OUTSIDE OF SCOPES (t CO_2 eq)	N.D.	N.D.	N.D.	N.D.	N.D.	N.D.
305-4	**Intensidad de las emisiones de gases de efecto invernadero:** Alcance 1 + 2 / Ventas (tCO2e / Millones de euros) // **Greenhouse gas (GHG) emissions intensity:** Scope 1 + 2 / Sales (t CO2 e / Millions of euros)	77,69	47.33	10,89	11,59	N.A.	64,72
305-5	**Reducción de las emisiones de gases de efecto invernadero // Reduction of the greenhouse gas emissions**	Ver Informe de Emisiones de GEI del Grupo OHL // See the GHG Emissions Report of the OHL Group					
305-6	**Emisiones de sustancias que agotan el ozono (toneladas CFC-11 equivalente) // Emissions of ozone-depleting substances (ODS) (tons of CFC-11 equivalents)**	0,00	0,00	0,00	0,00	0,00	0,00

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCIÓN // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
SUSTANCIAS INCLUIDAS EN EL CÁLCULO // SUBSTANCES INCLUDED IN THE CALCULATION	La actividad del Grupo OHL no realiza emisiones significativas de sustancias destructoras de la capa de ozono // The business activity of the OHL Group does not produce significant emissions of substances that deplete the ozone layer					
305-7	**NOx, SOx y otras emisiones atmosféricas significativas por tipo y peso // NOX, SOX, and other significant air emissions**					
EMISIONES DE NOx // NOx EMISSIONS (t)	132.26	9.91	2.44	0.39	0.11	145.12
EMISIONES DE SOx // SOx EMISSIONS (t)	181.24	13.77	3.42	0.41	0.15	199.00
EMISIONES DE COV // COV EMISSIONS (t)	13.07	0.99	0.24	0.03	0.01	14.34
EMISIONES DE PARTICULAS PM // PM PARTICLES EMISSIONS (t)	27.83	2.11	0.53	0.06	0.02	30.56
306-1	**Vertidos totales de aguas residuales, según su naturaleza y destino // Total water discharge by quality and destination**					
AL SUELO // TO THE SOIL (m^3)	432,439.00	0	0	0	0	432,439
AL ALCANTARILLADO // TO THE SEWAGE SYSTEM (m^3)	706,524	801,211	0	350,954	0	1,858,689
AL AGUA SUPERFICIAL // TO SURFACE WATER (m^3)	263,699	58,009	0	0	0	321,708
AL MAR // TO THE SEA (m^3)	2,594	0	0	0	0	2,594
AL SUBSUELO // TO THE SUBSOIL (m3)	0	0	0	0	0	0
REUTILIZADA POR TERCERO // REUSED BY A THIRD PARTY (m^3)	0	0	0	0	0	0
TRATAMIENTO // TREATMENT	Vertido al alcantarillado general y posterior tratamiento (físico-químico y biológico como mínimo) en EDAR // Discharged to the general sewage and subsequent treatment physical-chemical and biological as a minimum) at WWTP					
PARÁMETROS // PARAMETERS	Según autorización y normativa del país // According to the approval and regulations of the country					
306-2	**Peso total de residuos, según tipo y método de tratamiento // Total weight of waste by type and disposal method**					

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS	CONSTRUCCIÓN // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (con Concesiones) // TOTAL (with Concessions)
RESIDUOS CONSTRUCCIÓN Y DEMOLICIÓN NO PELIGROSOS (RCD) // NON-HAZARDOUS CONSTRUCTION AND DEMOLITION WASTE (t)	32,148,439	1,649,261	29	144	0	33,797,873
Reutilizados // Reused	16%	4%	0%	50%	-	16%
Valorizados // Recovered	23%	0%	0%	0%	-	22%
Vertedero // Landfill	60%	96%	100%	50%	-	62%
OTROS RESIDUOS NO PELIGROSOS // OTHER NON-HAZARDOUS WASTE (t)	104,334	285	25	406	2	105 052
Compostaje // Compost	7%	1%	0%	0%	0%	7%
Reutilización // Reuse	6%	4%	0%	64%	0%	7%
Reciclaje // Recycling	25%	2%	10%	2%	100%	25%
Valorización // Recovery	15%	0%	0%	0%	0%	15%
Agricultura // Agriculture	0%	0%	0%	0%	0%	0%
Vertedero // Landfill	44%	93%	90%	35%	0%	44%
Otros destinos // Other destinations	2%	0%	0%	0%	0%	2%
RESIDUOS PELIGROSOS (t) (Gestores autorizados) // HAZARDOUS WASTE (t) (Authorized waste companies)	586	0	2	0	0	588
Reutilización // Reuse	0%	0%	0%	0%	0%	0%
Reciclaje // Recycling	4%	100%	8%	71%	100%	4%
Valorización // Recovery	0%	0%	0%	0%	0%	0%

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS		CONSTRUCCIÓN // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
Agricultura // Agriculture		0%	0%	0%	0%	0%	0%
Vertedero // Landfill		88%	0%	92%	29%	0%	88%
Otros destinos // Other destinations		9%	0%	0%	0%	0%	9%
306-3	**Número total y volumen de los derrames accidentales más significativos //** **Total number and volume of significant spills**	No se han producido derrames significativos de sustancias peligrosas (volumen inferior a 1500 litros distribuidos en 16 localizaciones) // No significant spills of hazardous substances have occurred (volume less than 1500 liters distributed in 16 locations)					
306-4	**Peso de los residuos transportados, importados, exportados o tratados que se consideran peligrosos según la clasificación del Convenio de Basilea, anexos I, II, III y VIII y porcentaje de residuos transportados internacionalmente //** **Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention2 Annex I, II, III, and VIII, and percentage of transported waste shipped internationally**	El Grupo OHL no realiza transporte de residuos fuera del ámbito interno de sus actividades // The OHL Group does not transport waste outside of the internal environment of its operations					
306-5	**Identificación, tamaño, estado de protección y valor de biodiversidad de las masas de agua y hábitats relacionados, afectados significativamente por vertidos de agua y aguas de escorrentía de la organización informante //** **Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff**	El Grupo OHL no realiza vertidos de agua y aguas de escorrentía que afecten significativamente a la biodiversidad y hábitats de los recursos hídricos afectados // The OHL Group does not discharge water and runoff that would significantly affect the biodiversity and habitats of the water resources affected					
307-1	**Valor monetario de las multas significativas y número de sanciones no monetarias por incumplimiento de la normativa ambiental //** **Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations**						

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS		CONSTRUCCIÓN // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (without Concessions)
MULTAS SIGNIFICATIVAS // SIGNIFICANT FINES (Euros)		22.901.00	0.00	0.00	0.00	0.00	22.901.00
SANCIONES SIGNIFICATIVAS NO MONETARIAS // SIGNIFICANT NON-MONETARY PENALTIES (nº)		0	0	0	0	0	Ninguna // Zero
CASOS RESUELTOS POR OTROS MECANISMOS (Procedimientos planteados ante instituciones de arbitraje) // CASES BROUGHT THROUGH DISPUTE RESOLUTION MECHANISMS (Procedures brought before arbitration institutions)		0	0	0	0	0	Ninguna // Zero
308-1	**Porcentaje de nuevos proveedores que se examinaron en función de criterios ambientales // Percentage of new suppliers that were examined on the basis of environmental criteria**	A todos los proveedores en el proceso de homologación se les solicita información de gestión medioambiental // Environmental management information is requested from all suppliers in the approval process					
308-2	**Impactos ambientales negativos significativos, reales y potenciales, en la cadena de suministro y medidas al respecto // Significant actual and potential negative environmental impacts in the supply chain and actions taken**	**Impactos ambientales negativos significativos en la cadena de suministro:** Emisiones de gases de efecto invernadero, consumos-vertidos de agua y residuos **Proveedores cuyo impacto ambiental se ha evaluado:** OHL ha evaluado la materialidad de las emisiones GEI procedentes de los proveedores de su cadena de suministro a partir de un modelo de estimación indirecta basado en tablas "multi-regional input-output (MRIO)" elaboradas según datos del "Global Trade Analysis Project (GTAP)". **Proveedores que tienen impactos reales:** El modelo ha estimado que un 70% de las emisiones de GEI se producen a causa del 2,62% de la cadena de suministro. **Proveedores con los que se han acordado mejoras o se ha puesto fin a la relación como resultado de la evaluación:** 0%. Actualmente se están estableciendo las bases para una participación directa con los proveedores de la cadena de suministro // **Significant adverse environmental impacts in the supply chain:** Greenhouse gas emissions, consumption-discharge of water and waste **Suppliers whose environmental impact has been assessed:** OHL has assessed the materiality of the GHG emissions produced by the suppliers in its supply chain by using an indirect estimate model based on "multi-regional inputoutput (MRIO)" tables prepared according to data from the "Global Trade Analysis Project (GTAP)". **Suppliers who have real impacts:** The model has estimated that 70% of the GHG emissions are produced on account of 2.62% of the supply chain **Suppliers with which improvements have been agreed or with which the business relationship has been terminated as a result of the assessment:** 0%. At the present time the terms for establishing direct participation with the suppliers in the supply chain are being addressed					

INDICADORES DEL DESEMPEÑO AMBIENTAL // ENVIRONMENTAL PERFORMANCE INDICATORS		CONSTRUCCION // CONSTRUCTION	INDUSTRIAL // INDUSTRIAL	SERVICIOS // SERVICES	DESARROLLOS // DEVELOPMENTS	CORPORATIVO // CORPORATE	TOTAL (sin Concesiones) // TOTAL (excluding Concessions)
103-2	**Número de reclamaciones ambientales que se han presentado, abordado y resuelto mediante mecanismos formales de reclamación // Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms**	El Grupo OHL no ha presentado ni abordado reclamaciones ambientales a través de mecanismos formales en el año de reporte ni en años previos // The OHL Group has not lodged or addressed environmental claims either through formal mechanisms, in the reporting year or in previous years					

GRI Tables

General GRI indicators

GENERAL CONTENTS	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 101 Foundation 2017					
101 Principles			-About this report (pages 79-82) -Generating value - e) Social and relationship value - V.- Relations with stakeholders and partnerships (page 68)	✓	
GRI 102 General disclosures 2017 - Organizational profile					
102-1 Name of the organization			- About this report - d) Contact data (page 82)	✓	
102-2 Activities, brands, products, and services		16  17 	- Strategy - a) Business model - I.- Strategic Plan (pages 14 - 16)	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-3 Location of headquarters			- About this report - d) Contact data (page 82)	✓	
102-4 Location of operations			- OHL in a click - a) Group Profile - II - Worldwide Presence (page 2) - About this report - a) Scope (page 79)	✓	
102-5 Ownership and legal form			- Good Governance - a) Good Governance - I - Ownership structure (page 69)	✓	
102-6 Markets served		16 17	- OHL in a click - a) Group Profile - II - Worldwide Presence (page 2) - Strategy - a) Business model - I - Strategic Plan (pages 14 - 16)	✓	
102-7 Scale of the organization		8	- OHL in a click - a) Group Profile - II - Worldwide Presence (page 2) OHL in a click - c) 2017 in figures - I.- Main aggregates (page 6) - Strategy - a) Business model - I - Strategic Plan (pages 14 - 16)	✓	
102-8 Information on employees and other workers		8	- OHL in a click - a) Group Profile - II - Worldwide Presence (page 2) - Generating value - d) The value of people (pages 49 - 50)	✓	(1) (2)
102-9 Supply chain		5 8 16	- Generating Value - b) Value for the Customer - IV - Supply Chain (pages 47- 48)	✓	(1)
102-10 Significant changes to the organization and its supply chain		5 8 16	- OHL in a click - c) 2017 in figures (page 6) - About this report - a) Scope (page 79)	✓	
102-11 Precautionary Principle or approach			- Generating value - d) The value of people - I - Environmental risk management (page 58) - Good Governance - c) Effective risk management (pages 75-77)	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-12 External initiatives			- Generating Value - b) Value for the Customer - II - Innovative culture and R&D+i (pages 45 - 46) - Generating value - d) The value of people - VII - Human rights (pages 56 & 57)	✓	
102-13 Membership of associations		5, 8, 16	- Generating Value - b) Value for the Customer - II - Innovative culture and R&D+i (pages 45 - 46) - Generating value - d) The value of people - VII - Human rights (pages 56 - 57)	✓	
Strategy					
102-14 Statement from senior decision-maker		15, 17	- Strategy - a) Business model - II - Strategic Plan (pages 16 - 19)	✓	
102-15 Key impacts, risks, and opportunities		16	- Strategy - a) Business model - II - CSR Management (pages 16 - 19) - Generating Value - d) Environmental Value - I - Environmental risk management (page 58) - About this report - c) Materiality (pages 80-82)	✓	
Ethics and integrity					
102-16 Values, principles, standards, and norms of behavior		5, 16	- Good Governance - b) Ethics and compliance (pages 73-75)	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-17 Mechanisms for advice and concerns about ethics		5, 16	- Good Governance - b) Ethics and compliance - II - Ethical communications channel (pages 74-75)	✓	
Governance					
102-18 Governance structure		5, 16	- Good Governance - a) Good Governance - II - Governance Bodies (pages 69-73)	✓	
102-19 Delegating authority		5, 16	- Strategy - a) Business model - II - CSR Management (page 18) - Regulations of the Board of Directors - Mission of the Board	✓	
102-20 Executive-level responsibility for economic, environmental, and social topics		5, 16	- Strategy - a) Business model - II - CSR Management (pages 18)	✓	
102-21 Consulting stakeholders on economic, environmental, and social topics		5, 16	-Generating value - e) Social and relationship value - V - Relations with stakeholders and partnerships (page 68) - About this report - c) Materiality (pages 80-82)	✓	
102-22 Composition of the highest governance body and its committees		5, 16	- Good Governance - a) Good Governance - II - Governance Bodies (pages 69-73)	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-23 Chair of the highest governance body		5 16	- Good Governance - a) Good Governance - II.- Governance Bodies (page 69)	✓	
102-24 Nominating and selecting the highest governance body		5 16	- Annual Corporate Governance Report C.1.19	✓	
102-25 Conflicts of interest		16	- Good Governance - a) Good Governance - II.- Governance Bodies (page 70) - Annual Corporate Governance Report D.6	✓	
102-26 Role of highest governance body in setting purpose, values, and strategy		5 16	- Good Governance - a) Ethics and Compliance- I.- Code of Ethics and Anti-Corruption Policy (pages 73 -74) - Regulations of the Board of Directors - Mission of the Board	✓	
102-27 Collective knowledge of highest governance body		5 16	- Regulations of the Board of Directors - Mission of the Board - Annual Corporate Governance Report C.1.3	✓	
102-28 Evaluating the highest governance body's performance		5 16	Annual Corporate Governance Report C.1.19 and C.1.20	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-29 Identifying and managing economic, environmental, and social impacts		5 16	- Strategy - a) Business model - II - CSR Management (pages 16 - 19) - Generating Value - d) Environmental Value - I - Environmental risk management (page 58) - About this report - c) Materiality (pages 80-82)	✓	
102-30 Effectiveness of risk management processes		17	- Good Governance - c) Effective Risk Management (pages 75-77) - Generating Value - d) Environmental Value - I - Environmental risk management (page 58) - Annual Corporate Governance Report E.5. and E.6.	✓	
102-31 Review of economic, environmental, and social topics		5 16	- Good Governance - a) Good Governance - II.- Governance Bodies (pages 69-73)	✓	
102-32 Highest governance body's role in sustainability reporting		5 16	- Strategy - a) Business model - II - CSR Management (page 18)	✓	
102-33 Communicating critical concerns		5 16	- Generating value - e) Social and relationship value - V - Relations with stakeholders and partnerships (page 68)	✓	
102-34 Nature and total number of critical concerns		5 16	- Annual Corporate Governance Report E.3	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-35 Remuneration policies			- Directors Remuneration Report. - Financial Statements: 4.7 - Remuneration of directors and senior executives and conflicts of interest	✓	
102-36 Process for determining remuneration			- Directors Remuneration Report. - Financial Statements: 4.7 - Remuneration of directors and senior executives and conflicts of interest - Regulations of the Board of Directors of Obrascón Huarte Lain, S.A. Chapter VIII. Remuneration of the CEO	✓	
102-37 Stakeholders' involvement in remuneration			- Directors Remuneration Report. - Financial Statements: 4.7 - Remuneration of directors and senior executives and conflicts of interest - Regulations of the Board of Directors of Obrascon Huarte Lain, S.A. Chapter VIII. Remuneration of the CEO	✓	
102-38 Annual total compensation ratio			Confidential Information	*	(N.V.)
102-39 Percentage increase in annual total compensation ratio			Confidential Information	*	(N.V.)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
Stakeholder engagement					
102-40 List of stakeholder groups			- About this report - d) Materiality (pages 80-82)	✓	
102-41 Collective bargaining agreements			70% of the Group's workforce is covered by Collective Agreements - Appendix III - Information on collective bargaining	✓	(1)
102-42 Identifying and selecting stakeholders			- About this report - d) Materiality (pages 80-82)	✓	
102-43 Approach to stakeholder engagement			- Strategy - a) Business model - II.- CSR Management (pages 16 - 19) - Generating Value - e) Social and relationship value - V - Relations with stakeholders (page 69) - About this report - c) Materiality (pages 81 - 83)	✓	
102-44 Key topics and concerns raised			- About this report - d) Materiality (pages 81-82)	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
Reporting practice					
102-45 Entities included in the consolidated financial statements			- About this report - a) Scope (page 79) - Financial Statements Appendix I and Appendix II	✓	
102-46 Defining report content and topic Boundaries			- About this report - a) Scope (page 79 - 82)	✓	
102-47 List of material topics			- About this report - d) Materiality (pages 81-82)	✓	
102-48 Restatements of information			- OHL in a click - b) Group performance and main milestones in 2017 (pages 2 - 5)	✓	
102-49 Changes in reporting			- Strategy - a) Business model - II - Director's Report by division (page 19) - About this report - a) Scope (page 79)	✓	
102-50 Reporting period			2017	✓	
102-51 Date of most recent report			2016	✓	
102-52 Reporting cycle			Annual	✓	
102-53 Contact point for questions regarding the report			- About this report - d) Contact data (page 82)	✓	
102-54 Claims of reporting in accordance with the GRI Standards			- About this report - d) Preparation methodology (pages 79-80)	✓	

[redacted]

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
102-55 GRI content index		16	- About this report - d) Preparation methodology (pages 79-80)	✓	
102-56 External verification		16	- About this report - d) Preparation methodology (pages 79-80) - Appendix of GRI Tables	✓	

Economic GRI indicators

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 103 Management approach 2017: Economic Performance (201), Market Presence (202), Indirect Economic Impacts (203), Procurement Practices (204), Anti-corruption (205) and Anti-competitive Behavior (206)					
103-1 Explanation of the material topic and its Boundary			- About this report - d) Materiality (pages 80 - 82)	✓	
103-2 The management approach and its components			- Strategy - a) Business model - II - Strategic Plan - II - CSR Management (pages 16 - 19)	✓	
103-3 Evaluation of the management approach			- Strategy - a) Business model - II - Strategic Plan - II - CSR Management (pages 16 - 19)	✓	
GRI 201 Economic Performance 2017					
201-1 Direct economic value generated and distributed		2, 8, 9, 16	- Generating value - e) Social and relationship value - V - Distribution of generated and distributed value (page 63)	✓	
201-2 Financial implications and other risks and opportunities due to climate change	Principle 7, Principle 8	13	- Generating Value - d) Environmental Value - II.- Climate Change and energy (pages 60-61) - CDP Climate Change Disclosure Project of the OHL Group - CC2.1 and CC2.2.	-	(3)
201-3 Defined benefit plan obligations and other retirement plans		8	The Group does not have any post-employment benefit obligations in the form of pension plans or other benefits.	✓	
201-4 Financial assistance received from government		16	- Consolidated financial statements - Note 3.21	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 202 Market Presence 2017					
202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Principle 6	5, 8, 10	The Group offers its employees an initial compensation package equal to or higher than the legal minimum established in each country.	✓	(4)
202-2 Proportion of senior management hired from the local community	Principle 6		**85.1%** of the Group's executives abroad are nationals of the same country	✓	(5)
GRI 203 Indirect Economic Impacts 2017					
203-1 Infrastructure investments and services supported			- Generating Value - e) Social and relationship value - III - Social investment (pages 65-67)	✓	
203-2 Significant indirect economic impacts			- Generating Value - f) Social and relationship value (Pages 62-69)	✓	
GRI 204 Procurement Practices 2017					
204-1 Proportion of spending on local suppliers		5, 8, 16	- Generating Value - b) Value for the Customer - IV.- Supply Chain (pages 47- 48)	✓	(1)
GRI 205 Anti-corruption 2017					
205-1 Operations assessed for risks related to corruption		16	- Good Governance - b) Ethics and Compliance - I - Code of Ethics and Anti-Corruption Policy (pages 73-74) - Good Governance - c) Effective risk management (pages 75-77) - Good Governance - d) Internal Audit (pages 77-79)	✓	(3)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
205-2 Communication and training about anti-corruption policies and procedures			- Good Governance - b) Ethics and compliance - I.- Code of Ethics and Anti-Corruption Policy (pages 73-74) - Annual Corporate Governance Report F 1.2	✓	
205-3 Confirmed incidents of corruption and actions taken			- Good Governance - b) Ethics and compliance - I - Code of Ethics and Anti-Corruption Policy (pages 73-74) - Annual Corporate Governance Report F 1.2	✓	(6)
GRI 206 Anti-competitive Behavior 2017					
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices			In 2017 no significant legal actions were initiated against OHL for monopolistic or anti-trust practices	✓	

Environmental GRI indicators

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 103 Management approach 2017: Linked to: Materials (301), Energy (302), Water (303), Biodiversity (304), Emissions (305), Effluents and Waste (306), Environmental Compliance (307), Supplier Environmental Assessment (308)					
103-1 Explanation of the material topic and its Boundary			- About this report - d) Materiality (pages 80-82)	✓	
103-2 The management approach and its components			- Generating Value - d) Environmental Value (pages 57-62)	✓	
103-3 Evaluation of the management approach			- Generating Value - d) Environmental Value (pages 57-62)	✓	
GRI 301 Materials 2017					
301-1 Materials used by weight or volume		 	- Generating Value - d) Environmental Value - III.- Circular economy and water management (pages 61-62) - GRI Table - Environmental performance indicators.	✓	(7) (8)
301-2 Recycled input materials used		 	- Generating Value - d) Environmental Value - III.- Circular economy and water management. (pages 61-62) - Table of GRI Environmental performance indicators.	✓	(7) (8)
301-3 Reclaimed products and their packaging materials			The activity of the OHL Group does not produce goods with packaging intended for sale or capable of being reused	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 302 Energy 2017					
302-1 Energy consumption within the organization			- Table of GRI Environmental performance indicators.	✓	(7) (8)
302-2 Energy consumption outside of the organization			The most significant external energy consumption relates to infrastructure users, suppliers and subcontractors. This information is not currently available.	x	Not verified (N V)
302-3 Energy intensity			- Table of GRI Environmental performance indicators.	✓	(7) (8)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
302-4 Reduction of energy consumption	Principle 7 Principle 8 Principle 9	3, 7, 9, 12, 13, 14, 15	- Generating Value - d) Environmental Value - II.- Climate Change and energy. (Pages 60-61)	✓	(3)
302-5 Reductions in energy requirements of products and services	Principle 7 Principle 8 Principle 9	3, 7, 8, 12, 13, 14, 15	- Generating Value - d) Environmental Value - II - Climate Change and energy. (pages 60- 61)	✓	(3)
GRI 303 Water 2017					
303-1 Water withdrawal by source	Principle 7	3, 8, 12	- Table of GRI Environmental performance indicators	✓	(7) (8)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
303-2 Water sources significantly affected by withdrawal of water			- Table of GRI Environmental performance indicators.	✓	(3) (7)
303-3 Water recycled and reused			- Table of GRI Environmental performance indicators	✓	(7) (8)
GRI 304 Biodiversity 2017					
304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas			- Table of GRI Environmental performance indicators	✓	(3) (7)
304-2 Significant impacts of activities, products, and services on biodiversity			- Table of GRI Environmental performance indicators	✓	(3) (7)
304-3 Habitats protected or restored			- Table of GRI Environmental performance indicators.	✓	(3) (9)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Principle 7 Principle 8	6 15	- Table of GRI Environmental performance indicators.	✓	(3) (9)
GRI 305 Emissions 2017					
305-1 Direct (Scope 1) GHG emissions		3 7 8 12 13 14 15	- Table of GRI Environmental performance indicators	✓	(7) (8) (10)
305-2 Energy indirect (Scope 2) GHG emissions		3 8 12 13 14 15	- Table of GRI Environmental performance indicators	✓	(7) (8) (10)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
305-3 Other indirect (Scope 3) GHG emissions		3, 7, 8, 12, 13, 14, 15	- Table of GRI Environmental performance indicators.	✓	(7) (8) (10) (11)
305-4 GHG emissions intensity		3, 7, 8, 12, 13, 14, 15	- Table of GRI Environmental performance indicators	✓	(7) (8)
305-5 Reduction of GHG emissions	Principle 7 Principle 8 Principle 9	3, 7, 8, 12, 13, 14, 15	- Table of GRI Environmental performance indicators.	✓	(3) (7)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
305-6 Emissions of ozone-depleting substances (ODS)			No significant emissions of this type were identified	✓	
305-7 Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions			- Table of GRI Environmental performance indicators.	✓	(7) (8)
GRI 306 Effluents and Waste 2017					
306-1 Water discharge by quality and destination	Principio 7 Principio 9 Retos Ambiental		- Table of GRI Environmental performance indicators.	✓	(7) (8)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
306-2 Waste by type and disposal method			- Table of GRI Environmental performance indicators.	✓	(7) (8)
306-3 Significant spills			There were no significant spills of hazardous substances (volume under 1,500 litres distributed in 16 locations)	✓	(7) (8)
306-4 Transport of hazardous waste			Not material. The OHL Group has not transported any significant hazardous wastes	-	
306-5 Water bodies affected by water discharges and/or runoff			Not material. The OHL Group has not made any water discharges or runoffs to water bodies that significantly affect the biodiversity and habitats of the water resources in question.	-	
GRI 307 Environmental Compliance 2017					

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
307-1 Non-compliance with environmental laws and regulations			- Table of GRI Environmental performance indicators.	✓	
GRI 308 Supplier Environmental Assessment 2017					
308-1 New suppliers that were screened using environmental criteria			All suppliers in the accreditation process are asked for environmental management information.	✓	
308-2 Negative environmental impacts in the supply chain and actions taken			- Table of GRI Environmental performance indicators	✓	(3)

Social GRI indicators

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 103 Management approach 2017: Linked to: Employment (401), Labour/Management Relations (402), Occupational Health and Safety (403), Training and Education (404), Diversity and Equal Opportunity (405), Non-discrimination (406), Freedom of Association and Collective Bargaining (407), Forced or Compulsory Labor (409), Security Practices (410), Human Rights Assessment (412), Local Communities (413), Supplier Social Assessment(414), Public Policy (415), Customer Health and Safety (416), Marketing and Labeling (417), Customer Privacy (418), Socioeconomic Compliance (419)					
103-1 Explanation of the material topic and its Boundary			- About this report - d) Materiality (pages 80-82)	✓	
103-2 The management approach and its components			- Generating Value - b) Value for the Customer (pages 44-48) - Generating value - d) The value of people (pages 49-57) - Generating Value - e) Social and relationship value (pages 62-69) - Good Governance - b) Ethics and Compliance (pages 73-75)	✓	
103-3 Evaluation of the management approach			- Generating Value - b) Value for the Customer (pages 44-48) - Generating value - d) The value of people (pages 49-57) - Generating Value - e) Social and relationship value (pages 62-69) - Good Governance - b) Ethics and Compliance (pages 73-75)	✓	
GRI 401 Employment 2017					
401-1 New employee hires and employee turnover	Principle 6	5, 8	Average turnover rate 5.26 %	✓	(1) (12)
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Principle 1, Principle 6	5, 8, 10	- Appendices: OHL Group employee benefits.	✓	(1)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
401-3 Parental leave	Principio 6		The OHL Group does not currently have sufficient information to provide a representative rate for this indicator	-	
GRI 402 Labor/Management Relations 2017					
402-1 Minimum notice periods regarding operational changes	Principio 3		There are no minimum notice periods at OHL Group level. In any case, these are given pursuant to the legislation in each country	✓	(3)
GRI 403 Occupational Health and Safety 2017					
403-1 Workers representation in formal joint management–worker health and safety committees			The Group's Human Rights Policy expressly demonstrates its commitment to respecting and protecting the human rights of the people at the Company, those in its supply chain and those in the communities affected by the activity of OHL. Furthermore, in Spain, in the search for active management of respect for human rights, this aspect has been taken into account in the selection criteria for security service providers and their adherence to the Global Compact	✓	
403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities			- Generating Value - c) The value of people - VI Health and safety (Pages 54-56)	✓	(13)
403-3 Workers with high incidence or high risk of diseases related to their occupation			The OHL Group states that there is no proof of the existence of workers whose profession has a high incidence or risk of disease.	✓	

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
403-4 Health and safety topics covered in formal agreements with trade unions			The formal health and safety obligations of employees are covered by the various collective labour agreements entered into by the Group. In 2017 the OHL Group did not enter into new formal agreements covering matters relating to employee health and safety	✓	
GRI 404 Training and Education 2017					
404-1 Average hours of training per year per employee			- Generating Value - c) The value of people - IV - Training and development (pages 51 - 54) - Generating value - c) The value of people - VII - Health and Safety (pages 54 - -56)	✓	(14)
404-2 Programs for upgrading employee skills and transition assistance programs			- Generating Value - c) The value of people - IV - Training and development (pages 53 - 54)	✓	
404-3 Percentage of employees receiving regular performance and career development reviews			- Generating Value - c) The value of people - IV - Training and development (pages 53 - 54)	✓	(3) (14)
GRI 405 Diversity and Equal Opportunity 2017					
405-1 Diversity of governance bodies and employees			- Good Governance - a) Good Governance - II - Governance Bodies (page 69) - Annual Corporate Governance Report C.1.2 At 31 December 2017, 7.23% of the employees of the OHL Group belonged to an ethnic minority. At 31 December 2017, 2.50% of the employees were disabled.	✓	(1)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
405-2 Ratio of basic salary and remuneration of women to men		5, 8, 10	Base salaries are linked to professional categories and are the same for all persons, irrespective of sex, nationality or any other personal charectensic	✓	(3)
GRI 406 Non-discrimination 2017					
406-1 Incidents of discrimination and corrective actions taken		5, 8, 16	OHL states its absolute rejection and zero tolerance of any behaviour or action that constitutes any form of sexual, moral or gender-based harassment and undertakes to cooperate actively, effectively and firmly in order to prevent, detect, correct and punish any such conduct. The Group has a Protocol for Prevention and Action in cases of Harassment, which is governed by the principles of speed, confidentiality, transparency, objectivity, impartiality and respect for the privacy and dignity of employees. - Good Governance - b) Ethics and Compliance - II.- Ethical Communications Channel (page 75)	✓	(6)
GRI 407 Freedom of Association and Collective Bargaining 2017					
407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Principle 3	5, 8, 16	- Generating Value - b) Value for the Customer - IV - Supply Chain (pages 47-48)	✓	(3)
GRI 408 Child Labor 2017					
408-1 Operations and suppliers at significant risk for incidents of child labor	Principle 2, Principle 4, Principle 5	8	- Generating Value - b) Value for the Customer - IV - Supply Chain (pages 47-48)	✓	(3)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 409 Forced or Compulsory Labor 2017					
409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Principio 4 Principio 5	5 8 16	- Generating Value - b) Value for the Customer - IV.- Supply Chain (pages 47-48)	✓	(3)
GRI 410 Security Practices 2017					
410-1 Security personnel trained in human rights policies or procedures		8 16	The Group's Human Rights Policy expressly demonstrates its commitment to respecting and protecting the human rights of the people at the Company, those in its supply chain and those in the communities affected by the activity of OHL Furthermore, in Spain, in the search for active management of respect for human rights, this aspect has been taken into account in the selection criteria for security service providers and their adherence to the Global Compact	✓	(3)
GRI 411 Rights of Indigenous Peoples 2017					
411-1 Incidents of violations involving rights of indigenous peoples		8 16	The OHL Group did not identify any violations of the rights of indigenous peoples in 2017	✓	
GRI 412 Human Rights Assessment 2017					

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
412-1 Operations that have been subject to human rights reviews or impact assessments			- Generating Value - c) The value of people - IV - Human rights (page 57)	✓	(3)
412-2 Employee training on human rights policies or procedures			In 2017 no human rights training was given due to the need to adapt and update the contents of the corporate human rights course Since its launch in 2013, up to 2016 a total of 5,037 participants had attended formal human rights training sessions	✓	
412-3 Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening			- Generating Value - b) Value for the Customer - IV - Supply Chain (pages 47-48)	✓	(3)
GRI 413 Local Communities 2017					
413-1 Operations with local community engagement, impact assessments, and development programs			- Generating Value - e) Social and relationship value - III.- Social investment (pages 65 - 67)	✓	(3)
413-2 Operations with significant actual and potential negative impacts on local communities			- Generating Value - e) Social and relationship value - III - Social investment (pages 65 - 67) - Generating value - c) The value of people - VII Human Rights (pages 56-57)	✓	(3)

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
GRI 414 Supplier Social Assessment 2017					
414-1 New suppliers that were screened using social criteria	Principle 2	5, 8, 16	- Generating Value - b) Value for the Customer - IV.- Supply Chain (pages 47-48)	✓	(3)
414-2 Negative social impacts in the supply chain and actions taken		5, 8, 16	- Generating Value - b) Value for the Customer - IV.- Supply Chain (pages 47-48)	✓	(3)
GRI 415 Public Policy 2017					
415-1 Political contributions		16	The Code of Ethics prohibits any gift, invitation or hospitality to authorities, public officials or individuals that exceeds the criteria set out in the Anti-Corruption Policy	✓	(15)
GRI 416 Customer Health and Safety 2017					
416-1 Assessment of the health and safety impacts of product and service categories		12	- Generating Value - b) Value for the Customer - III - Quality Management (pages 46 - 47)	✓	(3)
416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		12	No significant incidents have been identified as a result of non-compliance with regulations or voluntary codes relating to the impacts of products and services on health and safety during their lifecycle.	✓	
GRI 417 Marketing and Labeling 2017					

	GLOBAL COMPACT PRINCIPLES	SDG	References	Verification	Verification notes
417-1 Requirements for product and service information and labeling			Not material due to the Group's activities.	-	(N.V.)
417-2 Incidents of non-compliance concerning product and service information and labeling			Not material due to the Group's activities.	-	(N.V.)
417-3 Incidents of non-compliance concerning marketing communications			Not material due to the Group's activities.	-	(N.V.)
GRI 418 Customer Privacy 2017					
418-1 Substantiated complaints regarding concerning breaches of customer privacy and losses of customer data			No significant complaints or economic penalties have been received in this connection	✓	
GRI 419 Socioeconomic Compliance 2017					
419-1 Non-compliance with laws and regulations in the social and economic area			- 2017 consolidated financial statements of the OHL Group (Note 4.6.2 Contingent liabilities and guarantees	✓	

Content relating to 2017 revised considering the scope of information described and the verification notes

- Not verified (V.N.)

(1) The review of this information consisted of checking the process of compiling and consolidating the data reported by OHL Group companies and its consistency with the accounting data.

(2) The induced jobs were estimated on the basis of the information available on the number and type of subcontractors and the average number of employees of companies of that type in each geographical area, per public data available in each country. The induced employment corresponds to 100% of the estimated workforce of the subcontractors without weighting the volume of transactions with the OHL Group

(3) Indicator for which only partially or qualitatively reported.

(4) The rate is not reported.

(5) Not broken down by country.

(6) Only reports received through the Ethical Communications Channel are reported, with no breakdown by type

(7) U S information for 2017 is not included and therefore the information is not comparable with the previous year.

(8) The review of this information consisted of checking the process of compiling, consolidating and translating the data reported by OHL Group companies and analysing the changes therein compared with the previous year. A review was also carried out of a sample of the evidence of the most significant company data in relation to indicators 302-1,305-1 and 305-2

(9) Species and protected areas are only reported for certain projects.

(10) The emission factors used for the calculation of CO_2eq emissions are as follows: for electricity, the factor published by IEA (International Energy Agency 2011), for fuels IPCC 2006 and DEFRA 2016 (Department for Environment, Food and Rural Affairs); for travel DEFRA 2016, for materials DEFRA 2016 and the Construction Technology Institute of Catalonia 2015

(11) Excludes issues arising from the activities of subcontractors and hauliers of the OHL Group.

(12) The rate of new hires is not reported. Average employee turnover is reported with no breakdown of age group, gender or region

(13) Excludes data on fatalities or information by region or information concerning contractors and subcontractors.

(14) The scope of the information is limited to Spain

(15) Only the approved internal policy is reported

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

Independent Assurance Report on the Corporate Responsibility Information included in the 2017 Consolidated Directors´ Report of OHL Group

To the Shareholders of Obrascón Huarte Lain, S.A.,

Scope of our engagement

We have performed the review, with a scope of limited assurance, of the Corporate Responsibility Information (CRI) included in the 2017 Consolidated Directors´ Report ("CDR" or "Report") of Obrascón Huarte Lain, S.A. and subsidiaries ("OHL Group"), the scope of which is defined in the chapter "About this report". Our engagement consisted of reviewing:

- The adherence of the CRI included in the CRM to the Global Reporting Initiative Sustainability Reporting Standards ("GRI-SRSs or GRI"), including the reliability and adequacy of the contents.

Verification standards and procedures

We conducted a limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with Guidelines for engagements relating to the review of Corporate Responsibility Reports issued by the Spanish Institute of Certified Public Accountants for the issuance of limited assurance reports.

Our review work consisted of making inquiries to management and the various areas and business units of OHL, reviewing the processes for gathering and validating of the GRI contents presented in the CDR, and carrying out the following analytical procedures and sample-based review tests:

- Meetings with OHL Group´s personnel to ascertain the principles, systems and approaches applied in corporate social responsibility management.
- Review of the minutes of the meetings held in 2017 by the Board of Directors and its Commissions.
- Review of the steps taken in relation to the identification and consideration of stakeholders during the year and of the stakeholder participation processes, based on the analysis of the internal information and third-party reports available.
- Analysis of the coverage, materiality and completeness of the CRI on the basis OHL's understanding of the requirements of its stakeholders in relation to the material issues identified by the organization and described in the epigraph "Materiality" of the section "About this Report" of the CDR.
- Review of the information relating to the management approaches applied and verification of the existence and scope of policies, systems and procedures in corporate social responsibility areas.
- Analysis of the adherence of the CRI to the GRI standards and verification that the contents disclosed agree with those required by such standards.
- Review on a sample basis, of the quantitative and qualitative information relating to the GRI contents and the adequate compilation thereof based on the data provided by the information sources of OHL Group.

Responsibilities of the Directors of OHL Group and of Deloitte

- The preparation and contents of the Consolidated Management Report are the responsibility of the administrators of OHL Group. OHL Group management is responsible for defining, adapting and maintaining the management systems and internal control from which the information is obtained.
- Our responsibility is to issue an independent limited assurance report based on the work performed.
- Since a limited assurance is substantially less in scope than a reasonable assurance engagement, we do not provide reasonable assurance on the CRI and, accordingly, this report may not be considered an auditor's report.
- This report has been prepared solely in the interest of OHL in accordance with the terms and conditions of our engagement letter.
- We conducted our work in accordance with the independence standards required by the Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA), based on the fundamental principles of integrity, objectivity, professional competence, due care, confidentiality and professional behavior.
- In accordance with International Standard on Quality Control (ISQC) 1, Deloitte has in place a global system of quality control that includes documented policies and procedures in relation to compliance with ethical requirements, professional standards and applicable legislation.
- Our team consisted of professionals with assurance on Corporate Responsibility Reports qualifications and, specifically, on economic, social and environmental performance and stakeholders' participation processes.

Conclusions

The GRI Tables in the Appendix to the 2017 CDR provides details of the content reviewed and the scope limitations of the review, and identifies any contents that does not cover all the areas required by GRI-SRSs. As a result of the procedures applied and the evidence obtained, except for the matters identified in the aforementioned GRI Table of Contents, nothing came to our attention that might lead us to believe that the CRI was not prepared, in all material respects (including the reliability and adequacy of the reviewed information), in accordance with GRI-SRSs.

In addition, we presented to the Management of the OHL Group our recommendations relating to the areas of improvement to consolidate processes, programs, and systems associate with Corporate Responsibility Management.

DELOITTE, S.L.

[redacted]

Helena Redondo

28th February 2018

ILLINOIS TOLLWAY
STANDARD BUSINESS TERMS AND CONDITIONS

ILLINOIS TOLLWAY CONTRACT NO.: I-20-4535

CONTRACTOR/CONSULTANT NAME: S&J Construction Co., Inc.

1. PAYMENT TERMS AND CONDITIONS:

1.1 Minority Contractor Initiative: Any Vendor awarded a contract under Section 20-10, 20-15, 20-25 or 20-30 of the Illinois Procurement Code (30 ILCS 500) of $1,000 or more is required to pay a fee of $15. The Comptroller shall deduct the fee from the first check issued to the Vendor under the contract and deposit the fee in the Comptroller's Administrative Fund. 15 ILCS 405/23.9.

1.2 Expenses: The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.

1.3 Prevailing Wage: As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law, (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request. Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. The prevailing wages are revised by the Department of Labor and are available on the Department's official website, which shall be deemed proper notification of any rate changes under this subsection. Vendor is responsible for contacting the Illinois Department of Labor to ensure understanding of prevailing wage requirements at 217-782-6206 or (http://www.state.il.us/agency/idol/index.htm).

1.4 Federal Funding: This contract may be partially or totally funded with Federal funds. If federal funds are expected to be used, then the percentage of the good/service paid using Federal funds and the total Federal funds expected to be used will be provided in the award notice.

1.5 Invoicing: By submitting an invoice, vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed, and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed, and expenses incurred through December 31 of any year must be submitted to the State no later than February 28 of the following year; otherwise Vendor may have to seek payment through the Illinois Court of Claims. 30 ILCS 105/25. All invoices are subject to statutory offset. 30 ILCS 210.

1.5.1 Vendor shall not bill for any taxes unless accompanied by proof that the State is subject to the tax. If necessary, Vendor may request the applicable Agency/University state tax exemption number and federal tax exemption information.

1.5.2 Vendor shall invoice at the completion of the contract unless invoicing is tied in the contract to milestones, deliverables, or other invoicing requirements agreed to in the contract.

2. ASSIGNMENT: This contract may not be assigned, transferred in whole or in part by vendor without the prior written consent of the State.

3. **AUDIT/RETENTION OF RECORDS:** Vendor and its subcontractors shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State pursuant the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the vendor for a period of five years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of five years from the later of final payment under the term or completion of the subcontract. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency/University, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, the Tollway Inspector General, State of Illinois internal auditors or other governmental entities with monitoring Tollway, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. The vendor or subcontractors shall not impose a charge for audit or examination of the vendor's books and records. 30 ILCS 500/20-65.

4. **TIME IS OF THE ESSENCE:** Time is of the essence with respect to vendor's performance of this contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State.

5. **NO WAIVER OF RIGHTS:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.

6. **FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence, including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within 30 days of the declaration.

7. **CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third Party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

8. **USE AND OWNERSHIP:** All work performed, or supplies created by Vendor under this contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work for hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the

State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract.

9. **INDEMNIFICATION AND LIABILITY:** The vendor shall indemnify and hold harmless the Tollway and State of Illinois, their directors, agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss claimed to result in whole or in part from vendor's negligent performance; or (c) any negligent act, activity or omission of vendor or any of its employees, representatives, subcontractors or agents. Neither Party shall be liable for incidental, special, consequential or punitive damages.

10. **INDEPENDENT CONTRACTOR:** Vendor shall act as an independent contractor and not an agent or employee of, or joint venture with the State. All payments by the State shall be made on that basis.

11. **SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if vendor solicits or intends to solicit State employees to perform any work under this contract.

12. **COMPLIANCE WITH THE LAW:** The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.

13. **BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of vendor's and subcontractors' officers, employees or agents. Vendor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background check.

14. **APPLICABLE LAW:** This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1. The State shall not enter into binding arbitration to resolve any contract dispute. The State of Illinois does not waive sovereign immunity by entering into this contract. The official text of cited statutes is incorporated by reference. An unofficial version can be viewed at http://www.ilga.gov).

15. **ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State rights, title and interest in and to the claim or cause of action.

16. **CONTRACTUAL TOLLWAY:** The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the contract. When the Chief Procurement Officer or authorized designee signs in addition to an Agency, they do so as approving officer and shall have no liability to Vendor. When the Chief Procurement Officer or authorized designee, or State Purchasing Officer signs a master contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor for that order.

17. **NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and

reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

18. **MODIFICATIONS AND SURVIVAL:** Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

19. **PERFORMANCE RECORD / SUSPENSION:** Upon request of the State, vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend vendor from doing future business with the State for a specified period of time, or to determine whether vendor can be considered responsible on specific future contract opportunities.

20. **FREEDOM OF INFORMATION ACT:** This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (50 ILCS 140) notwithstanding any provision to the contrary that may be found in this contract.

21. **SCHEDULE OF WORK:** Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

22. **WARRANTIES FOR SUPPLIES AND SERVICES:**

    22.1 Vendor warrants that the supplies furnished under this contract will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Vendor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.

    22.2 Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

    22.3 Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

23. **REPORTING, STATUS AND MONITORING SPECIFICATIONS:**

    23.1 Vendor shall immediately notify the State of any event that may have a material impact on vendor's ability

to perform the contract.

23.2 By August 31 of each year, Vendor shall report to the Agency or University the number of qualified veterans and certain ex-offenders hired during Vendor's last completed fiscal year. Vendor may be entitled to employment tax credit for hiring individuals in those groups. 35 ILCS 5/216, 5/217.

24. EMPLOYMENT TAX CREDIT: Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. 30 ILCS 500/45-67 and 45-70. Please contact the Illinois Department of Revenue (telephone #: 217-524-4772) for information about tax credits.

25. SUPPLEMENTAL PROVISIONS

25.1 TOLLWAY SUPPLEMENTAL PROVISIONS

25.1.1 Agents and Employees:
Vendor shall be responsible for the negligent acts and omissions of its agents, employees and **subcontractors in their performance of vendor's duties under this contract. Vendor represents that it shall** utilize the services of individuals skilled in the profession for which they will be used in performing services or supplying goods hereunder. In the event that the Tollway determines that any individual performing services or supplying goods for Vendor hereunder is not providing such skilled services or delivery of goods, it shall promptly notify the Vendor and the Vendor shall replace that individual.

25.1.2 Publicity:
Vendor shall not, in any advertisement or any other type of solicitation for business, state, indicate or otherwise imply that it is under contract to the Tollway nor shall the Tollway's name be used in any such advertisement or solicitation without prior written approval except as required by law.

25.1.3 Third Party Beneficiaries:
There are no third-party beneficiaries to this contract. This contract is intended only to benefit the Tollway/Buyer and the Vendor.

25.1.4 Successors in Interest:
All the terms, provisions, and conditions of the contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.

25.1.5 Venue:
Any claim against the Tollway arising out of this contract must be filed exclusively with Circuit Court for the Eighteenth Judicial Circuit, DuPage County, Illinois for State claims and the U.S. District Court for the Northern District of Illinois for Federal claims.

25.1.5.1 Whenever "State" is used or referenced in this contract, it shall be interpreted to mean "Tollway".

25.1.5.2 The State Prompt Payment Act (30 ILCS 40) does not apply to the Tollway.

25.1.5.3 The Tollway is not currently an appropriated agency.

25.2 REPORT OF A CHANGE IN CIRCUMSTANCES: The vendor agrees to report to the Tollway as soon as practically possible, but no later than twenty-one (21) days following any change in facts or circumstances that might impact the contractor's ability to satisfy its legal or contractual responsibilities and obligations

under this contract. Required reports include but are not limited to changes in the contractor's Certification/Disclosure Forms, the contractor's IDOT pre-qualification, or any certification or licensing required for this project. Additionally, (contractor/vendor) agrees to report to the Tollway within the above timeframe any arrests, indictments, convictions or other matters involving the CONTRACTOR, or any of its principals, that might occur while this contract is in effect. This reporting requirement does not apply to common offenses, including but not limited to minor traffic/vehicle offenses.

Further, the contractor agrees to incorporate substantially similar reporting requirements into the terms of any and all subcontracts relating to work performed under this agreement. The (contractor/vendor) agrees to forward or relay to the Tollway any reports received from subcontractors pursuant to this paragraph within twenty-one (21) days.

Finally, the contractor acknowledges and agrees that the failure of the contractor to comply with this reporting requirement shall constitute a material breach of contract which may result in this contract being declared void.

25.3 PAYMENT DATA REPORTING REQUIREMENT

The Tollway requires contractors to report all payments received and/or paid to other firms pursuant to this contract in the form prescribed by the Tollway.

Additional information can be found at: https://www.illinoistollway.com/doing-business#B2GNow
(If hyperlink does not load, copy and paste the address into your web browser's address bar)

25.4 VENDOR SUPPLEMENTAL PROVISIONS

☐ Vendor Supplemental Provisions:

STATE OF ILLINOIS

SOLICITATION AND CONTRACT TERMS AND CONDITIONS EXCEPTIONS

S&J Construction Co., Inc. agrees with the terms and conditions set forth in the State of Illinois Invitation for Bid, including the standard terms and conditions, the Agency/University supplemental provisions, certifications, and disclosures, with the following exceptions:

	Excluding certifications required by statute to be made by the Vendor, both Parties agree that all of the duties and obligations that the Vendor owes to the Agency/University for the work performed shall be pursuant to the solicitation and resulting contract, and Vendor's exceptions accepted by the State thereto as set forth below.
	STANDARD TERMS AND CONDITIONS
Section/ Subsection #	State the exception such as "add," "replace," and/or "delete."
	ADDITIONAL TERMS AND CONDITIONS
New Provision(s), # et. seq.	**Section/Subsection New Number, Title of New Subsection:** State the new additional term or condition.

_____ hereby agrees to the exceptions provided by _____ and to the Additional Terms and Conditions provided by _____.

Agreed: S&J Construction Co., Inc.	Agreed:
By: Simone Kapovich	By:
Signed: [redacted]	Signed:
Position: President	Position:
Date: 07/02/2020	Date:

[redacted]

Substance Abuse Prevention
Program Certification
Public Act 95-0635

Contract # i-20-4535 Today's Date 07/02/2020

The undersigned contractor(s) and subcontractor(s) certify that they have read the provisions of the Substance Abuse Prevention on Public Works Act, Public Act 95-0635, and are in compliance with the terms of the Act.

X The contractor/subcontractors hereby certify that they are exempt from the provisions of Public Act 95-0635 because it is a party to a collective bargaining agreement that deals with Substance Abuse and Prevention as provided for in the Act.

____The contractor/subcontractors hereby certify they have a program in place to address Substance Abuse and Prevention as provided for in the Act and will submit the same to the Tollway prior to issuance of an Authorization to Proceed.

S&J Construction Co., Inc. — Simone Kapovich, President

Contractor — Name/Title of Authorized Representative

[redacted]

Signature of Authorized Representative

Subcontractor — Name/Title of Authorized Representative

Signature of Authorized Representative

Subcontractor — Name/Title of Authorized Representative

Signature of Authorized Representative

Subcontractor — Name/Title of Authorized Representative

Signature of Authorized Representative

Subcontractor — Name/Title of Authorized Representative

Signature of Authorized Representative

STATE OF ILLINOIS
TAXPAYER IDENTIFICATION NUMBER

I certify that:

The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and

I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

I am a U.S. person (including a U.S. resident alien).

- If you are an individual, enter your name and SSN as it appears on your Social Security Card.
- If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
- If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the D/B/A on the business name line and enter the owner's SSN or EIN.
- If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
- For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name:

Business Name: S&J Construction Co., Inc.

Taxpayer Identification Number:

Social Security Number:

or

Employer Identification Number: [redacted]

Legal Status (check one):

- ☐ Individual
- ☐ Sole Proprietor
- ☐ Partnership
- ☐ Legal Services Corporation
- ☐ Tax-exempt
- ☐ Corporation providing or billing medical and/or health care services
- ☒ Corporation NOT providing or billing medical and/or health care services
- ☐ Governmental
- ☐ Nonresident alien
- ☐ Estate or trust
- ☐ Pharmacy (Non-Corp.)
- ☐ Pharmacy/Funeral Home/Cemetery (Corp.)
- ☐ Limited Liability Company (select applicable tax classification)
  - ☐ C = corporation
  - ☐ P = partnership

Signature of Authorized Representative: [redacted] Simone Kapovich President

Date: 07/02/2020

File Number 5239-806-1

STATE OF ILLINOIS
OFFICE OF THE SECRETARY OF STATE

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that I am the keeper of the records of the Department of Business Services. I certify that

S & J CONSTRUCTION CO., INC., A DOMESTIC CORPORATION, INCORPORATED UNDER THE LAWS OF THIS STATE ON MAY 26, 1981, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE, AND AS OF THIS DATE, IS IN GOOD STANDING AS A DOMESTIC CORPORATION IN THE STATE OF ILLINOIS.

In Testimony Whereof, I hereto set my hand and cause to be affixed the Great Seal of the State of Illinois, this 23RD *day of* JUNE *A.D.* 2020 .

Authentication #: 2017503252 verifiable until 06/23/2021
Authenticate at: http://www.cyberdriveillinois.com

Jesse White

SECRETARY OF STATE

Certificate of Registration

STATE BOARD OF ELECTIONS

Registration No. 11895

S & J Construction Company, Inc.

4245 166th Street

Oak Forest IL 60452

Information for this business last updated on:

Tuesday, June 30, 2020

Certificate produced on Tuesday, June 30, 2020 at 10:58 AM

Registered SEAL OF THE STATE BOARD OF ELECTIONS ILLINOIS Business

ILLINOIS DEPARTMENT OF
Human Rights

JB Pritzker, Governor
James L. Bennett, Director

IDHR #: 97348-00
Date Eligible: 07/29/2019
Expires on: 07/29/2024

MRS. SIMONE KAPOVICH
S AND J CONSTRUCTION COMPANY INC
4245 166TH STREET
OAK FOREST, IL 60452

CONFIRMATION OF EXISTING/RENEWAL REGISTRATION

The Illinois Department of Human Rights, Public Contracts Unit, acknowledges receipt of an Employer Report form (PC-1) filed by your organization.

Review of our records indicates that your organization previously registered with the Department of Human Rights and has been assigned the IDHR Number appearing above. This registration remains in effect until the expiration date appearing above. It is not necessary to submit a new form each time you bid on a state contract.

DO NOT LOSE THIS NOTICE. KEEP IT WITH OTHER IMPORTANT ORGANIZATIONAL DOCUMENTS. Also, please keep the following in mind:

1. The IDHR Bidder Eligibility Number is valid for all bids submitted to any agency of the State of Illinois or other contracting agency that has adopted our registration requirement.
2. An eligible bidder's registration remains in effect until the expiration date unless it is revoked by the Department upon finding that the eligible bidder has committed a civil rights violation.
3. An eligible bidder may relinquish its eligibility by notifying the Department in writing at the above address.
4. The Department must be notified in writing of any change to the eligible bidder's name, address, telephone number, or form of organization. Such changes may render the bidder's registration invalid and may require the filing of a new Employer Report Form with the Department. The Number is not transferable and becomes invalid upon dissolution of the business.

Should you have any questions concerning this notice, please contact the Public Contracts Unit at the above address or telephone at 312-814-2431.

IDHR PCU (01-2010)

STATE OF ILLINOIS
FORMS A

A vendor responding to a solicitation by the State of Illinois must return the information requested within this section with their bid or offer if they are not registered in the Illinois Procurement Gateway (IPG) and do not have an approved, unexpired IPG Registration Number. Failure to do so may render their bid or offer non-responsive and result in disqualification.

Please read this entire Forms A and provide the requested information as applicable and per the instructions. All forms and signature areas contained in this Forms A must be completed in full and submitted along with the bid in an Invitation for Bid; and completed in full and submitted along with the technical response and price proposal, which combined will constitute the Offer, in a Request for Proposal.

Vendor Name: S&J Construction Co., Inc.	Phone: 708-331-1816
Street Address: 4245 166th Street	Email: skapovich@sjconst.com
City, State Zip: Oak Forest, IL 60452	Vendor Contact: Simone Kapovich

In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not discriminate in employment, contracts, or any other activity.

The State of Illinois encourages prospective vendors to consider hiring qualified veterans and Illinois residents discharged from any Illinois adult correctional center, in appropriate circumstances.

OUTLINE

FORMS A

Complete this section if you are not using an IPG (Illinois Procurement Gateway) Registration #

STATE OF ILLINOIS
BUSINESS AND DIRECTORY INFORMATION

1.1. Name of Business (official name and DBA)

S&J Construction Co., Inc.

1.2. Business Headquarters (address, phone and fax)

4245 166th Street Oak Forest, IL 60452

708-331-1816

708-687-2135

1.3. If a Division or Subsidiary of another organization provide the name and address of the parent

N/A

1.4. Billing Address

4245 166th Street

Oak Forest, IL 60452

1.5. Name of Chief Executive Officer

Simone Kapovich

1.6. Company Web Site Address

N/A

1.7. Type of Organization (sole proprietor, corporation, etc.--should be same as on Taxpayer ID form below)

Corporation

1.8. Length of time in business

39 Years

1.9. Annual Sales for Offeror's most recently completed fiscal year

$16,581,980.00

1.10. Show number of full-time employees, on average, during the most recent fiscal year

50

1.11. Is your company at least 51% owned and controlled by individuals in one of the following categories? If "Yes," please check the category that applies:

1.11.1. Minority (30 ILCS 575/2(A)(1) & (3)) ☐ Yes

1.11.2. Women (30 ILCS 575/2(A)(2) & (4)) ☒ Yes

1.11.3. Person with Disability (30 ILCS 575/2(A)(2.05) & (2.1)) ☐ Yes

1.11.4. Disadvantaged (49 CFR 26) ☒ Yes

1.11.5. Veteran (30 ILCS 500/45-57) ☐ Yes

STATE OF ILLINOIS
ILLINOIS DEPARTMENT OF HUMAN RIGHTS PUBLIC CONTRACT NUMBER

2.1. If Offeror employed fifteen or more full-time employees at the time of submission of their response to this solicitation or any time during the previous 365-day period leading up to submission, it must have a current IDHR Public Contract Number or have proof of having submitted a completed application for one prior to contract award or prior to bid opening for construction or construction-related services. 775 ILCS 5/2-101. If the Agency cannot confirm compliance, it will not be able to consider a Vendor's bid or offer. Please complete the appropriate sections below:

Name of Company (and DBA): S&J Construction Co., Inc.

☐ (check if applicable) The number is not required as the company has not met or exceeded the number of employees that makes registration necessary under the requirements of the Human Rights Act described above.

IDHR Public Contracts Number: 97348-00 Expiration Date: 07-29-2024.

2.2. If number has not yet been issued, provide the date a completed application for the number was submitted to IDHR: .

2.3. Upon expiration and until their Contractor Identification Number is renewed, companies will not be eligible to be awarded contracts by the State of Illinois or other jurisdictions that require a current IDHR number as a condition of contract eligibility. 44 ILL. ADM. CODE 750.210(a).

2.4. Numbers issued by the Department of Human Rights (or its predecessor agency, the Illinois Fair Employment Practices Commission) prior to July 1, 1998 are no longer valid. This affects numbers below 89999-00-0. Valid numbers begin with 900000-00-0.

2.5. If Offeror's organization holds an expired number, it must re-register with the Department of Human Rights.

2.6. Offeror may obtain an application form by:

2.6.1. Telephone: Call the IDHR Public Contracts Unit at (312) 814-2431 between Monday and Friday, 8:30 AM - 5:00 PM, CST. (TDD (312) 263-1579).

2.6.2. Internet: You may download the form from the Department of Human Rights' website at *https://www.illinois.gov/dhr/PublicContracts/Pages/default.aspx* .

2.6.3. Mail: Write to the Department of Human Rights, Public Contracts Unit, 100 West Randolph Street, Suite 10-100, Chicago, IL 60601.

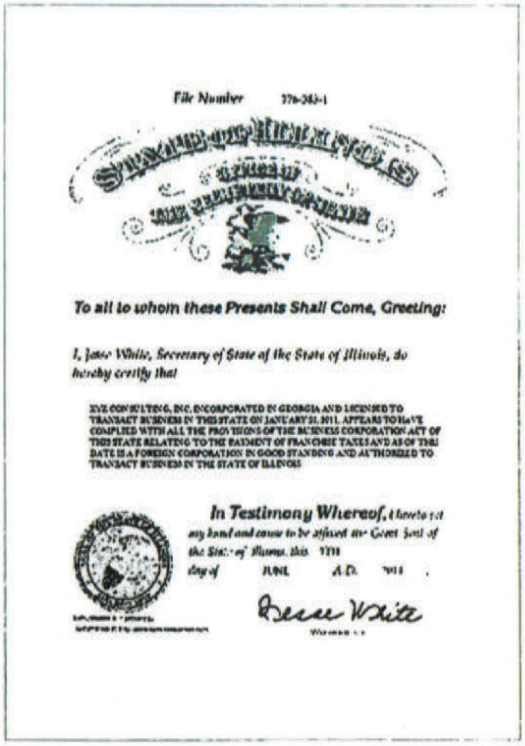
STATE OF ILLINOIS
AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN ILLINOIS

3. A person, other than an individual acting as a sole proprietor, must be a duly constituted legal entity prior to submitting a bid, offer, or proposal. The legal entity must be authorized to transact business or conduct affairs in Illinois prior to execution of the contract. 30 ILCS 500/20-43.

   These requirements do not apply to construction contracts that are subject to the requirements of 30 ILCS 500/30-20 and 30 ILCS 500/33-10. The prequalification requirements of Sections 30-20 and 33-10 shall include the requirement that the bidder be registered with the Illinois Secretary of State.

   Prior to execution of the contract, the State may request evidence from a vendor that certifies it is authorized to transact business or conduct affairs in Illinois. Failure to produce evidence in a timely manner may be considered grounds for determining the Vendor non-responsive or not responsible. For information on registering to transact business or conduct affairs in Illinois, please visit the Illinois Secretary of State's Department of Business Services at their website at (*http://cyberdriveillinois.com/departments/business_services/home.html*) or your home county clerk.

EVIDENCE OF BEING AUTHORIZED TO TRANSACT BUSINESS OR CONDUCT AFFAIRS IN ILLINOIS IS THE SECRETARY OF STATE'S CERTIFICATE OF GOOD STANDING



File Number

To all to whom these Presents Shall Come, Greeting:

I, Jesse White, Secretary of State of the State of Illinois, do hereby certify that

XYZ CONSULTING, INC. INCORPORATED IN GEORGIA AND LICENSED TO TRANSACT BUSINESS IN THIS STATE ON JANUARY 31, 2011, APPEARS TO HAVE COMPLIED WITH ALL THE PROVISIONS OF THE BUSINESS CORPORATION ACT OF THIS STATE RELATING TO THE PAYMENT OF FRANCHISE TAXES AND AS OF THIS DATE IS A FOREIGN CORPORATION IN GOOD STANDING AND AUTHORIZED TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS

In Testimony Whereof, I have hereunto set my hand and cause to be affixed the Great Seal of the State of Illinois, this

day of JUNE A.D.

Vendor acknowledges and agrees that compliance with this subsection in its entirety for the term of the contract and any renewals is a material requirement and condition of this contract. By executing this contract Vendor certifies compliance with this subsection in its entirety, and is under a continuing obligation to remain in compliance and report any non-compliance.

This subsection, in its entirety, applies to subcontractors used on this contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Certification form provided by the State.

If this contract extends over multiple fiscal years, including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this contract remains in effect.

If the Parties determine that any certification in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

4.1. As part of each certification, Vendor acknowledges and agrees that should Vendor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

- the contract may be void by operation of law,
- the State may void the contract, and
- the Vendor and it subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

4.2. Vendor certifies it and its employees will comply with applicable provisions of the United States Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act, and applicable rules in performance of this contract.

4.3. Vendor, if an individual, sole proprietor, partner or an individual as member of a LLC, certifies he/she is not in default on an educational loan. 5 ILCS 385/3.

4.4. Vendor, if an individual, sole proprietor, partner or an individual as member of a LLC, certifies it he/she has not received (i) an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code or (ii) an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code. 30 ILCS 105/15a; 40 ILCS 5/14-108.3; 40 ILCS 5/16-133.

4.5. Vendor certifies that it is a legal entity authorized to do business in Illinois prior to submission of a bid, offer, or proposal. 30 ILCS 500/1-15.80, 20-43.

4.6. To the extent there was a current Vendor providing the services covered by this contract and the employees of that Vendor who provided those services are covered by a collective bargaining agreement, Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit who perform substantially similar work to the work that will be performed pursuant to this contract. This does not apply to heating, air conditioning, plumbing and electrical service contracts. 30 ILCS 500/25-80.

4.7. Vendor certifies it has neither been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor made an admission of guilt of such conduct that is a matter of record. 30 ILCS 500/50-5.

4.8. If Vendor has been convicted of a felony, Vendor certifies at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business. 30 ILCS 500/50-10.

4.9. If Vendor or any officer, director, partner, or other managerial agent of Vendor has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Vendor certifies at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the contract void if this certification is false. 30 ILCS 500/50-10.5.

4.10. Vendor certifies it is not barred from having a contract with the State based upon violating the prohibitions related to either submitting/writing specifications or providing assistance to an employee of the State of Illinois by reviewing, drafting, directing, or preparing any invitation for bids, a request for proposal, or request of information, or similar assistance (except as part of a public request for such information). 30 ILCS 500/50-10.5(e), *amended* by Pub. Act No. 97-0895 (August 3, 2012).

4.11. Vendor certifies that it and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the contract void if this certification is false or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt. 30 ILCS 500/50-11, 50-60.

4.12. Vendor certifies that it and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act and acknowledges that failure to comply may result in the contract being declared void. 30 ILCS 500/50-12.

4.13. Vendor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five years, and is therefore not barred from being awarded a contract. 30 ILCS 500/50-14.

4.14. Vendor certifies it has neither paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract. 30 ILCS 500/50-25.

4.15. Vendor certifies it is not in violation of the "Revolving Door" provisions of the Illinois Procurement Code. 30 ILCS 500/50-30.

4.16. Vendor certifies that it has not retained a person or entity to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement. 30 ILCS 500/50-38.

4.17. Vendor certifies that if it has hired a person required to register under the Lobbyist Registration Act to assist in obtaining any State contract, that none of the lobbyist's costs, fees, compensation, reimbursements, or other remuneration were billed to the State. 30 ILCS 500/50-38.

4.18. Vendor certifies it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers, or employees of the State. 30 ILCS 500/50-40, 50-45, 50-50.

4.19. Vendor certifies steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring Agency grants an exception. 30 ILCS 565.

4.20. Drug Free Workplace

4.20.1. If Vendor employs 25 or more employees and this contract is worth more than $5,000, Vendor certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act.

4.20.2. If Vendor is an individual and this contract is worth more than $5000, Vendor certifies it shall not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the contract. 30 ILCS 580.

4.21. Vendor certifies that neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the United States. Department of Commerce. 30 ILCS 582.

4.22. Vendor certifies it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States. 720 ILCS 5/33 E-3, E-4.

4.23. Vendor certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, which include providing equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies. 775 ILCS 5/2-105.

4.24. Vendor certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club." 775 ILCS 25/2.

4.25. Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor or indentured labor under penal sanction. 30 ILCS 583.

4.26. Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12. 30 ILCS 584.

4.27. Vendor certifies that any violation of the Lead Poisoning Prevention Act, as it applies to owners of residential buildings, has been mitigated. 410 ILCS 45.

4.28. Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over $25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

4.29. Vendor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at (www.dhs.state.il.us/iitaa) 30 ILCS 587.

4.30. Vendor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code. 30 ILCS 500/20-160 and 50-37. Vendor will not make a political contribution that will violate these requirements.

In accordance with section 20-160 of the Illinois Procurement Code, Vendor certifies as applicable:

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☒ Vendor has registered with the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

4.31. Vendor certifies that if it is awarded a contract through the use of the preference required by the Procurement of Domestic Products Act, then it shall provide products pursuant to the contract or a subcontract that are manufactured in the United States. 30 ILCS 517.

4.32. For contracts other than construction contracts subject to the requirements of 30 ILCS 500/30-20 and 30 ILCS 500/33-10, a person (other than an individual acting as a sole proprietor) must be a duly constituted legal entity to qualify as a bidder or offeror prior to submitting a bid, offer, or proposal. 30 ILCS 500/20-43. Vendor certifies that it is a legal entity as of the date for submitting this bid, offer, or proposal.

4.33. Vendor certifies that, for the duration of this contract it will:

- post its employment vacancies in Illinois and border states on the Department of Employment Security's IllinoisJobLink.com website or its successor system; or
- will provide an online link to these employment vacancies so that this link is accessible through the IllinoisJobLink.com website it successor system; or
- is exempt from 20 ILCS 1005/1005-47 because the contract is for construction-related services as that term is defined in section 1-15.20 of the Procurement Code; or the contract is for construction and vendor is a party to a contract with a bona fide labor organization and performs construction. (20 ILCS 1005/1005-47).

STATE OF ILLINOIS
STATE BOARD OF ELECTIONS

5. Section 50-37 of the Illinois Procurement Code prohibits political contributions of certain vendors, bidders and offerors. Additionally, section 9-35 of the Illinois Election Code governs provisions relating to reporting and making contributions to state officeholders, declared candidates for State offices and covered political organizations that promote the candidacy of an officeholder or declared candidate for office. The State may declare any resultant contract void if these Acts are violated.

Generally, if a vendor, bidder, or offeror is an entity doing business for profit (i.e. sole proprietorship, partnership, corporation, limited liability company or partnership, or otherwise) and has contracts with State agencies that annually total more than $50,000 or whose aggregate pending bids or proposals and current State contracts that total more than $50,000, the vendor, bidder, or offeror is prohibited from making political contributions and must register with the State Board of Elections. 30 ILCS 500/20-160.

EVIDENCE OF REGISTRATION WITH THE STATE BOARD OF ELECTIONS IS THE CERTIFICATE OF REGISTRATION


Certificate of Registration

STATE BOARD OF ELECTIONS

Registration No. 138

ABC Corporation

STATE OF ILLINOIS
DISCLOSURE OF BUSINESS OPERATIONS WITH IRAN

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6. In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 of the Illinois Procurement Code, will include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

   - more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

   - the company has, on or after August 5, 1996, made an investment of $20 million or more, or any combination of investments of at least $10 million each that in the aggregate equals or exceeds $20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid or offer that does not include this disclosure may be given a period after the bid or offer is submitted to cure non-disclosure. A chief procurement officer may consider the disclosure when evaluating the bid or offer or awarding the contract.

☒ There are no business operations that must be disclosed to comply with the above cited law.

☐ The following business operations are disclosed to comply with the above cited law:

STATE OF ILLINOIS
FINANCIAL DISCLOSURES AND CONFLICTS OF INTEREST

The Financial Disclosures and Conflicts of Interest form ("form") must be accurately completed and submitted by the vendor, parent entity(ies), and subcontractors. There are nine steps to this form and each must be completed as instructed in the step heading and within the step. A bid or offer that does not include this form shall be considered non-responsive. The Agency will consider this form when evaluating the bid or offer or awarding the contract.

The requirement of disclosure of financial interests and conflicts of interest is a continuing obligation. If circumstances change and the disclosure is no longer accurate, then disclosing entities must provide an updated form.

Separate forms are required for the vendor, parent entity(ies), and subcontractors.

This disclosure is submitted for:

☒ Vendor

☐ Vendor's Parent Entity(ies) (100% ownership)

☐ Subcontractor(s) >$50,000 (annual value)

☐ Subcontractor's Parent Entity(ies) (100% ownership) > $50,000 (annual value)

Project Name	BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 28S AND 286 MILE POST 35.30
Illinois Procurement Bulletin Number	
Contract Number	I-20-4535
Vendor Name	S&J Construction Co., Inc.
Doing Business As (DBA)	
Disclosing Entity	S&J Construction Co., Inc.
Disclosing Entity's Parent Entity	
Subcontractor	
Instrument of Ownership or Beneficial Interest	Corporate Stock (C-Corporation, S-Corporation, Professional Corporation, Service Corporation) ☐ If you selected Other, please describe:

STEP 1
SUPPORTING DOCUMENTATION SUBMITTAL

(All vendors complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

You must select one of the six options below and select the documentation you are submitting. You must provide the documentation that the applicable section requires with this form.

☐ Option 1 – Publicly Traded Entities

1.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

1.B. ☐ Attach a copy of the Federal 10-K or provide a web address of an electronic copy of the Federal 10-K, and skip to Step 3.

☐ Option 2 – Privately Held Entities with more than 100 Shareholders

2.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

2.B. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership share in excess of 5% and attach the information Federal 10-K reporting companies are required to report under 17 CFR 229.401.

☒ Option 3 – All other Privately Held Entities, not including Sole Proprietorships

3.A. ☒ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

☐ Option 4 – Foreign Entities

4.A. ☐ Complete Step 2, Option A for each qualifying individual or entity holding any ownership or distributive income share in excess of 5% or an amount greater than 60% ($106,447.20) of the annual salary of the Governor.

OR

4.B. ☐ Attach a copy of the Securities Exchange Commission Form 20-F or 40-F and skip to Step 3.

☐ Option 5 – Not-for-Profit Entities

☐ Complete Step 2, Option B.

☐ Option 6 – Sole Proprietorships

☐ Skip to Step 3.

STEP 2
DISCLOSURE OF FINANCIAL INTEREST OR BOARD OF DIRECTORS

(All vendors, except sole proprietorships, must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Complete **either** Option A (for all entities other than not-for-profits) or Option B (for not-for-profits). Additional rows may be inserted into the tables or an attachment may be provided if needed.

OPTION A – Ownership Share and Distributive Income

Ownership Share – If you selected Option 1.A., 2.A., 2.B., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of ownership if said percentage exceeds 5%, or the dollar value of their ownership if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – X			
Name	Address	Percentage of Ownership	$ Value of Ownership
Simone Kapovich	[redacted]	100%	

Distributive Income – If you selected Option 1.A., 2.A., 3.A., or 4.A. in Step 1, provide the name and address of each individual or entity and their percentage of the disclosing vendor's total distributive income if said percentage exceeds 5% of the total distributive income of the disclosing entity, or the dollar value of their distributive income if said dollar value exceeds $106,447.20.

☐ Check here if including an attachment with requested information in a format substantially similar to the format below.

TABLE – Y			
Name	Address	% of Distributive Income	$ Value of Distributive Income
Simone Kapovich	[redacted]	100%	

Please certify that the following statements are true.

I have disclosed all individuals or entities that hold an ownership interest of greater than 5% or greater than $106,447.20.

☒ Yes ☐ No

I have disclosed all individuals or entities that were entitled to receive distributive income in an amount greater than $106,447.20 or greater than 5% of the total distributive income of the disclosing entity.

☒ Yes ☐ No

OPTION B – Disclosure of Board of Directors (Not-for-Profits)

If you selected Option 5 in Step 1, list members of your board of directors. Please include an attachment if necessary.

TABLE – Z	
Name	Address

STEP 3
DISCLOSURE OF LOBBYIST OR AGENT

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

☐ Yes ☒ No. Is your company represented by or do you employ a lobbyist required to register under the Lobbyist Registration Act (lobbyist must be registered pursuant to the Act with the Secretary of State) or other agent who is not identified through Step 2, Option A above and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid or offer? If yes, please identify each lobbyist and agent, including the name and address below.

If you have a lobbyist that does not meet the criteria, then you do not have to disclose the lobbyist's information.

Name	Address	Relationship to Disclosing Entity

Describe all costs/fees/compensation/reimbursements related to the assistance provided by each representative lobbyist or other agent to obtain this Agency contract:

STEP 4
PROHIBITED CONFLICTS OF INTEREST

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 4 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above. Please provide the name of the person for which responses are provided: Simone Kapovich, President

1. Do you hold or are you the spouse or minor child who holds an elective office in the State of Illinois or hold a seat in the General Assembly? ☐ Yes ☒ No
2. Have you, your spouse, or minor child been appointed to or employed in any offices or agencies of State government and receive compensation for such employment in excess of 60% ($106,447.20) of the salary of the Governor? ☐ Yes ☒ No
3. Are you or are you the spouse or minor child of an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority? ☐ Yes ☒ No
4. Have you, your spouse, or an immediate family member who lives in your residence currently or who lived in your residence within the last 12 months been appointed as a member of a board, commission, authority, or task force authorized or created by State law or by executive order of the Governor? ☐ Yes ☒ No
5. If you answered yes to any question in 1-4 above, please answer the following: Do you, your spouse, or minor child receive from the vendor more than 7.5% of the vendor's total distributable income or an amount of distributable income in excess of the salary of the Governor ($177,412.00)? ☐ Yes ☐ No
6. If you answered yes to any question in 1-4 above, please answer the following: Is there a combined interest of self with spouse or minor child more than 15% in the aggregate of the vendor's distributable income or an amount of distributable income in excess of two times the salary of the Governor ($354,824.00)? ☐ Yes ☐ No

STEP 5
POTENTIAL CONFLICTS OF INTEREST RELATING TO PERSONAL RELATIONSHIPS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

Step 5 must be completed for each person disclosed in Step 2, Option A and for sole proprietors identified in Step 1, Option 6 above.

Please provide the name of the person for which responses are provided: Simone Kapovich, President

1. Do you currently have, or in the previous 3 years have you had State employment, including contractual employment of services? ☐ Yes ☒ No
2. Has your spouse, father, mother, son, or daughter, had State employment, including contractual employment for services, in the previous 2 years? ☐ Yes ☒ No

3. Do you hold currently or have you held in the previous 3 years elective office of the State of Illinois, the government of the United States, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois? ☐ Yes ☒ No

4. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding elective office currently or in the previous 2 years? ☐ Yes ☒ No

5. Do you hold or have you held in the previous 3 years any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office? ☐ Yes ☒ No

6. Do you have a relationship to anyone (spouse, father, mother, son, or daughter) holding appointive office currently or in the previous 2 years? ☐ Yes ☒ No

7. Do you currently have or in the previous 3 years had employment as or by any registered lobbyist of the State government? ☐ Yes ☒ No

8. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) that is or was a registered lobbyist? ☐ Yes ☒ No

9. Do you currently have or in the previous 3 years had compensated employment by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☒ No

10. Do you currently have or in the previous 2 years had a relationship to anyone (spouse, father, mother, son, or daughter) who is or was a compensated employee of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections? ☐ Yes ☒ No

STEP 6
EXPLANATION OF AFFIRMATIVE RESPONSES

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you answered "Yes" in Step 4 or Step 5, please provide on an additional page a detailed explanation that includes, but is not limited to the name, salary, State agency or university, and position title of each individual.

STEP 7
POTENTIAL CONFLICTS OF INTEREST
RELATING TO DEBARMENT & LEGAL PROCEEDINGS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This step must be completed for each person disclosed in Step 2, Option A, Step 3, and for each entity and sole proprietor disclosed in Step 1.

Please provide the name of the person or entity for which responses are provided: Simone Kapovich, President and S&J Construction Co., Inc.

1. Within the previous ten years, have you had debarment from contracting with any governmental entity? ☐ Yes ☒ No
2. Within the previous ten years, have you had any professional licensure discipline? ☐ Yes ☒ No
3. Within the previous ten years, have you had any bankruptcies? ☐ Yes ☒ No
4. Within the previous ten years, have you had any adverse civil judgments and administrative findings? ☐ Yes ☒ No
5. Within the previous ten years, have you had any criminal felony convictions? ☐ Yes ☒ No

If you answered "Yes", please provide a detailed explanation that includes, but is not limited to the name, State agency or university, and position title of each individual.

STEP 8
DISCLOSURE OF CURRENT AND PENDING CONTRACTS

(Complete only if bid, offer, or contract has an annual value over $50,000)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

If you selected Option 1, 2, 3, 4, or 6 in Step 1, do you have any contracts, pending contracts, bids, proposals, subcontracts, leases or other ongoing procurement relat+ionships with units of State of Illinois government?

☒ Yes ☐ No.

If "Yes", please specify below. Additional rows may be inserted into the table or an attachment may be provided if needed.

Agency	Project Title	Status	Value	Contract Reference/P.O./Illinois Procurement Bulletin #
SEE ATTACHED				

S&J CONSTRUCTION JOB INFORMATION SHEET

State Agency	Description	Status	Value	Contract Number
IDOT	I-290; I-90/94 TO POST OFFICE	Finished	$ 130,211.00	60X75
IDOT	VAN BUREN ST BRIDGE/90-94	Finished	$ 71,696.85	60X99
IDOT	LONGMEADOW PKWY/RT. 31	Finished	$ 86,894.00	61E05
IDOT	IL58 @ WOLF RD	Finished	$ 124,948.00	62B16
IDOT	MOVEABLE CENTRALIZED CONTROL & OPER	Active	$ 42,857.50	60P55
ISTHA	I-490 RAMP BRIDGES / I-90	Finished	$ 179,650.35	I-18-4694
IDOT	167TH STREET / I-57	Active	$ 110,562.90	60T43
IDOT	US12/NIPPERSINK CHANNEL	Finished	$ 166,775.00	60R79
IDOT	I-290 EB RAMP TO SB I-90/94 CIRCLE INT	Finished	$ 57,183.00	60X79
ISTHA	EDENS SPUR	Active	$ 1,206,292.50	I-18-4374
ISTHA	I-57, MEDIAN NORTH OF I-294, RAMP L	Active	$ 197,487.75	I-18-4433
IDOT	I-290 EB RAMP TO SB I-90/94 CIRCLE INT	Active	$ 39,853.50	60X79
ISTHA	ROAD & BRIDGE REHAB; I-294	Finished	$ 53,090.13	RR-18-4427
IDOT	ROOSEVELT RD / SALT CREEK	Active	$ 284,234.60	62H04
ISTHA	MILE LONG BRIDGE	Active	$ 259,697.50	I-18-4430
IDOT	RODEO DRIVE	Active	$ 25,614.40	61F64
IDOT	SAUK TRAIL OVER I-57	Active	$ 77,117.00	62F29
IDOT	I-290 EB RAMP TO SB I-90/94 CIRCLE INT	Active	$ 205,400.00	60X79
IDOT	I-90/94/290 @ I-294 CONGRESS PKWY	Active	$ 76,375.00	60X93
IDOT	WESTERN AVE / CAL SAG	Active	$ 965,231.00	60K72
ISTHA	I-490; IRVING PARK TO IL RTE 390	Active	$ 456,000.00	I-17-4673
ISTHA	I-57 WIDENING @ I-294 INTERCHANGE	Active	$ 4,103,693.88	I-19-4464
IDOT	JANE BYRNE INTERCHANGE	Active	$ 117,556.00	62J31
IDOT	BLISS RD @ RTE 47	Active	$ 5,650.00	61E52
ISTHA	FLAGG CREEK WRD SNTRY SEWER REL	Active	$ 159,915.70	I-19-4490
ISTHA	I-57 WIDENING @ I-294 INTERCHANGE	Active	$ 248,425.00	I-19-4464
ISTHA	ARCHER AVE @ I-294	Active	$ 1,221,369.00	I-19-4481
IDOT	LAKE-COOK RD OVER RT. 41	Active	$ 36,875.50	60M68
IDOT	IL RT 62 OVER THE FOX RIVER	Active	$ 36,773.00	62K14
ISTHA	EO; I-90, HIGGINS,MT PRSPCT RD, TOUHY	Active	$ 538,012.55	I-18-4705
ISTHA	I-55 RAMP A & N RECONSTRUCTION	Active	TBD	I-19-4491
IDOT	IL 47 & SHERRILL	Finished	$ 9,881.17	66B84
IDOT	I-55; GARDNER TO REED	Active	TBD	66A51
IDOT	GLENWOOD RD.-CHICAGO HEIGHTS	Active	$ 20,000.00	60N21
ISTHA	I-294; 95TH TO LAGRANGE	Active	$ 107,771.00	I-19-4506
IDOT	WILLOW ROAD / DES PLAINES RIVER	Active	$ 313,837.50	60D77
ISTHA	I-294 RAMP C FLYOVER	Active	TBD	I-19-4495
ISTHA	I-294 RAMP D ROADWAY & BRIDGE	Active	TBD	I-20-4520
IDOT	I-290; 25TH AVE TO RIDGE	Active	$ 616,295.00	62K23
IDOT	I-94 @ IL83 BRDG BM REPL&DECK REPR	Active	$ 25,710.00	62K49
ISTHA	I-294; GRAND TO WOLF	Active	TBD	I-17-4339

Please explain the procurement relationship: Subcontractor

STEP 9
SIGN THE DISCLOSURE

(All vendors must complete regardless of annual bid, offer, or contract value)
(Subcontractors with subcontract annual value of more than $50,000 must complete)

This disclosure is signed, and made under penalty of perjury for all for-profit entities, by an authorized officer or employee on behalf of the bidder or offeror pursuant to Sections 50-13 and 50-35 of the Illinois Procurement Code. This disclosure information is submitted on behalf of:

Name of Disclosing Entity: S&J Construction Co., Inc.

Signature: [redacted] Date: 07/02/2020

Printed Name: Simone Kapovich

Title: President

Phone Number: 708-331-1816

Email Address: skapovich@sjconst.com

PART III: CONTRACT REQUIREMENTS

Contract Bond Agreement

Performance Bond

Payment Bond

Insurance

AGREEMENT

CONTRACT NO. I–20-4535 (USE INK ONLY)

This agreement, authorized by the Board of Directors to be entered into in duplicate this 20th day of August , , 2020 by and between The Illinois State Toll Highway Authority (hereinafter referred to as the "Tollway"), and Judlau Contracting, Inc./S & J Construction Company Inc. (JV)

* ~~a corporation organized and existing under the laws of the State of~~ _____ ~~and authorized to do business in Illinois. (Attach Secretary of State certification)~~
* ~~a partnership consisting of~~
* ~~an individual doing business as~~
* a joint venture consisting of no more than three (3) members.

(* DELETE ALL LINES THAT DO NOT APPLY)

with principal office in the City of Lisle, in the State of Illinois (hereinafter referred to as the "contractor").

WITNESSETH:

In consideration of the premises and of the mutual covenants herein contained, the parties hereto mutually covenant and agree as follows:

DESCRIPTION AND SCOPE OF WORK

The contractor shall perform all of the services and furnish all of the transportation, labor, materials, equipment and any other incidentals necessary or required to construct and complete the project described in this contract, also called The Work.

CONTRACT

The following documents, taken as a whole, constitute the contract:

1. This executed Agreement and any supplement thereto.
2. The Contract Bonds.
3. The Addenda.
4. The Special Provisions.
5. The Plans.
6. The Tollway Supplemental Specifications.
7. The IDOT Supplemental Specifications and Recurring Special Provisions
8. The IDOT Standard Specifications for Road and Bridge Construction.
9. The Bid.
10. The Instructions and Information to Bidders.
11. The Advertisement for Bids.

The terms and provisions of each and every one of the above documents are a part of this contract. In the event that any provision in any of the foregoing documents conflicts with any provisions in any other of the contract documents, the provisions in the contract document first above enumerated shall govern over the provisions of any other contract document which follows it.

CONTRACT NO. I-20-4535

CONTRACT BOND AGREEMENT

The contractor shall simultaneously herewith furnish and deliver to the Tollway a Performance Bond, agreeing to perform the work in accordance with all of the provisions of the contract, as in said Performance Bond provided, and a Payment Bond, agreeing to pay not less than prevailing wages for the work to be performed in accordance with the contract and the laws of the State of Illinois and agreeing to pay all sums of money due for any labor, materials, apparatus, fixtures or machinery and transportation with respect thereto, as in said Payment Bond provided, each dated the same date as this Agreement, in the forms prescribed by the Tollway, and each in an amount equal to the contract price with a corporate surety or sureties acceptable to the Tollway authorized to do business in the State of Illinois.

The contractor agrees that said Bonds shall be maintained in full force and effect until final acceptance of the work by the Tollway and thereafter, as provided in Article 103.05 of the Tollway Supplemental Specifications. The contractor agrees and will cause the surety to agree to be bound by each and every provision of all of the contract documents.

If any surety upon any bond furnished in connection with this contract becomes unacceptable to the Tollway, or if any such surety fails to furnish reports as to its financial condition from time to time as requested by the Tollway, the contractor shall promptly furnish such additional security as may be required from time to time to protect the interests of the Tollway and all persons supplying labor or materials in the prosecution of the work contemplated by this contract.

In the event the surety shall make any assignment for the benefit of creditors or commit any act of bankruptcy, or if it shall be declared bankrupt, or if it shall file a voluntary petition in bankruptcy, or shall in the opinion of the Tollway be insolvent, the Contractor agrees forthwith upon request of the Tollway to furnish and maintain other corporate surety with respect to said Bonds satisfactory to the Tollway.

DEFINITIONS

As used in this Agreement, the terms set forth shall have the meanings attributed to them in the Tollway Supplemental Specifications for The Illinois State Toll Highway Authority issued by the Tollway.

TIME OF PERFORMANCE

The duration of this contract shall commence with the Chief Operating Officer's signature and shall continue until September 1, 2023 in accordance with the contract book schedule.

CONTRACT END DATE

The contract end date is two (2) years from the completion date. Based on the completion date stated in the contract at the time of award the End Date is September 1, 2025.

This contract maybe renewed for two (2) additional one (1) year terms or one (1) additional two (2) year term, the length of any renewal is to be determined and agreed upon by the Parties.

CONTRACT NO: I-20-4535

LIABILITY OF JOINT VENTURE

In the event the successful bidder (contractor) of this ccontract is a joint venture, then each individual, partnership, or corporation comprising such joint venture, shall be individually, personally, severally and jointly liable and responsible, financially, legally, and in all other respects, for the full and proper performance of each and every provision and requirement of this ccontract, notwithstanding any arrangement, understanding or agreement to the contrary, if any, whether disclosed to the Tollway or not, entered into by and between the individual, partnership, joint venture, or corporation comprising such joint venture.

PERFORMANCE OF THE WORK

The contractor shall perform all work under the direct supervision, and to the satisfaction of the Construction Manager . The Construction Manager shall decide all questions which arise as to the quality and acceptability of work performed, manner of performance, rate of progress of the work and interpretation of the specifications, and the Construction Manager's decision shall be final.

Any dispute between the Construction Manager and the contractor with respect to any matter shall be decided by the Chief Engineering Officer of The Tollway and his decision shall be final.

In the event that the quantity of any item of work as given in the Bid shall be greater or less than estimated, payment shall be made by the Tollway on the basis of the actual quantity completed at the unit price for such item named in the Bid, subject to the provisions of the Article 104.02 of the Tollway Supplemental Specifications.

Notwithstanding anything contained in this contract, all payments to be made pursuant to this contract shall be subject to approval by the Chief Engineering Officer.

CONSIDERATION

The Tollway shall pay the Contractor for the performance of the work, subject to any additions or deductions therein as provided for in the Specifications, in current funds, at the prices for the respective items of work shown in the Bid. Payments are to be made to the Contractor in accordance with and subject to the provisions of the contract documents.

ASSIGNMENT

This contract may not be assigned, transferred in whole or in part by the Vendor without prior written consent of the Illinois Tollway.

CONTRACT NO: I-20-4535

COVENANT AGAINST CONTINGENT FEES

The contractor warrants that no person or selling agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business. For breach or violation of this warranty, the Tollway shall have the right to annul this contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage or contingent fee.

TERMINATION / CANCELLATION FOR NON-APPROPRIATION OF FUNDS

This contract is subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation (if such an appropriation is required) to make payments under the terms of the contract. Currently, the Tollway is not required to obtain a yearly appropriation of its funds. However, the Tollway cannot and does not make any representations or warranties concerning future appropriation requirements.

COMPTROLLER REQUIREMENTS FOR CONTRACTS

Contractor and any and all subcontractors under this contract agrees to maintain books and records related to the performance of the contract and necessary to support amounts charged to the State under the contract for a minimum of five (5) years from the last action on the contract. Contractor further agrees to cooperate fully with any audit and to make the books and records available to the Auditor General, Chief Procurement Officer, Internal Auditor, Inspector General, and the Purchasing Agency.

The State requires a fee of $15 to cover expenses related to the administration of the Minority Contractor Opportunity Initiative. Any contractor awarded a contract under Section 20-10, 20-15, 20-25 or 20-30 of the Illinois Procurement Code (30 ILCS 500) of $1,000 or more is required to pay a fee of $15. The Comptroller shall deduct the fee from the first check issued to the Vendor under the contract and deposit the fee in the Comptroller's Administrative Fund.

FREEDOM OF INFORMATION ACT

This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act (FOIA) (50 ILCS 140) notwithstanding any provision to the contrary that may be found in this contract.

GOVERNING LAW; EXCLUSIVE JURISDICTION

This agreement, and all the rights and duties of the parties arising from or relating in any way to the subject matter of this agreement or the transaction(s) contemplated by it, shall be governed by, construed and enforced only in accordance with the laws of the United States and the State of Illinois (excluding any conflict of laws provisions that would refer to and apply the substantive laws of another jurisdiction). Any suit or proceeding relating to this agreement, including arbitration proceedings, shall be brought only in DuPage County, Illinois. ***THE CONTRACTOR CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS LOCATED IN DUPAGE COUNTY, STATE OF ILLINOIS.***

CONTRACT NO: I-20-4535
NOTICE

Notices or documents to be given or delivered shall be deemed given or delivered if delivered personally or by registered or certified mail to **Judlau Contracting, Inc./S&J Construction Co., Inc Joint Venture** at:

1011 Warrenville Rd, Suite 195

Lisle, IL 60532

or to the AUTHORITY at 2700 Ogden Avenue, Downers Grove, Illinois, 60515. Either party may change the place to which notices hereunder may be addressed, by written notice to the other party from time to time or at any time.

Addendum, if any, referred to on Page P-1 hereof, and attached hereto, is a part of this Agreement as if fully set forth hereon.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the day and year first above written.*

Agreed By:

President Date

Printed Name as Signed Above

ATTEST:

(Seal)

Secretary

Printed Name as Signed Above

FOR JV PARTNERS: [redacted]

08/13/2020

~~President~~ Executive Vice President [redacted] Date

Arnav Amin

Printed Name as Signed Above

ATTEST: [redacted]

(Seal)

Secretary

Cesar Pereira

Printed Name as Signed Above

CONTRACT NO: I-20-4535
NOTICE

FOR JV PARTNERS:

08/12/2020

President — Date

Simone Kapovich

Printed Name as Signed Above

ATTEST:

(Seal)

Secretary

Kathleen A. Kapovich

Printed Name as Signed Above

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

APPROVED:

10/19/2020

Willard S. Evans, Jr., Chairman/CEO — Date

APPROVED:

10/16/2020

Jose Alvarez, Executive Director — Date

APPROVED:

10/15/2020

Cathy R. Williams, Chief Financial Officer — Date

APPROVED:

10/15/2020

Kathleen Pasulka-Brown, General Counsel — Date

Approved as to Form and Constitutionality

10/15/2020

Attorney General, State of Illinois — Date

CORPORATION SIGNATURE FORM

At a meeting on August 13, 2020 **, the Board of Directors**

of Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture **adopted the following Resolution:**

(Name of Corporation)

"BE IT RESOLVED that Arnav Amin

(Name of Individual)

is hereby authorized, directed and empowered, on behalf of

Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture

(Name of Corporation)

to execute the contract and any and all contract modifications or documentation in connection with The Illinois State Toll Highway Authority's Contract No. I-20-4535 **."**

I, Cesar F. Pereira **, Secretary of the aforesaid corporation, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted as above set forth.**

(Corporate Seal)

[redacted]

August 13, 2020

Date

Secretary

Corporation Signature Form (104.2) 06-18-2014

UNANIMOUS WRITTEN CONSENT
OF THE BOARD OF DIRECTORS
OF JUDLAU CONTRACTING, INC.
(A New York Corporation)

The undersigned, being the members of the board of directors (the "**Board**") of Judlau Contracting, Inc., a New York Corporation (the "**Corporation**"), in lieu of holding a special meeting of the Board, do hereby take the following actions and adopt the following resolutions by unanimous written consent pursuant to sections 708(b) and of the New York Business Corporation Law, as amended, and Article III, Section 8 (actions of the board) of the Amended & Restated By-law of the Corporation.

1. **Authorization to execute on behalf of the Corporation a bid and agreement.**

BE IT RESOLVED, that Arnav Amin is hereby authorized, directed and empowered, on behalf of the Corporation to execute the contract and any and all contract modifications or documentation in connection with The Illinois State Toll Highway Authority's Contract No. I-20-4535.

2. **Further Actions.**

RESOLVED, that Cesar F. Pereira is hereby authorized to take, or cause to be taken, such further action, and to execute and deliver, or cause to be delivered, for and in the name and on behalf of the Corporation, all such instruments and documents as he may deem appropriate in order to effect the purpose or intent of the foregoing resolutions (as conclusively evidenced by the taking of such action or the execution and delivery of such instruments, as the case may be) and all actions heretofore taken in connection with the subject of the foregoing recitals and resolutions be, and it hereby is, approved, ratified and confirmed in all respects as the act and deed of the Corporation.

RESOLVED, that this Unanimous Written Consent may be executed in several counterparts or counterpart signature pages, and all so executed shall constitute one Unanimous Written Consent binding on all of the undersigned, notwithstanding that all of the undersigned are not signatories to the original thereof or the same counterpart or counterpart signature page. Counterparts or counterpart signature pages containing facsimile transmitted signatures, or scanned and emailed signatures, shall be binding as if original signatures delivered in person; and

RESOLVED, that this Unanimous Written Consent be filed with the records of the proceedings of the Corporation.

IN WITNESS WHEREOF, the undersigned have executed this Unanimous Written Consent of the Board on August 13, 2020.

[redacted]

[redacted]

Ashok R. Patel

Jose Antonio Fernandez Gallar

CORPORATION SIGNATURE FORM

At a meeting on June 15, 2020**, the Board of Directors**

of S&J Construction Co., Inc. **adopted the following Resolution:**
(Name of Corporation)

"BE IT RESOLVED that Simone Kapovich
(Name of Individual)

is hereby authorized, directed and empowered, on behalf of

S&J Construction Co., Inc.
(Name of Corporation)

to execute the contract and any and all contract modifications or documentation in connection with The Illinois State Toll Highway Authority's Contract No. I-20-4535**."**

I, Kathleen A. Kapovich**, Secretary of the aforesaid corporation, do hereby certify that the foregoing is a true and correct copy of a Resolution adopted as above set forth.**

(Corporate Seal)

08/12/2020
Date

[redacted]
Secretary

Corporation Signature Form (104.2) 06-18-2014

THIS JOINT VENTURE AGREEMENT (the "Agreement"), dated as of June 23, 2020 (the "Effective Date"), is between **Judlau Contracting, Inc.**, having offices at Lisle, Illinois ("**Judlau**") and S & J Construction Co., Inc. ("S&J"), having offices at Oak Forest, Illinois ("Partner"). Each of **Judlau** and Partner may be hereinafter referred to individually as a "Party" and collectively as the "Parties".

WHEREAS, the Illinois Toll Highway Authority ("Client") has issued a Request for Bids (the "RFB") for the I-20-4534 project and the I-20-4535 project (the "Project" or "Projects"); and

WHEREAS, the Parties intend to form a joint venture ("JV") by this Agreement for the purposes of: (A) preparing and submitting a Bids in response to the RFB, and any amendments thereto, (the "Bids") and (B) if they are awarded the Project as a result of the Bids, taking actions necessary to enter into an agreement with the Client ("Prime Contracts"), and perform under the Prime Contracts, as may be amended from time to time; and

WHEREAS, the Parties desire to enter into this Agreement in order to fix and define among themselves their respective responsibilities, interests and liabilities in connection with the submission of the Bids and the performance of the Prime Contracts in the event that it is executed with the Client.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

1.1 Definitions

(a) "**Affiliate**" means an entity which, with respect to another entity, is the subsidiary or the parent company of the other or both are subsidiaries of the same entity or each of them is controlled by the same person.

(b) "**Agreement**" means this Joint Venture Agreement, together with the Exhibits, if any, attached hereto and made a part hereof, all as amended, supplemented or modified from time to time in accordance with the provisions hereof.

(c) "**Parties**" means the parties to this Agreement and "**Party**" means any one of them as the context may require.

All other capitalized terms shall have the meaning ascribed to them elsewhere in this Agreement unless the context otherwise requires.

ARTICLE 2
PURPOSE AND SCOPE

2.1 Purpose and Scope

The purpose of this Agreement is to set forth certain fundamental agreements and understandings between the Parties concerning the preparation of the Bids and certain responsibilities of the Parties relative to the performance of the Prime Contracts. The Parties hereby constitute themselves as a joint venture solely for the purpose of submitting the Bids and performing and completing the Prime Contracts, but for no other purpose. The name of the JV will be **Judlau - S & J, a Joint Venture** and that name shall be retained by the JV in case of award. The JV shall obtain a separate and distinct tax id number for the JV.

This Agreement relates solely to the businesses, activities, and purposes set forth herein and does not apply to any other activities, transactions, relationships, contracts, properties, or work of the Parties. Nothing contained in this Agreement shall create or be interpreted or construed so as to create any form of permanent company, relationship, partnership or organization among the Parties other than as specifically set out herein, and therefore notwithstanding the liabilities arising out of this Agreement, each Party shall at all times be acting as an independent business entity in the ordinary course of business. Except as expressly provided for in this Agreement, no Party shall be restricted in any way from engaging in any activity or business falling outside the scope of this Agreement.

ARTICLE 3
ACTIVITIES AND ROLES OF THE PARTIES

3.1 Bids Responsibilities

The Parties shall be responsible for providing any bonds, guarantees, or indemnities required on behalf of the JV by or arising out of the terms and conditions of the Bids or the Prime Contracts in proportion to their Participating Interests (as defined below).

Subject to the unanimous written agreement of the Parties on all matters concerning the Bids, the JV shall submit the Bids to the Client. The Bids shall be in such form and shall contain such terms and conditions, rates and prices as the Parties shall have unanimously agreed. No document or agreement may be executed on behalf of the JV, and no Party or any of its representatives, employees or agents is or shall be authorized to bind or commit the other Party or the JV in any respect or to hold itself out as having any authority to represent the other Party or the JV, unless unanimously agreed to in writing by all the Parties. The Parties acknowledge and agree that this Agreement does not obligate any Party to accept any particular term of the RFBs, the Bids or the Prime Contracts

3.2 Post-Award Responsibilities

If Client selects the JV, the Parties shall, with joint and several liability for each of them, subject to the review and approval by each Party, execute such documents and take such other steps as necessary to make the Prime Contracts a legal and binding agreement among the Parties and the Client.

ARTICLE 4
MANAGEMENT OF THE JV

4.1 Participating Interests

The Parties shall have the following participating interests in the JV (the "Participating Interests"):

Judlau	70%
S & J Construction Co., Inc.	30%

Subject to this Agreement the Parties shall share (i) the rights and obligations, risks, duties, liabilities, costs, expenses, losses, profits and benefits arising out of and in any way connected with this Agreement, the Bids, the Prime Contracts and the Project or resulting therefrom, and (ii) the ownership of goods jointly acquired in connection with the Prime Contracts; severally according to each Party's Participating Interest.

4.2 Board of Representatives

(a) The JV shall be managed by a Board of Representatives which shall be the JV's highest decision-making authority. The Board of Representatives shall exercise general supervision of the JV's activities and determine its policies. It shall ensure the timely and satisfactory performance of the Prime Contracts. The Board of Representatives will consist Arnav Amin for Judlau and Simone Kapovich for S&J. A Party may change its representative or alternate at any time by written notice to the other Parties. Each representative and alternate shall have full authority to bind the Party they represent.

4.3 Managing Party

Judlau shall be the managing party (the "Managing Party"). The Managing Party shall provide staff for: (i) maintaining the books and records of the JV; (ii) performing all in-house accounting related to the JV, (iii) preparing the tax returns and payment of payroll, of union benefits, and of all governmental withholding taxes or other taxed, and (iv) obtaining and managing all federal, state, and local registrations and all insurance policies required under the Prime Contracts.

ARTICLE 5 FAILURE TO ADVANCE WORKING CAPITAL

If an irrecoverable loss to the JV is realized and/or the necessity of funds or working capital contributions becomes evident during the performance of the Prime Contracts, the Parties hereby acknowledge, represent and agree that they shall immediately provide funds and/or working capital necessary to cover such loss and/or necessity in proportion to their respective Participating Interests in an amount and time to be agreed upon unanimously by the Board of Representatives. Should a Party fail to pay its contribution of working capital by the established due date, the non-defaulting Party may make up the defaulting Party's contribution. The defaulting Party shall pay the JV interest on the contribution it failed to pay at the annual rate of four (4) percent above the prime rate as published in the Wall Street Journal on a day-to-day basis from the due date of payment of its contribution until it makes payment thereof or until adjustment of the Parties' Participating Interests under this Article 5. Should the non-defaulting Party make up the defaulting Party's working capital contribution, such interest shall be paid to such non-defaulting contributing Party, provided that the acceptance of payment of such interest shall be without prejudice to any other rights of the non-defaulting Party under this Agreement.

Should the defaulting Party fail to pay its contribution within a period of thirty (30) days of the due date, then the non-defaulting Party without prejudice to any other rights that it may have, may treat the non-payment as a material breach of this Agreement, deem the Article 15 thirty (30) day cure period as being satisfied and notify the defaulting Party that it is in default and that the non-defaulting Party is entitled to the remedies available under Article 14.

ARTICLE 6. BORROWED FUNDS

The JV shall not borrow any sums of money, nor shall any funds due the JV be assigned or pledged, unless the Parties unanimously agree in writing and, where appropriate, become jointly and severally liable for the repayment thereof. If any monies are so borrowed, the principal and interest thereof shall be repaid in full prior to return of any working capital and distribution of profits.

ARTICLE 7. ACCOUNTS

7.1 Accounting

The JV shall maintain full and proper books of accounts and records relating to the JV and the Prime Contracts. Said books and all documents or records shall be available at all times for inspection by the Parties. The accounting system to be used by the JV as a cost control and accounting system shall be **Judlau's Employee Central** system.

The Board of Representatives may decide on a case by case basis, to distribute surplus funds to the Parties, provided that an appropriate provision for working capital and any liabilities or contingencies have been made and against the provision by each receiving Party of a first demand bank guarantee.

7.2 Final account

Upon payment to the JV of all monies due under the Prime Contracts and on receipt of the proceeds of the sale of all construction equipment, materials and other real or personal property sold in accordance with the provisions of Article 10.2 hereof, a final account or accounts (the "Final Account") shall be prepared by the JV which may be audited. When preparing the Final Account the JV shall provide for any reserves for such unsettled claims, overruns and other contingencies as the Parties may agree to be necessary. The Final Account will show deduction of such expenses of any Party as shall have been approved by the Board of Representatives, and the total net profit earned or loss incurred by the JV ("Final Profit"). Upon the Parties agreeing on the Final Account, all working capital advanced shall be repaid to the Party advancing it prior to the distribution of any Final Profit. The Final Profit shall then be divided among them in proportion to their Participating Interests and the JV's banking account or accounts shall be closed after any outstanding balance therein due to any Party shall have been paid out of it; provided that nothing herein contained shall prevent interim divisions of profit or return of working capital in proportion to their Participating Interests, if the Board of Representatives so approves.

ARTICLE 8 CONSTRUCTION COST

8.1 JV Construction Costs

Construction costs to be charged the JV if the JV enters into the Prime Contracts shall include the costs of all subcontracts, labor (including any of the Parties' personnel hired by the JV), material, plant and equipment purchased or rented, insurance, taxes on labor and material, legal and accounting fees, liabilities not secured by insurance, and all other expenses and obligations incurred

or suffered in or relating to the performance of the Prime Contracts, which expenses and obligations are of a nature which under sound accounting practice would be properly charged as a cost of performance of the Prime Contracts. Construction costs shall not include any charge against the JV for any overhead expense or charge for the main or branch offices of any Party, nor any charge for the time or travel expense of any officer, employee or agent of any Party engaged in the business of the JV, except as such charge may be approved by all the Parties. .

The Parties agree to charge the JV as a Construction cost a Board of Representative approved cost for the distinct, clearly defined portion of the work of the Prime Contracts performed by S&J with its own forces.

Judlau is the Prime Contractor for the Client for a related project named, [I-17-4339] (the "Related Project"). S&J is the selected subcontractor for the Related Project to perform the erection of the structural pre-cast members for the two bridges in the Related Project. The Projects that the JV will perform for the Client require the JV to furnish the structural pre-cast members for the Related Project that S&J will erect. As a result, S&J sits in a unique position to evaluate, select, and negotiate the terms, scope, and final price for the structural pre-cast members fabricator for these Projects. S&J will use its own forces to perform these activities and charge the joint venture for the Board of Representative approved cost. Furthermore, S&J will be responsible for coordination between the fabricator and the project Owner to ensure quality control. S&J will also be responsible for submittals, managing shop drawings, reviewing shop drawings, release the fabricator for production, inspect the fabricating process, and coordinate the timely fabrication and delivery of the pre-cast members to the Related Project so that S&J can timely erect them on the Related Project.

10.2. Insurance

The JV shall procure, maintain and pay for the minimum types and amount of insurance as required by the Prime Contracts, legislation or as agreed by the Board of Representatives. Unless otherwise decided by the Board of Representatives, the JV shall take out the policies itself and each Party shall be included as a named insured. All insurance premiums and deductibles required under the Prime Contracts shall be borne by the JV. The Board of Representatives will nominate the JV's insurance broker.

The Parties agree that the JV shall require its subcontractors to provide insurance, payment and performance bonds as per the Board of Representatives' procurement policies and meet all the relevant requirements under the Prime Contracts.

ARTICLE 9 TITLE TO JV PROPERTY AND SALE OF ASSETS

9.1 Title to JV Property

The JV shall hold title to all JV property, including all money, equipment, materials and supplies, in the name of the JV. No Party individually shall have any ownership interest or rights in any JV property, except indirectly by virtue of such Party's ownership of an interest in the JV. No Party has the right to seek or obtain a partition of any JV property.

9.2 Sale of Assets

At such time as may be determined by the Board of Representatives, the JV may dispose of or temporarily lease to third parties (or to the Parties) any real property, equipment or materials that the JV owns. First, if a Party has contributed equipment to the JV as working capital, such Party

shall have the option to purchase such equipment at the equipment contribution value. Second, the Parties shall have the option of purchasing real property and equipment and materials owned by the JV for fair market value. Fair market value will be established by the Board of Representatives. In the event that the Parties do not exercise these purchase options, and unless the Board of Representatives agrees otherwise, all real property, equipment and materials that the JV owns shall be sold at public auctions at time and places and with a reserve price established by the Board of Representatives or leased to the Parties or third parties. The proceeds of all sales and/or leases shall be paid to the credit of the bank account or accounts of the JV. Nothing herein shall prevent any of the Parties from Bidding at such public auctions.

ARTICLE 10 BURDEN OF LOSSES

If the performance of the Prime Contracts results in a loss, the Parties shall be obligated to bear their Participating Interests of any such loss. Such liability for the bearing of losses in accordance with each Party's Participating Interest shall continue with respect to any claims which, at any time either before or after the completion of the Prime Contracts, shall be made against one or more of the Parties by reason of the JV or any matter or thing in connection therewith.

ARTICLE 11
TRANSFER OF INTEREST

None of the Parties shall assign, transfer or pledge its interest or any part thereof in this Agreement or in the Prime Contracts without obtaining the prior written consent of the other Parties and upon such terms as they may reasonably require. However, a Party shall be entitled to assign its interest in this Agreement or in the Prime Contracts in whole or in part to an Affiliate subject to the Prime Contracts requirements

ARTICLE 12
INDEMNIFICATION

Each Party shall be severally liable (in proportion to its Participating Interest) for any liabilities and obligations of the Parties and/or the JV deriving from and in any way connected with this Agreement, the Bids or the Prime Contracts and anything connected therewith or resulting therefrom (the "Shared Liabilities").

The Parties shall be jointly and severally liable towards the Client and/or third parties for the Shared Liabilities. Notwithstanding the joint and several liability of the Parties towards the Client and/or third parties, each Party shall be liable towards the JV and the other Party with respect to the Shared Liabilities only in proportion to its Participating Interest. The maximum liability of each Party for any debts, obligations and liabilities of such Party and/or the JV shall be such Party's pro rata portion (based on such Party's Participating Interest) of such debts, obligations and liabilities.

Subject to the following paragraph, in the event a third party brings a claim against one of the Parties for liabilities or obligations of the JV or with respect to any guarantee provided by such Party on behalf of the JV, such Party shall have a contribution right against the other Party so that each Party bears its pro rata portion (based on each Party's Participating Interest) of the liabilities and obligations of the JV and any guarantees provided by the Parties on behalf of the JV. The Parties agree to execute as soon as possible after execution hereof a cross-indemnity agreement amongst them which will include the principles contained in this Article 13 (the "Cross-Indemnity Agreement") in further detail.

Notwithstanding any other provision in this Agreement:

(a) Each Party (the "Indemnifying Party") shall fully indemnify and save harmless the other Party (the "Indemnified Party") from and against claims, demands, debts, actions, applications, suits, expenses (including reasonable legal fees and expenses), costs, direct damages, losses and other liabilities (collectively, the "Claims") which the Indemnified Party may suffer, incur or be liable for by reason of, or arising out of or connected with (i) a breach of this Agreement, the Prime Contracts, or the Cross-Indemnity Agreement by a Party or (ii) the gross negligent acts or omissions or wilful, wanton or intentional misconduct of the Indemnifying Party causing damage to the Indemnified Party in connection with this Agreement, the Prime Contracts or the Cross-Indemnity Agreement.

(b) Notwithstanding (a) above, no Party shall be liable to the other Parties, whether by way of indemnity or in contract or in tort (including negligence), for any punitive, special, indirect, incidental or consequential loss or damages, or loss of profit, loss of use, loss of production, loss of capital, loss of business reputation or opportunity, loss of contract or for any financial or economic loss whatsoever and however caused arising out of or in any way connected with this Agreement, the Bids or the Prime Contracts and/or anything connected therewith or resulting therefrom. If a Party is required to pay any of the damages listed in the preceding sentence to a third party, such Party remains entitled to indemnification from the other Party subject to and in accordance with this Article 13.

(c) Notwithstanding (a) above, no Party shall be liable to the other Party under this Agreement for any damages due to the failure of being awarded the Prime Contracts or due to the Bids being deemed as non-compliant by the Client.

ARTICLE 13
TERM AND TERMINATION

13.1 Term

This Agreement shall be effective from its date of execution by the Parties and shall remain in force until the earliest of the following occurs:

(a) the Parties are advised by the Client that the Prime Contracts is awarded to an entity other than the JV or in the event of a protest in regard to the award, the date on which the final appeal or protest in regard to the award is decided;

(b) cancellation of the Project by the Client;

(c) termination by unanimous consent of the Parties in writing;

(d) In the event that the Project is not awarded to the JV within the period of validity of the Bids, including any extension thereof, or in any event after a maximum period of thirty six (36) months from the signature of this Agreement without an award of the Project;

(e) all JV obligations under the Prime Contracts have been fulfilled and liabilities under the Prime Contracts have ceased; or

(f) the Prime Contracts is terminated early for any reason and the Parties have agreed to the Final Account as per Article 8.2;

13.2 Survival

The provisions of this Agreement shall survive indefinitely the termination of this Agreement.

ARTICLE 14

DEFAULT

If a Party has committed any material breach of the terms of this Agreement and failed to remedy the same within thirty (30) calendar days of written notice from a Party ("**Date of Default**"), then the non-defaulting Party shall be entitled, in addition to any other right or remedy, to exclude the defaulting Party from the management and control of the JV. The defaulting Parties' Board representatives may continue to attend and participate in Board of Representatives meetings, but they shall have no right to vote. The non-defaulting Party may take over the defaulting Party's interest under this Agreement, but without releasing the defaulting Party from its obligations to bear any costs, expenses and pecuniary obligations (including losses arising from the Prime Contracts) in proportion to its originally stated and unadjusted Participating Interest as set forth in Article 4.1,. In addition, the non-defaulting Party shall have the right to wind up the JV or to carry on and complete the performance of the Prime Contracts itself.

The non-defaulting Party shall have the right to retain for the completion of the Project all assets of the JV and all construction equipment and materials provided, purchased or acquired by the defaulting Party at the time when the defaulting Party was excluded until the completion of the Project and the Client's acceptance of same. The defaulting Party shall execute and deliver all documents and do all other things necessary or expedient to facilitate the exercise of such right and allow the non-defaulting Party to proceed with the performance of the Prime Contracts (including, but not limited to, the operation of any bank accounts in the name of the JV without reference to the defaulting Party). In such event, all references in this Agreement to the administration and direction of the JV by the Parties (through the Board of Representatives or the Parties directly) shall be deemed to exclude the defaulting Party.

Upon completion or sooner termination of the Prime Contracts and receipt of all amounts due under it, the non-defaulting Party shall account to the defaulting Party, who shall be entitled to receive an amount equal to the sum it provided towards the working capital together with its share of any profits earned and received as assessed up to the Date of Default, less its share of any losses (based on the originally stated and unadjusted Participating Interests as set forth in Article 4.1) resulting from the performance of the Prime Contracts whether such losses have arisen before or after the Date of Default together with all costs, damages and expenses arising therefrom which the continuing Parties have incurred. The defaulting Party's profits that were earned and received as assessed up to the Date of Default shall be determined by multiplying the Final Profit (as determined under this Agreement) by a fraction, the numerator of which shall be the Prime Contracts calendar days worked up to the Date of Default and the denominator of which shall be the total calendar days worked to complete the Prime Contracts until acceptance by the Client. Any claims submitted after the Date of Default shall be excluded from the Final Profit when calculating the defaulting Party's profits that were earned and received as assessed up to the Date of Default. The records of the JV shall be conclusive in establishing the calendar days worked.

In the event that the share of the losses chargeable to the defaulting Party and the costs, damages and expenses the non-defaulting Party incurred as aforesaid exceed the sums due to the defaulting Party, the defaulting Party shall promptly pay the excess to the non-defaulting Party on demand together with interest on such excess from the date of demand until payment (whether before or after judgment). The audited books of account of the JV shall be deemed to be conclusive evidence

for the purpose of establishing the amount of any profit realized or loss sustained as of the date of audit.

In the event a Party becomes insolvent or has a receiver, administrator or manager appointed over all or any part of its assets or goes into liquidation (unless the liquidation shall be for the sole purpose of reconstruction or amalgamation of a solvent Party) or becomes bankrupt, such Party shall immediately notify the other Parties. The Parties agree that the insolvency, receivership or bankruptcy shall not in and of itself cause a dissolution of the JV. Instead, the Parties agree that such Party shall be treated as a defaulting Party and the non-defaulting Party may avail itself of the remedies included above against a defaulting Party, including the right to wind up the JV or to carry on and complete the performance of the Prime Contracts itself, upon providing the defaulting Party written notice by hand-delivery or by facsimile with a copy by U.S. Certified Mail return receipt requested, unless the defaulting Party, its surety, or the trustee within ten (10) business days of receipt of the non-defaulting Party's notice of default:

(a) Promptly cures all defaults;

(b) Provides adequate assurances of future performance;

(c) Compensates the other Party for actual pecuniary loss resulting from such default; and

(d) Assumes the obligations of the defaulting Party under this Agreement within the statutory time limits.

Provided, however, in the event that the insolvency, receivership, or bankruptcy is considered a breach of the Prime Contracts which cannot be cured, then the Parties agree that the cures listed above are inapplicable and such Party shall be deemed a defaulting party.

ARTICLE 15
EXCLUSIVITY

Each Party agrees and represents and warrants to the other that neither it nor any of its Affiliates have had or will in any way have any separate dealings, negotiations with or provide any information to any other company, consortium or joint venture which is competing with or attempting to compete with the Parties in connection with the Project. Similarly, no Party nor any of its Affiliates shall individually or jointly with any third party participate in the preparation and submission of a separate Bids offering the execution of the Project or any part thereof, or negotiate or enter into any agreement with any company, consortium, joint venture or any other organization which is competing with or attempting to compete with the JV with respect to the Project and/or the works (or any part thereof). The provisions of this Article shall survive the termination of this Agreement and shall continue to bind any Party. Notwithstanding anything else herein to the contrary, in the event the Client does not select the JV and the Parties do not enter into the Prime Contracts, the Parties shall be permitted to offer and to provide their services to the winning Bidsder for the execution of the Project.

ARTICLE 16
CONFIDENTIALITY

16.1 Confidentiality

(a) The Parties agree to disclose and make available to each other certain sensitive or confidential information, data or knowledge concerning the Bids or the Prime Contracts ("Confidential Information"), the disclosure of which the Parties may need in order to collaborate with each other. Neither Party shall disclose the Confidential Information unless under the written permission of the other Party. All other Confidential Information shall be held in strict confidence of the other Party.

ARTICLE 17
DISPUTE RESOLUTION

Insofar as the Parties are unable to agree on any matter contained in this Agreement, each of the Parties agree that its respective President or Chief Executive Officer will use commercially reasonable efforts to reach an agreement with the other Parties' President or Chief Executive Officer in respect of such disputed matter. In the event that the Presidents or Chief Executive Officers of the Parties fail to reach an agreement in respect of the disputed matter within ten (10) business days of the referral to them, the Parties agree to submit to final and binding arbitration under the Construction Industry Arbitration Rules of the American Arbitration Association then in effect. The venue for such arbitration shall be in the State where the project is Located or such other place as the Parties may agree.

ARTICLE 18
GOVERNING LAW, JURISDICTION

18.1 Governing Law, Jurisdiction

This Agreement will be governed by, construed and enforced in accordance with, the laws of the State of where the project is located without regard to any principles of conflicts of laws.

ARTICLE 19
NOTICES

19.1 Notices

The addresses and phone numbers of each Party for notices shall be as follows:

Judlau: 1011 Warrenville Rd, Suite 195, Lisle, IL 60532

Telephone: 630-387-6040

Email: Arnav.amin@ohlna.com

S&J: 4245 166th Street, Oak Forest, IL 60452

Telephone: 708-331-1816

Email: skapovich@sjconst.com

Any notice, communication or statement required, permitted or contemplated hereunder (a "**notice**") shall be in writing and shall be delivered as follows:

(a) by hand delivery to a Party between 8:00 a.m. and 5:00 p.m. on a business day at the address of such Party for notices, in which case the notice shall be deemed to have been received by that Party when it is delivered;

(b) by fax to a Party to the fax number of such Party for notices, in which case, if the notice was faxed prior to 5:00 p.m. on a business day, the notice shall be deemed to have been received by that Party when it was faxed and if it is faxed on a day which is not a business day or is faxed after 5:00 p.m. on a business day, it shall be deemed to have been received on the next following business day; or

(c) by first class registered postage prepaid mail to a Party at the address of such Party for notices, in which case the notice shall be deemed to have been received by that Party on the fifth (5th) business day following the date of mailing.

(d) by email to a Party at the email address of such Party for notice, in which case the notice shall be deemed to have been received upon the day the email was sent.

A Party may from time to time change its address for service or its fax number for service by giving written notice of such change to the other Party.

ARTICLE 20
MISCELLANEOUS

20.1 Binding Effect

This Agreement shall inure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. Nothing in this Agreement, expressed or implied, is intended nor shall be construed to confer upon or give to any person, firm or corporation other than the Parties, their successors and assigns, any right, remedy or claim under this Agreement or by reason hereof, or any covenant, stipulation, promise or agreement hereof; and all covenants, stipulations, promises and agreements herein contained shall be for the sole and exclusive benefit of the Parties and their respective successors and assigns.

Each Party represents and warrants to each of the other Parties that it has the authority to enter into this Agreement and that it has not entered into any agreement, arrangement or understanding with any other party, which may preclude it from carrying out any of its obligations under this Agreement.

20.2 Entirety and Agreement Amendment

This Agreement constitutes the entire agreement between the Parties and supersedes any prior understandings, correspondence or agreement, written or oral, made among the Parties in relation to the same subject matter prior to the date of this Agreement by the Parties. No amendment to or modification of the terms of this Agreement shall be valid, binding or enforceable, except as

specifically provided for in this Agreement, unless reduced to writing and duly executed by the Parties.

20.3 Waiver

None of the provisions of this Agreement shall be considered waived by a Party except when such waiver is in writing. The failure of a Party to insist in any instance on strict performance of any of the provisions of this Agreement shall not be construed as a waiver of any such provision or the relinquishment of any rights hereunder in the future. A written waiver by any Party of any breach of any provision of this Agreement shall not be construed as a waiver by such Party of any succeeding breach of such provisions or a waiver by such Party of a breach of any other provision. The granting of any consent or approval by any Party in any one instance shall not be construed to waive or limit the need for such consent or approval in any other or subsequent instance.

20.4 Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity and enforceability of any other provision, and each provision of this Agreement shall be enforced to the maximum extent permitted by applicable law. Any invalid or unenforceable provision shall be deemed severed from this Agreement; provided, however, the Parties shall negotiate in good faith an amendment to such invalid or unenforceable provision that fulfills the original intent of the Parties.

20.5 Counterparts and Execution by Facsimile

This Agreement may be executed in one or more counterparts. Each executed counterpart shall have the same force and effect as an original instrument and will constitute an original and binding agreement for all purposes. Counterparts may be executed in original, faxed, or electronic scanned or PDF file type (Adobe Acrobat Portable Document Format) form.

23.6 Ethics and Compliance

All of the Parties' officers and employees involved with the Bids or the work required by the Prime Contracts must learn, understand and comply with the OHL's Code of Ethics, available at: http://www.ohlcompromiso.com/en/code-of-ethics/code-of-ethics/

[Signature page follows]

IN WITNESS WHEREOF, the Parties have duly executed this Agreement as of the date first written above.

Judlau Contracting, Inc.

Per: _____
Name: Arnav [redacted]
Title: Executive Vice President

Digitally signed by Arnav Amin
DN: cn=Arnav Amin, o=Judlau-OHL, ou=Exec Vice President, email=aamin@judlau.com, c=US
Date: 2020.06.30 16:16:31 -05'00'

S & J Construction Co., Inc.

Per: [redacted]
Name: Simone Kapovich
Title: President

OFFICIAL DOCUMENT State of Illinois - Department of Revenue OFFICIAL DOCUMENT

Illinois Sales Tax Exemption Certificate

IL STATE TOLL HIGHWAY AUTHORITY

2700 OGDEN AVE
DOWNERS GROVE IL 60515-1703

Sales Tax Exemption Certificate

Issue date:
02/10/2020

Sales Tax Exemption [redacted]

Expiration date:
03/01/2025

Organization type: **Governmental**

This entity is authorized under the Retailers' Occupation Tax Act to purchase tangible personal property for use or consumption tax-free.

ILLINOIS REVENUE
Director

OFFICIAL DOCUMENT - DO NOT DESTROY

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

CONTRACT NO. I-20-4535

PERFORMANCE BOND

015211856 (Liberty - Judlau)

Bond No. 30109870 (WSC - S&J)

KNOW ALL PERSONS BY THESE PRESENTS, That we, Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture
(Name of Principal)

- ☐ a corporation organized and existing under the laws of the State of _____ and authorized to do business in the State of Illinois,
- ☐ a limited liability company admitted to transact business in the State of Illinois and in good standing with the State of Illinois,
- ☐ a partnership consisting of _____,
- ☐ an individual doing business as _____,
- ☒ a joint venture consisting of Judlau Contracting, Inc. and S&J Construction Co., Inc. Joint Venture

("X" ONE AND COMPLETE REMAINING INFORMATION)

as Principal, and Liberty Mutual Insurance Company and Western Surety Company
(Name of Surety)
a corporation organized and existing under the laws of the State of MA & SD with authority to do business in the State of Illinois, as Surety, are held and firmly bound unto The Illinois State Toll Highway Authority in the penal sum Two Million Four Hundred Fifty Nine Thousand Two Hundred Dollars and Zero Cent) ($2,459,200.00),lawful money of the United States, well and truly to be paid unto said The Illinois State Toll Highway Authority, for the payment to which we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH that whereas, Principal has entered into a written contract with The Illinois State Toll Highway Authority for the work designated as
CONTRACT I-20-4535; BEAM FABRICATION, TRI-STATE TOLLWAY (I-294) OVER GRAND AVE.,
(Insert Contract Number and Description)

BRIDGE NUMBERS 285 AND 286 MILE POST 35.30

which contract is by reference made a part hereof and is hereinafter referred to as "the Contract".

NOW, THEREFORE, if Principal promptly and faithfully performs said work in accordance with the provisions of the Contract and any authorized changes in the Contract that are subsequently made during the original term of the Contract and any extensions thereof that may be granted by the Authority, with or without notice to the Surety, and complies with all the provisions, conditions and requirements of the Contract and any authorized changes in the Contract that are subsequently made, with or without notice to the Surety, then this obligation for Surety's performance of the Contract shall be void; otherwise it shall remain in full force and effect.

Surety hereby waives notice of any changes in the Contract, including extensions of time for the performance thereof.

IN WITNESS WHEREOF, we have duly executed the foregoing obligation and affixed our seals

this 12th day of August, 2020.

Surety Liberty Mutual Insurance Company
Western Surety Company

Address 175 Berkeley Street, Boston, MA 02116

151 N. Franklin St., Chicago, IL 60606

[redacted]

(Seal) Attorney in Fact Theresa J. Foley

[redacted]

Agent for Surety American Global LLC

Address 390 N. Broadway, Jericho, NY 11753

516-387-1170

Principal Judlau Contracting, Inc., a JV partner of Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture

Address 26-15 Ulmer Street

College Point, NY 11354

By [redacted]

(Signature) (Seal)

ARNAV AMIN, EXECUTIVE VICE PRESIDENT

(Name & Title)

Attest _____

Corporate Secretary

Principal S&J Construction Co., Inc. a JV Partner of Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture

Address 45 West 166th Street, Oak Forest, IL 60452

By [redacted]

(Signature) (Seal)

SIMONE KAPOVICH

(Name & Title)

Attest [redacted]

Corporate Secretary

(Attach Surety's Power of Attorney)

(Attach Notary Certificate authenticating Signature of Attorney-In-Fact)

(Attach Notary Certificate authenticating Signature of Representative of Principal if not attested by Corporate Secretary)

ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF ~~New York~~ ILLINOIS
COUNTY OF DUPAGE

ON THE 13TH DAY OF **August, 2020** BEFORE ME PERSONALLY CAME

ARNAV AMIN TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT AURORA, ILLINOIS, THAT (S)HE IS THE EXECUTIVE VICE PRESIDENT OF **Judlau Contracting, Inc.** THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

[redacted]

Notary Public

MARIA CACUCCIOLO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
June 13, 2023

ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF ~~New York~~ ILLINOIS
COUNTY OF DUPAGE

ON THE 13TH DAY OF **August, 2020** BEFORE ME PERSONALLY CAME

SIMONE KAPOVICH TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT DOWNERS GROVE, ILLINOIS, THAT (S)HE IS THE PRESIDENT OF **S&J Construction Co., Inc.** THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

[redacted]

Notary Public

MARIA CACUCCIOLO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
June 13, 2023

ACKNOWLEDGMENT OF SURETY COMPANY

STATE OF NEW YORK

COUNTY OF NASSAU

On this **12th** day of **August, 2020**, before me personally came **Theresa J Foley** to me known, who, being by me duly sworn, did depose and say; that she is the Attorney-in-Fact of **Liberty Mutual Insurance Company,** the corporation described in which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by the Board of Directors of said corporation; and that she signed her name thereto by the authority of the Power of Attorney of said Company, of which a Certified Copy is hereto attached, and that she signed said Instrument as an Attorney-in-Fact of said company by like authority.

[redacted].

Notary Public

ANDREA E. GORBERT
NOTARY PUBLIC, State of New York
No. 01GO6170063
Qualified in Suffolk County
Commission Expires July 02. 2023

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: **8201166-985164**

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Theresa J. Foley; Andrea E. Gorbert; Michael Marino; Kevin T. Walsh, Jr.

all of the city of Jericho state of NY each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 29th day of April, 2019.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: [redacted]
David M. Carey, Assistant Secretary

State of PENNSYLVANIA
County of MONTGOMERY ss

On this 29th day of April, 2019 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Upper Merion Twp., Montgomery County
My Commission Expires March 28, 2021
Member, Pennsylvania Association of Notaries

By: [redacted]
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS: Section 12. Power of Attorney.
Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts: Section 5. Surety Bonds and Undertakings.
Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 12th day of August, 2020.

By: [redacted]
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

LIBERTY MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENT — DECEMBER 31, 2019

Assets

Cash and Bank Deposits	$778,754,989
*Bonds — U.S Government	2,780,808,610
*Other Bonds	12,645,608,792
*Stocks	16,385,435,431
Real Estate	235,608,378
Agents' Balances or Uncollected Premiums	6,217,983,641
Accrued Interest and Rents	102,273,390
Other Admitted Assets	11,957,106,292
Total Admitted Assets	**$51,103,579,523**

Liabilities

Unearned Premiums		$8,007,146,482
Reserve for Claims and Claims Expense		21,532,853,787
Funds Held Under Reinsurance Treaties		507,868,920
Reserve for Dividends to Policyholders		1,143,826
Additional Statutory Reserve		125,722,000
Reserve for Commissions, Taxes and Other Liabilities		4,117,460,075
Total		**$34,292,195,090**
Special Surplus Funds	$32,768,443	
Capital Stock	10,000,075	
Paid in Surplus	10,044,978,933	
Unassigned Surplus	6,723,636,983	
Surplus to Policyholders		**16,811,384,434**
Total Liabilities and Surplus		**$51,103,579,524**

* Bonds are stated at amortized or investment value; Stocks at Association Market Values.
The foregoing financial information is taken from Liberty Mutual Insurance Company's financial statement filed with the state of Massachusetts Department of Insurance.

I, TIM MIKOLAJEWSKI, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the foregoing is a true, and correct statement of the Assets and Liabilities of said Corporation, as of December 31, 2019, to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation at Seattle, Washington, this 27th day of March, 2020.

[redacted]

Assistant Secretary

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Theresa J Foley, Michael A Marino, Andrea E Gorbert, Individually

of Jericho, NY, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 21st day of May, 2019.

WESTERN SURETY COMPANY

[redacted]

Paul T. Bruflat, Vice President

State of South Dakota
County of Minnehaha } ss

On this 21st day of May, 2019, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

June 23, 2021

J. MOHR
NOTARY PUBLIC
SOUTH DAKOTA

[redacted]

J. Mohr, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this _____ day of AUG 12 2020, _____.

WESTERN SURETY COMPANY

[redacted]

L. Nelson, Assistant Secretary

Form F4280-7-2012

Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

WESTERN SURETY COMPANY
Sioux Falls, South Dakota
Statement of Net Admitted Assets and Liabilities
December 31, 2019

ASSETS

Bonds		$ 1,943,152,245
Stocks		27,166,227
Cash, cash equivalents, and short-term investments		27,903,793
Receivables for securities		-
Investment income due and accrued		17,854,019
Premiums and considerations		56,706,652
Amounts recoverable from reinsurers		1,307,522
Current federal and foreign income tax recoverable and interest hereon		2,678,469
Net deferred tax asset		11,798,536
Receivable from parent, subsidiaries, and affiliates		12,821,583
Other assets		601
Total Assets		$ 2,101,389,646

LIABILITIES AND SURPLUS

Losses		$ 206,051,147
Loss adjustment expense		52,124,445
Commissions payable, contingent commissions and other similar charges		9,862,381
Other expenses (excluding taxes, license and fees)		3,624
Taxes, License and fees (excluding federal and foreign income taxes)		3,875,999
Federal and foreign income taxes payable		-
Unearned premiums		248,521,840
Advance premiums		6,112,006
Ceded reinsurance premiums payable (net of ceding commissions)		1,673,524
Amounts withheld or retained by company for account of others		5,332,206
Provision for reinsurance		290,516
Payable to parent, subsidiaries and affiliates		2905
Payable on security transactions		-
Other liabilities		97,836
Total Liabilities		$ 533,948,430
Surplus Account:		
Common stock	$ 4,000,000	
Gross paid in and contributed surplus	280,071,837	
Unassigned funds	1,283,369,380	
Surplus as regards policyholders		$ 1,567,441,217
Total Liabilities and Capital		$ 2,101,389,646

I, Amy Smith, Senior Vice President of Western Surety Company hereby certify that the above is an accurate representation of the financial statement of the Company dated December 31, 2019, as filed with the various Insurance Departments and is a true and correct statement of the condition of Western Surety Company as of that date.

Western Surety Company

By [redacted]
Senior Vice President

Subscribed and sworn to me this 11th day of March, 2020.

My commission expires:

YOLANDA JIMENEZ
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
September 24, 2021

By [redacted]
Notary Public

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

CONTRACT NO. I-20 - 4535

PAYMENT BOND

015211856 (Liberty - Judlau)
Bond No. 30109870 (WSC - S&J)

KNOW ALL PERSONS BY THESE PRESENTS, That we, Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture,
(Name of Principal)

- ☐ a corporation organized and existing under the laws of the State of _____ and authorized to do business in the State of Illinois,
- ☐ a limited liability company admitted to transact business in the State of Illinois and in good standing with the State of Illinois,
- ☐ a partnership consisting of _____,
- ☐ an individual doing business as _____,
- ☒ a joint venture consisting of Judlau Contracting, Inc. and S&J Construction Co., Inc. Joint Venture,

("X" ONE AND COMPLETE REMAINING INFORMATION)

as Principal, and Liberty Mutual Insurance Company and Western Surety Company
(Name of Surety)
a corporation organized and existing under the laws of the State of MA & SD with authority to do business in the State of Illinois, as Surety, are held and firmly bound unto The Illinois State Toll Highway Authority in the penal sum of Two Million Four Hundred Fifty Nine Thousand Two Hundred Dollars and Zero Cent) ($2,459,200.00), lawful money of the United States, well and truly to be paid unto said The Illinois State Toll Highway Authority, for the payment to which we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THE FOREGOING OBLIGATION IS SUCH that whereas, Principal has entered into a written contract with The Illinois State Toll Highway Authority for the work designated as
CONTRACT I-20-4535; BEAM FABRICATION, TRI-STATE TOLLWAY (I-294) OVER GRAND AVE.,
(Insert Contract Number and Description)
BRIDGE NUMBERS 285 AND 286 MILE POST 35.30

which contract is by reference made a part hereof and is hereinafter referred to as "the Contract".

NOW, THEREFORE, if Principal promptly pays not less than the prevailing wages for the work to be performed in accordance with the Contract and the laws of the State of Illinois, and promptly pays all sums of money due or to become due for any labor, materials, apparatus, fixtures or machinery, and transportation with respect thereto, furnished to said Principal for the purpose of performing said work in accordance with the provisions of the Contract and any authorized changes in the Contract that are subsequently made during the original term of the Contract and any extensions thereof that may be granted by the Authority, with or without notice to the Surety, then this obligation shall be void; otherwise it shall remain in full force and effect.

Surety hereby waives notice of any changes in the Contract, including extensions of time for the performance thereof.

IN WITNESS WHEREOF, we have duly executed the foregoing obligation and affixed our seals

this 12th day of August, 2020.

Surety Liberty Mutual Insurance Company
Western Surety Company

Address 175 Berkeley Street, Boston, MA 02116

151 N. Franklin St., Chicago, IL 60606

By [redacted]
(Seal) Attorney in Fact Theresa J. Foley

Agent for
Surety American Global LLC

Address 390 N. Broadway, Jericho, NY 11753

516-387-1170

Principal Judlau Contracting, Inc., a JV partner of Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture

Address 26-15 Ulmer Street

College Point, NY 11354

By [redacted]
(Signature) (Seal)
ARNAV AMIN, EXECUTIVE VICE PRESIDENT
(Name & Title)

Attest
Corporate Secretary

Principal S&J Construction Co., Inc., a JV partner of Judlau Contracting, Inc. / S&J Construction Co., Inc. Joint Venture

Address 45 West 166th Street, Oak Forest, IL 60452

By [redacted]
(Signature) (Seal)
SIMONE KAPOVICH - PRESIDENT
(Name & Title)

Attest [redacted]
(Corprate Secretary)

(Attach Surety's Power of Attorney)

(Attach Notary Certificate authenticating Signature of Attorney-In-Fact)

(Attach Notary Certificate authenticating Signature of Representative of Principal if not attested by Corporate Secretary)

ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF ~~New York~~ ILLINOIS
COUNTY OF DUPAGE

ON THE 13TH DAY OF **August, 2020** BEFORE ME PERSONALLY CAME

ARNAV AMIN TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT AURORA, ILLINOIS, THAT (S)HE IS THE EXECUTIVE VICE PRESIDENT OF **Judlau Contracting, Inc.** THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

[redacted]

Notary Public

MARIA CACUCCIOLO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
June 13, 2023

ACKNOWLEDGEMENT OF CONTRACTOR, IF A CORPORATION

STATE OF ~~New York~~ ILLINOIS
COUNTY OF DUPAGE

ON THE 13TH DAY OF **August, 2020** BEFORE ME PERSONALLY CAME

SIMONE KAPOVICH TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY THAT (S)HE RESIDES AT DOWNERS GROVE, ILLINOIS, THAT (S)HE IS THE PRESIDENT OF **S&J Construction Co., Inc.** THE CORPORATION DESCRIBED IN AND WHICH EXECUTED THE ABOVE INSTRUMENT; AND THAT (S)HE SIGNED HIS/HER NAME THERETO BY ORDER OF THE BOARD OF DIRECTORS OF SAID CORPORATION.

[redacted]

Notary Public

MARIA CACUCCIOLO
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
June 13, 2023

ACKNOWLEDGMENT OF SURETY COMPANY

STATE OF NEW YORK

COUNTY OF NASSAU

On this **12th** day of **August, 2020**, before me personally came **Theresa J Foley** to me known, who, being by me duly sworn, did depose and say; that she is the Attorney-in-Fact of **Liberty Mutual Insurance Company,** the corporation described in which executed the above instrument; that she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by the Board of Directors of said corporation; and that she signed her name thereto by the authority of the Power of Attorney of said Company, of which a Certified Copy is hereto attached, and that she signed said Instrument as an Attorney-in-Fact of said company by like authority.

[redacted]

Notary Public

ANDREA E. GORBERT
NOTARY PUBLIC, State of New York
No. 01GO6170063
Qualified in Suffolk County
Commission Expires July 02. 2023

This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

Certificate No: **8201166-985164**

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint, Theresa J. Foley; Andrea E. Gorbert; Michael Marino; Kevin T. Walsh, Jr.

all of the city of Jericho state of NY each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 29th day of April, 2019.

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company
West American Insurance Company

By: [redacted]
David M. Carey, Assistant Secretary

State of PENNSYLVANIA
County of MONTGOMERY ss

On this 29th day of April, 2019 before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Upper Merion Twp., Montgomery County
My Commission Expires March 28, 2021
Member, Pennsylvania Association of Notaries

By: [redacted]
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS: Section 12. Power of Attorney.
Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts: Section 5. Surety Bonds and Undertakings.
Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 12th day of August, 2020.

By: [redacted]
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

LIBERTY MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENT — DECEMBER 31, 2019

Assets

Cash and Bank Deposits	$778,754,989
*Bonds — U.S Government	2,780,808,610
*Other Bonds	12,645,608,792
*Stocks	16,385,435,431
Real Estate	235,608,378
Agents' Balances or Uncollected Premiums	6,217,983,641
Accrued Interest and Rents	102,273,390
Other Admitted Assets	11,957,106,292
Total Admitted Assets	**$51,103,579,523**

Liabilities

Unearned Premiums		$8,007,146,482
Reserve for Claims and Claims Expense		21,532,853,787
Funds Held Under Reinsurance Treaties		507,868,920
Reserve for Dividends to Policyholders		1,143,826
Additional Statutory Reserve		125,722,000
Reserve for Commissions, Taxes and Other Liabilities		4,117,460,075
Total		**$34,292,195,090**
Special Surplus Funds	$32,768,443	
Capital Stock	10,000,075	
Paid in Surplus	10,044,978,933	
Unassigned Surplus	6,723,636,983	
Surplus to Policyholders		**16,811,384,434**
Total Liabilities and Surplus		**$51,103,579,524**

* Bonds are stated at amortized or investment value; Stocks at Association Market Values.
The foregoing financial information is taken from Liberty Mutual Insurance Company's financial statement filed with the state of Massachusetts Department of Insurance.

I, TIM MIKOLAJEWSKI, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the foregoing is a true, and correct statement of the Assets and Liabilities of said Corporation, as of December 31, 2019, to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation at Seattle, Washington, this 27th day of March, 2020.

[redacted]

Assistant Secretary

Western Surety Company

POWER OF ATTORNEY APPOINTING INDIVIDUAL ATTORNEY-IN-FACT

Know All Men By These Presents, That WESTERN SURETY COMPANY, a South Dakota corporation, is a duly organized and existing corporation having its principal office in the City of Sioux Falls, and State of South Dakota, and that it does by virtue of the signature and seal herein affixed hereby make, constitute and appoint

Theresa J Foley, Michael A Marino, Andrea E Gorbert, Individually

of Jericho, NY, its true and lawful Attorney(s)-in-Fact with full power and authority hereby conferred to sign, seal and execute for and on its behalf bonds, undertakings and other obligatory instruments of similar nature

- In Unlimited Amounts -

and to bind it thereby as fully and to the same extent as if such instruments were signed by a duly authorized officer of the corporation and all the acts of said Attorney, pursuant to the authority hereby given, are hereby ratified and confirmed.

This Power of Attorney is made and executed pursuant to and by authority of the By-Law printed on the reverse hereof, duly adopted, as indicated, by the shareholders of the corporation.

In Witness Whereof, WESTERN SURETY COMPANY has caused these presents to be signed by its Vice President and its corporate seal to be hereto affixed on this 21st day of May, 2019.

WESTERN SURETY COMPANY

[redacted]

Paul T. Bruflat, Vice President

State of South Dakota
County of Minnehaha } ss

On this 21st day of May, 2019, before me personally came Paul T. Bruflat, to me known, who, being by me duly sworn, did depose and say: that he resides in the City of Sioux Falls, State of South Dakota; that he is the Vice President of WESTERN SURETY COMPANY described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; that it was so affixed pursuant to authority given by the Board of Directors of said corporation and that he signed his name thereto pursuant to like authority, and acknowledges same to be the act and deed of said corporation.

My commission expires

June 23, 2021

J. MOHR
NOTARY PUBLIC SOUTH DAKOTA

[redacted]

J. Mohr, Notary Public

CERTIFICATE

I, L. Nelson, Assistant Secretary of WESTERN SURETY COMPANY do hereby certify that the Power of Attorney hereinabove set forth is still in force, and further certify that the By-Law of the corporation printed on the reverse hereof is still in force. In testimony whereof I have hereunto subscribed my name and affixed the seal of the said corporation this _____ day of AUG 12 2020, _____.

WESTERN SURETY COMPANY

[redacted]

L. Nelson, Assistant Secretary

Form F4280-7-2012

Go to www.cnasurety.com > Owner / Obligee Services > Validate Bond Coverage, if you want to verify bond authenticity.

WESTERN SURETY COMPANY
Sioux Falls, South Dakota
Statement of Net Admitted Assets and Liabilities
December 31, 2019

ASSETS

Bonds	$ 1,943,152,245
Stocks	27,166,227
Cash, cash equivalents, and short-term investments	27,903,793
Receivables for securities	-
Investment income due and accrued	17,854,019
Premiums and considerations	56,706,652
Amounts recoverable from reinsurers	1,307,522
Current federal and foreign income tax recoverable and interest hereon	2,678,469
Net deferred tax asset	11,798,536
Receivable from parent, subsidiaries, and affiliates	12,821,583
Other assets	601
Total Assets	$ 2,101,389,646

LIABILITIES AND SURPLUS

Losses		$ 206,051,147
Loss adjustment expense		52,124,445
Commissions payable, contingent commissions and other similar charges		9,862,381
Other expenses (excluding taxes, license and fees)		3,624
Taxes, License and fees (excluding federal and foreign income taxes)		3,875,999
Federal and foreign income taxes payable		-
Unearned premiums		248,521,840
Advance premiums		6,112,006
Ceded reinsurance premiums payable (net of ceding commissions)		1,673,524
Amounts withheld or retained by company for account of others		5,332,206
Provision for reinsurance		290,516
Payable to parent, subsidiaries and affiliates		2905
Payable on security transactions		-
Other liabilities		97,836
Total Liabilities		$ 533,948,430
Surplus Account:		
Common stock	$ 4,000,000	
Gross paid in and contributed surplus	280,071,837	
Unassigned funds	1,283,369,380	
Surplus as regards policyholders		$ 1,567,441,217
Total Liabilities and Capital		$ 2,101,389,646

I, Amy Smith, Senior Vice President of Western Surety Company hereby certify that the above is an accurate representation of the financial statement of the Company dated December 31, 2019, as filed with the various Insurance Departments and is a true and correct statement of the condition of Western Surety Company as of that date.

Western Surety Company

By [redacted]
Senior Vice President

Subscribed and sworn to me this 11th day of March, 2020.

My commission expires:

YOLANDA JIMENEZ
OFFICIAL SEAL
Notary Public, State of Illinois
My Commission Expires
September 24, 2021

By [redacted] Public

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
09/04/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

Holder Identifier :

PRODUCER
Aon Risk Services Northeast, Inc.
New York NY Office
One Liberty Plaza
165 Broadway, Suite 3201
New York NY 10006 USA

CONTACT NAME: Karen Carratura
PHONE (A/C. No. Ext): (866) 283-7122
FAX (A/C. No.): (800) 363-0105
E-MAIL ADDRESS: karen.carratura@aon.com

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A	Indian Harbor Insurance Company	36940
INSURER B	ACE Property & Casualty Insurance Co.	20699
INSURER C	The Travelers Indemnity Co.	25658
INSURER D	Travelers Property Cas Co of America	25674
INSURER E	Starr Indemnity & Liability Company	38318
INSURER F		

INSURED
Judlau Contracting Inc.
S & J Construction Company Inc
A Joint Venture
1011 Warrenville Road
Suite 195
Lisle IL 60532 USA

COVERAGES **CERTIFICATE NUMBER:** 570083030955 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
C	X COMMERCIAL GENERAL LIABILITY CLAIMS-MADE / X OCCUR GEN'L AGGREGATE L MIT APPL ES PER: POLICY / X PRO-JECT / LOC OTHER:	Y	Y	VTC2KC03K992299IND19	12/31/2019	12/31/2020	EACH OCCURRENCE	$2,000,000
							DAMAGE TO RENTED PREMISES (Ea occurrence)	$500,000
							MED EXP (Any one person)	
							PERSONAL & ADV NJURY	$2,000,000
							GENERAL AGGREGATE	$4,000,000
							PRODUCTS - COMP/OP AGG	$4,000,000
D	AUTOMOBILE LIABILITY X ANY AUTO OWNED AUTOS ONLY / SCHEDULED AUTOS HIRED AUTOS ONLY / NON-OWNED AUTOS ONLY			VTC2J-CAP-3K992423-TIL-19	12/31/2019	12/31/2020	COMB NED S NGLE LIMIT (Ea accident)	$2,000,000
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
C	X UMBRELLA LIAB / X OCCUR EXCESS LIAB / CLAIMS-MADE DED / X RETENTION $10,000			CUP4P2300151925	12/31/2019	12/31/2020	EACH OCCURRENCE	$3,000,000
							AGGREGATE	$3,000,000
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A					PER STATUTE / OTH-ER	
							E L. EACH ACC DENT	
							E L. DISEASE-EA EMPLOYEE	
							E L. DISEASE-POLICY L MIT	
A	Env Contr Prof			CE0742057005 SIR applies per policy terms & conditions	12/31/2019	12/31/2020	Each Loss/Aggre SIR	$10,000,000 $250,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: CONTRACT I-20-4535 BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 285 AND 286
MILE POST 35.30
The Illinois State Toll Highway Authority together with its officials, its directors, officers, employees, agents and its Consulting Engineer, and the State of Illinois Additional Insureds as respects to General Liability, Automobile Liability and pollution policy as per written contract. The Consulting Engineer, Program Management Office (PMO), Project Manager, Design Section Engineer, Design Corridor Manager, Construction Manager and Construction Corridor Manager are Additional Insureds as respects to General Liability, Automobile Liability and pollution

CERTIFICATE HOLDER

The Illinois State Toll Highway Authority
2700 Ogden Avenue.
Downers Grove IL 60515 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

[redacted]

AGENCY CUSTOMER ID: 570000065622
LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED INSURED
Aon Risk Services Northeast, Inc.	Judlau Contracting Inc.
POLICY NUMBER: See Certificate Number: 570083030955	
CARRIER: See Certificate Number: 570083030955 / NAIC CODE:	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS	
	EXCESS LIABILITY							
B				XCQG46851560003	12/31/2019	12/31/2020	Aggregate	$20,000,000
E				1000585492191	12/31/2019	12/31/2020	Aggregate	$25,000,000
							Each Occurrence	$25,000,000
	OTHER							
A	Env Contr Poll			CEO742057005 SIR applies per policy terms & conditions	12/31/2019	12/31/2020	PerClaim/Aggre	$10,000,000
							SIR	$50,000

AGENCY CUSTOMER ID: 570000065622

LOC #:

ADDITIONAL REMARKS SCHEDULE

AGENCY	NAMED NSURED
Aon Risk Services Northeast, Inc.	Judlau Contracting Inc.
POLICY NUMBER: See Certificate Number: 570083030955	
CARR ER: See Certificate Number: 570083030955 / NAIC CODE:	EFFECTIVE DATE:

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,

FORM NUMBER: ACORD 25 **FORM TITLE:** Certificate of Liability Insurance

Additional Description of Operations / Locations / Vehicles:

policy as per written contract. General Liability and Automobile Liability policies shall be Primary and Non-contributory with any other insurance in force for or which may be purchased by Additional Insureds. Waiver of Subrogation applies in favor of Additional Insureds with respects to General Liability, Automobile Liability policies.

CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY) 08/12/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

Holder Identifier :

PRODUCER
Aon Risk Services Northeast, Inc.
New York NY Office
One Liberty Plaza
165 Broadway, Suite 3201
New York NY 10006 USA

CONTACT NAME
PHONE (A/C. No. Ext) (866) 283-7122 FAX (A/C. No.) (800) 363-0105
E-MAIL ADDRESS

INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A	The Charter Oak Fire Insurance Company	25615
INSURER B	The Travelers Indemnity Co.	25658
INSURER C		
INSURER D		
INSURER E		
INSURER F		

INSURED
Judlau Contracting, Inc
1011 Warrenville Rd.
Lisle, IL 60532 USA

COVERAGES **CERTIFICATE NUMBER:** 570083042960 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

Limits shown are as requested

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY CLAIMS-MADE OCCUR GEN'L AGGREGATE L MIT APPL ES PER: POLICY PRO-JECT LOC OTHER:						EACH OCCURRENCE	
							DAMAGE TO RENTED PREMISES (Ea occurrence)	
							MED EXP (Any one person)	
							PERSONAL & ADV NJURY	
							GENERAL AGGREGATE	
							PRODUCTS - COMP/OP AGG	
	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY						COMB NED S NGLE LIMIT (Ea accident)	
							BODILY INJURY (Per person)	
							BODILY INJURY (Per accident)	
							PROPERTY DAMAGE (Per accident)	
	UMBRELLA LIAB OCCUR EXCESS LIAB CLAIMS-MADE DED RETENTION						EACH OCCURRENCE	
							AGGREGATE	
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? Y / N N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A		UB0L8858411925D	12/31/2019	12/31/2020	X PER STATUTE OTH-ER	
B				UB0L8857001925R	12/31/2019	12/31/2020	E L. EACH ACC DENT	$1,000,000
							E L. DISEASE-EA EMPLOYEE	$1,000,000
							E L. DISEASE-POLICY L MIT	$1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Re: CONTRACT I-20-4535 BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 285 AND 286 MILE POST 35.30
Waiver of Subrogation applies in favor of Additional Insureds with respects to Workers' Compensation as permitted by law. USL&H is included with regards to Workers Compensation Policy

Certificate No : 570083042960

CERTIFICATE HOLDER

The Illinois State Toll Highway Authority
2700 Ogden Avenue
Downers Grove IL 60515 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

[redacted]

TRAVELERS

OMNI

ATTN: AH

POLICY REPRINT

Date Processed: 07-08-20
Time Processed: 12:17:56

Named Insured: OHL USA, INC.

Policy Number: VTC2K-CO-3K992299-IND-19
Effective Date: 12-31-19
Operator Initials: LC2A

Sets Included in Policy: POLICYHOLDER COPY

TRAVELERS

One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

Named Insured:
OHL USA, INC.

Policy Number: VTC2K-CO-3K992299-IND-19
Policy Effective Date: 12/31/19
Issue Date: 07/08/20

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY

Effective from 07/07/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

AMENDING IL T8 00 NAMED INSURED ENDORSEMENT AS PER ATTACHED.

NAME AND ADDRESS OF AGENT OR BROKER:
AON RISK SERVICES NE INC (JC891)
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK, NY 11530

COUNTERSIGNED BY:

Authorized Representative

DATE:

OFFICE: SP-LONG ISLAND

TRAVELERS

POLICY NUMBER: VTC2K-CO-3K992299-IND-19

EFFECTIVE DATE: 12-31-19

ISSUE DATE: 07-08-20

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 07 09 87	CHANGE ENDORSEMENT
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T8 00	NAMED INSURED ENDORSEMENT

POLICY NUMBER: VTC2K-CO-3K992299-IND-19

GENERAL PURPOSE ENDORSEMENT

NAMED INSURED ENDORSEMENT

Item 1. NAMED INSURED ON THE COMMON POLICY DECLARATIONS TO READ:

OHL USA, Inc.
Community Asphalt Corp.
Judlau Contracting, Inc.
OHL Industrial USA, Inc.
OHL Building, Inc.
OHL Arellano Construction Company
OHL Infrastructure, Inc.
Judlau/TC Electric JV
Tully Construction Co, Inc/OHL USA Inc. JV (Tully/OHL JV)
OHL Systems & Electric, LLC
Waterworks, a Joint Venture
SOVEC USA, Inc.
OHL USA INC. DBA OHL North America
Judlau - S & J, a Joint Venture

TRAVELERS

One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

Named Insured:
OHL USA, INC.
AS PER IL T8 00

Policy Number: VTC2J-CAP-3K992423-TIL-19
Policy Effective Date: 12/31/19
Issue Date: 07/08/20
Premium*$ NIL

*AMS BINDER BILLED # 248832

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Effective from 07/07/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

THE COMMERCIAL AUTOMOBILE COVERAGE PART IS AMENDED AS FOLLOWS:

AMENDING IL T8 00 12 19, NAMED INSURED ENDORSEMENT, TO ADD THE FOLLOWING NAMED INSURED: (SEE ATTACHED)

JUDLAU - S & J, A JOINT VENTURE

NAME AND ADDRESS OF AGENT OR BROKER:
AON RISK SERVICES NE INC (JC891)
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK, NY 11530

COUNTERSIGNED BY:

Authorized Representative

DATE:

TRAVELERS

POLICY NUMBER: VTC2J-CAP-3K992423-TIL-19
EFFECTIVE DATE: 12-31-19
ISSUE DATE: 07-08-20

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 07 09 87	CHANGE ENDORSEMENT
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS
IL T8 00	NAMED INSURED ENDORSEMENT

COMMERCIAL AUTO POLICY

ENDORSEMENT - IL T8 00 12 19

POLICY NUMBER VTC2J-CAP-3K992423-TIL-19

NAMED INSURED ENDORSEMENT

IT IS AGREED THAT:

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMERCIAL AUTO COVERAGE PART

ITEM 1. NAMED INSURED, OF THE COMMON POLICY DECLARATIONS PAGE, IL TO 02 11 89, IS AMENDED TO READ:

OHL USA, INC.
COMMUNITY ASPHALT CORP.
JUDLAU CONTRACTING, INC.
OHL INDUSTRIAL USA, INC.
OHL BUILDING, INC.
OHL ARELLANO CONSTRUCTION COMPANY
OHL INFRASTRUCTURE, INC.
WATERWORKS, A JOINT VENTURE
JUDLAU/TC ELECTRIC JV
TULLY CONSTRUCTION CO. INC/OHL USA INC. JV (TULLY/OHL JV)
OHL SYSTEMS & ELECTRIC LLC
OHL USA INC DBA OHL NORTH AMERICA
JUDLAU - S & J, A JOINT VENTURE

TRAVELERS One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

INSURING COMPANY: THE TRAVELERS INDEMNITY COMPANY 003

NAMED INSURED: OHL USA, INC.
AS PER EU 00 05

POLICY NUMBER: CUP-3K99232A-19-25

POLICY EFFECTIVE DATE: 12/31/19

POLICY EXPIRATION DATE: 12/31/20

ISSUE DATE: 07/08/20

ADDITIONAL **PREMIUM:** $0.00

Effective from 07/07/2020 at the time of day the policy becomes effective.
THIS INSURANCE IS AMENDED AS FOLLOWS:

FORM EU 00 05 - SCHEDULE OF NAMED INSUREDS IS AMENDED AS PER ATTACHED.

NAME AND ADDRESS OF AGENT OR BROKER

AON RISK SERVICES NE INC
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK NY 11530

Countersigned by

Authorized Representative

DATE:

Office: RICHARDSON

POLICY NUMBER: CUP-3K99232A-19-25 ISSUE DATE: 07/08/20

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

SCHEDULE OF NAMED INSUREDS

This endorsement modifies insurance provided under the following:

EXCESS FOLLOW-FORM AND UMBRELLA LIABILITY INSURANCE

The following are included as Named Insureds in Item **1**. of the Declarations:

OHL USA, INC.
COMMUNITY ASPHALT CORP.
JUDLAU CONTRACTING, INC.
OHL INDUSTRIAL USA, INC.
OHL BUILDING, INC.
OHL ARELLANO CONSTRUCTION COMPANY
OHL INFRASTRUCTURE, INC.
WATERWORKS, A JOINT VENTURE
JUDLAU/TC ELECTRIC JV
TULLY CONSTRUCTION CO, INC/OHL USA INC. JV (TULLY/OHL JV)
OHL SYSTEMS & ELECTRIC, LLC
OHL USA INC. dba OHL NORTH AMERICA
JUDLAU - S & J. A JOINT VENTURE

PRODUCER: AON RISK SERVICES NE INC OFFICE:

TRAVELERS

One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

Named Insured:
OHL USA, INC.

Policy Number: VTC2K-CO-3K992299-IND-19
Policy Effective Date: 12/31/19
Issue Date: 07/24/20

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY

Effective from 07/14/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

ADDING CG D2 70 01 10, ADDITIONAL INSURED - ENGINEERS, ARCHITECTS OR SURVEYORS NOT ENGAGED BY THE NAMED INSURED AS PER ATTACHED TO INCLUDE:

THE CONSULTING ENGINEER, THE PROGRAM MANAGEMENT OFFICE (PMO), PROJECT MANAGER, DESIGN SECTION ENGINEER, DESIGN CORRIDOR MANAGER, CONSTRUCTION MANAGER, AND CONSTRUCTION CORRIDOR MANAGER AS RESPECTS CONTRACT NO I -20-4535 BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 285 & 286 MILE POST 35.30.

ADDING CG 20 37 07 04, ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - COMPLETED OPERATIONS AS PER ATTACHED TO INCLUDE:

CONTRACT NO I -20-4535 BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 285 & 286 MILE POST 35.30.

ADDING CG D3 61 03 05, ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION AS PER ATTACHED TO INCLUDE:

CONTRACT NO I -20-4535 BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 285 & 286 MILE POST 35.30.

NAME AND ADDRESS OF AGENT OR BROKER:
AON RISK SERVICES NE INC (JC891)
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK, NY 11530

COUNTERSIGNED BY:

Authorized Representative

DATE:

TRAVELERS

POLICY NUMBER: VTC2K-CO-3K992299-IND-19

EFFECTIVE DATE: 12-31-19

ISSUE DATE: 07-24-20

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 07 09 87	CHANGE ENDORSEMENT
IL T8 01 10 93	FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

GENERAL LIABILITY - CONTRACTORS

CG D2 70 01 10	ADD'L INS ENGS, ARCHITECTS, SURVEYORS
CG D3 61 03 05	ADD'L INSURED-OWNERS,LESSEES,CONTRACTORS
CG 20 37 07 04	ADD INSURED-OWNRS,LESSEES,CONT COMPL OPS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – ENGINEERS, ARCHITECTS OR SURVEYORS NOT ENGAGED BY THE NAMED INSURED

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Engineers, Architects Or Surveyors Not Engaged By The Named Insured:

The Consulting Engineer, the Program Management Office (PMO), Project Manager, Design Section Engineer, Design Corridor Manager, Construction Manager, and Construction Corridor Manager as respects Contract no I -20-4535 Beam Fabrication Tri-State Tollway (I-294) Over Grand Ave. Bridge Numbers 285 & 286 Mile Post 35.30.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

A. **Section II – Who Is An Insured** is amended to include as an additional insured the architects, engineers or surveyors shown in the Schedule, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations performed by you or on your behalf.

Such architects, engineers or surveyors, while not engaged by you, are contractually required to be added as an additional insured to your policy.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage", "personal injury" or "advertising injury" arising out of the rendering of or the failure to render any professional services, including:

1. The preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; or
2. Supervisory, inspection or engineering services.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Names of Additional Insured Person(s) or Organization(s):

Contract no I -20-4535 Beam Fabrication Tri-State Tollway (I-294) Over Grand Ave. Bridge Numbers 285 & 286 Mile Post 35.30.

Location of Covered Operations:

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring, or "personal injury" or "advertising injury" arising out of an offense committed, after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – COMPLETED OPERATIONS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):

Contract no I -20-4535 Beam Fabrication Tri-State Tollway (I-294) Over Grand Ave. Bridge Numbers 285 & 286 Mile Post 35.30.

Location And Description Of Completed Operations

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

TRAVELERS

One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

Named Insured:
OHL USA, INC.

Policy Number: VTC2K-CO-3K992299-IND-19
Policy Effective Date: 12/31/19
Issue Date: 09/08/20

INSURING COMPANY:
THE TRAVELERS INDEMNITY COMPANY

Effective from 07/14/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

AMENDING CG D3 61 03 05 - ADDL INSD-OWNER/LESSEE/CONTRACTOR B TO AMEND THE FOLLOWING AS PER ATTACHED:

CONTRACT NO I-20-4535 BEAM FABRICATION TRI-STATE TOLLWAY TO THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY

NAME AND ADDRESS OF AGENT OR BROKER:
AON RISK SERVICES NE INC (JC891)
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK, NY 11530

COUNTERSIGNED BY:

Authorized Representative

DATE:

OFFICE: SP-LONG ISLAND

TRAVELERS

POLICY NUMBER: VTC2K-CO-3K992299-IND-19
EFFECTIVE DATE: 12-31-19
ISSUE DATE: 09-08-20

LISTING OF FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

THIS LISTING SHOWS THE NUMBER OF FORMS, SCHEDULES AND ENDORSEMENTS BY LINE OF BUSINESS.

IL T0 07 09 87 CHANGE ENDORSEMENT
IL T8 01 10 93 FORMS, ENDORSEMENTS AND SCHEDULE NUMBERS

GENERAL LIABILITY - CONTRACTORS

CG D3 61 03 05 ADD'L INSURED-OWNERS,LESSEES,CONTRACTORS

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Names of Additional Insured Person(s) or Organization(s):

The Illinois State Toll Highway Authority together with its officials, directors and employees

Contract no I -20-4535 Beam Fabrication Tri-State Tollway (I-294) Over Grand Ave. Bridge Numbers 285 & 286 Mile Post 35.30.

Location of Covered Operations:

(Information required to complete this Schedule, if not shown above, will be shown in the Declarations.)

A. Section II – Who Is An Insured is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage", "personal injury" or "advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring, or "personal injury" or "advertising injury" arising out of an offense committed, after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BLANKET ADDITIONAL INSURED – PRIMARY AND NON-CONTRIBUTORY WITH OTHER INSURANCE

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

PROVISIONS

1. The following is added to Paragraph **A.1.c., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   This includes any person or organization who you are required under a written contract or agreement between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to name as an additional insured for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent of that person's or organization's liability for the conduct of another "insured".

2. The following is added to Paragraph **B.5., Other Insurance** of **SECTION IV – BUSINESS AUTO CONDITIONS**:

   Regardless of the provisions of paragraph a. and paragraph **d.** of this part **5. Other Insurance,** this insurance is primary to and non-contributory with applicable other insurance under which an additional insured person or organization is the first named insured when the written contract or agreement between you and that person or organization, that is signed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, requires this insurance to be primary and non-contributory.

ENDORSEMENT #005

This endorsement, effective 12:01 a.m., December 31, 2019, forms a part of Policy No. CEO742057005 issued to OHL USA, INC. by Indian Harbor Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MANUSCRIPT ENDORSEMENT – ADDITIONAL INSUREDS

This endorsement modifies insurance provided under the following:

PA/CE Plus: Professional Activities/Complete Execution + Pollution (Occurrence)

PROFESSIONAL & POLLUTION LIABILITY FOR CONSTRUCTION CONTRACTORS AND CONSTRUCTION SUPPORT SERVICES PROVIDERS

In consideration of the premium charged, it is hereby understood and agreed that the following are additional insured(s), but only with respect to **Claim(s)** arising out of **Contracting Activities** performed by or on behalf of the **Named Insured**:

Schedule
Re 301 E69th Street MacArthur Properties, LLC 140 East 56th Street, Suite D New York, NY 10022 MacArthur Management Corp. 140 East 56th Street, Suite D New York, NY 10022 Berkadia Commercial Mortgage LLC. Master Service for Wells Fargo Bank, NA Trustee for Deutsche Mortgage & Assets Receiving Corp. Comm. Mtg. Pass Thru Cert Series 2005-C6 C/O Berkadia Commercial Mortgage LLC P.O. Box 1687 Horsham, PA 19044 The 301/69 Condominium 301 East 69th Street New York, NY 10021 301/69 Owners Corp. 301 East 69th Street New York, NY 10021 The New York City Transit Authority ("NYCT"), the Manhattan and Bronx Surface Transit Operating Authority ("MaBSTOA"), the Staten Island Rapid Transit Operating Authority ("SIRTOA"), the Metropolitan Transportation Auhtority ("MTA") including its subsidiaries and affiliates, MTA Capital Construction ("MTACC"), MTA Bus Company ("MTA Bus"), and the City of New York ("City" as Owner) and the respective affiliates and subsidiaries existing currently or in the future of and successors to each Indemnified Party listed herein. Long Island Rail Road (LIRR), Metropolitan Transportation Authority (MTA) and its subsidiaries and affiliates and New York & Atlantic Railway Company (when applicable) Anacostia Rail Holdings and the respective affiliates and subsidiaries existing currently or in the future

of and successors to each Indemnified Parties listed herein. National Railroad Passenger Corp. (Amtrak), NJ Transit Corporation, and NJ Transit Rail Operations, Inc
Metro-North Commuter Railroad Company
Midtown Trackage Ventures, LLC
Midtown TDR Ventures, LLC
Argent Ventures LLC
Connecticut Department of Transportation (CDOT) and the State of Connecticut
National Railroad Passenger Corp (AMTRAK)
CSX Transportation, Inc. & New York Central Lines, LLC
Delaware & Hudson Railway Company Inc. (D&H)
BNS International, Inc.
Illinois State Toll Highway Authority together with its officials directors and em lo ees. The City of New York, including its officials and employees. Triborough Bridge & Tunnel Authority (B&T), Metropolitan Transportation Authority (MTA), and its subsidiaries and affiliates and the State of New York and the respective affiliates and subsidiaries existing currently or in the future of and successors."
Obrascon Huarte Lain S.A.
The District Board of Trustees of Miami Dade College, Florida
OHL Construction Industrial S.L.

All other terms, conditions and exclusions of this policy remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

XTEND ENDORSEMENT FOR CONTRACTORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to this Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

A. Who Is An Insured – Unnamed Subsidiaries

B. Blanket Additional Insured – Governmental Entities – Permits Or Authorizations Relating To Operations

C. Incidental Medical Malpractice

D. Blanket Waiver Of Subrogation

E. Contractual Liability – Railroads

F. Damage To Premises Rented To You

PROVISIONS

A. WHO IS AN INSURED – UNNAMED SUBSIDIARIES

The following is added to **SECTION II – WHO IS AN INSURED**:

Any of your subsidiaries, other than a partnership, joint venture or limited liability company, that is not shown as a Named Insured in the Declarations is a Named Insured if:

a. You are the sole owner of, or maintain an ownership interest of more than 50% in, such subsidiary on the first day of the policy period; and

b. Such subsidiary is not an insured under similar other insurance.

No such subsidiary is an insured for "bodily injury" or "property damage" that occurred, or "personal and advertising injury" caused by an offense committed:

a. Before you maintained an ownership interest of more than 50% in such subsidiary; or

b. After the date, if any, during the policy period that you no longer maintain an ownership interest of more than 50% in such subsidiary.

For purposes of Paragraph **1.** of Section **II** – Who Is An Insured, each such subsidiary will be deemed to be designated in the Declarations as:

a. An organization other than a partnership, joint venture or limited liability company; or

b. A trust;

as indicated in its name or the documents that govern its structure.

B. BLANKET ADDITIONAL INSURED – GOVERNMENTAL ENTITIES – PERMITS OR AUTHORIZATIONS RELATING TO OPERATIONS

The following is added to **SECTION II – WHO IS AN INSURED**:

Any governmental entity that has issued a permit or authorization with respect to operations performed by you or on your behalf and that you are required by any ordinance, law, building code or written contract or agreement to include as an additional insured on this Coverage Part is an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" arising out of such operations.

The insurance provided to such governmental entity does not apply to:

a. Any "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the governmental entity; or

b. Any "bodily injury" or "property damage" included in the "products-completed operations hazard".

C. INCIDENTAL MEDICAL MALPRACTICE

1. The following replaces Paragraph **b.** of the definition of "occurrence" in the **DEFINITIONS** Section:

b. An act or omission committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to a person, unless you are in the business or occupation of providing professional health care services.

2. The following replaces the last paragraph of Paragraph **2.a.(1)** of **SECTION II – WHO IS AN INSURED**:

Unless you are in the business or occupation of providing professional health care services, Paragraphs **(1)(a)**, **(b)**, **(c)** and **(d)** above do not apply to "bodily injury" arising out of providing or failing to provide:

(a) "Incidental medical services" by any of your "employees" who is a nurse, nurse assistant, emergency medical technician or paramedic; or

(b) First aid or "Good Samaritan services" by any of your "employees" or "volunteer workers", other than an employed or volunteer doctor. Any such "employees" or "volunteer workers" providing or failing to provide first aid or "Good Samaritan services" during their work hours for you will be deemed to be acting within the scope of their employment by you or performing duties related to the conduct of your business.

3. The following replaces the last sentence of Paragraph **5.** of **SECTION III – LIMITS OF INSURANCE**:

For the purposes of determining the applicable Each Occurrence Limit, all related acts or omissions committed in providing or failing to provide "incidental medical services", first aid or "Good Samaritan services" to any one person will be deemed to be one "occurrence".

4. The following exclusion is added to Paragraph **2.**, **Exclusions**, of **SECTION I – COVERAGES – COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY**:

Sale Of Pharmaceuticals

"Bodily injury" or "property damage" arising out of the violation of a penal statute or ordinance relating to the sale of pharmaceuticals committed by, or with the knowledge or consent of, the insured.

5. The following is added to the **DEFINITIONS** Section:

"Incidental medical services" means:

a. Medical, surgical, dental, laboratory, x-ray or nursing service or treatment, advice or instruction, or the related furnishing of food or beverages; or

b. The furnishing or dispensing of drugs or medical, dental, or surgical supplies or appliances.

6. The following is added to Paragraph **4.b.**, **Excess Insurance**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

This insurance is excess over any valid and collectible other insurance, whether primary, excess, contingent or on any other basis, that is available to any of your "employees" for "bodily injury" that arises out of providing or failing to provide "incidental medical services" to any person to the extent not subject to Paragraph **2.a.(1)** of Section **II** – Who Is An Insured.

D. BLANKET WAIVER OF SUBROGATION

The following is added to Paragraph **8.**, **Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS**:

If the insured has agreed in a contract or agreement to waive that insured's right of recovery against any person or organization, we waive our right of recovery against such person or organization, but only for payments we make because of:

a. "Bodily injury" or "property damage" that occurs; or

b. "Personal and advertising injury" caused by an offense that is committed;

subsequent to the execution of the contract or agreement.

E. CONTRACTUAL LIABILITY – RAILROADS

1. The following replaces Paragraph **c.** of the definition of "insured contract" in the **DEFINITIONS** Section:

c. Any easement or license agreement;

2. Paragraph **f.(1)** of the definition of "insured contract" in the **DEFINITIONS** Section is deleted.

F. DAMAGE TO PREMISES RENTED TO YOU

The following replaces the definition of "premises damage" in the **DEFINITIONS** Section:

"Premises damage" means "property damage" to:

a. Any premises while rented to you or temporarily occupied by you with permission of the owner; or

b. The contents of any premises while such premises is rented to you, if you rent such premises for a period of seven or fewer consecutive days.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

BUSINESS AUTO EXTENSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

GENERAL DESCRIPTION OF COVERAGE – This endorsement broadens coverage. However, coverage for any injury, damage or medical expenses described in any of the provisions of this endorsement may be excluded or limited by another endorsement to the Coverage Part, and these coverage broadening provisions do not apply to the extent that coverage is excluded or limited by such an endorsement. The following listing is a general coverage description only. Limitations and exclusions may apply to these coverages. Read all the provisions of this endorsement and the rest of your policy carefully to determine rights, duties, and what is and is not covered.

A. BROAD FORM NAMED INSURED

B. BLANKET ADDITIONAL INSURED

C. EMPLOYEE HIRED AUTO

D. EMPLOYEES AS INSURED

E. SUPPLEMENTARY PAYMENTS – INCREASED LIMITS

F. HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS

G. WAIVER OF DEDUCTIBLE – GLASS

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

J. PERSONAL PROPERTY

K. AIRBAGS

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

M. BLANKET WAIVER OF SUBROGATION

N. UNINTENTIONAL ERRORS OR OMISSIONS

PROVISIONS

A. BROAD FORM NAMED INSURED

The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any organization you newly acquire or form during the policy period over which you maintain 50% or more ownership interest and that is not separately insured for Business Auto Coverage. Coverage under this provision is afforded only until the 180th day after you acquire or form the organization or the end of the policy period, whichever is earlier.

B. BLANKET ADDITIONAL INSURED

The following is added to Paragraph **c.** in **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

Any person or organization who is required under a written contract or agreement between you and that person or organization, that is signed and executed by you before the "bodily injury" or "property damage" occurs and that is in effect during the policy period, to be named as an additional insured is an "insured" for Covered Autos Liability Coverage, but only for damages to which this insurance applies and only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured provision contained in Section II.

C. EMPLOYEE HIRED AUTO

1. The following is added to Paragraph **A.1., Who Is An Insured**, of **SECTION II – COVERED AUTOS LIABILITY COVERAGE**:

   An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in an "employee's" name, with your permission, while performing duties related to the conduct of your business.

2. The following replaces Paragraph **b.** in **B.5., Other Insurance**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

   b. For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

   (1) Any covered "auto" you lease, hire, rent or borrow; and

   (2) Any covered "auto" hired or rented by your "employee" under a contract in an "employee's" name, with your

permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

D. **EMPLOYEES AS INSURED**

The following is added to Paragraph **A.1., Who Is An Insured,** of **SECTION II – COVERED AUTOS LIABILITY COVERAGE:**

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

E. **SUPPLEMENTARY PAYMENTS – INCREASED LIMITS**

1. The following replaces Paragraph **A.2.a.(2),** of **SECTION II – COVERED AUTOS LIABILITY COVERAGE:**

   (2) Up to $3,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

2. The following replaces Paragraph **A.2.a.(4),** of **SECTION II – COVERED AUTOS LIABILITY COVERAGE:**

   (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to $500 a day because of time off from work.

F. **HIRED AUTO – LIMITED WORLDWIDE COVERAGE – INDEMNITY BASIS**

The following replaces Subparagraph **(5)** in Paragraph **B.7., Policy Period, Coverage Territory,** of **SECTION IV – BUSINESS AUTO CONDITIONS:**

(5) Anywhere in the world, except any country or jurisdiction while any trade sanction, embargo, or similar regulation imposed by the United States of America applies to and prohibits the transaction of business with or within such country or jurisdiction, for Covered Autos Liability Coverage for any covered "auto" that you lease, hire, rent or borrow without a driver for a period of 30 days or less and that is not an "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.

(a) With respect to any claim made or "suit" brought outside the United States of America, the territories and possessions of the United States of America, Puerto Rico and Canada:

   (i) You must arrange to defend the "insured" against, and investigate or settle any such claim or "suit" and keep us advised of all proceedings and actions.

   (ii) Neither you nor any other involved "insured" will make any settlement without our consent.

   (iii) We may, at our discretion, participate in defending the "insured" against, or in the settlement of, any claim or "suit".

   (iv) We will reimburse the "insured" for sums that the "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, that the "insured" pays with our consent, but only up to the limit described in Paragraph **C.,** Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE.

   (v) We will reimburse the "insured" for the reasonable expenses incurred with our consent for your investigation of such claims and your defense of the "insured" against any such "suit", but only up to and included within the limit described in Paragraph **C.,** Limits Of Insurance, of SECTION II – COVERED AUTOS LIABILITY COVERAGE, and not in addition to such limit. Our duty to make such payments ends when we have used up the applicable limit of insurance in payments for damages, settlements or defense expenses.

(b) This insurance is excess over any valid and collectible other insurance available to the "insured" whether primary, excess, contingent or on any other basis.

(c) This insurance is not a substitute for required or compulsory insurance in any country outside the United States, its territories and possessions, Puerto Rico and Canada.

You agree to maintain all required or compulsory insurance in any such country up to the minimum limits required by local law. Your failure to comply with compulsory insurance requirements will not invalidate the coverage afforded by this policy, but we will only be liable to the same extent we would have been liable had you complied with the compulsory insurance requirements.

(d) It is understood that we are not an admitted or authorized insurer outside the United States of America, its territories and possessions, Puerto Rico and Canada. We assume no responsibility for the furnishing of certificates of insurance, or for compliance in any way with the laws of other countries relating to insurance.

G. WAIVER OF DEDUCTIBLE – GLASS

The following is added to Paragraph **D., Deductible**, of **SECTION III – PHYSICAL DAMAGE COVERAGE:**

No deductible for a covered "auto" will apply to glass damage if the glass is repaired rather than replaced.

H. HIRED AUTO PHYSICAL DAMAGE – LOSS OF USE – INCREASED LIMIT

The following replaces the last sentence of Paragraph **A.4.b., Loss Of Use Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE:**

However, the most we will pay for any expenses for loss of use is $65 per day, to a maximum of $750 for any one "accident".

I. PHYSICAL DAMAGE – TRANSPORTATION EXPENSES – INCREASED LIMIT

The following replaces the first sentence in Paragraph **A.4.a., Transportation Expenses**, of **SECTION III – PHYSICAL DAMAGE COVERAGE:**

We will pay up to $50 per day to a maximum of $1,500 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type.

J. PERSONAL PROPERTY

The following is added to Paragraph **A.4., Coverage Extensions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE:**

Personal Property

We will pay up to $400 for "loss" to wearing apparel and other personal property which is:

(1) Owned by an "insured"; and

(2) In or on your covered "auto".

This coverage applies only in the event of a total theft of your covered "auto".

No deductibles apply to this Personal Property coverage.

K. AIRBAGS

The following is added to Paragraph **B.3., Exclusions**, of **SECTION III – PHYSICAL DAMAGE COVERAGE:**

Exclusion **3.a.** does not apply to "loss" to one or more airbags in a covered "auto" you own that inflate due to a cause other than a cause of "loss" set forth in Paragraphs **A.1.b.** and **A.1.c.**, but only:

a. If that "auto" is a covered "auto" for Comprehensive Coverage under this policy;

b. The airbags are not covered under any warranty; and

c. The airbags were not intentionally inflated.

We will pay up to a maximum of $1,000 for any one "loss".

L. NOTICE AND KNOWLEDGE OF ACCIDENT OR LOSS

The following is added to Paragraph **A.2.a.**, of **SECTION IV – BUSINESS AUTO CONDITIONS:**

Your duty to give us or our authorized representative prompt notice of the "accident" or "loss" applies only when the "accident" or "loss" is known to:

(a) You (if you are an individual);

(b) A partner (if you are a partnership);

(c) A member (if you are a limited liability company);

(d) An executive officer, director or insurance manager (if you are a corporation or other organization); or

(e) Any "employee" authorized by you to give notice of the "accident" or "loss".

M. BLANKET WAIVER OF SUBROGATION

The following replaces Paragraph **A.5., Transfer Of Rights Of Recovery Against Others To Us**, of **SECTION IV – BUSINESS AUTO CONDITIONS:**

5. Transfer Of Rights Of Recovery Against Others To Us

We waive any right of recovery we may have against any person or organization to the extent required of you by a written contract signed and executed prior to any "accident" or "loss", provided that the "accident" or "loss" arises out of operations contemplated by

such contract. The waiver applies only to the person or organization designated in such contract.

N. UNINTENTIONAL ERRORS OR OMISSIONS

The following is added to Paragraph **B.2., Concealment, Misrepresentation, Or Fraud**, of **SECTION IV – BUSINESS AUTO CONDITIONS**:

The unintentional omission of, or unintentional error in, any information given by you shall not prejudice your rights under this insurance. However this provision does not affect our right to collect additional premium or exercise our right of cancellation or non-renewal.

TRAVELERS
ONE TOWER SQUARE
HARTFORD CT 06183

POLICY NUMBER: UB-0L885804-19-25-D

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit any one not named in the Schedule.

SCHEDULE

DESIGNATED PERSON:

DESIGNATED ORGANIZATION:

ANY PERSON OR ORGANIZATION FOR WHICH THE INSURED HAS AGREED BY WRITTEN CONTRACT EXECUTED PRIOR TO LOSS TO FURNISH THIS WAIVER.

ENDORSEMENT #022

This endorsement, effective 12:01 a.m., December 31, 2019, forms a part of Policy No. CEO742057005 issued to OHL USA, INC. by Indian Harbor Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MANUSCRIPT ENDORSEMENT – AMENDMENT TO SUBROGATION CONDITION

This endorsement modifies insurance provided under the following:

PA/CE Plus: Professional Activities/Complete Execution + Pollution (Occurrence)

PROFESSIONAL & POLLUTION LIABILITY FOR CONSTRUCTION CONTRACTORS AND CONSTRUCTION SUPPORT SERVICES PROVIDERS

In consideration of the premium charged, it is hereby understood and agreed that Section 7: CONDITIONS, O. Subrogation, is deleted in its entirety and replaced with the following:

Subrogation **O.** In the event of any payment under this policy, we will be subrogated to all of the **Insured's** rights of recovery against any person or organization and the **Insured** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do nothing at any time to prejudice our subrogation rights.

However, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to a **Professional Liability Claim**, a waiver of subrogation was so required and accepted under a specific contractual undertaking by the **Insured**.

Under Section 1: What We Cover: D. Pollution Loss Coverage, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to the **Pollution Claim**, a waiver of subrogation was required and accepted under a specific contractual undertaking by the **Insured**.

All other terms, conditions and exclusions of this policy remain unchanged.

ENDORSEMENT #022

This endorsement, effective 12:01 a.m., December 31, 2019, forms a part of Policy No. CEO742057005 issued to OHL USA, INC. by Indian Harbor Insurance Company.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MANUSCRIPT ENDORSEMENT – AMENDMENT TO SUBROGATION CONDITION

This endorsement modifies insurance provided under the following:

PA/CE Plus: Professional Activities/Complete Execution + Pollution (Occurrence)

PROFESSIONAL & POLLUTION LIABILITY FOR CONSTRUCTION CONTRACTORS AND CONSTRUCTION SUPPORT SERVICES PROVIDERS

In consideration of the premium charged, it is hereby understood and agreed that Section 7: CONDITIONS, O. Subrogation, is deleted in its entirety and replaced with the following:

Subrogation **O.** In the event of any payment under this policy, we will be subrogated to all of the **Insured's** rights of recovery against any person or organization and the **Insured** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do nothing at any time to prejudice our subrogation rights.

However, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to a **Professional Liability Claim**, a waiver of subrogation was so required and accepted under a specific contractual undertaking by the **Insured**.

Under Section 1: What We Cover: D. Pollution Loss Coverage, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to the **Pollution Claim**, a waiver of subrogation was required and accepted under a specific contractual undertaking by the **Insured**.

All other terms, conditions and exclusions of this policy remain unchanged.

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In consideration of the premium charged, it is hereby understood and agreed that Section 7: CONDITIONS, O. Subrogation, is deleted in its entirety and replaced with the following:

Subrogation **O.** In the event of any payment under this policy, we will be subrogated to all of the **Insured's** rights of recovery against any person or organization and the **Insured** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do nothing at any time to prejudice our subrogation rights.

However, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to a **Professional Liability Claim**, a waiver of subrogation was so required and accepted under a specific contractual undertaking by the **Insured**.

Under Section 1: What We Cover: D. Pollution Loss Coverage, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to the **Pollution Claim**, a waiver of subrogation was required and accepted under a specific contractual undertaking by the **Insured**.

All other terms, conditions and exclusions of this policy remain unchanged.

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This endorsement modifies insurance provided under the following:

PA/CE Plus: Professional Activities/Complete Execution + Pollution (Occurrence)

PROFESSIONAL & POLLUTION LIABILITY FOR CONSTRUCTION CONTRACTORS AND CONSTRUCTION SUPPORT SERVICES PROVIDERS

In consideration of the premium charged, it is hereby understood and agreed that Section 7: CONDITIONS, O. Subrogation, is deleted in its entirety and replaced with the following:

Subrogation **O.** In the event of any payment under this policy, we will be subrogated to all of the **Insured's** rights of recovery against any person or organization and the **Insured** will execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The **Insured** will do nothing at any time to prejudice our subrogation rights.

However, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to a **Professional Liability Claim**, a waiver of subrogation was so required and accepted under a specific contractual undertaking by the **Insured**.

Under Section 1: What We Cover: D. Pollution Loss Coverage, we waive our right(s) of recovery against any person or organization included in the definition of an **Insured** or against the **Insured's Clients** including, but not limited to those named in the Schedule below, if prior to the **Pollution Claim**, a waiver of subrogation was required and accepted under a specific contractual undertaking by the **Insured**.

All other terms, conditions and exclusions of this policy remain unchanged.

4. Other Insurance

If valid and collectible other insurance is available to the insured for a loss we cover under Coverages **A** or **B** of this Coverage Part, our obligations are limited as described in Paragraphs **a.** and **b.** below.

As used anywhere in this Coverage Part, other insurance means insurance, or the funding of losses, that is provided by, through or on behalf of:

(i) Another insurance company;

(ii) Us or any of our affiliated insurance companies, except when the Non cumulation of Each Occurrence Limit provision of Paragraph **5.** of Section **III** – Limits Of Insurance or the Non cumulation of Personal and Advertising Injury Limit provision of Paragraph **4.** of Section **III** – Limits of Insurance applies because the Amendment – Non Cumulation Of Each Occurrence Limit Of Liability And Non Cumulation Of Personal And Advertising Injury Limit endorsement is included in this policy;

(iii) Any risk retention group; or

(iv) Any self-insurance method or program, in which case the insured will be deemed to be the provider of other insurance.

Other insurance does not include umbrella insurance, or excess insurance, that was bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

As used anywhere in this Coverage Part, other insurer means a provider of other insurance. As used in Paragraph **c.** below, insurer means a provider of insurance.

a. Primary Insurance

This insurance is primary except when Paragraph **b.** below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph **c.** below, except when Paragraph **d.** below applies.

b. Excess Insurance

(1) This insurance is excess over:

(a) Any of the other insurance, whether primary, excess, contingent or on any other basis:

(i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";

(ii) That is insurance for "premises damage";

(iii) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to any exclusion in this Coverage Part that applies to aircraft, "autos" or watercraft;

(iv) That is insurance available to a premises owner, manager or lessor that qualifies as an insured under Paragraph **4.** of Section **II** – Who Is An Insured, except when Paragraph **d.** below applies; or

(v) That is insurance available to an equipment lessor that qualifies as an insured under Paragraph **5.** of Section **II** – Who Is An Insured, except when Paragraph **d.** below applies.

(b) Any of the other insurance, whether primary, excess, contingent or on any other basis, that is available to the insured when the insured is an additional insured, or is any other insured that does not qualify as a named insured, under such other insurance.

(2) When this insurance is excess, we will have no duty under Coverages **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

(a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

(b) The total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

d. Primary And Non-Contributory Insurance If Required By Written Contract

If you specifically agree in a written contract or agreement that the insurance afforded to an insured under this Coverage Part must apply on a primary basis, or a primary and non-contributory basis, this insurance is primary to other insurance that is available to such insured which covers such insured as a named insured, and we will not share with that other insurance, provided that:

(1) The "bodily injury" or "property damage" for which coverage is sought occurs; and

(2) The "personal and advertising injury" for which coverage is sought is caused by an offense that is committed;

subsequent to the signing of that contract or agreement by you.

5. Premium Audit

a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.

b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

6. Representations

By accepting this policy, you agree:

a. The statements in the Declarations are accurate and complete;

b. Those statements are based upon representations you made to us; and

c. We have issued this policy in reliance upon your representations.

The unintentional omission of, or unintentional error in, any information provided by you which we relied upon in issuing this policy will not prejudice your rights under this insurance. However, this provision does not affect our right to collect additional premium or to exercise our rights of cancellation or nonrenewal in accordance with applicable insurance laws or regulations.

7. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

a. As if each Named Insured were the only Named Insured; and

b. Separately to each insured against whom claim is made or "suit" is brought.

8. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

9. When We Do Not Renew

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

SECTION V – DEFINITIONS

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and

b. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED ENTITY – NOTICE OF CANCELLATION PROVIDED BY US

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

CANCELLATION: **Number of Days Notice of Cancellation:** 30

PERSON OR ORGANIZATION:

The Illinois State Toll Highway Authority together with its officials, directors & Employees

ADDRESS:

Illinois Tollway
2700 Ogden Avenue Downers Grove, IL 60515

PROVISIONS:

If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.

TRAVELERS

One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

Named Insured:
OHL USA, INC.
AS PER IL T8 00

Policy Number: VTC2J-CAP-3K992423-TIL-19
Policy Effective Date: 12/31/19
Issue Date: 08/04/20
Premium*$ NIL

*AMS BINDER BILLED # 248832

INSURING COMPANY:
TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA

Effective from 08/03/20 at the time of day the policy becomes effective.

THIS INSURANCE IS AMENDED AS FOLLOWS:

THE COMMERCIAL AUTOMOBILE COVERAGE PART IS AMENDED AS FOLLOWS:

THE FOLLOWING ENDORSEMENT HAS BEEN ADDED TO THE POLICY AS PER THE ATTACHED:

IL T4 05 05 19 DESIGNATED PERSON OR ORGANIZATION - NOTICE OF CANCELLATION PROVIDED BY US

NAME AND ADDRESS OF AGENT OR BROKER:
AON RISK SERVICES NE INC (JC891)
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK, NY 11530

COUNTERSIGNED BY:

Authorized Representative

DATE:

OFFICE: SP-LONG ISLAND

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED PERSON OR ORGANIZATION – NOTICE OF CANCELLATION PROVIDED BY US

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THIS POLICY

SCHEDULE

CANCELLATION: **Number of Days Notice:** 30

PERSON OR ORGANIZATION:

The Illinois State Toll Highway Authority together with its officials, directors & Employees

ADDRESS:

Illinios Tollway
2700 Ogden Avenue Downers Grove, IL 60515

PROVISIONS

If we cancel this policy for any legally permitted reason other than nonpayment of premium, and a number of days is shown for Cancellation in the Schedule above, we will mail notice of cancellation to the person or organization shown in such Schedule. We will mail such notice to the address shown in the Schedule above at least the number of days shown for Cancellation in such Schedule before the effective date of cancellation.

TRAVELERS One Tower Square, Hartford, Connecticut 06183

CHANGE ENDORSEMENT

INSURING COMPANY: THE TRAVELERS INDEMNITY COMPANY 004

NAMED INSURED: OHL USA, INC.
AS PER EU 00 05

POLICY NUMBER: CUP-3K99232A-19-25

POLICY EFFECTIVE DATE: 12/31/19

POLICY EXPIRATION DATE: 12/31/20

ISSUE DATE: 08/03/20

ADDITIONAL **PREMIUM:** $0.00

Effective from 08/03/2020 at the time of day the policy becomes effective.
THIS INSURANCE IS AMENDED AS FOLLOWS:

ADDING FORM IL T4 05, DESIGNATED ENTITY - NOTICE OF CANCELLATION PROVIDED BY US, IN FAVOR OF THE FOLLOWING:

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY TOGETHER WITH ITS OFFICIALS, DIRECTORS & EMPLOYEES

NAME AND ADDRESS OF AGENT OR BROKER

AON RISK SERVICES NE INC
ONE LIBERTY PL
165 BROADWAY 33RD FL
NEW YORK NY 11530

Countersigned by

Authorized Representative

DATE:

Office: RICHARDSON

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED ENTITY - NOTICE OF CANCELLATION PROVIDED BY US

This endorsement modifies insurance provided under the following:

ALL COVERAGE PARTS INCLUDED IN THE POLICY

SCHEDULE - MINIMUM PREMIUM

Cancellation: **Number of Days Notice of Cancellation:** 30

Person or organization:

THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY TOGETHER
WITH ITS OFFICIALS, DIRECTORS & EMPLOYEES

Address:

ILLINOIS TOLLWAY
2700 OGDEN AVENUE
DOWNERS GROVE, IL 60515

PROVISIONS

If we cancel this policy for any statutorily permitted reason other than nonpayment of premium, and a number of days is shown for cancellation in the schedule above, we will mail notice of cancellation to the person or organization shown in the schedule above. We will mail such notice to the address shown in the schedule above at least the number of days shown for cancellation in the schedule above before the effective date of cancellation.

TRAVELERS

ONE TOWER SQUARE
HARTFORD CT 06183

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

CHANGE DOCUMENT WC 99 99 98 (A)

POLICY NUMBER: **UB-0L885841-19-25-D**

CHANGE EFFECTIVE DATE: 08-03-20 **NCCI CO CODE:** 15318

INSURER: THE CHARTER OAK FIRE INSURANCE COMPANY

INSURED'S NAME: OHL USA INC

This change is issued by the Company or Companies that issued the policy and forms a part of the policy. It is agreed that the policy is amended as follows:

An absence of an entry in the premium spaces below means that the premium adjustment, if any, will be made at time of audit.

ADDITIONAL PREMIUM	$	**RETURN PREMIUM**	$
ADDITIONAL NON-PREMIUM	$	**RETURN NON-PREMIUM**	$

Item 3.D Form Number is replaced:

WC 99 03 C3 00 SPECIAL PROVISIONS ENDT

Item 3.D Form Number is added:

WC 99 06 R3 00 - 008 NOTICE OF CAN TO DESIGN PERSONS OR ORGAN

DATE OF ISSUE: 08-04-20 AA CHANGE NO: 10 PAGE 1 OF 1
POL. EFF. DATE: 12-31-19 POL. EXP. DATE: 12-31-20
OFFICE: SP-LONG ISLAND 06I
PRODUCER: AON RISK SERVICES NE INC JC891

COUNTERSIGNED AGENT

TRAVELERS

ONE TOWER SQUARE
HARTFORD CT 06183

WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 89 06 14 (00) –

POLICY NUMBER: UB-0L885841-19-25-D

POLICY INFORMATION PAGE ENDORSEMENT

Item 3.D. Endorsement numbers is changed to read:

WC 99 03 C3 00

WC 99 06 R3 00

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

DATE OF ISSUE: 08-04-20 ST ASSIGN:

TRAVELERS

ONE TOWER SQUARE
HARTFORD CT 06183

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY

ENDORSEMENT WC 99 03 C3 (00) –

POLICY NUMBER: UB-0L885841-19-25-D

SPECIAL PROVISIONS ENDORSEMENT
STATE APPLICABILITY

The listed endorsements are only applicable in the following states:

```
WC 00 01 06 ( A)-001  LONGSHORE AND HARBOR WC ACT COVERAGE
APPLIES TO STATE(S):  CT FL IL NY TX VA
WC 00 03 01 ( A)-001  ALTERNATE EMPLOYER ENDORSEMENT
APPLIES TO STATE(S):  CA CT FL IL NY VA
WC 00 03 01 ( A)-002  ALTERNATE EMPLOYER ENDORSEMENT
APPLIES TO STATE(S):  CA CT FL IL NY VA
WC 00 03 01 (00)-001  ALTERNATE EMPLOYER ENDORSEMENT
APPLIES TO STATE(S):  TX
WC 00 03 01 (00)-002  ALTERNATE EMPLOYER ENDORSEMENT
APPLIES TO STATE(S):  TX
WC 00 03 02 (00)-001  DESIGNATED WORKPLACES EXCLUSION
APPLIES TO STATE(S):  CT FL IL NY TX VA
WC 00 03 13 (00)-001  WAIVER OF OUR RIGHT TO RECOVER
APPLIES TO STATE(S):  CT FL IL NY VA
WC 00 04 14 ( A)-001  NOTIFICATION OF CHG IN OWNR ENDT
APPLIES TO STATE(S):  CT FL IL NY TX VA
WC 00 04 19 (00)-001  PREMIUM DUE DATE ENDORSEMENT
APPLIES TO STATE(S):  CT FL IL NY VA
WC 00 04 21 ( D)-001  CATASTROPHE (O/T CERT. ACTS OF TERR)ENDT
APPLIES TO STATE(S):  CA CT IL NY
WC 00 04 22 (B )-001  TERRORISM RISK INS PROG REAUTH ACT ENDT
APPLIES TO STATE(S):  TX
WC 00 04 24 (O0)-001  AUDIT NONCOMPLIANCE CHARGE ENDORSEMENT
APPLIES TO STATE(S):  CT IL VA
WC 00 04 25 (00)-001  EXPER RATING MOD FACTOR REVISION ENDT
APPLIES TO STATE(S):  CT IL NY TX VA
WC 04 01 01 ( A)-001  LONGSHORE & HARBOR WC ACT ENDT - CA
APPLIES TO STATE(S):  CA
WC 04 03 01 ( B)-001  POLICY AMENDATORY ENDORSEMENT-CALIFORNIA
APPLIES TO STATE(S):  CA
WC 04 03 17 ( B)-001  EMPLOYEE INSD BY GENERL EMPLYER EXCLUDED
APPLIES TO STATE(S):  CA
WC 04 03 45 ( A)-001  COMPREHENSIVE PERSONAL LIAB POL EXCL
APPLIES TO STATE(S):  CA
WC 04 03 60 ( B)-001  EMPLOYERS' LIAB COV AMENDATORY ENDT-CA
APPLIES TO STATE(S):  CA
WC 04 04 21 (00)-001  OPTIONAL PREMIUM INCREASE ENDORSEMENT - CALIFORNIA
```

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Policy No. Endorsement No.

Insured Premium $

Insurance Company Countersigned by _____

DATE OF ISSUE: 08-04-20 ST ASSIGN:

POLICY NUMBER: UB-0L885841-19-25-D

SPECIAL PROVISIONS ENDORSEMENT
STATE APPLICABILITY

The listed endorsements are only applicable in the following states:

```
APPLIES TO STATE(S):  CA
WC 04 04 22 (00)-001  CALIFORNIA SHORT-RATE CANCELATION ENDT
APPLIES TO STATE(S):  CA
WC 04 06 01 ( A)-001  CA CANCELATION ENDT
APPLIES TO STATE(S):  CA
WC 06 03 01 (00)-001  CT APPLICATION OF WORKERS COMPENSATION
APPLIES TO STATE(S):  CT
WC 06 03 03 ( C)-001  CONNECTICUT WC FUNDS ENDORSEMENT
APPLIES TO STATE(S):  CT
WC 06 04 01 (00)-001  CT CONTRACTORS CLASSIFICATION PREM. END
APPLIES TO STATE(S):  CT
WC 06 06 01 ( A)-001  CT NONRENEWAL AND RENEWAL ENDT
APPLIES TO STATE(S):  CT
WC 09 03 03 (00)-001  FL EMPLRS LIAB COVERAGE ENDT
APPLIES TO STATE(S):  FL
WC 09 04 01 (00)-001  FLORIDA CONTRACTING PREM ADJUST END
APPLIES TO STATE(S):  FL
WC 09 04 03 (B0)-001  FL TRIPRA ENDORSEMENT
APPLIES TO STATE(S):  FL
WC 09 04 07 (00)-001  FL NON-COOPERATION WITH PREM AUDIT ENDT
APPLIES TO STATE(S):  FL
WC 09 06 06 (00)-001  FL EMPLOYMENT AND WAGE INFORMATION REL.
APPLIES TO STATE(S):  FL
WC 09 06 07 ( A)-001  FL WC INS GUARANTY ASSOC SURCH NOTIFIC
APPLIES TO STATE(S):  FL
WC 12 04 02 (00)-001  ILL CONTRACTING CLASSIFICATION PREM. ADJ
APPLIES TO STATE(S):  IL
WC 12 06 01 ( F)-001  IL AMENDATORY ENDT
APPLIES TO STATE(S):  IL
WC 12 06 03 (00)-001  ILLINOIS RENEWAL ENDORSEMENT
APPLIES TO STATE(S):  IL
WC 31 03 08 (00)-001  NEW YORK LIMIT OF LIABILITY ENDORSEMENT
APPLIES TO STATE(S):  NY
WC 31 03 19 ( I)-001  NY CONST CLASS PREM ADJUST PROG
APPLIES TO STATE(S):  NY
WC 31 04 04 ( A)-001  NY PENDING PAYROLL LIMIT & PREM DIFF
APPLIES TO STATE(S):  NY
WC 31 04 05 (00)-001  NY SAFE PTNT HANDLING ACT PRGM ENDT
APPLIES TO STATE(S):  NY
WC 31 06 18 (00)-001  NEW YORK NOTICE OF RIGHT TO APPEAL
APPLIES TO STATE(S):  NY
WC 42 03 01 ( I)-001  TEXAS AMENDATORY ENDORSEMENT
APPLIES TO STATE(S):  TX
WC 42 03 04 ( B)-001  TX WAIVER OF OUR RIGHT TO RECOVER
APPLIES TO STATE(S):  TX
WC 42 04 07 (00)-001  TX AUDIT PREMIUM & RETRO PREM ENDT
APPLIES TO STATE(S):  TX
```

POLICY NUMBER: UB-0L885841-19-25-D

SPECIAL PROVISIONS ENDORSEMENT
STATE APPLICABILITY

The listed endorsements are only applicable in the following states:

```
WC 45 06 02 (00)-001  VA AMENDATORY ENDT
APPLIES TO STATE(S):  VA
WC 45 06 04 (00)-001  VIRGINIA CONTRACTING CLASS PREM. ADJUST
APPLIES TO STATE(S):  VA
WC 99 01 01 (00)-001  STATE WC COMP LAWS AND USL & H WC ACT
APPLIES TO STATE(S):  CA CT FL IL NY VA
WC 99 03 76 ( A)-001  WAIVER OF OUR RIGHTS TO RECOVER-CA
APPLIES TO STATE(S):  CA
WC 99 03 99 (00)-001  CA WORKERS' COMP NOTICE OF NON-RENEWAL
APPLIES TO STATE(S):  CA
WC 99 03 E6 ( C)-001  TRIPRA DISCLOSURE ENDT - NY CHANGES
APPLIES TO STATE(S):  NY
WC 99 03 F3 (00)-001  CA LIMITS OF LIABILITY ENDT
APPLIES TO STATE(S):  CA
WC 99 03 J3 ( F)-001  EXTEND CLASS SCHED ENDT CONST & ERECT-CA
APPLIES TO STATE(S):  CA
WC 99 06 10 ( B)-001  AMENDED CANCELLATION CONDITION ENDT
APPLIES TO STATE(S):  CT
WC 99 06 40 (00)-001  VIRGINIA AMENDATORY ENDORSEMENT
APPLIES TO STATE(S):  VA
WC 99 06 46 (00)-001  ILLINOIS AMENDATORY ENDORSEMENT
APPLIES TO STATE(S):  IL
WC 99 06 48 (A)-001   WORK COMP LARGE DEDUCTIBLE ENDORSEMENT
APPLIES TO STATE(S):  CA CT IL
WC 99 06 79 (A)-001   WORKERS COMPENSATION DEDUCTIBLE ENDT
APPLIES TO STATE(S):  CT IL TX
WC 99 06 E8 (OO)-001  WORKERS COMPENSATION DEDUCTIBLE ENDT
APPLIES TO STATE(S):  NY
WC 99 06 G2 ( C)-001  WC LARGE DED ENDT- DED INC ALAE - FL
APPLIES TO STATE(S):  FL
WC 99 06 G4 (OO)-001  WORKERS COMPENSATION DEDUCTIBLE ENDT
APPLIES TO STATE(S):  VA
WC 99 06 G7 ( F)-001  TRIPRA DISCLOSURE ENDORSEMENT
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 H6 ( C)-001  CA DESIGNATED WORKPLACE EXCLUSION-CIP
APPLIES TO STATE(S):  CA
WC 99 06 J1 (00)-001  TEXAS AMENDATORY ENDORSEMENT
APPLIES TO STATE(S):  TX
WC 99 06 P7 (00)-001  NOTICE OF CANC OR NONRENEW BY US ENDT
APPLIES TO STATE(S):  CA
WC 99 06 P8 (00)-001  FL NOTICE OF CANC OR NONRENEW BY US ENDT
APPLIES TO STATE(S):  FL
WC 99 06 Q1 (00)-001  EARLIER NOTICE OF CAN OR NONRE BY US END
APPLIES TO STATE(S):  IL TX VA
WC 99 06 R3 (00)-001  NOTICE OF CAN TO DESIGN PERSONS OR ORGAN
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 R3 (00)-004  NOTICE OF CAN TO DESIGN PERSONS OR ORGAN
```

POLICY NUMBER: UB-0L885841-19-25-D

SPECIAL PROVISIONS ENDORSEMENT
STATE APPLICABILITY

The listed endorsements are only applicable in the following states:

```
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 R3 (00)-005  NOTICE OF CAN TO DESIGN PERSONS OR ORGAN
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 R3 (00)-006  NOTICE OF CAN TO DESIGN PERSONS OR ORGAN
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 R3 (00)-007  NOTICE OF CAN TO DESIGN PERSONS OR ORGAN
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 R3 (00)-008  NOTICE OF CAN TO DESIGN PERSONS OR ORGAN
APPLIES TO STATE(S):  CA CT IL NY VA
WC 99 06 T1 (00)-002  NY NOTICE CANCEL DESIGNATED GOV ENTITY
APPLIES TO STATE(S):  NY
WC 99 06 T1 (00)-003  NY NOTICE CANCEL DESIGNATED GOV ENTITY
APPLIES TO STATE(S):  NY
```

TRAVELERS
ONE TOWER SQUARE
HARTFORD CT 06183

WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY
ENDORSEMENT WC 99 06 R3 (00) - 008

POLICY NUMBER: UB-0L885841-19-25-D

NOTICE OF CANCELLATION TO DESIGNATED PERSONS OR ORGANIZATIONS

The following is added to PART SIX – CONDITIONS :

Notice Of Cancellation To Designated Persons Or Organizations

If we cancel this policy for any reason other than non-payment of premium by you, we will provide notice of such cancellation to each person or organization designated in the Schedule below. We will mail or deliver such notice to each person or organization at its listed address at least the number of days shown for that person or organization before the cancellation is to take effect.

You are responsible for providing us with the information necessary to accurately complete the Schedule below. If we cannot mail or deliver a notice of cancellation to a designated person or organization because the name or address of such designated person or organization provided to us is not accurate or complete, we have no responsibility to mail, deliver or otherwise notify such designated person or organization of the cancellation.

SCHEDULE

Name and Address of Designated Persons or Organizations:	Number of Days Notice
THE ILLINOIS STATE TOLL HIGHWAY AUTHORITY WITH ITS OFFICIALS, DIRECTORS & EMPLOYEES ILLINOIS TOLLWAY 2700 OGDEN AVENUE DOWNERS GROVE, IL 60515	30

All other terms and conditions of this policy remain unchanged.

This endorsement changes the policy to which it is attached and is effective on the date issued unless otherwise stated.

(The information below is required only when this endorsement is issued subsequent to preparation of the policy.)

Endorsement Effective Policy No. Endorsement No.
Insured Premium $

Insurance Company Countersigned by _____

DATE OF ISSUE: 08-04-20 ST ASSIGN:

XL Insurance

Endorsement

ENDORSEMENT #056

This endorsement, effective 12:01 a.m., July 14, 2020, forms a part of Policy No. CEO742057005 issued to OHL USA, INC. by Indian Harbor Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MANUSCRIPT ENDORSEMENT - CANCELLATION NOTIFICATION TO OTHERS

This endorsement modifies insurance provided under the following:

PA/CE Plus: Professional Activities/Complete Execution + Pollution (Occurrence)

PROFESSIONAL & POLLUTION LIABILITY FOR CONSTRUCTION CONTRACTORS AND CONSTRUCTION SUPPORT SERVICES PROVIDERS

In consideration of the premium charged, it is hereby understood and agreed that in the event coverage is cancelled for any statutorily permitted reason, other than non-payment of premium, advance written notice will be mailed or delivered to person(s) or entity(ies) according to the notification schedule shown below:

Name of Person(s) or Entity(ies)	Mailing Address	Number of Days Advanced Notice of Cancellation
The Illinois State Toll highway Authority together with its officials, directors & Employees	2700 Ogden Avenue Downers Gove, Illinois 60515	30

Any failure of the Company to so notify the person(s) or entity(ies) listed above will in no way serve as, or be deemed, a violation or breach of the Company's duties or obligations under this Policy or otherwise.

All other terms, conditions and exclusions of this policy remain unchanged.

GENERALI
Global Corporate & Commercial

CONSTRUCTION ALL RISKS INSURANCE BINDER

RISK DETAILS

POLICY HOLDER: Judlau Contracting Inc. S&J Construction Co, Inc. A Joint Venture

BROKER: Aon Construction Services Group

TYPE: CONSTRUCTION/ERECTION "ALL RISKS" AND EXISTING PROPERTY INSURANCE.

POLICY NUMBER: CAR 700179

INSURED:

(i) Judlau Contracting Inc., S&J Construction Co, Inc. A Joint VentureAddress: 1011 Warrenville Road, Suite 195, Lisle, IL 60532, USA.

(ii) Illinois State Toll Highway Authority as Principal / Owner and Loss Payee

(iii) (a) Sub-Contractors of any tier

(b) Architects and/or Consultants and/or Design Bureaux and/or Suppliers not forming part of (i) above for their site activities only but only to the extent that the Insured sub (i) has, by contract or agreement, agreed to provide such party (ies) with the benefit of this insurance (or part thereof).

(iv) Any other party having an insurable interest (and not mentioned above) to the extent that the Insured sub (i) is required by contract or agreement to provide insurance to such party(ies).

PROJECT NAME AND LOCATION: All works and temporary works in connection with CONTRACT I-20-4535 BEAM FABRICATION TRI-STATE TOLLWAY (I-294) OVER GRAND AVE. BRIDGE NUMBERS 285 AND 286 MILE POST 35.30, in Cook County, IL.

POLICY PERIOD: October 19th,2020 To May 19th ,2023

Section I – Construction "All Risks" (Builders

Risk): Estimated Contract Price (ECP): $2,459,200

INSURANCES:

Section II - Existing Property/Handed Over Property/Property in the Insureds care, custody or control

USD 1,500,000 any one occurrence on a first loss basis

DEDUCTIBLES:

Section I – Construction "All Risks"(Builders Risk)

i) USD 22,000 each and every occurrence in respect of Storm, Tempest, Flood, Water Damage, Subsidence, Collapse, Earthquake and Defective Design, Materials and Workmanship.

ii) USD 8,250 each and every other occurrence

N.B. "Water Damage" as referred to above shall not include the bursting or overflowing of water tanks, apparatus or pipes.

Section II - Existing Property:

USD 11,000 each and every occurrence

PREMIUM:

USD $4,350.89 calculated and adjustable at a rate of 1.769‰ (per mille) on the Final Contract Price, estimated at inception to be USD 2,459,200

Premium payable at inception.

TERRITORIAL LIMITS:

Anywhere in the United States of America including all inland transits and offsite storage therein. The offsite limit is USD 5,500,000

LAW AND JURISDICTION:

This Insurance is governed and construed in accordance with the laws of the state of Illinois

In the event of dispute hereunder, each party agrees to submit to the courts of the state of Illinois

Rob Harry 08/13/2020
Underwriter Name and Date

September 4, 2020

Chrissy Rivers
Contract Analyst
Illinois Tollway
2700 Ogden Avenue
Downers Grove, IL 60515

REF: ISTHA Contract I-20-4535, Beam Fabrication, I-294 Over Grand Ave Bridge Numbers 285 and 286

Dear Ms. Rivers,

As the authorized insurance broker for Judlau Contracting, Inc./S&J Construction Co., Inc. Joint Venture and as the binding broker for the insurance company; Aon Risk Services Northeast, Inc. can confirm the following;

- All provisions of the accepted certificates of insurance and policy binders have been obtained.
- All endorsements indicated have been secured from the insurance carrier.

If you have any questions regarding or require additional information, please feel free to contract us.

Sincerely,

AON RISK SOLUTIONS

[redacted]

Brian Pearsall
Senior Vice President
Construction Services Group

Aon Risk Services, Inc. | Aon Construction Services Group
165 Broadway | New York, NY 10006
M: (516) 246-4435 **T**: 212-441-1396
w: Brian.Pearsall@aon.com

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 8/12/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
HUB International Midwest Limited
1411 Opus Place, Suite 450
Downers Grove IL 60515

CONTACT NAME:
PHONE (A/C, No, Ext): 630-468-5600 FAX (A/C, No): 630-468-5696
E-MAIL ADDRESS: CSUConstruction@hubinternational.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A: Liberty Mutual Fire Insurance Company	23035
INSURER B: Allied World Assurance Co Inc	19489
INSURER C:	
INSURER D:	
INSURER E:	
INSURER F:	

INSURED S&JCONS-01
S & J Construction Co. Inc.
4245 West 166th Street
Oak Forest IL 60452

COVERAGES **CERTIFICATE NUMBER:** 1152072992 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	COMMERCIAL GENERAL LIABILITY						EACH OCCURRENCE	$
	CLAIMS-MADE / OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$
							MED EXP (Any one person)	$
							PERSONAL & ADV INJURY	$
	GEN'L AGGREGATE L MIT APPL ES PER:						GENERAL AGGREGATE	$
	POLICY / PRO-JECT / LOC						PRODUCTS - COMP/OP AGG	$
	OTHER:							$
A	AUTOMOBILE LIABILITY	Y	Y	AS2-Z91-471976	7/1/2020	7/1/2021	COMBINED SINGLE LIMIT (Ea accident)	$ 2,000,000
	X ANY AUTO						BODILY INJURY (Per person)	$
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per accident)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB / X OCCUR			03114190	7/1/2020	7/1/2021	EACH OCCURRENCE	$ 10,000,000
	EXCESS LIAB / CLAIMS-MADE						AGGREGATE	$ 10,000,000
	DED / X RETENTION $ 10,000							$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	N / A	Y	WC2-Z91-471976-010	7/1/2020	7/1/2021	X PER STATUTE / OTH-ER	
	ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) Y / N: N						E.L. EACH ACC DENT	$ 1,000,000
	If yes, describe under DESCR PTION OF OPERATIONS below						E.L. DISEASE - EA EMPLOYEE	$ 1,000,000
							E.L. DISEASE - POLICY LIMIT	$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: S&J Job# 20035; ISTHA Contract Number I-20-4535; Beam Fabrication Tri-State Tollway (I-294) over Grand Ave. Bridge Numbers 285 and 286 Mile Post 35.30

Illinois State Toll Highway Authority is included as additional insured under Automobile Liability, on a primary and non-contributory basis, when agreed in a written contract, subject to policy terms, conditions and exclusions. A waiver of subrogation applies under Automobile Liability, & Worker's Compensation in favor of the additional insured listed, when agreed in a written contract, subject to policy terms, conditions and exclusions. Umbrella follows form.

CERTIFICATE HOLDER

The Illinois State Toll Highway Authority
Attention: Risk Management
2700 Ogden Avenue
Downers Grove IL 60516

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

A [redacted]

WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS ENDORSEMENT

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

Schedule

Where required by written contract or written agreement prior to loss and allowed by law.

In the States of Illinois and Indiana, the premium charge is 2% of the total manual premium, subject to a minimum premium of $100 per policy.

In the state of Wisconsin, the premium charge is 2% of the total manual premium, plus the EL Increased Limits, subject to a minimum premium of $50 per policy.

Issued by Liberty Mutual Fire Insurance Company 16586

For attachment to Policy No. WC2-Z91-471976-010 Effective Date Premium $

Issued to S & J Construction Co Inc Endorsement No.

Policy Number AS2-Z91-471976
Issued by Liberty Mutual Fire Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AUTO ENHANCEMENT ENDORSEMENT

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM

I. Newly Acquired or Formed Organizations
II. Employees as Insureds
III. Lessor - Additional Insured and Loss Payee
IV. Supplementary Payments - Increased Limits
V. Fellow Employee Coverage
VI. Personal Property of Others
VII. Additional Transportation Expense and Cost to Recover Stolen Auto
VIII. Airbag Coverage
IX. Tapes, Records and Discs Coverage
X. Physical Damage Deductible - Single Deductible
XI. Physical Damage Deductible - Glass
XII. Physical Damage Deductible - Vehicle Tracking System
XIII. Duties in Event of Accident, Claim, Suit or Loss
XIV. Unintentional Failure to Disclose Hazards
XV. Worldwide Liability Coverage - Hired and Nonowned Autos
XVI. Hired Auto Physical Damage
XVII. Auto Medical Payments Coverage Increased Limits
XVIII. Drive Other Car Coverage - Broadened Coverage for Designated Individuals
XIX. Rental Reimbursement Coverage
XX. Notice of Cancellation or Nonrenewal
XXI. Loan/Lease Payoff Coverage
XXII. Limited Mexico Coverage
XXIII. Waiver of Subrogation

I. NEWLY ACQUIRED OR FORMED ORGANIZATIONS

Throughout this policy, the words you and your also refer to any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership of more than 50 percent interest, provided:

A. There is no similar insurance available to that organization;

B. Unless you notify us to add coverage to your policy, the coverage under this provision is afforded only until:

1. The 90th day after you acquire or form the organization; or

2. The end of the policy period, whichever is earlier; and

C. The coverage does not apply to an "accident" which occurred before you acquired or formed the organization.

II. EMPLOYEES AS INSUREDS

Paragraph A.1. Who Is An Insured of SECTION II - LIABILITY COVERAGE is amended to add:

Your "employee" is an "insured" while using with your permission a covered "auto" you do not own, hire or borrow in your business or your personal affairs.

III. LESSOR - ADDITIONAL INSURED AND LOSS PAYEE

A. Any "leased auto" will be considered an "auto" you own and not an "auto" you hire or borrow. The coverages provided under this section apply to any "leased auto" until the expiration date of this policy or until the lessor or his or her agent takes possession of the "leased auto" whichever occurs first.

B. For any "leased auto" that is a covered "auto" under SECTION II- LIABILITY COVERAGE, Paragraph A.1. Who Is An Insured provision is changed to include as an "insured" the lessor of the "leased auto". However, the lessor is an "insured" only for "bodily injury" or "property damage" resulting from the acts or omissions by:

1. You.

2. Any of your "employees" or agents; or

3. Any person, except the lessor or any "employee" or agent of the lessor, operating a "leased auto" with the permission of any of the above.

C. Loss Payee Clause

1. We will pay, as interests may appear, you and the lessor of the "leased auto" for "loss" to the covered "leased auto".

2. The insurance covers the interest of the lessor of the "leased auto" unless the "loss" results from fraudulent acts or omissions on your part.

3. If we make any payment to the lessor of a "leased auto", we will obtain his or her rights against any other party.

D. Cancellation

1. If we cancel the policy, we will mail notice to the lessor in accordance with the Cancellation Common Policy Condition.

2. If you cancel the policy, we will mail notice to the lessor.

3. Cancellation ends this agreement.

E. The lessor is not liable for payment of your premiums.

F. For purposes of this endorsement, the following definitions apply:

"Leased auto" means an "auto" which you lease for a period of six months or longer for use in your business, including any "temporary substitute" of such "leased auto".

"Temporary substitute" means an "auto" that is furnished as a substitute for a covered "auto" when the covered "auto" is out of service because of its breakdown, repair, servicing, "loss" or destruction.

IV. SUPPLEMENTARY PAYMENTS - INCREASED LIMITS

Subparagraphs A.2.a.(2) and A.2.a.(4) of SECTION II - LIABILITY COVERAGE are deleted and replaced by the following:

(2) Up to $3,000 for the cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including the actual loss of earnings up to $500 a day because of time off from work.

V. FELLOW EMPLOYEE COVERAGE

A. Exclusion B.5. of SECTION II - LIABILITY COVERAGE does not apply.

B. For the purpose of Fellow Employee Coverage only, Paragraph B.5. of BUSINESS AUTO CONDITIONS is changed as follows:

This Fellow Employee Coverage is excess over any other collectible insurance.

VI. PERSONAL PROPERTY OF OTHERS

Exclusion 6. in SECTION II - LIABILITY COVERAGE for a covered "auto" is amended to add:

This exclusion does not apply to "property damage" or "covered pollution cost or expense" involving "personal property" of your "employees" or others while such property is carried by the covered "auto". The Limit of Insurance for this coverage is $5,000 per "accident". Payment under this coverage does not increase the Limit of Insurance.

For the purpose of this section of this endorsement, "personal property" is defined as any property that is not used in the individual's trade or business or held for the production or collection of income.

VII. ADDITIONAL TRANSPORTATION EXPENSE AND COST TO RECOVER STOLEN AUTO

A. Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended as follows:

The amount we will pay is increased to $50 per day and to a maximum limit of $1,000.

B. Paragraph A.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add the following:

If your business is shown in the Declarations as something other than an auto dealership, we will also pay up to $1,000 for reasonable and necessary costs incurred by you to return a stolen covered "auto" from the place where it is recovered to its usual garaging location.

VIII. AIRBAG COVERAGE

Exclusion B.3.a. in SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

This exclusion does not apply to the accidental discharge of an airbag.

IX. TAPES, RECORDS AND DISCS COVERAGE

Exclusion B.4.a. of SECTION III - PHYSICAL DAMAGE COVERAGE is deleted and replaced by the following:

a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment except when the tapes, records, discs or other similar audio, visual or data electronic devices:

(1) Are your property or that of a family member; and

(2) Are in a covered "auto" at the time of "loss".

The most we will pay for "loss" is $200. No Physical Damage Coverage deductible applies to this coverage.

X. PHYSICAL DAMAGE DEDUCTIBLE - SINGLE DEDUCTIBLE

Paragraph D. in SECTION III - PHYSICAL DAMAGE COVERAGE is deleted and replaced by the following:

D. Deductible

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

When two or more covered "autos" sustain "loss" in the same collision, the total of all the "loss" for all the involved covered "autos" will be reduced by a single deductible, which will be the largest of all the deductibles applying to all such covered "autos".

XI. PHYSICAL DAMAGE DEDUCTIBLE - GLASS

Paragraph D. in SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

No deductible applies to "loss" to glass if you elect to patch or repair it rather than replace it.

XII. PHYSICAL DAMAGE DEDUCTIBLE - VEHICLE TRACKING SYSTEM

Paragraph D. in SECTION III - PHYSICAL DAMAGE COVERAGE is amended to add:

Any Comprehensive Coverage Deductible shown in the Declarations will be reduced by 50% for any "loss" caused by theft if the vehicle is equipped with a vehicle tracking device such as a radio tracking device or a global positioning device and that device was the method of recovery of the vehicle.

XIII. DUTIES IN EVENT OF ACCIDENT, CLAIM, SUIT OR LOSS

Subparagraphs A.2.a. and A.2.b. of SECTION IV- BUSINESS AUTO CONDITIONS are changed to:

a. In the event of "accident", claim, "suit" or "loss", your insurance manager or any other person you designate must notify us as soon as reasonably possible of such "accident", claim, "suit" or "loss". Such notice must include:

(1) How, when and where the "accident" or "loss" occurred;

(2) The "insured's" name and address; and

(3) To the extent possible, the names and addresses of any injured persons and witnesses.

Knowledge of an "accident", claim, "suit" or "loss" by your agent, servant or "employee" shall not be considered knowledge by you unless you, your insurance manager or any other person you designate has received notice of the "accident", claim, "suit" or "loss" from your agent, servant or "employee".

b. Additionally, you and any other involved "insured" must:

(1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.

(2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".

(3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".

(4) Authorize us to obtain medical records or other pertinent information.

(5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.

XIV. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS

Paragraph B.2. in SECTION IV - BUSINESS AUTO CONDITIONS is amended to add the following:

Any unintentional failure to disclose all exposures or hazards existing as of the effective date of the Business Auto Coverage Form or at any time during the policy period will not invalidate or adversely affect the coverage for such exposure or hazard. However, you must report the undisclosed exposure or hazard to us as soon as reasonably possible after its discovery

XV. WORLDWIDE LIABILITY COVERAGE - HIRED AND NONOWNED AUTOS

Condition B.7. in SECTION IV - BUSINESS AUTO CONDITIONS is amended to include the following:

For "accidents" resulting from the use or operation of covered "autos" you do not own, the coverage territory means all parts of the world subject to the following provisions:

a. If claim is made or "suit" is brought against an "insured" outside of the United States of America, its territories and possessions, Puerto Rico and Canada, we shall have the right, but not the duty to investigate, negotiate, and settle or defend such claim or "suit".

If we do not exercise that right, the "insured" shall have the duty to investigate, negotiate, and settle or defend the claim or "suit" and we will reimburse the "insured" for the expenses reasonably incurred in connection with the investigation, settlement or defense. Reimbursement will be paid in the currency of the United States of America at the rate of exchange prevailing on the date of reimbursement.

The "insured" shall provide us with such information we shall reasonably request regarding such claim or "suit" and its investigation, negotiation, and settlement or defense.

The "insured" shall not agree to any settlement of the claim or "suit" without our consent. We shall not unreasonably withhold consent.

b. We are not licensed to write insurance outside of the United States of America, its territories or possessions, Puerto Rico and Canada.

We will not furnish certificates of insurance or other evidence of insurance you may need for the purpose of complying with the laws of other countries relating to auto insurance.

Failure to comply with the auto insurance laws of other countries may result in fines or penalties. This insurance does not apply to such fines or penalties.

XVI. HIRED AUTO PHYSICAL DAMAGE

If no deductibles are shown in the Declarations for Physical Damage Coverage for Hired or Borrowed Autos, the following will apply:

A. We will pay for "loss" under Comprehensive and Collision coverages to a covered "auto" of the private passenger type hired without an operator for use in your business:

1. The most we will pay for coverage afforded by this endorsement is the lesser of:

a. The actual cost to repair or replace such covered "auto" with other property of like kind and quality; or

b. The actual cash value of such covered "auto" at the time of the "loss".

2. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".

3. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

B. For each covered "auto", our obligation to pay for, repair, return or replace the covered "auto" will be reduced by any deductible shown in the Declarations that applies to private passenger "autos" that you own. If no applicable deductible is shown in the Declarations, the deductible will be $250.

If the Declarations show other deductibles for Physical Damage Coverages for Hired or Borrowed Autos, this Section XVI of this endorsement does not apply.

C. Paragraph A.4.b. of SECTION III - PHYSICAL DAMAGE COVERAGE is replaced by:

b. Loss of Use Expenses

For Hired Auto Physical Damage provided by this endorsement, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a private passenger vehicle rented or hired without a driver, under a written rental contract or agreement. We will pay for loss of use expenses caused by:

(1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

(2) Specified Causes of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or

(3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay under this coverage is $30 per day, subject to a maximum of $900.

XVII. AUTO MEDICAL PAYMENTS COVERAGE - INCREASED LIMITS

For any covered "loss", the Limit of Insurance for Auto Medical Payments will be double the limit shown in the Declarations if the "insured" was wearing a seat belt at the time of the "accident". This is the maximum amount we will pay for all covered medical expenses, regardless of the number of covered "autos", "insureds", premiums paid, claims made, or vehicles involved in the "accident".

If no limit of insurance for Auto Medical Payments is shown on the Declarations, this paragraph Section XVII of this endorsement does not apply.

XVIII. DRIVE OTHER CAR COVERAGE - BROADENED COVERAGE FOR DESIGNATED INDIVIDUALS

A. This endorsement amends only those coverages indicated with an "X" in the Drive Other Car section of the Schedule to this endorsement.

B. SECTION II - LIABILITY COVERAGE is amended as follows:

1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by any individual named in the Drive Other Car section of the Schedule to this endorsement or by his or her spouse while a resident of the same household except:

   a. Any "auto" owned by that individual or by any member of his or her household; or

   b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

2. The following is added to Who Is An Insured:

   Any individual named in the Drive Other Car section of the Schedule to this endorsement and his or her spouse, while a resident of the same household, are "insureds" while using any covered "auto" described in Paragraph B.1. of this endorsement.

C. Auto Medical Payments, Uninsured Motorist, and Underinsured Motorist Coverages are amended as follows:

The following is added to Who Is An Insured:

Any individual named in the Drive Other Car section of the Schedule to this endorsement and his or her "family members" are "insured" while "occupying" or while a pedestrian when struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member".

D. SECTION III - PHYSICAL DAMAGE COVERAGE is changed as follows:

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any individual named in the Drive Other Car section of the Schedule to this endorsement or his or her spouse while a resident of the same household except:

1. Any "auto" owned by that individual or by any member of his or her household; or

2. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos".

E. For purposes of this endorsement, SECTION V - DEFINITIONS is amended to add the following:

"Family member" means a person related to the individual named in the Drive Other Car section of the Schedule to this endorsement by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

XIX. RENTAL REIMBURSEMENT COVERAGE

A. For any owned covered "auto" for which Collision and Comprehensive Coverages are provided, we will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a covered physical damage "loss" to an owned covered "auto". Such payment applies in addition to the otherwise applicable amount of physical damage coverage you have on a covered "auto". No deductibles apply to this coverage.

B. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending with the earlier of the return or repair of the covered "auto", or the exhaustion of the coverage limit.

C. Our payment is limited to the lesser of the following amounts:

1. Necessary and actual expenses incurred; or

2. $30 per day with a maximum of $900 in any one period.

D. This coverage does not apply:

1. While there are spare or reserve "autos" available to you for your operations; or

2. If coverage is provided by another endorsement attached to this policy.

E. If a covered "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under Paragraph A.4. Coverage Extensions of SECTION III – PHYSICAL DAMAGE COVERAGE of the Business Auto Coverage Form or Section VII of this endorsement.

XX. NOTICE OF CANCELLATION OR NONRENEWAL

A. Paragraph A.2. of the COMMON POLICY CONDITIONS is changed to:

2. We may cancel or non-renew this policy by mailing written notice of cancellation or non-renewal to the Named Insured, and to any name(s) and address(es) shown in the Cancellation and Non-renewal Schedule:

a. For reasons of non-payment, the greater of:

(1) 10 days; or

(2) The number of days specified in any other Cancellation Condition attached to this policy; or

b. For reasons other than non-payment, the greater of:

(1) 60 days;

(2) The number of days shown in the Cancellation and Non-renewal Schedule; or

(3) The number of days specified in any other Cancellation Condition attached to this policy,

prior to the effective date of the cancellation or non-renewal.

B. All other terms of Paragraph A. of the COMMON POLICY CONDITIONS, and any amendments thereto, remain in full force and effect.

XXI. LOAN/LEASE PAYOFF COVERAGE

The following is added to Paragraph C. Limit of Insurance of SECTION III - PHYSICAL DAMAGE COVERAGE:

In the event of a total "loss" to a covered "auto" of the private passenger type shown in the schedule or declarations for which Collision and Comprehensive Coverage apply, we will pay any unpaid amount due on the lease or loan for that covered "auto", less:

1. The amount paid under the PHYSICAL DAMAGE COVERAGE SECTION of the policy; and

2. Any:

   a. Overdue lease/loan payments at the time of the "loss";

   b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage;

   c. Security deposits not returned by the lessor;

   d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and

   e. Carry-over balances from previous loans or leases.

This coverage is limited to a maximum of $1500 for each covered "auto".

XXII. LIMITED MEXICO COVERAGE

WARNING
AUTO ACCIDENTS IN MEXICO ARE SUBJECT TO THE LAWS OF MEXICO ONLY - **NOT** THE LAWS OF THE UNITED STATES OF AMERICA. THE REPUBLIC OF MEXICO CONSIDERS ANY AUTO ACCIDENT A **CRIMINAL OFFENSE** AS WELL AS A CIVIL MATTER.

IN SOME CASES THE COVERAGE PROVIDED UNDER **THIS ENDORSEMENT MAY NOT BE RECOGNIZED BY THE MEXICAN AUTHORITIES** AND WE MAY NOT BE ALLOWED TO IMPLEMENT THIS COVERAGE AT ALL IN MEXICO. YOU SHOULD CONSIDER PURCHASING AUTO COVERAGE FROM A LICENSED MEXICAN INSURANCE COMPANY BEFORE DRIVING INTO MEXICO.

THIS ENDORSEMENT DOES NOT APPLY TO ACCIDENTS OR LOSSES WHICH OCCUR BEYOND 25 MILES FROM THE BOUNDARY OF THE UNITED STATES OF AMERICA.

A. Coverage

1. Paragraph B.7. of SECTION IV - BUSINESS AUTO CONDITIONS is amended by the addition of the following:

   The coverage territory is extended to include Mexico but only if all of the following criteria are met:

   a. The "accidents" or "loss" occurs within 25 miles of the United States border; and

   b. While on a trip into Mexico for 10 days or less.

2. For coverage provided by this section of the endorsement, Paragraph B.5. Other Insurance in SECTION IV - BUSINESS AUTO CONDITIONS is replaced by the following:

   The insurance provided by this endorsement will be excess over any other collectible insurance.

B. Physical Damage Coverage is amended by the addition of the following:

   If a "loss" to a covered "auto" occurs in Mexico, we will pay for such "loss" in the United States. If the covered "auto" must be repaired in Mexico in order to be driven, we will not pay more than the actual cash value of such "loss" at the nearest United States point where the repairs can be made.

C. Additional Exclusions

   The following additional exclusions are added:

   This insurance does not apply:

   1. If the covered "auto" is not principally garaged and principally used in the United States.

   2. To any "insured" who is not a resident of the United States.

XXIII. WAIVER OF SUBROGATION

Paragraph A.5. in SECTION IV - BUSINESS AUTO CONDITIONS does not apply to any person or organization where the Named Insured has agreed, by written contract executed prior to the date of "accident", to waive rights of recovery against such person or organization.

Policy Number AS2-Z91-471976-030
Issued by Liberty Mutual Fire Insurance Co.

Schedule

Premium

Liability $720
Physical Damage $480
Total Premium $1,200 FC

V. Fellow Employee
Schedule of Employees:

N/A

XVIII. Drive Other Car Name of Individual	LIAB	MP	UM	UIM	COMP	COLL
Simone Kapovich	X	X	X	X	X	X
John Kapovich	X	X	X	X	X	X
Kathy Kapovich	X	X	X	X	X	X

XX. Notice of Cancellation or Nonrenewal

Name and Address	Number of Days
	30

This endorsement applies in all states except:

AL, AR, AZ, CA, CO, CT, DC, DE, GA, ID, KS, KY, LA, MI, MN, MO, MT, NC, ND, NJ, NY, OK, PA, RI, SD, TX, UT, VA, VT, WA, WI, WV, WY

Policy Number: AS2-Z91-471976
Issued by: Liberty Mutual Fire Insurance Co.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DESIGNATED INSURED - NONCONTRIBUTING

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM
GARAGE COVERAGE FORM
MOTOR CARRIERS COVERAGE FORM
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

This endorsement identifies person(s) or organization(s) who are "insureds" under the Who Is An Insured Provision of the Coverage Form. This endorsement does not alter coverage provided in the Coverage form.

Schedule

Name of Person(s) or Organizations(s):
Any person or organization where the named insured has agreed by written contract to include such person or organization as a designated insured.

Regarding Designated Contract or Project:

Each person or organization shown in the Schedule of this endorsement is an "insured" for Liability Coverage, but only to the extent that person or organization qualifies as an "insured" under the Who Is An Insured Provision contained in Section II of the Coverage Form.

The following is added to the **Other Insurance Condition:**

If you have agreed in a written agreement that this policy will be primary and without right of contribution from any insurance in force for an Additional Insured for liability arising out of your operations, and the agreement was executed prior to the "bodily injury" or "property damage", then this insurance will be primary and we will not seek contribution from such insurance.

HUB International Limited

55 East Jackson Boulevard Suite 14th Floor
Chicago, IL 60604
P: (312) 922-5000
F: (312) 922-5358
www.hubinternational.com

September 3, 2020

The Illinois State Toll Highway Authority
Attention: Risk Management
2700 Ogden Avenue
Downers Grove, IL 60516

Re: Certificate of Liability Insurance number 1152072992 dated 8/12/2020 for S & J Construction Co., Inc.

To Whom it May Concern;

All provisions of the accepted certificates of insurance and policy binders have been obtained.

All endorsements indicated have been secured from the insurance carrier.

Hub International Midwest Limited is a Broker for the insurance carrier.

Sincerely,

[redacted]

James Moore
President –Midwest Construction