

# **Sacyr**

# **iChallenges**

Open Innovation: Terms and  
Conditions of the call

July 29, 2020

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## 1. Introduction/Context

SACYR S.A., a business group of urban infrastructures and services, operates in nearly thirty countries throughout five continents.

Sacyr is committed to innovation and the adoption of innovative solutions as key elements to ensure its competitiveness and to better fulfil its corporate mission, which consists of improving the quality of life of citizens through large complex infrastructure and service projects.

In this context, at Sacyr we are convinced that innovative solutions and emerging technologies (artificial intelligence, augmented reality, big data, the internet of things) and other disruptive technologies will bring about significant changes in the value chain and the rules of the game of the infrastructure and services business. In addition, we want to face this process of change together with other market agents, according to a logic of open innovation.

For this reason, Sacyr decides to launch the Sacyr iChallenges Program, which is created to promote and incorporate different innovative agents into the SACYR ecosystem that provide national and international synergies to help solve the challenges of the company's different lines of business.

This document contains the terms for participating in the Sacyr iChallenges Program to be carried out in 2020.

## 2. Objective

The main objective of the "Sacyr iChallenges" Open Innovation Program is to strengthen the collaborative relationship between Sacyr's different business lines and the innovative ecosystem.

To this end, the company internally identified a set of operational challenges that currently affect the different divisions of the Group, for subsequent market launch.

The aim of the Program is to find innovative solutions in the market, through different agents, that allow these challenges to be resolved jointly with Sacyr.

The Program strives to maximize the benefits that market agents obtain from co-creation processes together with Sacyr, using open innovation methodologies, as well as to encourage and reward those solutions that best fit the resolution of the challenges.

During the final phase, a pilot will be developed between the business line responsible for the challenge and the selected solutions.

## 3. Target Audience

This Program is aimed at companies and other innovative market players who wish to present business projects constituted or in the advanced process of constitution and which can help to improve the competitiveness of SACYR in the infrastructure and services sectors.

The Program's target audience consists of

- Companies (large corporations and SMEs) with innovative solutions

- Technology companies
- Technology/research centers
- Universities
- Startups
- Temporary Union of Companies

The Program seeks proposals and solutions that can provide differential value through the application of innovation, technology or new business models that respond fully or partially to any of the challenges that have been defined from the lines of business involved in the program.

## 4. Participation Requirements

The Sacyr iChallenges Program is aimed at any innovative ecosystem agent that can provide a partial or total solution in any of the areas in which SACYR has a specific challenge. However, it is not essential that the participant has commercially launched the solution.

Therefore, the participants must propose solutions to the defined challenges. The solutions must be able to be deployed and subsequently tested in collaborative projects with Sacyr.

Projects that meet the following requirements may participate in the selection process of the Sacyr iChallenges open innovation programme:

- Projects and solutions to challenges must be original. The plagiarism of a project will mean the immediate expulsion of the participant in the selection process and the inability of reappearing in the future.
- To be an agent of the innovative ecosystem that identifies with what is specified in pt. 3 "Target Audience".
- The participant must have the legal capacity to assume the obligations arising from these bases.
- All participants must have no criminal record, as well as tax and Social Security debts. Sacyr may at any time require the accreditation of the foregoing by means of the corresponding certificates issued by public bodies or competent authorities.
- Sacyr reserves the right to exclude from participation in the program and, where appropriate, to refrain from awarding the prize in the event that the fulfilment by any participant of the aspects mentioned in the two immediately preceding paragraphs is not proven.
- No employee, spouse or relative of an employee of any Sacyr Group company from the second degree of consanguinity may be a de facto or de jure director, or an employee or partner with significant interests of a participant.

## 5. Applying for Participation

In order to participate in the Program it is necessary to complete the application form by registering and sending information through the online form available on the program's website [[www.sacyrichallenges.com](http://www.sacyrichallenges.com)].

Participation applications received or attempted after the deadline for the admission of applications detailed below will not be assessed for participation in the program.

## 6. The Program

The Sacyr iChallenges Program, as indicated above, seeks to identify and/or co-create innovative solutions that help solve the challenges defined by Sacyr. por Sacyr.

### a. Challenges identified for the 2019 edition of the Program

1. **Automate construction site monitoring:** How could we report the progress and incidents of work from data collection by sensors arranged in the project resources (people, machines, facilities, etc.)?
2. **Anticipar el comportamiento geotécnico:** Predecir, anticipar y alertar sobre el comportamiento geotécnico de una zona de interés en el marco de las obras civiles.
3. **Measuring and reporting the carbon footprint:** How can be measured and reported the impact of the carbon footprint for Scope 3, ensuring the transparency, accuracy and reliability of the information?
4. **Vision 0 for lane cuts:** What new system could be implemented in rail cuts to improve the placement of elements, the safety of our workers and avoid risking drivers lives?

### b. Program Description

1. During the month of July, Sacyr iChallenges will launch the 2020 call for companies, universities or research centers that wish to participate to send their proposal as a solution to one of the challenges that the company faces.
2. Once the call for applications has ended, the evaluations of the candidatures will begin during the months of September and October. Sacyr will select those solutions that it considers to have potential and scalable development possibilities. If no solutions are found for any of the challenges set out in the proposals received, Sacyr may consider the candidacy of that challenge to be void. Similarly, it could decide to incorporate more than one solution to the same challenge.
3. After the pre-selection, that will be announced to the pre-selected candidates at the same time, a negotiation process between them and Sacyr will start. The negotiation will include, on a non-exclusive basis, the following aspects:
  - 1) Mechanism for collaboration between Sacyr and each pre-selected candidate.
  - 2) Participation in the economic benefit derived from the Solution Project.
  - 3) Attribution of intellectual and industrial property, know-how or any other rights derived from the Solution Project.
  - 4) Possible joint participation of several pre-selected candidates along with Sacyr, in the development of their respective Solution Projects.
  - 5) Mechanism for Sacyr's participation in the possible market launch of new products derived from the Solution Project.

Sacyr will be able to negotiate with each of the pre-selected candidates at the same time. During this negotiation phase, Sacyr will be able to promote alignment between all or some of the pre-selected Solution Projects and the challenge posed by means of innovation methodologies, generating mixed teams between the innovative agents and Sacyr in order to promote in-depth resolution of each challenge.

The negotiation will be extended for a maximum period of 45 calendar days from the celebration of the Digital Day. If an agreement is reached within this period,

Sacyr will select the candidate or candidates with whom it will develop the Joint Projects and the content of this agreement will be incorporated into a Collaboration Agreement signed by the parties involved.

Otherwise, Sacyr could declare this edition of iChallenges void.

### c. Project evaluation and selection criteria

For the selection of the solutions, evaluation criteria have been defined that will help to evaluate the different candidacies:

- **Potential impact on the business:** potential scalability of the solution proposed by the innovative agent in SACYR, time of financial return, development of competitive advantages for the business in the short to medium run (e.g. access to new technologies, access to technical profiles etc.) or feasibility of collaboration.
- **Product/Technology:** Innovative degree of the product or service in comparison with the state of the art of the sector, degree of maturity, technology employed or scalability potential of the technology within the business (leveraging existing resources, infrastructure, geographies, etc.). Team and maturity of the company: CV of the participants, degree of maturity of the business (e.g. Alliances and key partners, initial investments, customers, first sales etc.), capital needs, internal organization and processes.
- **Experience working with partners:** Development experiences (e.g. collaboration with universities, companies etc.), experience as a supplier (e.g. they have sold consultancy or part of development to a company, experience in understanding external problems / defined by a third party), motivation / interest in collaborating with a corporation..
- **Satisfactory result in the negotiation and team alignment process defined in section b. above**

### d. Phases and Calendar

The program will be developed according to the following phases:

- **Registration period:** The registration period will start from the publishing of these rules and will end 10<sup>th</sup> of September 2020 de September at 23:59h (GMT + 1).
- **Selection period:** The selection period for projects will run from the deadline for submission of applications until September 14th 2020, the day on which the projects selected to participate in the Digital Day will be communicated.
- **Digital Day:** The Digital Day will take place at November 2020. The exact date will be known on the day that those selected agents are published. During this day, the selected agents of the innovative ecosystem will present to the directors and teams of the corresponding business units the solutions to the challenges they have worked on.
- **Sacyr Innovation Awards:** After selecting the solutions with which the projects will be developed jointly, on the basis of the agreed collaboration schemes, a jury made up of executives from the Sacyr Group will choose the most attractive project as the winner within the framework of the Sacyr Innovation Awards. This jury will be made up of the members of the Innovation Committee as well as other people who, optionally, may be appointed by the Committee itself and who will be professionals from other management areas of the Sacyr Group. Likewise, the Board of Trustees of

the Sacyr Foundation may include one of its members or a third party as part of the jury. The winning project(s) will be announced at the award ceremony of the ninth edition of the Sacyr Innovation Awards, which will also publicly acknowledge the contributions of the Program.

The Sacyr Foundation will award the winning candidate with the amount of FIFTY THOUSAND EUROS (50,000 euros) through any appropriate mechanism to the collaboration scheme established in accordance with the provisions of section b.3 above, including but not limited to Sacyr's participation in the financial capital of the company through which the Joint Project is developed in the amount mentioned.

The Sacyr Foundation or the Group company designated by Sacyr shall determine the mechanism and terms and conditions for the delivery of the award, as well as the dates for the delivery of the aforementioned amount in accordance with the milestones and development phases of the Joint Project.

Sacyr's decisions in all matters covered by these rules shall be without appeal and without need to be motivated.

The presentation of Solution Projects to Sacyr iChallenges implies acceptance of these rules in their entirety.

## 7. Rights Recognized to Sacyr by the Program Sacyr iChallenges 2020

The participation of the selected projects in the Sacyr iChallenges program will imply the recognition of the following:

### **Image Rights**

The participants authorize SACYR to invite specialized and/or generalist press to cover the different activities carried out during the period of the program.

Likewise, all selected participants authorize SACYR to disseminate and publish on the Internet and in specialized and/or generalist press a summary of the projects in question, as well as the image and name of the participants responsible for such projects.

The above will be understood without prejudice of the rights resulting from the applicable legislation and/or the Collaboration Agreements subscribed.

## 8. Confidentiality and protection Personal Data

Both Sacyr and the participants in the Program agree to maintain any information exchanged under strict confidentiality and not to disclose to third parties, in whole or in part, information and documentation received that is related to the Program. The personal data provided will be treated by SACYR, S.A. who is in charge of handling this process and is located at Paseo de la Castellana 85. This data will be used to manage your participation in the Sacyr iChallenges program. The legal basis that legitimates this process is necessary for the implementation of the provisions of these terms. For this purpose, your data will be processed for a period of two years

for possible subsequent communications and management of the program. Additionally, your data will be used to inform you and send you communications by electronic and/or telematic means about the activities, projects and news of the Sacyr iChallenges program which may be of interest to you. These are protected by the legitimate interest of SACYR and do not require your consent. For this purpose, your data will be processed until you decide to oppose this processing, delete your data or limit the processing thereof. Likewise, and as long as you give us your consent, we inform you that we will share your data with other companies of the SACYR business group, which may be consulted at [www.sacyr.com](http://www.sacyr.com), and with the Sacyr Foundation for the aforementioned purposes. These companies may be located in other countries which may involve the international transfer of data outside the European Union (EU). However, and given the special attention to the processing of your personal data that we have, when such transfer takes place outside the EU we implement measures to ensure that the transferred personal data benefit from an adequate level of protection.

By providing your data you guarantee that you have read and expressly accepted the processing of your personal data as indicated. However, you may, at any time, revoke the given consent, as well as exercise your rights of access, rectification, suppression, opposition, limitation of processing and portability, when such rights are applicable, by writing to the address of Sacyr, S.A., Calle Condesa de Venadito, 7, 28027, Madrid, or to the e-mail address [protecciondedatos@sacyr.com](mailto:protecciondedatos@sacyr.com), providing a photocopy of your ID card or equivalent document and specifying your request.

Likewise, if you consider that your data has been treated in an inappropriate manner, you will be entitled to file a complaint with the Spanish Data Protection Agency (C/ Jorge Juan, 6. 28001 - Madrid [www.agpd.es](http://www.agpd.es)) or with our Data Protection Delegate.

## 9.- Intellectual and Industrial Property

The participants will be responsible for having formalized the measures for the protection of their intellectual and industrial rights prior to the presentation of their projects.

If the project is eligible for protection as a utility model or as a patent, the report on the state of the art carried out by the Spanish Patent and Trademark Office must be attached to the project. Otherwise, the Sacyr Group or its Foundation may require the candidate to request it as a condition for the development of the project or pilot.

In the event that the Project generates elements susceptible of protection in the Register of Patents and Trademarks, the parties shall abstain from any written or verbal disclosure (conferences, etc.), which may prejudice the requirement of "novelty" essential for such protection to be viable.

When submitting applications for participation, the project promoters guarantee that:

- a) The projects are original of their authors and/or have full rights and disposition of the same.
- b) In the event that the projects are the unitary result of the collaboration of several participants, the project will be treated as a collaborative work in accordance with article 7 of the Spanish Intellectual Property Law, the resulting rights belonging to all of them as co-authors, without prejudice to what is agreed by the participants and SACYR in the Collaboration Agreement .
- c) The participant authorizes SACYR to publish on their respective official websites the summary of the projects provided that the requirement of "novelty" is not prejudiced.



They also accept that the visitors of the web pages have access to said information in accordance with the conditions of use of said web.

- d) The participant authorizes SACYR the use of the name and title of its Solution Project, without any time limit, to be mentioned on the web site or for any actions or events related in any way to Sacyr iChallenges, as well as to be reflected in SACYR's historical archives and various media, and the Sacyr iChallenges program.
- e) The participant accepts that none of these rules authorizes or entitles him/her to use SACYR's industrial property rights such as, in particular, brands or logos, or any others owned by the company.
- f) In the event that the participant is required to access the SACYR document and knowledge base (standard contracts, data, etc.) within the framework of the execution of the Joint Project, such access shall be conditional upon the participant's acceptance of the corresponding confidentiality agreement established by SACYR.

## 10.- Transfer

The transfer by any title of the status of a participant must in any case be authorized by the Sacyr Group or its Foundation, as the case may be, who may object in the event that the new participant or partner does not have characteristics of intellectual or economic solvency similar to those of the transferor, as well as in the case of third parties linked to companies competing with the Sacyr Group.

The Joint Project will be developed between the participant and the Sacyr Group company designated by Sacyr.

## 11.-Liability

The participants declare that the works and projects presented are original, and that the concepts and/or creative elaborations that compose them have not been carried out by non-participating third parties or that in their case they have the pertinent authorizations for the presentation.

In the event that any third party claims the infringement of any intellectual or industrial property right, the Sacyr Foundation and the companies of the Sacyr Group will be exonerated from all liability.

The participants shall be liable to the Sacyr Group and the Sacyr Foundation for any expense or damage arising from claims by third parties as a result of any failure by such participants to comply with their obligations under these rules.

## 12.- Dissemination of Award-Winning Project and Image Rightd

The Sacyr Foundation and the various companies of the Sacyr Group reserve the right to publish the finalists' projects in a publication created for this purpose, as well as in the publications and websites of their business group, in terms that do not prejudice the requirement of "novelty" in the event that the Project is subject to registry protection. Likewise, the Sacyr Foundation and the various companies of the Sacyr Group may reproduce, in whole or in part provided that the requirement of "novelty" of the elements registered is not prejudiced, in the media it considers appropriate, the final projects and the names of the authors with the sole aim of transferring the contributions made to the company. This is done without this entailing any limitation on the property rights over them. By participating in this Program, the participants automatically consent to the transfer, use, publication and worldwide reproduction of their image, name and

surname without prejudice to the provisions of section 7 a) and 8 of these Rules, as well as a mention of the finalist projects in any type of advertising, promotion, publication, including TV, Internet, social networks or any other medium of whatever nature during the duration of the Sacyr iChallenges program. This may also include later dates for informative or corporate purposes, provided that these are related to this program without this giving rise to any right in favor of the participant to receive any consideration for it.

## 13.- Acceptance of Terms and Legislation

Participation in the call implies full acceptance of these rules and the waiver of any claim by candidates.

Sacyr reserves the right to introduce measures of mere formality to facilitate the development of the call, committing itself to communicate, on the website mentioned in these bases, said modifications in such a way that all participants have access to them.

Sacyr may not reduce, but it may at its discretion, extend all the periods mentioned in these Rules or fix those that are appropriate for their development, publishing them on its website as far in advance as possible.

If any of the terms mentioned cannot be literally executed in their own terms due to any legal limitation affecting them, they will be adjusted respecting as much as possible the spirit of the current wording.

These rules will be available at all times on the innovation channel of the company's website (sacyr.com), on the awards website (premios.sacyr.com) and on the program website (sacyrichallenges.com).

The application of these bases shall be governed by Spanish law and in the event of discrepancies in the interpretation or application of this document, the parties undertake to make their best efforts to amicably resolve them. In any case, the parties renounce any jurisdiction that may correspond to them and expressly submit to the courts and tribunals of the city of Madrid.

## 14.- Acceptance of the Sacyr Group Code of Conduct

Participants accept and agree to abide by the Sacyr Group Code of Conduct as it applies to them. This Code of Conduct will be available on the company's website ([www.sacyr.com](http://www.sacyr.com)).

## 15. Final Considerations

This Program may be modified, interrupted and/or cancelled if justified circumstances require it. Likewise, SACYR reserves the right to declare the prize void if no project submitted meets the quality expected at the discretion of the Deciding Committee for each challenge.

## 16. Consulta y resolución de dudas

In order to carry out a program based on clarity and transparency, SACYR will resolve the consultations or doubts that the participants formulate.

In order to make queries or resolve doubts related to the program or the presentation of admission applications, interested parties may contact SACYR via the following e-mail address: [info@sacyrichallenges.com](mailto:info@sacyrichallenges.com). A maximum period of fifteen (15) calendar days from the date of publication of the Program to ask questions is established. After this deadline, SACYR does not

guarantee an answer to the questions asked. Sacyr will answer the questions publicly and unanimously before July 12, 2020.