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Corporate Responsibility Policy

For Ferrovial, its Corporate Responsibility is a strategic function that can create long-term value for all its stakeholders and for society. The Corporate Responsibility Policy is integrated into the business culture and the way the company operates. It cuts across all Ferrovial's activity in its relations with the outside world.

Ferrovial's Corporate Responsibility Policy is determined by its Board of Directors. One of the Board's primary duties is to ensure compliance with the corporate responsibility principles and obligations voluntarily undertaken by the company (Board of Directors' Regulations) and set out in the Code of Business Ethics.

Since 2002, Ferrovial has participated in the United Nations Global Compact. In 2007 Ferrovial accepted these principles as the Corporate Responsibility standard for the activities of its companies throughout the world. It ratifies its commitment to the principles of the Global Compact every year.

THE 20.13 PLAN

The 20.13 Plan aims to improve competitiveness, develop Ferrovial's sustainability and protect its reputation, and contribute long-term value to the company and its stakeholders.

The aim of the plan is to bind Corporate Responsibility to Ferrovial's defining position in Intelligent Infrastructure: efficient, accessible, clean and human infrastructures that improve the quality of life of society. To do so, an analysis was carried out that has guided the objectives and lines of action to be included in the plan:

- **Investors**
Review of the institutional investor policies when adopting social, environmental and corporate governance criteria in the investment portfolio building process.
- **Sustainability Indices**
Analysis of strengths and weaknesses identified in the assessments made by the main indices.
- **Best Practice Review**
Analysis of the main practices in the sector as regards CSR.

The 20.13 Plan sets objectives to help define Ferrovial's positioning in three key markets:

- **Capital:**
 - Lead the sustainability indices.
 - Reinforce the appeal of the ESG criteria among institutional investors and position the company with respect to SRI.
- **Society:**
 - Representativity in CSR initiatives.
 - Promote dialog with stakeholders.
- **Employment:**
 - Highlight the importance of CSR among employees and potential candidates.

Six priority areas for action were defined following this analysis:
 1. Corporate Governance: The efforts are focused on transparency, particularly as regards information reported to the market.
 2. Codes of Good Conduct: Ferrovial is aware of the need to promote respect for human rights throughout the value chain and to foster



Photo: Ferrovial volunteers. Tanzania.

the principles of the United Nations Global Compact. In addition, it emphasizes processes and measures to combat corruption, extortion and bribery.

3. People: Policies of equality, diversity and work-life balance, as well as occupational safety, will be of particular importance in this new era. Also key will be issues of occupational safety.

4. The Environment and Society: Environmental management, a benchmark in the sector, will continue its work of monitoring and reducing the carbon footprint and improving energy efficiency. Special attention will be given to mobility programs, to reducing consumption, and to promoting and using recycled materials. The company's employees carry out infrastructure projects in developing countries. Efforts will also focus on accessibility and research and innovation projects based on the Smart Infrastructure concept.

5. Innovation: Contribute to Ferrovial's competitiveness via sustainable R&D&i projects.

6. Stakeholders: Design actions to measure the perception of stakeholders and the company's ranking in the main sustainability indices.

In 2011, Ferrovial took its first steps in defining the actions to be implemented over the coming years in each of these areas of action.

The strategy covers Ferrovial's relations with the market and its transparent and honest compliance with both legislation and internal regulations; the relationship with its employees in terms of gender equality, opportunities for professional advancement and the work/life balance; and relationships with the various stakeholders, the environment and society.

• CR Committee

The 2013 Plan led to the creation of the CR Committee. This body is responsible for developing, implementing and supervising the company's CR policies.

The Committee acts as a liaison between the businesses and corporation and senior management, reporting results and putting forward CR initiatives. It is made up of the different areas in the company linked to corporate responsibility and with one representative for each line of business:

Corporate areas:

- Human Resources
- Quality and Environment
- Innovation
- Risks
- General Secretary's Office
- Communications & Corporate Responsibility

Business units:

- Ferrovial Services
- Cintra
- Ferrovial Agroman
- Ferrovial Airports

RELEVANT ISSUES

The first phase of research was carried out in 2011 to identify material issues for Ferrovial in the area of Corporate Social Responsibility. The aim was to focus information reflected in the annual report on the issues that are most important for the company. It has used a methodology based on benchmarking against the main companies in the infrastructure management sector. It also looked at issues that could represent a reputational risk.

This phase was based on analysis and review of the ESG criteria followed by institutional investors; issues related to Corporate Responsibility in the AGMs of companies in the sector; relevant documents and reports relating to international organizations; and the monitoring carried out by the media, at both national and international level on the different issues relating to Corporate Responsibility.

As a result, 79 material issues were identified and grouped into 15 categories.

Categories	Nº Asuntos
Corporate governance	13
Human Rights	4
Stakeholder engagement	3
People management	7
Environmental management	10
Customers	5
Innovation	3
Supply Chain	4
Risk management	4
Incorporation of ESG criteria into project evaluation	3
Community engagement	5
Climate change	6
Sustainable construction	2
Health and Safety	3
Ethics and integrity	5

These key issues are an expression of Ferrovial's main commitments in terms of Corporate Responsibility as set out in the Code of Ethics and inspired by the principles of the Global Compact. It is worth noting that the update reflects the continuity with previous years of most of the materiality issues for the company.

These key issues encompass a robust analysis of materiality that also factors in the expectations of stakeholders, verified by various internal and external sources, and the actual and potential risks faced by Ferrovial. The chapter "About this report" provides details on the studies conducted to update stakeholder expectations.

The external sources taken into account include the principles of the Global Reporting Initiative (GRI3), the demands of sustainability indices analysts (Dow Jones, FTSE4Good, Ethibel, etc.), the recommendations of the Second Stakeholders' Forum, and the company's perception study.

In 2012 a second phase of the materiality study will be developed. It will consist of a series of in-depth personal interviews with both external and internal stakeholders, aimed at defining details of the material issues.

As of December 31, 2011, the Ferrovial companies had negative taxable bases liable to be offset against future earnings for the amount of 3.435 billion euro, which represents a tax credit calculated at the taxable base applicable in each of the countries of 1.080 billion euro. Ferrovial has also accredited deductions for reinvestment and other items pending application as of December 31 for 166 million euro (198 million euro in 2010).

In 2011, Ferrovial received subsidies amounting to 105 million euro. The final balance pending application at year-end was 292 million euro. In addition, the balance of participation loans granted by the Government as of December 31, 2011 amounted to 137 million euro (92 million euro as of December 31, 2010).

INDICATORS

The key status, management and perception indicators that measure economic, social and environmental impacts are shown below, together with Ferrovial's performance in relation to the relevant issues and lines of action set out as part of Corporate Responsibility.

The information collected on these indicators has been compiled according to consolidation and traceability rules.

Ethical integrity	2011	2010	2009	Var 11-10
Complaints received via Ombudsperson process	63	112	260	-44%
Training given regarding Code of Ethics (hours)	273	4,250	224	-94%
Human Rights				
Investment in OECD countries (%)	99.93	100	100	0%
Employees protected by collective bargaining agreements (%)	78.56	76	74.53	3%
Women in the workforce (%)	32	32.7	32.8	-2%
Stakeholder engagement				
Meetings with investors	288	272	168	6%
Meetings with suppliers and subcontractors	24,546	23,060	6,270	6%
Supplier surveys	21,207	16,749	2,748	27%
Public opinion polls	192	200	1,698	-4%
Website visits	548,869	556,600	538,773	-1%
Environment				
Direct emissions of greenhouse gases avoided by biogas capture (CO ₂ equ. t)	668,157	628,874	519,604	9%
Greenhouse gas emissions avoided by sorting (CO ₂ equ t)	457,015	382,043	342,061	20%
Direct and indirect emissions of greenhouse gases (CO ₂ equ t) (Scope 1 + Scope 2)	1,063,677	1,140,794	1,199,316	-7%
Amount of electricity generated from biogas recovery (Gj)	450,689	361,593	308,959	25%
Amount of thermal energy generated from biogas recovery (Gj)	102,946	102,568	146,666	0%
Amount of electricity produced through cogeneration in hazardous waste incineration (Gj)	54,378	68,216	66,290	-20%
Reduction of waste sent to landfill (m ³)	5,302,430	4,830,891	9,795,510	10%
Recovery in sorting plants (t)	1,073,511	894,127	859,392	20%
Human capital				
Average workforce	71,199	100,995	108,117	-30%
International workforce (%)	48	62.45	61	-23%
Staff on permanent contract (%)	78	83	82	-6%
Staff on reduced work hours (%)	16	18	18	-11%
Workforce length of service (years)	8.30	6.6	5.8	26%
Average employee age (years)	40.80	41.4	38.8	-1%
Turnover rate (%)	2.80	6.7	6.35	-58%
Investment in training / revenues	0.16	0.34	0.17	-53%
Employees given performance reviews (%) ¹	96	97	94	-1%
Employees with variable remuneration (%)	12	13	24.82	-8%
Health and safety				
Incidence rate ²	65.4	81.44	79.75	-20%
Frequency rate ²	38.3	45.30	46.7	-15%
Severity rate ²	0.94	0.95	0.87	-1%
Occupational safety studies	2,749	2,743	2,846	0%
Emergency plans	1,443	1,987	1,170	-27%
Training in safe work practices (hours)	374,721	445,564	500,991	-16%
Quality				
Activity certified to the ISO 9001 standard (%)	71	67	64	6%
Client satisfaction (0 to 5)	4	4.1	3.9	-2%
Innovation				
Investment in innovation	51.2	45.0	6.9	14%
Supply Chain				
Number of suppliers	61,354	60,911	54,280	1%
Suppliers evaluated	8,415	9,876	7,456	-15%
Suppliers rejected	685	735	131	-7%
Suppliers certified in Quality, Environment and Human Rights (%)	19.2	27	14.44	-29%
Supplier incidents	607	303	457	100%
Community investment				
Net job creation (%)	-30	-6.60	1.43	N.A.
Community support projects	853	574	642	49%
Community investment (million €) ³	47.8	56.9	17.98	-16%
Community Investments as proportion of Ebitda (%)	2.08	2.26	0.72	-8%
Beneficiaries from community help projects	1,696,938	934,985	565,679	81%

PROGRESS IN 2011

Listed below are some of the major milestones and advances achieved in 2011 with regard to Corporate Responsibility commitments.

Plan 20.13. In late 2011 the company defined the actions to be undertaken over the next few years for each line of action approved in the Plan 20.13. Ferrovial thus seeks to align its CR and business strategies in order to consolidate its position in smart infrastructures.

CR Committee. In 2011 the number of Corporate Responsibility Committee members increased with the inclusion of a representative from the Innovation Department, an action area included in the CR strategy. Work remains on schedule, with 4 meetings having been held and 12 projects submitted.

Materiality study. 2011 saw the completion of the first phase of this study, which involves a quantitative analysis of institutional investors, general shareholder meetings, international organizations and articles published in the media, using a methodology based on benchmarking against the leading companies in the infrastructure management sector. As a result, 79 material issues were identified and grouped into 15 categories.

Human Rights Policy. In 2011 Ferrovial drafted its Human Rights Policy, which applies across the company. The policy is aimed at formalizing respect for Human Rights in all regions where the company operates. It is scheduled for approval in 2012.

Social Infrastructure Program. In 2011 the company launched its Social Infrastructure Program, a benchmark in best practices for social action project management for other companies, which consolidates an innovative cooperation model in developing basic social infrastructures for water and sanitation, in partnership with two reputable NGOs, ONGAWA and Plan España.

AWARDS AND DISTINCTIONS

Third-party awards and distinctions motivate Ferrovial to continue working to prove it deserves it. These awards contribute to generate pride of belonging and promote continuous day-to-day improvement.

Ferrovial takes second place worldwide in Corporate Responsibility according to Fortune magazine in 2011.

Budimex joins the exclusive RESPECT index of responsible companies. The aim of this index is to select companies that stand out because of their Social Responsibility, Corporate Governance, Ethical and Balanced Management and Investor Relations policies, focusing especially on promoting the protection of the environment and human rights. It is the first index of its kind in Central and Eastern Europe.

Budimex receives recognition as one of the ten best companies listed on the Warsaw Stock Exchange in 2010. Budimex has been recognized as one of the ten best companies of the year listed on the Warsaw Stock Exchange in the 12th Listed Company of the Year competition. The company also came second in the Management Committee's Competences category. It is the most extensive study of companies listed on the Warsaw Stock Exchange, conducted among specialists in capital markets by the financial newspaper Puls Biznesu.

BAA legal team recognized by The Lawyer Awards. Carol Hui, Head of the BAA Legal Department and her team of 12 have received one of The Lawyer Awards in the category of Best In-house Public Sector in Human Resources Initiatives, as they have developed the team's ability within the business's goals and strategies, and because of their level of commitment and knowledge exchange.

Cintra receives Infrastructure Investor magazine award. Cintra has won in three categories at the annual awards given by Infrastructure Investor magazine. It has been the most recognized company in 2010 by this important infrastructure investment magazine. The company has won the Latin American Infrastructure Deal of the Year category after selling its stake in Chilean highways; and the North American PPP Transaction of the Year category, because of its leading position in the investment in the LBJ Express project in Texas, valued at 2.7 billion dollars. Cintra has also won the Developer of the Year award in the US for the second year in a row.

High frequency waves, a winning solution for Ferroser. Ferroser, subsidiary of Ferrovial Servicios, has been awarded once again by the French giant Michelin, thanks to the introduction of a new ultrasound cleaning system, which considerably improves production activity in the Lasarte factory (Guipúzcoa).

Ferrovial third in Europe for Investor Relations. The main European analysts and investors have selected Ferrovial as the third best company in Europe for Investor Relations, within the Construction and Building Materials category, according to the ranking established by the prestigious Institutional Investor magazine.

LBJ Express awarded North American Project Bond Deal of the Year 2010. The LBJ Express highway has been recognized as North American Project Bond Deal of the Year 2010 by the specialized magazine Project Finance. The award is two-fold: It recognizes the bond deal in the financing of an infrastructure asset; and the fact that it is the highest private bond deal carried out so far to finance a PPP.

Cadagua, receives Global Water Intelligence award in the Water Company 2010 category. Cadagua was nominated because of its proven capacity to compete at the top of the international market and win, and because of its international expansion with the opening of offices in other countries and great achievements in the Middle East and Asia.

Budimex, one of the best companies in Europe. Budimex has been shortlisted in the first round of the European Business Awards. It is an independent competition that recognizes and promotes best practice and innovations in the European Union business world. Budimex is competing in the Environment and Social Responsibility category.

“SIC” award to the Best Information Security and Business Continuity Team for Ferrovial. The “SIC” awards aim to recognize the work of private organizations, public initiatives and experts in the area of innovation, excellence, training, dissemination and professionalization in the sector.

Cespa receives Golden Bioenergy award. The waste management and environment association ATEGRUS (Asociación Técnica para la Gestión de Residuos, Aseo Urbano y Medio Ambiente) has given Cespa

the Golden Bioenergy award for its BIOFUEL project, which aims to develop a new integrated waste treatment process to obtain bioethanol.

Ferrovial receives Corporate Equality award. It is a distinction of excellence in the field of equality which serves as a stimulus and recognition for companies committed to equality and that stand out because of the application of the policies of equal treatment and opportunities in working conditions, in organization models and in other fields such as the company’s services, products and advertising.

ASPRIMA 2011 awards for Ferrovial Agroman projects. Ferrovial Agroman has received three ASPRIMA 2011 International Real Estate Awards, given by the Real Estate Developer Association of Madrid. They are important awards in the real estate sector.

Amey wins national UK award for helping local communities. Amey, subsidiary of Ferrovial Servicios, has received the SBC Large Company of the Year award from Scottish Business in the Community, for its help to reintegrate marginalized groups into work and for their concern for the environment. This award is one of the most influential in the field of responsible business management.

Edinburgh Airport named best in Europe. Edinburgh Airport, managed by BAA, UK subsidiary of Ferrovial, has been named best airport in Europe in its category by the Airports Council International. The ceremony took place on June 16 in Lisbon. It awards airports with the best customer service, security and environmental policies.

Amey’s environmental management in Scotland awarded. The company has been awarded first CEEQUAL Civil Engineering Environmental Quality prize in Scotland for its road management in the southwest.

Ferrovial receives European Investor Relations award. Ferrovial has been recognized best company for Investor Relations in the European infrastructure sector. The award was given by the prestigious Investor Relations Magazine.

Amey given best Change Management Program award. HR Magazine has given Amey one of its Top HR Excellence Awards 2011. This magazine specifically wanted to recognize Amey’s “One Amey

Efficient and Effective” initiative, which has received the best Change Management Program award.

CEO of NTE Mobility Partners named CEO of the Year by US-based Regional Hispanic Contractors Association. The Regional Hispanic Contractors Association (RHCA) has named Belén Marcos, CEO of North Tarrant Express Mobility Partners, CEO of the year. The aim of the award is to honor women in the construction industry who have made an outstanding contribution to its business, the industry and the community.

Ferrovial’s mobility plan given “Muévete verde” award by Madrid City Council. Ferrovial has been given the “Muévete verde” award in the General Mobility Plans category. Ana Botella, Director of the Regional Environment and Mobility Department at the Madrid City Council and President of the Municipal Transport Company, gave out the award, which recognizes best practice to promote sustainable mobility in the city of Madrid.

Ferrovial, one of the five Ibex-35 listed companies named Top Employers Spain 2011. This certification, given every year by CRF Institute, recognizes best practice in Human resources, benefits and attractive work policies, recognition and retention of talent and the chances of growing professionally. Only five Ibex-35 listed companies are among the certified companies.

Ferrovial Agroman receives construction excellence award in Northern Ireland. The design and construction project for the Northern Ireland DBFO Package 2 highway, carried out by Ferrovial Agroman, has been given the Construction Excellence Award 2011 in the Best Transport Infrastructure category. The award, given by the Construction Employers Federation, first began in 2000 and since then it has become the most important award in the Northern Irish construction market.

Ferrovial’s technology management awarded. The organizing committee for the 2nd Annual CIO Directions Conference 2011 has given Ferrovial one of the CIO Directions 2011 awards.

Recognition from Fundación Integra. Fundación Integra, at an event to celebrate its 10th anniversary, mentioned Ferrovial for supporting the integration of people at risk of social exclusion and with

disabilities into the labor market.

Ferrovial, recognized as sustainable company. US magazine Newsweek recently published a ranking of the 500 “greenest” companies, according to their parameters. Ferrovial is number 173 and one of the 10 Spanish companies on the list.

Madrid Río, built by Ferrovial Agroman, wins best public work award. The Association of Civil Engineers of Madrid granted the Award to the Best Public Work to Madrid Río, a new urban area along the River Manzanares.

Stansted considered best low-cost airport of the year. Stansted Airport, managed by BAA, was named “World’s best low-cost airport” at the World Airport Awards 2011, held in Copenhagen (Denmark). This award is based on the Skytrax survey that was given to nearly 12 million passengers of 100 different nationalities in 240 airports.

Ferrovial Agroman, awarded at the Architecture Biennial Show for state-subsidized housing in Madrid. The competition, promoted by Madrid City Council, has awarded the Vara del Rey 12 estate, built by Ferrovial Agroman, in its Best State-Subsidized Housing category. BEAU is an initiative by the Spanish Government, through the Secretary of State for Housing and Urban Actions, which aims to recognize architectural and urban development works and projects carried out nationally and internationally.

Heathrow wins the award for the best use promotion campaign for Heathrow Connect. Heathrow Airport, managed by BAA, was given the London Transport Award for Excellence in Travel Information and Marketing award for promoting the use of the Heathrow Connect rail service amongst its employees. The award was given by Transport Times magazine.

Glasgow receives three awards for Health & Safety excellence. Glasgow Airport, managed by BAA, won two awards for its waste recycling management and its improvement in environmental knowledge and awareness-raising with its staff. The awards were given by the National Recycling Stars Scheme. It also won the second prize in the Healthy Working Lives (HWL) program, which supports promotion of Health and Safety topics amongst employees.

Heathrow Airport awarded for its Corporate Responsibility.

Heathrow Airport reached the first position in the Business in the Community's Corporate Responsibility Index. This voluntary index measures companies' Corporate Responsibility in their environment. Two of Heathrow's initiatives have also been awarded at BITC's annual Awards for Excellence.

Aberdeen Airport achieves several safety awards.

Aberdeen Airport, managed by BAA, was given the International Safety Award with Merit by the British Safety Council for the first time. It also won the bronze prize in the Healthy Working Lives (HWL) program, which supports promotion of Health and Safety topics amongst employees.

Aberdeen Airport wins a transport service award.

Aberdeen Airport, managed by BAA, achieved the Best Bus Service award for the Airport Jet Bus 727, thanks to its excellence in passenger transport between the city center and the airport.

RESPONSIBLE INVESTMENT INDEXES

Ferrovial es miembro de los siguientes índices de inversión socialmente responsable:

- Dow Jones Sustainability Index. Ferrovial has been included, for the tenth year in a row, in the European and World indexes of sustainable companies drawn up by Dow Jones: Dow Jones Stoxx Sustainability and Dow Jones Sustainability World Index.
- FTSE4Good. Ferrovial has been included, for the seventh year in a row, in the FTSE4Good Global Index, with its inclusion in the latest review carried out in September.
- Carbon Disclosure Project (CDP). Ferrovial is listed, for the second year in a row, on the Carbon Disclosure Leadership Index (CDLI). The CDLI is the main CDP rating.
- Newsweek Green Ranking. Ferrovial is number 173 out of 500 companies on the list, and one of the 10 Spanish companies on the list.





Photo: Ferrosert employee in "Ciudad de la Justicia", Barcelona, Spain.

Ethical integrity

• COMMITMENT

- Ethics and professionalism in all Ferrovial activities.

• LINES OF ACTION

- Combat corruption, bribery and extortion.
- Promote the Global Compact principles.
- Improve reporting of non-financial performance to analysts and investors.
- Include ESG risks in the Risk Management Model.
- Maintain the Ethical Code continuously updated.
- Integrate Ferrovial's Human Rights policy into all the areas of activity.
- Base relations with suppliers on a methodology that includes CSR criteria.

• 2011 MILESTONES

- Extended the operation of FRM Ferrovial Risk Management.
- Made all stakeholders familiar with the ethical channel.
- Analyzed the best corporate governance practices in accordance with the Global Principles of the International Corporate Governance Network.

• 2012 GOALS

- Identify and analyze the information requested and valued by SRI analysts.
- Identify ESG risks.
- Analyze the FTSE4good and UN Human Rights requirements.
- Engage with stakeholders in the subjects contained in the 20.13
- Plan, with the aim of planning goals beyond 2013.
- Classify 80% of high-risk suppliers according to the Global Compact principles.

The business and professional activities of Ferrovial and its employees are based on the value of integrity, and are carried out in accordance with the principles of honesty, avoidance of every form of corruption and respect for the individual circumstances and needs of all parties involved.

Ethical integrity	2011	2010	2009	Var 11-10
Complaints received through Complaints Box	63	112	260	-44%
Training given in Code of Ethics (hours)	273	4,250	224	-94%*

* The change is due to the fact that in 2011 the course has been taken by the employees who didn't do it in 2010 and by the new employees.

Ferrovial's Code of Ethics prohibits bribes to public authorities and civil servants. It also forbids its employees from giving or receiving any undue payments of any type as well as presents, gifts or favors from third parties outside the scope of regular market practices or which, by reason of their value, characteristics or circumstances, may reasonably alter the commercial, administrative or professional relations of its companies.

In addition, it prohibits any action that may involve unfair competition practices and undertakes to ensure compliance with the competition laws applicable in the countries where it operates.

Fraud control is a function assigned to the Internal Audit Department. In 2009 a new whistleblowing channel was created for accusations related to the Code of Ethics. In 2011, 2% of accusations received in the intranet mailbox were related to claims of fraud.

The Ethical Code, as well as the corporate procedures for "Protection of the Ferrovial Assets Through Prevention of Internal Fraud" and the "Corporate Procedure for the Complaints Box" must be complied with by all employees and subsidiaries that make up the company in Spain and abroad.

CODE OF BUSINESS ETHICS

Ferrovial has a Code of Business Ethics, which was approved by the Board of Directors in 2004. It establishes the basic principles and commitments that all companies in the group, its employees and

executives, and all other entities linked to Ferrovial or to any of its group companies in which it has a dominant position, must respect and comply with in the exercise of their activities.

•Respect for the law: Ferrovial's business and professional activities shall be carried out in strict compliance with the laws in force in every country where it operates.

•Ethical integrity: The business and professional activities of Ferrovial and its employees shall be based on the value of integrity and carried out in accordance with the principles of honesty, avoidance of every form of corruption, and respect for the individual circumstances and needs of all parties involved.

•Respect for Human Rights: All actions of Ferrovial and its employees shall scrupulously respect Human Rights and Civil Liberties as enshrined in the Universal Declaration of Human Rights.

These principles are a guarantee of integrity for Ferrovial and reflect the group's adherence to major international inter-governmental initiatives such as the International Labor Organization's (ILO) Tripartite Declaration, the OECD (Organization for Economic Cooperation and Development) Guidelines, and the Principles of the United Nations Global Compact, to which Ferrovial has made a special commitment.

At present, the Code is enforced in all the countries where Ferrovial operates and applies to all the workforce. In addition, some companies recently acquired by Ferrovial (BAA is a case in point) have their own Codes of Ethics already in force, which are complemented by the corporate code.

The full version of the Code of Ethics is available on the Ferrovial website in Spanish and in English.

CODE OF ETHICS TRAINING

All employees who join Ferrovial receive a printed copy of the Code of Ethics in Spanish or English. They also have direct access to a PDF version of the Code anywhere in the world through the corporate intranet.

Courses linked to the Code of Business Ethics continued in 2011, with

the aim of spreading the basic principles of the behavior of Ferrovial professionals and the procedures that the company makes available for all its employees:

- Harassment Prevention Protocol
- Equal Opportunity Plan
- Work/Life Balance Plan
- Fraud Prevention Procedures
- Health and Safety Policy
- Information Security Policy
- Quality and Environment Policy

In 2011 the online Business Ethics course was attended by 147 workers, those who did not take it in 2010 or those who joined the company in 2011. This course is aimed at structural personnel in Spain. The number of hours of access to the Business Ethics Course was 141.

As a result of the entry into force of the latest reform of the Penal Code in Spain, the Board of Directors of Ferrovial approved a Crime Prevention Protocol that includes a Catalog of Prohibited Conduct. The company has also implemented an **online Crime Prevention course**.

Ferrovial encourages employees and gives them all the means necessary to know what is permitted and what is not permitted in the course of their work. A total of 3,349 users have taken this course for 2,081 hours.

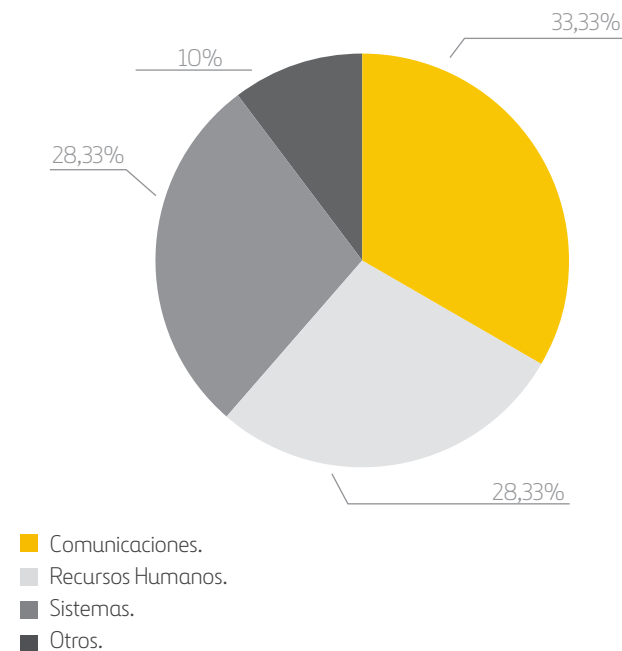
The Protocol is obligatory for Ferrovial workers. It includes a non-exhaustive list of prohibited conduct, aimed at preventing criminal lawsuits being filed against the company, its directors and employees. As part of our normal relationship with suppliers and subcontractors, Ferrovial promotes various training initiatives on the implementation of the principles of the Code of Ethics in the supply chain.

The in-house magazine Inforvial echoes the good practices and initiatives that make it possible to highlight practical cases of the application of the principles of the Code of Ethics. The magazine has a circulation of 10,000 copies and is distributed among employees in Spain, Canada, Greece, the U.S., Ireland, Italy, Poland, Portugal, Puerto Rico, and the United Kingdom.

SUGGESTION BOX

Ferrovial has had a "Suggestion Box" since 2004, where employees can make suggestions for improvement, and leave their comments and criticisms. This box can be accessed via the corporate intranet.

A total of 60 suggestions were received in 2011. The breakdown by type of suggestions made is as follows:



As of the closing date of this annual report, 100% of the communications had been closed.

WHISTLEBLOWING CHANNEL

With the aim of ensuring compliance with the Code of Ethics, Procedures and Protocols, complaints are channeled through the Whistleblowing Channel (Complaints Box), which was launched in 2009.

The Box allows any possible irregularity or illegal behavior to be reported and documented online, anonymously if so wished, so that an investigation is launched by its Managing Committee. Any employee with well-founded suspicion or knowledge of a violation of the Code of Ethics

can file an anonymous report via the corporate intranet, PO box, whistleblower service of the 407 ETR Toll Road or the BBA Complaints Box.

The Box has been accessible via the intranet of some Ferrovial subsidiaries (Budimex, Amey, BAA) since 2010, amounting to approximately 10,000 extra employees.

All the complaints give rise to an investigation by the Complaints Box Managing Committee.

The committee is made up of the Director of Internal Audits and the General Director of Human Resources. It meets at least once a month at the behest of the Director of the Internal Audit Department. When the situation calls for it, urgent meetings may also be convened by any member of the Managing Committee, or any other Ferrovial department. This committee is responsible for taking measures to improve compliance and resolve incidents or doubts as to interpretation.

An emergency procedure has been established for any complaints whose contents call for immediate action. In such cases, the Internal Audit Department, as the unit responsible for the Complaints Box, must decide if an urgent meeting of the Managing Committee is required, or it will set in motion the procedures that the company has established for addressing the reported problem.

The channel gives all employees of the Ferrovial Group and its subsidiaries a direct line of communication to the company directors and management to report any matters of concern, such as irregularities, non-compliance and unethical or illegal conduct. The channel guarantees absolute confidentiality and anonymity at all times, if the whistleblower so desires.

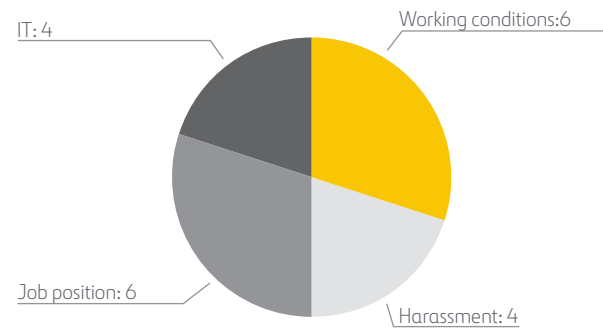
In 2011 there were 63 complaints (24% up on the figure for the previous year). Of these, 54% of the people gave their names and 46% were anonymous, compared with 57% and 43%, respectively, in 2010.

Broken down by category of complaint, the issues were:

- 35% relating to harassment.
- 11% relating to IT.
- 11% relating to relations with suppliers.

- 10% relating to working conditions.
- 10% relating to the job position.
- 33% relating to other matters.

The Complaints Box procedure is available to third parties on the intranet and the corporate website. It is approved by the Chairman who accepts all the associated responsibilities, and guarantees absolute confidentiality and anonymity, if the whistleblower so requests. The complaints filed via the intranet by category are as follows:



Total: 20

INCOMPATIBILITIES

Employees involved in purchasing must not have any personal, financial, family or other interest, whether direct or indirect, in the suppliers. If such an interest does exist, the employee must notify his or her immediate supervisor. Since 2008, the purchasing personnel in Ferrovial’s Purchases Department are bound by the specific principles of integrity published in the Code of Buyers.

An immediate supervisor must be advised of any direct or indirect conflicts of interest arising from family connections, personal ties, financial interests or other factors. Employees who participate in purchasing are prohibited from accepting special discounts or gifts valued at over 90 euro. Gifts of a lesser value may only be accepted if they are delivered to corporate headquarters. The code stipulates that invitations to trips, events or paid meals must be supervised, and employees should not accept invitations from suppliers.

The Appointments and Remuneration Committee is responsible for taking measures to make sure that Ferrovial does not hire, either as

employees or as senior management, persons who have previously performed evaluations of the company for rating agencies, unless more than two years have passed since they left the agency.

GOOD GOVERNANCE

Ferrovial’s operations are based on a commitment to good governance, transparency and integrity. The business and conduct of Ferrovial and its employees are founded on the key value of integrity, and are managed in accordance with the principles of honesty, prevention of all forms of corruption and respect for the specific circumstances and needs of all parties involved.

In accordance with the Unified Code of Good Governance for listed companies, Ferrovial provides an Annual Good Governance Report that covers all essential aspects of good governance, aligned with the values of integrity, transparency and responsibility.

Download the Annual Corporate Governance Report here: report2011.ferrovial.com

PREVENTING FRAUD AND CORRUPTION

Ferrovial has had an internal fraud prevention procedure in place since 2005 to protect its business assets by preventing conduct that may involve internal fraud. It was updated in 2009 to keep it in line with the reality of the companies and countries in which Ferrovial operates.

The procedure are applicable to the employees of Ferrovial and of all companies, associations or organizations in which Ferrovial has a controlling interest (50% or more) or in which it has a minority interest with managerial control.

Internal fraud is defined as “any willful act or omission which, performed by Ferrovial employees, attempts to cause or causes harm to the assets of Ferrovial, harm being understood to mean the generation of costs or expenses without equivalent compensation, the production of asset impairment or the failure to obtain a legitimate return.”

The procedure provides that any person subject thereto who is aware of actions that could harm the company’s assets has the right and obligation to inform Ferrovial. Notifications can be sent to the person’s immediate superior or through the Complaints Box, either giving the

person’s name or anonymously. The employee must make available all the information and/or documentation necessary so that a superior or the Complaints Box Managing Committee has sufficient evidence to make a correct analysis and assessment of the facts.

INFORMATION SECURITY

A major review of the legal framework governing information security at Ferrovial was carried out in 2009. The framework aims to safeguard the integrity, confidentiality and availability of the information produced and handled by employees in companies of the Ferrovial group, or in which Ferrovial has management responsibilities. It is based on the following basic principles:

- Ownership of information
- Handling of information restricted to authorized and business purposes
- Adaptation to the legal framework
- Code of Business Ethics

This Framework is mandatory for all Ferrovial employees and partners, and applies to any type of information generated, regardless of its nature and means of storage and transmission (written, hard copy, CD, USB memory stick, DVD, etc).

Ferrovial considers it essential to protect its information so that it is not destroyed, rendered unavailable, tampered with or disclosed without authorization. For this purpose, it has established a series of general practical guidelines applicable both to Ferrovial’s information assets and to the systems that process and support them.

In 2010 Ferrovial launched the campaign “Security begins with you” with the aim of spreading awareness of the need to protect business information as a strategic asset of the company, and targeting employee collaboration. The aim was to make everyone in Ferrovial aware of the importance of information, and transmit the idea that it is everyone’s responsibility to make correct use of it. The campaign continued in 2011.

Safeguarding the confidentiality, integrity and availability of information in Ferrovial is key to its business reputation.

Information, understood as data created by or for Ferrovial in any medium or format, is one of the most important assets of our organization and essential to our strategy and the performance of our business activities. Consequently, the protection of information against any possible damage or unauthorized use should be a management priority for Ferrovial.

RISK MANAGEMENT

Ferrovial has established a comprehensive risk management system, called Ferrovial Risk Management (FRM). This system, aimed at mapping the risks analyzed to the objectives that these risks pose a threat to, is applied to all group business lines, including subsidiaries over which Ferrovial has managerial control.

Ferrovial operates in numerous countries, with varying socio-economic environments and regulatory frameworks. Diverse risks are therefore inherent in Ferrovial’s businesses and sectors.

In general, Ferrovial considers significant any risk that may compromise the viability of its various businesses, its profitability or ability to generate cash flows, and its corporate reputation; in particular, any factor that might compromise the integrity of employees or third parties affected by its business activities or that have an impact on the environmental surroundings in which these are undertaken.

The following are the most significant risks that are subject to monitoring and management:

- Strategic risks with regards to the market and environment in which each business operates, those deriving from alliances with partners and those associated with the company’s structure.
- Operational risks, meaning risks that may appear at any point in each business’s value chain, such as: risks emerging in processes relating to sales, collection and customer relations; purchasing, payments and relations with suppliers; and in the different asset types and factors of production.
- Compliance risks, linked to: applicable legislation, contracts with third parties and self-imposed obligations based on codes of ethics or conduct.
- Financial risks, which may be associated with changes to key financial data or access to financial markets, treasury management, the interpretation of financial information or fiscal risks.

The Risks, Quality and Environment departments and Internal Audit department are responsible for ensuring the implementation, assessment, monitoring, management and control of risks that may arise as part of Ferrovial's operations.

As well as the Ferrovial Risk Management system, Ferrovial also has in place a Code of Business Ethics, approved by the Board of Directors in 2004, a Complaints Box and a Ferrovial assets protection procedure, via internal fraud prevention.

CONTROL AND RISK MANAGEMENT POLICY

A policy on Control and Risk Management was approved in 2011. It is applicable to all those companies in which Ferrovial has a majority holding and/or management control. The policy is based on respect for Ferrovial's Code of Conduct.

CRISIS COMMUNICATION AND MANAGEMENT PROCEDURES

The general system of risk supervision and control is closely linked to crisis and business continuity procedures.

In the corporate sphere, the risk profile is a basis for detecting sudden situations that may affect the company's reputation. These risks are identified in catalogs that are specific for each business activity. They are permanently updated and accessible at the organization levels where such situations may occur.

As part of these procedures, an internal and external communication protocol is in place designed to ensure that in a crisis situation the organization levels that have to make decisions are provided with reliable and sufficient information in the least possible time. There are also specific procedures in the systems of the business areas that include measures to be implemented at the levels affected by the crisis in order to mitigate damage to people or the environment, as well as to reduce the economic impact of the crisis and help the business activity to recover in the shortest possible time.

CONTROLLING INVESTMENTS AND EXPENSES PROCEDURE GOVERNING INVESTMENTS

This procedure establishes the systems of checks and approval required to carry out large transactions of one million euro or more. On an increasing scale that depends on the amount, the operations must be approved by the CEO, the Chairman or the Board of Directors. All preliminary agreements, option contracts and purchase agreements involving down-payments must also be given approval. The formal presentation of non-binding bids, including ITNs (invitations to negotiate), in the course of public or private contract bidding processes shall be communicated in writing to the CEO with copies to the General Secretary's Office and the Financial Department.

HANDLING OF CASH AND EXPENSES

To avoid possible bribery or corruption in connection with travel expenses, regulations require that all airline and train tickets, rental car fees and hotel reservations have to be handled by the central travel agency with which each company regularly works.

CREDIT CARDS

The use of company credit cards is limited exclusively to paying corporate travel expenses.

CASH AVAILABILITY

In order to control the availability of cash, regulations control requests for cash advances through the computerized expense management system. The maximum sum allowed for travel expenses is 1,200 euro for domestic trips and 3,000 euro for travel abroad. When the amount of the current request plus the previous advances that have not yet been justified exceeds 1,200 euro, the request requires authorization from the immediate superior.

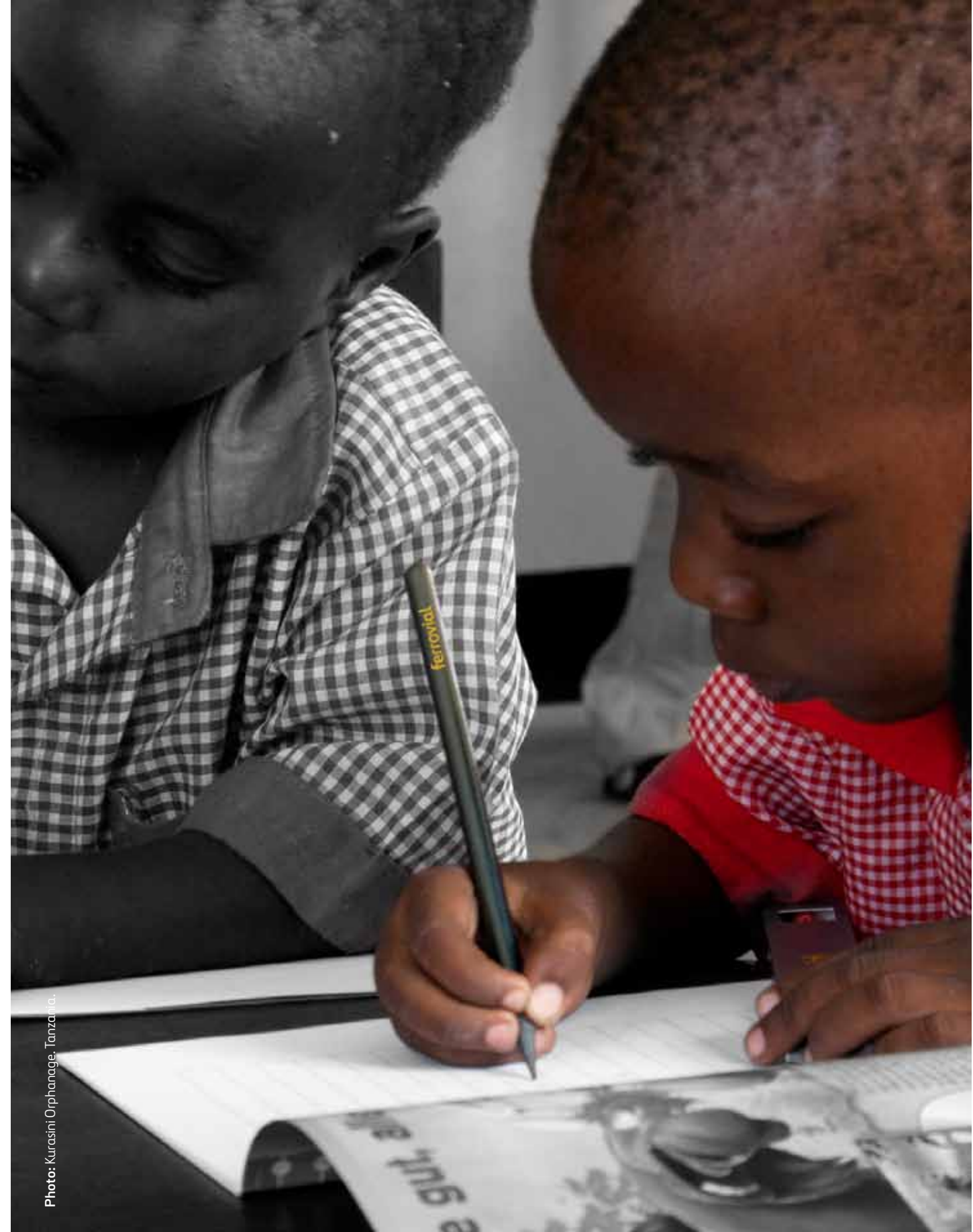


Photo: Kurasini Orphanage, Tanzania.

Commitment to stakeholders

• COMMITMENT

- Transparency in information provided to the market.

• LINES OF ACTION

- Continuously improve the communication channels with all stakeholders on the basis of innovative corporate information that provides information on financial aspects and also takes into account environmental and social behavioral variables.

- Notify all stakeholders of the company's principles of sustainable development and social responsibility, and encourage employee participation in charitable projects.

- Develop a mechanism for formal dialog in order to measure the perception of "those whose opinion counts".

- Become an international benchmark for commitment to stakeholders, obtaining recognition in the main indices (DJSI, FTSE4Good, CDP).

• 2011 MILESTONES

- The Second Stakeholders' Forum event was attended by representatives from various organizations.

- Updating of the Ferrovial materiality matrix, identifying the most relevant issues in the infrastructure sector.

- Launch of a new website.

- Application of the Ferrovial strategy in social networks.

- New globally-based supplier communication IT platform.

• 2012 GOALS

- Formulating of the stakeholder dialog model.

- Analysis of reputational risks.

The guiding principle of Ferrovial's business conduct is to transmit accurate, complete and transparent information that expresses a true picture of the company and its business activities and strategies.

Stakeholder engagement	2011	2010	2009	Var
Meetings with investors	288	272	168	6%
Meetings with suppliers and subcontractors	24,546	23,060	6,270	6%
Supplier surveys	21,207	16,749	2,748	27%
Media presentations	16	6	4	167%
Website visits	548,869	556,600	538,773	-1%
Public opinion polls	192	200	1,698	-4%

Ferrovial's relations with its stakeholders take place within a context of transparency, honesty and professionalism. Ferrovial considers stakeholders to be those individuals or social groups with a legitimate interest and who are affected by the company's current or future activity.

This definition includes both internal stakeholders, who are part of the company's value chain (shareholders, employees, investors, customers and suppliers) and are considered partners by the company in the carrying out of its business, and external stakeholders, which include public authorities, governments, the media, analysts, the business sector, labor unions, the Third Sector and society at large, starting with the local communities in which the company operates.

In 2011 the company has continued to develop the stakeholder engagement model, implemented in 2010. This model consists of a number of individual and "ad hoc" surveys for each type of stakeholder with whom Ferrovial interacts.

Photo: Heathrow Terminal 5, London, United Kingdom

Representativity sample	Stakeholders 2011	Stakeholders 2010
Financial analysts	15	10
Media	24	47
Opinion leaders	21	40
Customers	20	12
Suppliers	20	28
Business associations	10	10
Partners	16	10
Labor unions	17	10
Third Sector	20	15
Government and public authorities	28	18
Total	192	200

* Source: Villafañe y Asociados

Following analysis, the data obtained is used to prepare a report for each stakeholder, together with a joint report that helps decision-making at Ferrovial, helps determine reputational objectives and improves the company's relations with its audiences.

In 2011 the main conclusions of this report were:

- Ferrovial is the company best known by the respondents.
- The global assessment of Ferrovial is slightly above the sector's average and it is also the best valued company in all specific reputation variables.
- The stakeholders who best value Ferrovial are financial analysts and the Third Sector.
- Ferrovial is the company that receives the best assessment in service and integrity.
- Innovation is one aspect to be considered because, although it is part of Ferrovial's positioning, it is important to take a stand in order to drive action and communication in this field.

TRANSPARENCY IN ENGAGEMENT

Transparency is exercised within legal limits (according to established rules and time frames), and with respect for the rights of all the interested parties. With respect to financial information, Ferrovial has a control procedure in place for reporting information relating to rel-

evant transactions that regulates the measures provided for by the Spanish Securities Market Act.

As for communication related to users and employees, Ferrovial guarantees the rights relating to the privacy and confidentiality of their data. Ferrovial requires its employees to make discreet and professional use of the company information they have access to. The company considers it essential to protect its information so that it is not destroyed, rendered unavailable, tampered with or disclosed without authorization. For this purpose, it has established a series of general practical guidelines applicable both to Ferrovial's information assets and to the systems that process and support them.

In accordance with this principle, in 2010 Ferrovial launched the La Seguridad empieza por ti (Security begins with you) campaign that covers collaboration with employees. Training is based on the following basic principles: ownership of information, handling of restricted information for authorized and business purposes, adaptation to the legal framework and Code of Business Ethics.

In 2010 Ferrovial implemented an internal and external communication protocol designed to ensure that in a crisis situation the decision-making organizational levels are provided with reliable and sufficient information in the shortest possible time. Specific procedures were introduced in the business areas, including measures to be implemented to mitigate damage to people or the environment, as well as to reduce their economic impact and help the business activity to recover in the shortest possible time.

The professionalism of relations between the company and its stakeholders has led to the establishment of dialog across different areas, mostly depending on the Board of Directors, that are specifically equipped to attend to each group.

Ferrovial has a variety of multi-stakeholder channels:

-Corporate website: Through which it can obtain up-to-date information on the company, its activities and its Corporate Responsibility, focused on the various stakeholder profiles. The Ferrovial website is being migrated to a new platform and restructuring its content in order to improve accessibility to the information.

-Blogs: In Spanish, "Infraestructuras Inteligentes, el blog de Ferrovial sobre innovación, transporte y ciudades del futuro" (Smart Infra-

structures, Ferrovial's blog on innovation, transport and the cities of the future), and in English, "Innovation, Connecting Cities, Intelligent Infrastructure", both in order to become a benchmark forum in the transport infrastructure and service sector.

-Social Networks: Presence on the most popular social networks, such as YouTube, Facebook, Twitter, Wikipedia and Flickr.

-Annual online report: Its aim is to present the company's annual balance sheet to the stakeholders, with information on the activity, earnings, milestones and goals, based on specific subjects that have been identified as of interest for the different stakeholders.

In 2011 a comprehensive communication plan began to be developed for the stakeholders with regular activities such as the following:

- Stakeholders' Forum
- Perception surveys

SHAREHOLDERS AND INVESTORS

Ferrovial's main priorities to its shareholders and investors are: transparency in its management, adoption of the best practices of Corporate Governance in its companies and the strict observance of the rules in force at any time.

The Corporate Governance Report is available as a file attachment to the 2011 Annual Report. It presents detailed information about relations between the company and its shareholders, the Regulation of the Annual General Meeting, and shareholder rights and participation. The website gives shareholders access to all the documentation on the company, the procedures for obtaining the Annual General Meeting attendance card and all the instructions to vote or exercise a proxy. Since 2005, shareholders can participate online at the Annual General Meeting and vote by e-mail.

Ferrovial offers a permanent Shareholder Relations Office through two communication channels: the shareholder help line and an e-mail address.

The Shareholder Relations Office aims to establish transparent and free-flowing communication with private shareholders and help them access the company's information and strategy.

In 2011 there was an increase in Ferrovial's contacts with shareholders and investors. The following data reflects the company's fluid communication with this stakeholder group:

- Number of activities (454) 2,2% up on 2010.
- 25 roadshows (24 in 2010) in 16 countries (14 in 2010), 20 different brokers (19 in 2010).
- IR website: 204,691 hits.
- Calls to the shareholder line up 29%.
- The Investor Day is celebrated for the first time, devoted to Services in London.
- Increased coverage with 361 reports and notes (336 in 2010).

Shareholder Relations Office

Tel. +34 91 586 25 65

Fax: +34 91 586 25 89

accionistas@ferrovial.es

www.ferrovial.com

ANALYSTS

•Financial analysts

The Investor Relations department, which is part of Ferrovial's Financial Department, is responsible for relations with shareholders, investors and analysts. What these stakeholders want above all is transparency and reliability in financial information.

Most of the company's activity with investors and analysts is through roadshows, seminars and information meetings on its strategy and events. A meeting is held every quarter with analysts to present the company's results. Specific presentations are also made covering relevant events in the company's activity.

A total of 454 meetings were held with investors and analysts in 2011. There were also 25 roadshows, with 288 meetings in all. The presentation of results was broadcast through the Ferrovial website.

In 2011, an average of 8.5 e-mails a day asking for information or documentation were answered, sent by small investors and companies requesting financial information on the dividend and the merger. All the requests for information have been treated on an individual basis.

In 2011 a total of 32 relevant events have been communicated to the Spanish Securities Commission (CNMV). Each time information is sent to the CNMV, or any communication is made that is identified as of interest for analysts or investors, a personal communication is made via e-mail.

All the company information is available through a section on the Ferrovial website (Shareholders and Investors). In 2011 this section received 204,691 visits.

•SRI Analysts

Given the growing importance of SRI analysts, Ferrovial tends to be proactive in the communication with these analysts, by organizing individual events and specific roadshows and including the company's environmental and social information for conventional financial investors.

The most common methods of contact are one-to-one and through questionnaires. In 2011 the main concerns expressed by these stakeholders have been related to climate change.

Ferrovial also has a Sustainability Report available as the main communication tool for analysts, analysis agencies and socially responsible funds.

Investor Relations

Tel.: +34 91 586 27 30

Tel.: +34 91 586 27 60

Tel.: +34 91 586 27 81

Fax: +34 91 586 26 89

ir@ferrovial.es

www.ferrovial.com

EMPLOYEES

The employee communication policy is based on respect for the privacy and confidentiality of information. Ferrovial endeavors to keep in constant touch with its employees through various channels and implements initiatives to hear their opinion.

For Ferrovial, this study offers an opportunity to find out what makes employees proud of working for our company, and particularly what we need to pay attention to in order to improve and ensure that things are done in the most efficient manner and to everyone's satisfaction.

The 4th Employee Satisfaction Survey was completed in 2011. This has been the first global survey that includes all the foreign divisions and subsidiaries of Ferrovial, reaching 20,942 professionals and with the final participation of 11,218 professionals (54%). In total, 11,218 people took part, compared with 7,440 in the previous survey conducted in 2008.

Thanks to the wider scope of this survey, Ferrovial has 50% more opinions that have enabled more far-reaching action plans to be prepared. In addition, the company has purchased a multilingual on-line tool for making the most of the results and planning actions, which has enabled the implemented initiatives to adapt to the business and country organizational structure, and to group segmentation.

Ferrovial has various formal internal communication channels. The communication strategy takes into account employee perceptions and expectations and establishes a number of mechanisms within the various tools in order to sound out user opinions through polls or focused meetings.

The main channel for internal communication with employees is the corporate intranet. In 2011 nearly 1,700 news items were published in Spanish, English and Polish, in both the corporate space and in the space reserved for the channels of each division.

Media center: the media center was launched in March 2010. It gives employees access to the 300 best photographs and more than 50 videos with major events, the opinions of Ferrovial executives and presentations at Summa University.

2011 saw the launch of 18 global communication campaigns using the corporate intranet. Worth mentioning are the campaigns linked to social initiatives (Juntos Sumamos - Stronger Together-, voluntary work, etc), internal events and projects related to people development (University, Talent, Assessment, etc.).

The company publishes an internal magazine, INFORVIAL, with a print run of over 10,000 copies in two languages. Two issues were published in 2011, which keep employees abreast of the performance of the businesses, the company's vision, the company's current news, the most relevant events, etc.

For Ferrovial it is fundamental to establish mechanisms that enable the management's messages to be communicated. The Annual Con-

vention is the best example. Once a year, Ferrovial brings together its top-ranking executives from the four divisions to debate on the long-term strategy and business prospects for the next year. Under the slogan Next, the 2011 annual convention highlighted the main projects carried out during the year and the coming challenges to be undertaken through technology and the ideas of the company's people.

Once a year, the company organizes a number of global events to promote and strengthen relationships between the employees of the various divisions, and also to communicate the company's values.

The Ferrovial Olympics have been held for the sixth year in a row. Over the course of three weeks, different sports activities are organized in order to generate team spirit and promote healthy habits, in addition to contributing to the knowledge of the people who work in the company's various divisions.

This internal event is organized not only in Spain, but also in other group companies such as Amey, which has been holding it for the last three years. In Spain, 1,163 employees from the Madrid and Barcelona head offices got together, 30% more than in the previous year. One of the initiatives linked to this event and to the strategy in the areas of corporate responsibility and respect for the environment was the participation of the athletes in the 1st Race for the Environment and Sustainable Development, EcoRun, as part of the commemorative events for the celebration of the World Environment Day in 2011.

In some of the company's offices, this internal event was accompanied by an internal campaign designed to promote healthy habits. Worth mentioning is the Well-being Week organized at the Ferrovial Agroman head offices, which includes various didactic workshops (nutrition, ergonomics, stress control, efficient driving, etc.), and the Annual Well-being Program at Amey, which covers from awareness-raising conferences to training programs focused on promoting physical health and stress control.

Ferrovial Day: the purpose of this internal event is to create a cohabitation space in which Ferrovial employees can enjoy one day of activities for all the family together with fellow workers from the various divisions, bringing the company environment and the most representative projects closer to the personal environment. 1,115 guests attended this

event in 2011, and the activities were organized around the capacity for inventiveness and creation of the employees and their relatives.

In addition to these channels, Ferrovial has a suggestion box to which employees with access to the intranet can send their suggestions. This year, 60 suggestions were received, of which 20 were communications and 17 were related to Human Resources, 17 to Systems and 6 to other topics.

Human Resources

Apartado de Correos 2160

28080 Madrid

www.ferrovial.com

CUSTOMERS AND USERS

Ferrovial has more than 1 billion users and customers who use the infrastructures and services marketed by the company. The company's policy with respect to its customers and users is to meet their expectations as far as possible and make an effort to anticipate their needs.

For customers it is a right, and for the company an obligation, to protect their privacy with respect to the products and services contracted. The privacy policy is governed by the national legislation applicable in each country: the Data Protection Act in Spain, the Data Protection Act in the United Kingdom and the Personal Information Protection and Electronic Documents Act in the United States. The Quality System's organizational procedures ensure proper filing of all documentation and the privacy of all incoming and outgoing information.

All the businesses have internal procedures that establish a methodology for detecting, identifying, recording and monitoring complaints made by customers about the products or services. When a complaint is received through the Complaint Forms or by letter, e-mail, verbally, etc., a file is generated with the data on the complainant, the reason for the complaint, and the actions needed for resolution. Subsequently, the situation is analyzed and improvement actions are established.

The Quality & Environment Department of Ferrovial handles any complaint that has not been satisfactorily resolved by the business areas and which the client has channeled through Ferrovial.

Quality and Environment
dca@ferrovial.es
www.ferrovial.com

SUPPLIERS

Ferrovial's relations with suppliers and subcontractors are an essential part of its activity. The quality policy considers suppliers and subcontractors as partners and aims for the mutual benefit for both sides. By combining our efforts and creativity we can pass on improvements in quality and service for customers and establish long-term relations where possible. Ferrovial had relations with 61,354 suppliers in 2011.

The Purchases Department of the Construction division is responsible for managing relations with major suppliers and subcontractors so that long-term relationships can be achieved wherever possible that provide the maximum benefit to both sides with ongoing contact (phone calls, meetings, etc.).

It is important to note that a major step forward was taken in 2011 in this area when changes were made to Ferrovial Agroman's orders and contracts to require compliance by all suppliers and subcontractors with the Principles of the Global Compact. This change will be applied at a general level internationally in 2012.

A new corporate-level committee called the Global Procurement Committee was created in 2011. The aim is to ensure the continued coordination, monitoring and control of global procurement activity in Ferrovial, in order to:

- Take advantage of synergies between businesses, and thus save costs by aggregating volume.
- Share best practices.
- Improve the global procurement function.
- Improve mutual knowledge.

The committee is headed up by Federico Flórez, CIO of Ferrovial, and composed of all the purchasing managers of the different business divisions. It is responsible for approving procedures, guides and recommendations on purchasing in the company. A manager is appointed for each purchasing project, making it easier to identify the synergies in the group

and use volume aggregation in purchasing practices, thus saving costs. The Global Procurement Committee meets every four months. It also has other objectives, such as promoting studies of Best Practices in the industry, and participating in workshops and conferences with experts.

Ferrovial requires its suppliers and subcontractors to comply with the appropriate Global Compact Principles in its framework agreements. Since 2005 there have been various meetings with suppliers to raise awareness about aspects related to corporate responsibility and sustainable development. In 2008, Ferrovial introduced a specific corporate responsibility clause into such agreements. All agreements signed in 2010 and 2011 have included these clauses.

Supplier engagement in 2011 included the following: 21,207 surveys (26.6% more than in 2010), 24,546 meetings (6.4% more than in 2010) and 165 forums (34.1% more than in 2010). Of special interest were supplier and subcontractor training programs in areas such as quality, the environment, technique, occupational health and safety and topics related to the Code of Ethics.

Purchases Department
 Tel.: +34 913008537
www.ferrovial.com

GOVERNMENT AND PUBLIC AUTHORITIES

Ferrovial is engaged in an ongoing dialog with governments and public authorities in all the countries in which it operates, whether at national, regional or local level.

As a member of the community, Ferrovial is committed to some of the social initiatives promoted by the governments or local bodies, and organizes meetings with a variety of groups such as diplomats or members of parliament.

In its relations with public authorities and civil servants, Ferrovial's Code of Ethics prohibits its employees from paying any kind of bribes, or giving to or receiving from third parties any undue payments of any type, presents, gifts or favors that are outside the scope of regular market practices, or which, by reason of their value, characteristics or circumstances, may reasonably be considered to alter the commercial, administrative or professional relations of its companies.

For the same reasons, Ferrovial has also not contributed to the financing of political parties in Spain, whether directly or indirectly. Ferrovial has a variety of procedures and internal control mechanisms to prevent bribery and corruption. These are detailed in the section on ethical integrity.

Ferrovial has good relations with the regulators through two channels: it has a leading position in associations and employers' organizations in the sectors in which it operates. This frequently gives it direct contact with the regulators, and it often sits on working groups as an advisor on regulations, thus allowing it to anticipate the implementation of new regulatory frameworks. At the same time, it maintains close relations with the bodies linked to the regulators through specific agreements.

Institutional Relations
 Tel.: +34 91 586 28 93
 Fax: +34 91 586 26 59
comunicacion@ferrovial.es
www.ferrovial.com

BUSINESS SECTOR

Ferrovial's relations with the sector, industries and competitors are channeled primarily through active participation in employers' organizations or in sector organizations related to its areas of interest. During 2011 Ferrovial was a member of the following organizations:

• Toll Roads

- International Bridge, Tunnel and Turnpike Association (IBTTA)
- Canadian Council for Public-Private Partnerships (CCPPP)
- Toronto Board of Trade; CD Howe Institute; Transportation Association of Canada (TAC)
- Ontario Chamber of Commerce
- 35 W Coalition
- Tarrant Regional Transportation Coalition
- Northeast Chamber of Commerce
- Fort Worth Chamber of Commerce
- Hurst Euleess Bedford Chamber of Commerce
- North Dallas Chamber of Commerce
- Dallas Regional Chamber of Commerce
- Dallas Regional Mobility Coalition
- Greater San Marcos Economic Development Corporation (Partners for Progress)

- Austin Chamber of Commerce
- San Antonio Chamber of Commerce
- Seguin Chamber of Commerce; San Antonio Mobility Coalition (SAMCo)
- International Bridge, Tunnel and Turnpike Association (IBTTA)
- The Inter-agency Group, also known as the E-ZPass Group (IAG)
- Indiana Toll Road Economic Development Corridor
- OmniAir - For the advancement of Transportation Technologies (ITS)
- American Legislative Council Transportation Committee Membership
- American Exchange Legislative Council Transportation Committee Membership
- National Governors' Association Membership
- Democrat Governors' Association Membership
- Republican Governors' Association Membership
- American Road and Transportation Builders Association Public
- Private Partnership
- Division President Board Member - Texas Association of Business
- Board Member - Texans for Safe Reliable Transportation
- Greater Austin
- TX Boys and Girls Club
- Irish Toll Roads Association (ITIA)
- Irish Spanish Economic Association (ISEA)
- Irish Business and Employers Confederation (IBEC).
- Represents all businesses in Ireland
- Irish Toll Roads Association (ITIA)
- Irish Spanish Economic Association (ISEA)
- Irish Business and Employers Confederation (IBEC). Represents all businesses in Ireland
- Associação Sociedades Concessionárias de Auto Estradas SCUT (ASCAS)
- Associação Comercial de Lisboa (ACL)
- Centro Rodoviário Português; Comissão Municipal de Protecção Civil de Loulé (CRP)
- Comissão Municipal de Protecção Civil de Faro
- Comissão Municipal de Protecção Civil de Olhão
- Comissão Municipal de Protecção Civil de Silves
- Associação Sociedades Concessionárias de Auto Estradas SCUT (ASCAS)
- Associação Comercial de Lisboa (ACL)
- Associação Sociedades Concessionárias de Auto Estradas SCUT (ASCAS)

- Camara do Comércio e Industria Luso Espanhola
- Casa de Espanha
- Forum de Administradores e Empresários
- Asociación de Sociedades Españolas Concesionarias de Autopistas,
- Túneles, Puentes y Vías de peaje (ASETA)
- Asociación de Empresarios y Profesionales CIT Marbella

• Airports

- Business in the Community
- Airport Operators Association
- ACI (Airport Council International) World
- ACI Europe
- London Chamber of Commerce
- Confederation of British Industry
- London First
- Central London Partnership
- Hounslow Chamber of Commerce
- Slough Chamber of Commerce
- West London Business
- West London Working
- AOA
- British Safety Council
- Scottish Business in the Community
- Edinburgh and Lothians Greenspace Trust
- Green Business Partnership Scottish Council Development and Industry
- Aberdeen and Grampian Chamber of Commerce
- Transport Steering Group
- Aberdeen City and Shire Economic Futures (ACSEF)
- Transport Committee North East Sustainable Transport (NESTRANS)
- British Safety Council
- Airport Operations Association
- Hampshire Chamber of Commerce
- Business Solent
- Tourismn South East

• Construction

- Asociación de Empresas Constructoras de Ámbito Nacional (Seopan)
- Confederación Nacional de la Construcción (CNC)
- Confederación Española de Organizaciones Empresariales (a través de Seopan y CNC) (CEOE)

- Plataforma Tecnológica Española de la Construcción (PTEC)
- Plataforma Tecnológica Ferroviaria Española (PTFE)
- European Network of Construction Companies for Research and Development (ENCORD)
- European Construction Technology Platform (ECTP)
- Energy Efficient Buildings (E2B)
- MIT's Industrial Liaison Program (ILP)
- Export Group (SEOPAN)
- European International Contractors (EIC)
- European Construction Industry Federation (FIEC)
- European Builders Confederation (EBC)
- Cámara de Contratistas de Andalucía.
- Asociación de Empresas de la Construcción de Madrid (AECOM)
- Madrid Plataforma Logística (MPL)
- Asociación de Empresarios de la Construcción en Palencia (AECOPA)
- Asociación vallisoletana de Empresarios de la Construcción Cámara de Contratistas de Castilla y León (AVECO)
- Confederación Asturiana de la Construcción (ASPROCON)
- Agrupación de Empresarios de la Construcción de Toledo
- Asociación Provincial de Empresarios de la Construcción de la Coruña (APECCO)
- Asociación Provincial de Empresarios de la Construcción de Lugo (APEC)
- Asociación Provincial de Empresarios de la Construcción de Orense (ACO)
- Asociación Provincial de Empresarios de la Construcción de Pontevedra (APEC)
- Círculo de Economía
- Cámara Oficial de Contratistas de Obras de Cataluña (CCOC)
- Gremio de Constructores de Obras de Cataluña
- Asociación Provincial de Empresarios de la Construcción y Obra Pública (APECOP)
- Asociación Valenciana de Empresas de la Construcción y Obras Públicas (ASVECOP).
- Cámara de Contratistas de la Comunidad Valenciana (CCCV)
- Asociación Provincial de Empresas de la Construcción de Castellón (APECC)
- Asociación de Constructores de Baleares
- Asociación de Empresarios Constructores y Promotores de la Provincia de Las Palmas (AECPL)
- Federación de Empresas de la Construcción de Zaragoza (FECZA)

- Federación Regional de Empresarios de la Construcción de Murcia (FRECOM)
- Centro Tecnológico de la Construcción de la Región de Murcia
- Asociación Científica Hormigón Estructural (ACHE)
- Internet Association for Bridge and Structural Engineering (IABSE)
- Asociación Española de la Carretera (AEC)
- Asociación Técnica de la Carretera (ATC)
- Comité Nacional Español Grandes Presas (CNEGP)
- Sociedad Española de Presas y Embalses (SEPREM)
- Asociación Española de Ingeniería Sísmica (AEIS)
- Asociación Técnica Española de Climatización Refrigeración (AT-ECYR)
- Asociación Técnica de Puertos y Costas (ATPYC)
- Sociedad Española de Mecánica del Suelo y Cimentaciones (SEMSC)
- Internacional Erosion Central Association (IECA)
- International Association for Shell and Spatial Structures (IASS)
- Puertos del Estado
- Asociación Española Túneles y Obras Subterráneas (AETOS)
- Asociación profesional de empresarios de instalaciones eléctricas y telecomunicaciones de Madrid (APIEM)
- Sociedad Española de Mecánica de Rocas (SEMR)

• Services

- Asociación de Conservación y Explotación de Carreteras (ACEX)
- Asociación Española de la Carretera (AEC)
- Asociación Técnica de la Carretera (ATC)
- Asociación de empresas de Limpieza (ASPEL)
- Asociación Mantenimiento industrial (AMI)
- Associació Catalana de Consellers de Seguretat (ACCS)
- Achilles South Europe
- Asociación Catalana de Instalaciones de Tratamiento de Residuos Especiales (ACITRE)
- Asociación Cluster de Industrias de Medio Ambiente de Euskadi (ACLIMA)
- Asociación Española de Arboricultura (AEA)
- Asociación de Empresas de Medio Ambiente de la Región de Murcia (AEMA)
- Asociación Española de Parques y Jardines Públicos (AEPJP)
- Asociación Española de Responsables de Compras o Existencias (AERCE)

- Asociación de Empresas del Sector Medioambiental de Andalucía (AESMA)
- Asociación para el Progreso de la Dirección (APD)
- Asociación de Profesionales de los Espacios Verdes de Cataluña (APEVC)
- Asociación Profesional de Empresas Medioambientales de Galicia (APROEMA)
- Área de Medio Ambiente de la Cámara de Comercio de Barcelona
- Asociación de Empresas Gestoras de Residuos y Recursos Especiales (ASEGRE)
- Asociación Española de Empresas de Jardinería (ASEJA)
- Asociación de Empresas de Limpieza Técnica Industrial Mecanizada (ASELIME)
- Asociación Empresarial de Limpieza Pública (ASELIP)
- Asociación Empresarial de Transportes de Vizcaya (ASETRAVI)
- Asociación Nacional de Agentes Marpol
- Asociación Técnica para la Gestión de Residuos y Medio Ambiente (ATEGRUS)
- Confederación Empresarial de la Provincia de Tarragona (CEPTA)
- Asociación de Empresas de Desamiantado (DESAMIANTA)
- Ecoembalajes España (ECOEMBES)
- EUROLAB-España
- Federación Empresarial de Autotransporte (FEAT)
- Federación de Empresarios de Toledo (FEDETO)
- Fundación para la Investigación y Desarrollo Ambiental (FIDA)
- Foment del Treball Nacional
- Fundació Fòrum Ambiental
- Asociación Española de Gestores de Residuos de Construcción y Demolición (GERD)
- Gestora de Runes
- Gremi de Recuperació de Catalunya
- Club Español de los Residuos (ISR)
- Asociación de Empresas Vascas por la Sostenibilidad (IZAITE)
- Asociación Española de Recuperadores de Papel y Cartón (REPA-CAR)
- Sistema Integrado de Gestión de Residuos de Productos Fitosanitarios (SIGFITO)
- The Sustainable Landfill Foundation (asociación de ámbito europeo)
- Ziurtagiriaren Elkartea

- Associação das Empresas Portuguesas do Sector do Ambiente (AEPSA)
- Associação Portuguesa dos Empregadores do Sector dos Resíduos e Limpeza Urbana (APERLU)
- Associação Empresarial de Portugal (AEP)

• Corporate

- Fundación Albéniz
- World Economic Forum
- Foro de Reputación Corporativa (fRC)
- Fundación FAES
- Fundación IDEAS
- Círculo de Empresarios
- Instituto de la Empresa Familiar
- Fundación Integra
- Forética
- Fundación Consejo España-EE.UU
- IE Business School
- DIRCOM
- Fundación SERES
- Asociación para el Progreso de la Dirección (APD)
- Nueva Economía Forum
- Instituto de Análisis de Intangibles
- Red del Pacto Mundial
- American Chamber of Commerce in Spain
- British Chamber of Commerce in Spain (BCC)
- Amigos Museo Reina Sofía
- Clinton Global Initiative
- ICADE 50 Aniversario
- Embajada de Chile
- Fundación Lealtad
- London benchmarking Group España (LBG)

Institutional Relations

Tel.: +34 91 586 28 93
 Fax: +34 91 586 26 59
comunicacion@ferrovial.es
www.ferrovial.com

LABOR UNIONS

Beyond social dialog, labor unions claim their role as an interested party in the application of Ferrovial's policies of Corporate Responsibility.

The company engages in fruitful dialog with the labor unions on corporate responsibility through a variety of initiatives: the Global Compact, on which debate is channeled through networks such as the Corporate Social Responsibility Observatory, and the Building Responsible Competitiveness (BRC) project coordinated by Forética in Spain.

This ongoing contact with the labor unions led Ferrovial to sign the company's Equality Plan in 2009 with the UGT and CCOO unions. Ferrovial's Equality Plan enhances the commitment to corporate social responsibility, establishes specific actions on the key processes of people management and implements all available communication channels and internal mechanisms that allow for maximum dissemination and awareness on this subject. The Plan establishes and develops the measures agreed with the unions, which guarantee the principle of equal treatment and opportunities between women and men, and promote training and career development on an equal footing.

Human Resources

Tel.: +34 91 586 25 00
www.ferrovial.com

MEDIA

Ferrovial endeavors to improve its relations with the media and to bring the company's management closer to media professionals. Many meetings and interviews take place between specialized journalists and high-level executives, including the company's CEO.

In 2011 the Communication Department was active in sponsoring meetings with key media, as well as participating in media meetings and forums.

Media coverage in 2011 maintained a reduced percentage of negative news items and a relative balance between the number of news items and their impact on the different business areas.

Ferrovial maintains personal, direct and continuous contact with around 30 national and international media outlets, based on transparency and close collaboration with its professionals. Relations are coordinated through the Media Manager's Office of the Communication and Corporate Responsibility Department. A total of 52 press

releases were issued in 2011 in Spanish and English, with two press conferences and the sponsorship of five high-level media forums. In addition, 30 interviews and news stories were organized, such as use of social networks in Ferrovial, cooperation with international architects, CR strategy or the SUMMA Corporate University. Ferrovial's participation in the organization of the 25th anniversary of the Expansión financial newspaper is also worth mentioning.

Ferrovial does not subscribe to any specific voluntary communication code or standards, but all the communication and advertising actions adhere to current law and regulations.

Ferrovial's international expansion has also represented a major challenge from the point of view of communication, as it has multiplied the interest around the world for the activities of the company and its subsidiaries.

In 2011, the Ferrovial website received 548,869 visits (556,600 in 2010).

Corporate Communication

Tel.: +34 91 586 25 15
 Fax: +34 91 586 26 59
comunicacion@ferrovial.es

LOCAL COMMUNITY

As an infrastructure manager, Ferrovial plays a fundamental role in the development of local economies. The nature of its business makes Ferrovial a key player in reducing geographical imbalances, as the provision of infrastructures in a region determines its economic development.

In addition, when it builds infrastructures, the company establishes a dialog with the local communities to inform them of the project's development, in particular with groups that can be directly affected by the construction of this infrastructure.

Ferrovial uses the public information centers to inform on the infrastructures to be built in order to deal with queries, claims or questions. Ongoing media contact is also maintained in order to make sure that the projects are presented in the media.

The company is also active around the world, generating employment at the local level and promoting sourcing from local suppliers. Ferrovial is currently present in 20 countries. Despite the economic crisis, Ferrovial

has maintained job creation in the main markets where it operates.

THIRD SECTOR

Ferrovial maintains a fluid relationship with the organizers of civil society and the Third Sector, as a way of creating long-term value for the company. Relations with the Third Sector are organized on five levels:

Participation in Third Sector institutions. Ferrovial is active in numerous multi-sector organizations in the Third Sector. These include the Spanish Association for the Global Compact (ASEPAM), of which Ferrovial is a founding partner, Fundación Lealtad, Fundación Seres, Forética and the London Benchmarking Group (LBG) Spain. Ferrovial also participates actively on the Corporate Responsibility committees that have been created in SEOPAN and CNC in order to establish common ground in this matter. It is involved in the National Higher CSR Board (CERSE) through various professional and Third-Sector associations.

Strategic alliances for project development. Ferrovial has strategic alliances in place for project development with institutions in the Third Sector. Among them is the alliance with the Massachusetts Institute of Technology (MIT) to develop joint research projects on Corporate Responsibility as part of the Industrial Liaison Program. As for social projects with non-governmental organizations (NGOs), Ferrovial currently has strategic agreements with ONGAWA, Ingeniería para el Desarrollo Humano, Plan España, Intermón Oxfam and AMREF-Flying Doctors. The chapter on Social Commitment details specific projects and social investment activities carried out over the year.

Institutional meetings. Over the year, Ferrovial has hosted a number of institutional conferences and meetings with organizations in the Third Sector:

Participation at events. Ferrovial executives participate actively at conferences and events. Among them has been participation in the Davos Forum.

Relations through formal communication channels. 595 e-mails have been received at rsc@ferrovial.es, of which 20% are employment applications, 20% bids from suppliers, 2% requests for information on the company, 2% complaints and the rest requests for

sponsorship, questions about Juntos Sumamos and matters related to social action.

NGOs: Ferrovial's relations with NGOs are based on a friendly and personal relationship. The company participates in NGO projects not only as a mere donor, but also through the contribution of various assets, including its human capital, which is the most prized contribution.

Corporate Responsibility
Tel.: +34 91 586 02 75
Fax: +34 91 586 26 59
rsc@ferrovial.es
www.ferrovial.com

Environment

Environmental sustainability is slowly but surely becoming a critical element in Ferrovial's activities around the world. In 2011 the company increased its capacity to offer services and infrastructures that respond to global challenges such as climate change, the energy crisis and the loss of biodiversity. Ferrovial aims to become a strategic partner of governments in the countries where it operates, and help them comply with their goals in this area.

• COMMITMENT

- Reduce the environmental impact of activities, maintain a preventive pro-environment approach, and cut the company's global carbon footprint.

• LINES OF ACTION

- Promote the implementation of environmental management systems in Ferrovial's various lines of business, focusing primarily on the management of the environmental risks of the activities and anticipating regulatory changes.
 - Research and development of more sustainable mobility models.
 - Energy efficiency, in particular in the area of transport and city infrastructures (Intelligent cities).
 - Development of financing models for the restoration of large-scale housing and urban renewal.
 - Design of innovative models for the sustainable management of natural resources and biodiversity (Intelligent forests).

• 2011 MILESTONES

- Partial implementation of Ferrovial's strategic positioning on climate change (the "Ferrovial 2015" project) in the 2015 and 2020 time horizons.
 - For the first time, carbon footprint targets were set globally for the whole campaign (21.3% reduction in emissions by 2020 on the base year 2009).
 - Ferrovial is included in the Carbon Disclosure Leadership Index (CDLI) ratings and the Carbon Performance Leadership Index (CPLI) as the European leader in its sector.
 - Extension of the Personal Mobility Plans.
 - Revision of the Carbon Reduction Commitment (CRC) in the United Kingdom as part of the Comprehensive Spending Review.
 - II Quality & Environmental Global Meeting, which brought together

the community of Ferrovial professionals in the area of sustainability, and determined the strategic lines for upcoming years.

• 2012 GOALS

- External verification of Ferrovial's Carbon Footprint throughout the world.
 - Extension of Scope 3 with respect to Ferrovial's carbon footprint.
 - Development of a pilot project for energy rehabilitation and renewal of neighborhoods across Spain.
 - Development of a pilot project as part of the Intelligent Forests model.
 - Progress in the green purchasing policy, in collaboration with the WWF and Global Forest & Trade.

ENVIRONMENTAL POLICY

Ferrovial is committed to sustainable development. It has set targets for improving its environmental performance and strengthening its climate strategy by developing technologies, transport infrastructures and public services that are prepared for a low-carbon economy.

Ferrovial's environmental policy is based on a Sustainability Policy that applies to the entire company, and that is designed, promoted and supported at the highest level. Starting with this shared commitment, each department develops its own policy according to the risks and stakeholder demands of each business activity.

In 2008, Ferrovial updated its Quality and Environment Policy in an attempt to adapt it to the company's new profile and the new corporate risks derived from the acquisition of BAA.

The updated version features aspects such as stakeholder engagement, eco-efficiency and the reduction of greenhouse gas emissions as key elements of corporate public commitments. Closer collaboration with NGOs, public authorities and regulatory bodies is also considered a key element.

Photo: Express Road S-3 Szczecin - Gorzów Wielkopolski, Poland

MISSION

Ferrovial designs, finances, constructs and manages infrastructures and services in a responsible fashion. It focuses on satisfying the expectations of its customers and users and manages the resources available efficiently in such a way as to minimize the environmental impact of its activities.

VISION

Ferrovial aims to maximize value for its shareholders and society as a whole. It is determined to be recognized throughout the world as an efficient and model organization in the sectors in which it operates, and committed to its role as a global company with an outstanding commitment to sustainable development.

PRINCIPLES

Satisfaction of customer and user expectations. Customers and users are at the core of everything the company does. It always aims to offer them the best possible experience when using its infrastructures and services.

Everyone plays a part. All the members of the organization are motivated, encouraged to participate, and offered training and development to ensure the company's success.

Mutual benefit in relationships with suppliers and partners. Ferrovial aims to create relationships of mutual benefit with partners and suppliers to achieve the maximum level of competitiveness, quality and environmental performance.

Eco-efficiency. The company minimizes the environmental impact of its activities by using available scientific knowledge and through the responsible and efficient use of natural resources to reduce waste, discharges, atmospheric emissions and in particular greenhouse gases, as far as possible.

The value of commitment. Ferrovial is a responsible company that fulfills its commitments. It abides by current legislation and honors the agreements signed with customers and users, to ensure the quality, safety and environmental soundness of products and services.

Continuous improvement. The company aims for excellence in its business activity. It measures the key factors of its business and implements management systems that ensure the continuous improve-

vement of its processes, technical capacities and performance. Fluid communication channels have been established between different areas and companies in the Group to take advantage of synergies and opportunities provided by experience and best practices.

Intelligent engagement with stakeholders. The development of reporting systems and channels of communication lead to a productive dialog of mutual benefit with the relevant stakeholders. This helps to understand their expectations, limits business risks and makes better use of opportunities.

RELATIONSHIP WITH STAKEHOLDERS

The relationship with suppliers and subcontractors is a key part of the company's activities. Among its goals is that of reducing environmental impact.

There is ongoing dialog with governments, public authorities, legislators and the business sectors in which Ferrovial operates, with the aim of contributing its knowledge in industries that impact the environment, such as housing restoration and transport.

The Quality & Environment Department keeps analysts up-to-date on the company's strategy and environmental performance. Evidence of the transparency of information provided is that Ferrovial is listed on the main sustainability indicators, such as the Dow Jones Sustainability Indexes and FTSE4Good. Organizations such as the Carbon Disclosure Project and Triodos Bank also recognize Ferrovial's work in this area.

The professionalization of relations between the company and its stakeholders has led to the establishment of a channel of communication through areas that are specifically equipped to deal with each group.

FERROSER

Commitments were signed on energy efficiency and sustainable purchasing of forest products at the Proclima Forum of the City Council of Madrid.

More than 2,000 trees were planted to offset CO₂ emissions from the energy used in 2010 at the Ferroser corporate headquarters.

AIRPORTS

Some 55 major European airports are now part of a program aimed at cutting carbon emissions.

Airports now part of Airport Carbon Accreditation – including London's Gatwick and Heathrow – together account for half of all European passenger traffic.

The airports involved in the project are enacting such measures as changing airport vehicles to electric or hybrid power and instigating special low-fuel use taxiing guidelines. Airports are also supplying ground power to aircraft, so planes do not have to sit with their engines idling.

Airport Carbon Accreditation was adopted in 2008 and aims to cut emissions across all airports involved.

**AMEY****Go Green Challenge**

Three challenges were launched in HUB magazine:

- 1) Create and plant a wildflower garden with colleagues or within your local community.
- 2) Set up and manage a clean up/ tidy up event with colleagues or within your local community.
- 3) Hold a local charity sale of home grown or homemade produce.

More than forty teams across Amey took up one of the three challenges and there were some fantastic case studies sent in. The

Lewes team won the Challenge with the great photo evidence that they sent in as part of their case study.

CLIMATE STRATEGY**THE REGULATORY ENVIRONMENT**

Policies designed to boost the transition to a low-emission world have speeded up over recent years. For more than two decades, increased legislation on this issue has become the biggest global regulatory movement in the field of the environment, and it has undoubtedly caused the biggest economic impact.

In this respect, the EU has deposited great hopes in the Copenhagen summits, and to a lesser extent, in Cancun and Durban. However, the agreements have so far not clarified the post-Kyoto road map beyond a commitment by nearly all the signatories of the protocol to extend it beyond 2012. The position of the company in this respect is that it is becoming increasingly necessary to have a binding agreement that sets out a road map for the coming years. A predictable and secure environment is fundamental for planning investment by companies, both to reduce their carbon footprint and to develop technologies, infrastructures and services focused on a low-carbon economy.

Beyond these agreements at a global scale, the aim is to anticipate regulatory trends that at regional level deal with compliance with targets for reduction, as well as financing of the technological and infrastructure changes needed to make progress in this respect. Thus, for example, Ferrovial pays particular attention to the development of legislation on domestic projects (in Spain and other EU Member States), the Carbon Reduction Commitment and the Green Deal (in the UK). The company considers that intelligent regulation in these fields can not only help improve compliance with the reduction targets, but also develop sustainable economic activities capable of generating employment and wealth.

OPPORTUNITIES FOR FERROVIAL

This regulatory context the transport and building sectors are affected by an increasingly restrictive regulatory framework governing matters of climate change and energy efficiency.

Far from considering these regulations to be a threat to Ferrovial's portfolio of assets, the scenario that is taking shape could generate great opportunities for the company, above all in those countries that have made public commitments to reduce emissions.

In recent years Ferrovial has made a firm commitment to long-term investment in R&D, focused on developing low-emission solutions for the transport sector, as well as integrated municipal services that allow cities to improve their efficient use of resources and energy (Intelligent Cities).

The shift to low-emission transport infrastructures will undoubtedly be based on their integration within information and communication technologies, which will make them more flexible and able to reduce energy consumption and greenhouse gas (GHG) emissions.

This will make them truly intelligent infrastructures that are capable of adapting to demand in real time, thus ensuring fluid transport and activating solutions for more sustainable mobility. Examples of this include the system for predicting traffic events, advanced systems for “SAVE” entry lanes on highways, and the DAVAO+ system for detecting high occupancy vehicles. All of these have been developed by the Intelligent Infrastructures Center (CIB), which was set up in 2010.

In aviation, the demand for passenger air transport will probably continue to increase, boosted by globalization and the rise of the emerging economies. Therefore it is necessary to make growth in air transport compatible with the fight against climate change. As managers of the United Kingdom’s major airline hub, it is crucial for Ferrovial to ensure that the economic advantages provided by Heathrow for the country are compatible with the reduction of the carbon footprint of this major infrastructure. Examples of the actions taken in this direction are included in the section on the carbon footprint.

Energy efficiency is also a major challenge at a global scale, and it is a major source of opportunities for Ferrovial. Beyond the consolidated energy service business, the medium-term plan must be to create solutions of ample scope for more efficient cities. This involves integrating municipal services that have until now be treated separately, thus generating major savings not only in economic terms, but also in energy consumption and thus GHG emissions. Ferrovial’s commitment to Intelligent cities has already materialized in model projects (such as in Birmingham in the UK). It will continue to grow in the upcoming years.

Also in cities, energy rehabilitation of buildings, acting wherever possible in urban areas, should become a complement in the medium term to new building construction.

Ferrovial has worked in recent years on the development of new models of finance, based on public-private cooperation which could

make it possible gradually to renew the current stock of buildings in the medium to long term. A study into this question puts the potential savings of an ambitious urban renewal and energy rehabilitation program in Spain at more than € 300 billion. Such a program would be capable of meeting the commitments derived from European regulation on energy efficiency. It is an alternative for the building sector, but also a great opportunity for the country as a whole because of its potential to generate economic activity and jobs, which could number hundreds of thousands. The report is available through the Ferrovial website and on <http://www.gbce.es/es/pagina/informe-gtr>.

RESPONSIBLE MANAGEMENT OF THE CARBON FOOTPRINT

The company cannot be credible as a potential low-emission infrastructure and service provider if it cannot undertake ambitious commitments to reduce its own carbon footprint. Ferrovial’s strategy has therefore been focused in recent years on the following lines of action:

- Measurement and publication of its footprint, covering 100% of Ferrovial’s activities worldwide. Management of this footprint, establishing public undertakings to reduce its emissions. In 2011 a bottom-up analysis was carried out, starting with production processes in each business area, in which the opportunities for reducing emissions were identified and valued economically. As a result of this process, which included external advice from Climate Strategy & Partners, the undertaking to reduce emissions in terms of carbon intensity was estimated at 21.3% by 2020 compared to the base year 2009. This is the first time that Ferrovial has made public a company-wide undertaking to reduce emissions involving 100% of its activities worldwide.

- Development of iconic internal projects, some of them pioneering, such as the Personal Mobility Plan set in motion in 2008 at a Cespa pilot site in Madrid. This Plan has been extended gradually to the main corporate head offices.

- Investments in energy efficiency at the main facilities and assets, such as Heathrow (more information in the Energy Efficiency section)

- The climate strategy has been recognized by analysts in recent years. For the second successive year, Ferrovial has been included in the Carbon Disclosure Leadership Index (CDLI) ratings and the Carbon Performance Leadership Index (CPLI) as the European leader in its sector. Only three companies with a Spanish parent company form part of these prestigious indexes.

AIRPORTS (ENERGY EFFICIENCY)

AIRBUS A380 NEW DEPARTURE PROCEDURES

As Heathrow’s owner, BAA, along with the national air traffic service (Nats), Singapore Airlines and Airbus have launched an improved departure procedure for the Airbus A380, saving fuel, emitting less CO₂ and remaining within the airport’s strict noise procedures.

The Airbus A380 is already the most fuel efficient aircraft in commercial service, burning 17 per cent less fuel per passenger than other large aircraft. By 2020 one in ten flights at Heathrow could use A380s.

There is an on going work with the airlines to improve operating processes, and the introduction of this new departure procedure demonstrates the commitment to reducing emissions A380s departing Heathrow now use less power when taking off.

Once a height of 1,500 feet has been reached, the aircraft uses flexible acceleration up to 4,000 feet, before continuing its journey.

This new procedure saves an additional 300kg of fuel per flight, equating to one metric tonne of CO₂ on a flight to Singapore, as well as reducing NOx emissions.

The A380 is significantly quieter than other large aircraft. It produces half the noise energy at takeoff and cuts the area exposed to equivalent noise levels around the airport runway by half.

At landing the A380 produces three to four times less noise energy, contributing significantly to reducing the noise impact whilst enabling the airline to carry more passengers per flight.

Singapore Airlines has now adopted the new procedure as its current departure procedure for A380s.

<http://www.heathrowairport.com/about-us/community-and-environment/sustainability/case-studies/airbus-a380-new-departure-procedures>

Input	Output	Outcomes
10 - 12 months of data analysis Time of staff from Heathrow Airport Ltd, NATS, Singapore Airlines CAA and Airbus	Savings of 300kg of fuel per flight, one metric tonne of emissions of CO ₂ on a flight to Singapore	Savings in fuel consumption and CO ₂ emissions Noise neutral

AIRCRAFT ON THE GROUND CO₂ REDUCTION PROGRAMME

Heathrow is taking part in a major new initiative to cut carbon dioxide (CO₂) emissions from aircraft on the ground.

The Aircraft on the Ground CO₂ Reduction Programme, launched by the Airport Operators Association (AoA) in July 2010, aims to reduce emissions from aircraft as they taxi around the airport, and from power used to provide stationary planes with electricity and cool air.

As Heathrow’s owners, we led the development of the programme working with partners from Sustainable Aviation, the UK initiative that brings together main players from UK airlines, airports, manufacturers and Air Traffic Management providers.

The programme provides practical guidance to help airlines, air navigation service providers, ground handling companies and airport operators cut CO₂ emissions from aircraft movements on the ground.

Heathrow is one of 15 airports across the UK – which together represent 70% of the country’s passenger traffic – that have joined the programme. The aim is to capture best practices across the industry and build on these to achieve further efficiency improvements in future, both at Heathrow and by working through the AoA across UK airports.

Initial work indicates that initiatives at Heathrow to promote switching off one aircraft engine during taxiing and supplying stationary aircraft with electricity from fixed power units and pre-conditioned air (rather than running on-board auxiliary power units that use carbon intensive aviation fuel) are already cutting emissions by up to 100,000 tonnes a year compared to a do-nothing scenario.

Input	Output	Outcomes
Number of members: 15 airports across the country, together handling 153.3 million passengers in 2009, or 70% of all UK passenger traffic (CAA, 200)	Estimated CO ₂ savings at Heathrow from reduced engine taxiing as well as use of fixed electrical ground power and pre-conditioned air: 100,000 tonnes of CO ₂ per year compared to doing nothing Efficiency savings: approximately 20% per movement for ground based aircraft activity today, with potential to go higher in the future Global savings: 6 million tonnes CO ₂ annually (estimated by IATA)	Improved understanding of managing emissions on the ground Leadership and sharing best practices on CO ₂ and NOx emissions, as well as noise impacts Active involvement of aviation industry in tackling climate change

THE CARBON FOOTPRINT

Ferrovial believes that the best way to combat emissions is to reduce them at source. While improving its performance in this area, the company has implemented ambitious plans to reduce greenhouse gas emissions in its activities as part of its Sustainability Policy approved in May 2008 and within its Climate Change 2015 strategy.

In 2008, Ferrovial began to identify all sources of emissions in the company's activities and in 2009 completed the procedure for calculating the global carbon footprint. This consolidates the methodology for collecting data and calculating emissions. Since 2010 Ferrovial has calculated 100% of the carbon footprint (Scope 1&2) of all its activities worldwide, and has made significant progress in calculating Scope 3. Businesses such as airports, services, waste management and construction already make this calculation.

The new procedure sets 2009 emissions as the baseline. As it uses the same reporting approach and calculation methodology, a comparison can be made between business and emission figures over time, both in absolute and relative terms.

The procedure also allows identification of emissions by source, country and company, which is a key point when the establishing goals.

This methodology was verified by an external body in 2009.

Scope 1 includes direct emissions from sources owned or controlled by the company. They mainly derive from:

- Fuel combustion in stationary equipment (boilers, furnaces, turbines...)
- Fuel combustion in vehicles owned or controlled by the company.
- Diffuse emissions. These are emissions not associated with a specific emission point, such as biogas emissions from landfills.

Scope 2 includes emissions as a result of consumption of electricity purchased from other companies that produce or control the power.

The figures published are those available as of February 2012. Any update will be published on the Ferrovial website in the Quality and Environment section.

RECOGNITION BY ANALYSTS

The company's climate strategy has been recognized by analysts in recent years. For the second successive year, Ferrovial has been included in the Carbon Disclosure Leadership Index (CDLI) ratings and the Carbon Performance Leadership Index (CPLI) as the European leader in its sector.

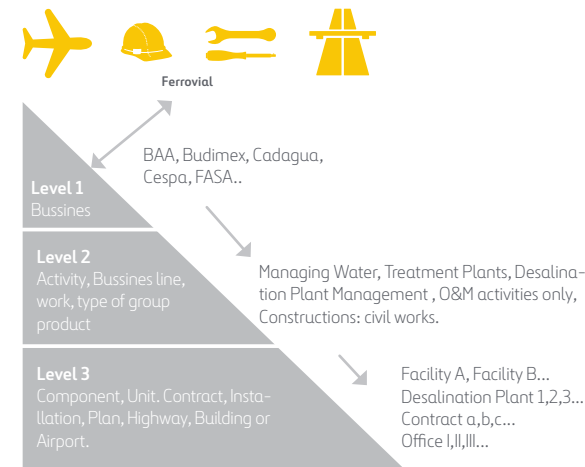
CARBON FOOTPRINT TARGET PROJECT 2009-2020

The "Carbon Footprint Target Project 2009-2020" was in operation in 2011. It involved all the Quality & Environment Departments in the different business areas.

The main lines of action in this project were:

1. Propose and establish indicators of the intensity of GHG emissions characteristic of the activity of each of the businesses and the levels of the pyramid that each business unit considers appropriate (Level 1, Level 2 or Level 3). Examples of these intensity indicators are: T CO₂ equiv/€, t CO₂ equiv/Km of highway, t CO₂ equiv/managed m2...
2. Given the variety of activities and businesses, and following an exhaustive analysis of best practices internationally, the conclusion was reached that the best measurement of carbon intensity for Ferrovial as a whole is t CO₂ equivalent/€ of revenue (Level 1).
3. Identifying areas of opportunity with the chance of reducing emissions and lines for improvement.
4. Establishing emission reduction targets in absolute and relative terms for each activity at the different levels up to the corporate area, dependent on compliance with a business scenario and certain premises ("disclaimer").
5. With respect to Scope 3: calculate and identify areas where emissions linked to company's activity can be reduced at clients' facilities, with the aim of prospecting business opportunities.

Chart 1. Diagram that sums up the method used to calculate the targets in the corporate area by integrating partial targets in different levels of the organization.



An exhaustive study was carried out in each business area on the above points. It came to the conclusion that of all the possible approaches, the one that fits Ferrovial's operations best is "Operational Control." This approach is different from that used in previous years.

In order to maintain consistency over time, the historical emission data for 2009 and 2010 have been recalculated in using this new approach. This gives a consistent comparison with the base year (2009).

Each business area has established targets for reduction in absolute and relative terms. Combining all the targets for each business area, the overall targets for Ferrovial as a whole are defined as follows, depending on compliance with a business scenario and various premises ("disclaimer").

- Reduce the intensity indicator measured as the metric tons of CO₂ emitted per million euros of 2020 revenue by 21.3% on the 2009 figure.
- In absolute terms (t CO₂ equiv.), stabilize emissions for the 2020 horizon at 2009 levels, taking into account that the revenue forecast for the Group as a whole is 27% up on the base year.

CARBON FOOTPRINT RESULTS

TOTAL FERROVIAL CO2 EMISSIONS BY COMPANY (SCOPE 1 AND 2)



* Structural changes have been included for purposes of comparison across a number of years. Thus, the emissions corresponding to Amey-Cespa, a waste management company located in the United Kingdom, have been included here.

2011 (scope 1&2)

	Amey	BAA	Cadagua	CESPA	Cintra	Construction	Ferrosfer	Corporate	Amey-Cespa	Total
Scope 1&2	60,563	400,591	78,900	288,801	14,115	169,614	14,888	650	35,555	1,063,677

2010 (scope 1&2)

	Amey	BAA	Cadagua	CESPA	Cintra	Construction	Ferrosfer	Corporate	Amey-Cespa	Total
Scope 1&2	52,980	431,856	79,825	358,428	15,195	147,901	18,194	860	35,555	1,140,794

2009 (scope 1&2)

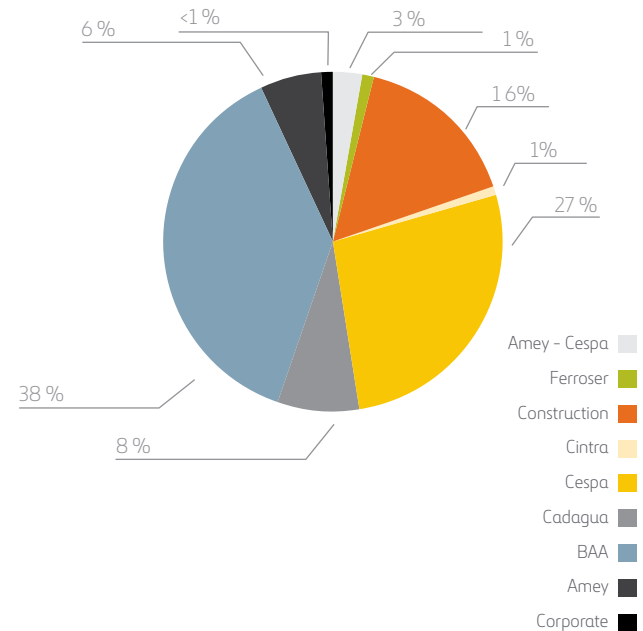
	Amey	BAA	Cadagua	CESPA	Cintra	Construction	Ferrosfer	Corporate	Amey-Cespa	Total
Scope 1&2	49,454	439,963	108,299	383,236	15,684	147,901	18,329	896	35,555	1,199,316

In 2011, Ferrovial reduced its emissions with respect to the base year. In general, most businesses reduced their emissions.

Amey is among the companies that increased their emissions. This increase is linked to an increase in the company's activity. However, in relative terms, the indicator of intensity (metric tons of CO₂/million pounds of revenue) fell in 2011 on 2010 figures. In 2011 the figure was 54.6 metric tons of CO₂/£ million, 2.1% down on the figure for 2010. This improvement is the result of energy efficiency measures implemented by Amey in its contracts.

Ferrovial Agroman increased emissions in Spain due to an increase in activity with aggregates, which require greater energy consumption than for other construction activity carried out in previous years. Aggregate plants also run on fuel oil.

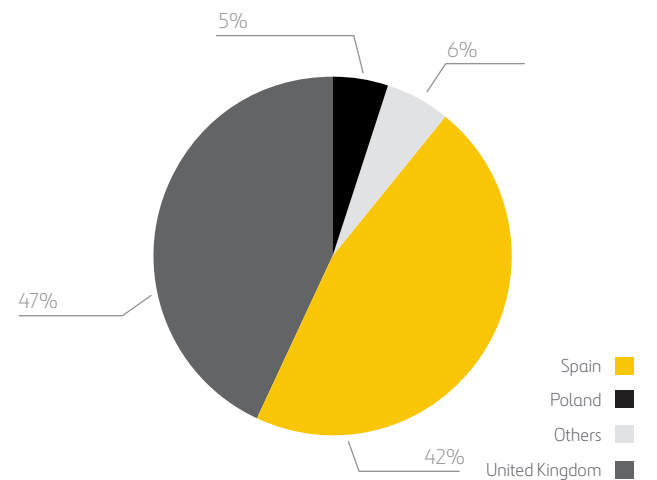
BREAKDOWN OF TOTAL FERROVIAL CO2 EMISSIONS BY COMPANY (SCOPE 1 AND 2)



The breakdown of emissions by company is similar to that in previous years.

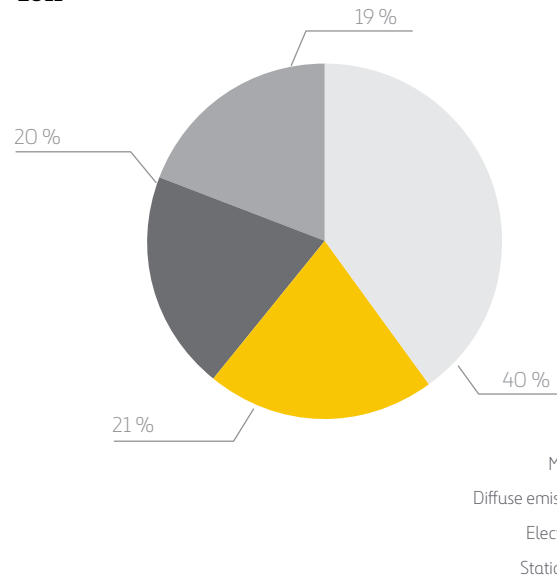
TOTAL FERROVIAL CO2 EMISSIONS BY COUNTRY (SCOPE 1 AND 2) 2011

Country	Tneq de CO ₂
Spain	443,865
United Kingdom	497,335
Poland	55,956
Others	66,521
Total	1,063,677



Emission levels by country are similar to that in previous years, although growing internationalization involves an increase in emissions in other countries.

TOTAL FERROVIAL CO₂ EMISSIONS BY SOURCE (SCOPE 1 AND 2) 2011



Non-proprietary landfills are now not reported in calculating the carbon footprint, so the percentage of diffuse emissions differs considerably from the percentages published in the 2010 report.

OTHER INDIRECT EMISSIONS (SCOPE 3)

The reporting of this category is optional and includes all other indirect emissions. These emissions are the result of the company's activities, but occur from sources that are not owned or controlled by it. Both Amey and BAA calculate Scope 3

Ferrovial has made a big effort and has progressed in calculating the Carbon Footprint.

Amey has included emissions from air transport in the calculation. In 2011, Amey's Scope 3 was 531 t CO₂ equiv.

In 2011 the emissions from business trips in the Ferrovial Group, Ferrovial-Agroman, Cadagua, Cespa, Cintra and Ferrovial Servicios amounted to 4,337.1 metric tons of CO₂ equivalent, 2.9% down on the previous year.

For BAA, the calculation of Scope 3 emissions includes aircraft landing, takeoff and runway traffic, business travel, vehicles operating on the runway, access to the airport by passengers, and water and waste management.

At the date of publication, some of the information needed for the calculation is not available (e.g. passenger access to the airport). Scope 3 will be published on the Ferrovial website in the Quality and Environment section as soon as the information is available.

NO, SO AND OTHER SIGNIFICANT EMISSIONS

The emission of other gaseous pollutants is calculated on the basis of fuel and electricity consumption:

a) Emissions from boilers.

	NOx (t)	CO (t)	NM VOC (t)	SOx (t)	Particulates (t)
Total emissions (Tn)	210	76	9	27	6

Note: The emissions off BAA have been estimated according to the forecasted consumption trends.

These emissions come mainly from burning natural gas, diesel, fuel oil and propane.

b) Motor vehicles

	CO (t)	NM VOC (t)	NOx (t)	Particulates (t)
Total emissions (Tn)	3,788	282	6,039	78

Note: The emissions off BAA have been estimated according to the forecasted consumption trends.

These emissions are mainly from diesel and gasoline emissions.

c) Mobile machinery used in construction

	CO (g/Kg)	NM VOC (g/Kg)	NOx (g/Kg)	Particulates (g/Kg)
Total emissions (Tn)	241	65	3,569	388

These emissions come from the use of diesel, mainly as fuel in mobile machinery on construction sites.

d) Electricity

The calculation takes into account each country's electricity mix.

Emissions	NOx(t)	CO(t)	NM VOC	SOx	Partículas (t)
Total emissions	407.01	170.83	3.48	704.69	30.55

Note: The emissions off BAA have been estimated according to the forecasted consumption trends.

FUELS USED BY STATIONARY AND MOBILE SOURCES

2011	Consumption(GJ)
Diesel	2,583,674
Fuel oil	570,107
Gasoline	397,843
NG	3,233,775
LPG	9,766
Propane	2,665
Total	6,797,830

Note: BAA represents the 22% of fuels consumed. These consumptions have been estimated according to 2010 real data, on the basis of the 2011 consumption trends.

INDIRECT CONSUMPTION OF ENERGY BROKEN DOWN BY PRIMARY SOURCES

Primary energy source	Total (GJ)
Coal	824,903
Gas oil	56,071
Gas	1,186,156
Biomass	65,484
Residues	23,097
Nuclear	499,626
Hydraulic	103,945
Geothermal	262
PV Solar	7,647
Thermal Sola	33
Wind	112,045
Tidal	0
Others	429
Total production	2,879,698

Note: The calculation takes into account each country's electricity mix.

GASES THAT DESTROY THE OZONE LAYER (REFRIGERANTS)

Aberdeen	0
Edinburgh	97
Glasgow	21.77
Heathrow	725.18
Southampton	85
Stansted	354.12

In 2011 there were not refill neither purchase of refrigerants in Corporation.

Emissions avoided by waste management activity

In the field of waste management, the company follows a strategy based on the reduction of greenhouse gases.

One of the ways of reducing these gases is by recycling rather than dumping, thus reducing the amount of waste that enters the landfill. Another is to recover and use landfill biogas resulting from waste decomposition to produce energy.

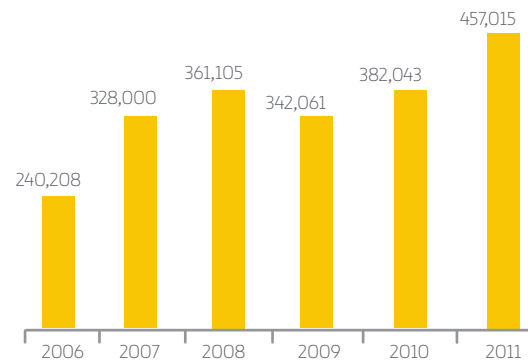
This will reduce dependence on fossil fuels and the emissions from their combustion, as well as preventing methane emissions, which have a greater effect on global warming than CO₂.

	2006	2007	2008
GHGE avoided by sorting (t CO ₂ equiv)	240,208	328,099	361,105
GHGE avoided by biogas capture (t CO ₂ equiv)	483,291	514,090	526,267

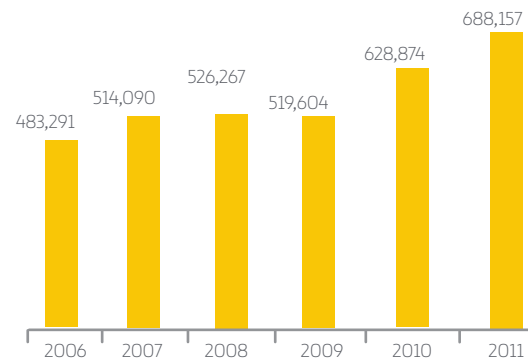
	2009	2010	2011
GHGE avoided by sorting (t CO ₂ equiv)	342,061	382,043	457,015
GHGE avoided by biogas capture (t CO ₂ equiv)	519,604	628,874	688,157

In 2011 the emission of 1,145,175 tn CO₂e has been avoided by the activity of Cespa in Spain.

GHGE avoided by sorting (t CO₂ equiv.)



GHGE avoided by biogas capture (t CO₂ equiv.)



The constant investment in technology, including both waste sorting and biogas capture, has in recent years had an increasing impact on the reduction of GHG emissions.

ENERGY EFFICIENCY

Energy efficiency is also a major challenge at a global scale, and it is a source of opportunities for Ferrovial. Beyond the consolidated energy service business, the medium-term plan must be to create solutions of ample scope for more efficient cities. This involves integrating municipal services that have until now be treated separately, thus generating major savings not only in economic terms, but also in energy consumption and thus GHG emissions. Ferrovial's commitment to Intelligent cities has already materialized in model projects (such as in Birmingham in the UK). It will continue to grow in the upcoming years.

For years, Ferrovial has been working on strategies to reduce GHG emissions. The aim is to make processes less polluting and anticipate future regulations that will affect the Group's business, particularly in terms of waste management and air traffic. Energy efficiency is one of the key points within the Ferrovial strategy to fight global climate change.

The business with greatest impact in terms of energy consumption is BAA. It therefore tries to minimize the emissions related to fixed facilities.

Electricity consumption (kwh) 2011

Amey	17,405,818
BAA	651,801,537
Cadagua	19,064,120
Cespa	37,121,722
Cintra	29,714,396
Corporate	1,278,044
Construction	59,133,472
Ferrovial Service	7,343,870
Amey-Cespa	3,730,440
Total	826,593,418

AIRPORTS

Heathrow continued to tackle energy management at its facilities and their impact on the environment. It has confirmed the trend for compliance with the target set for 2020.

2010/11 was the base year for the UK government's mandatory CRC reporting scheme, based on an early action metric. Heathrow placed 270th out of 1,301 (out of a total of more than 3,000 participants).

Heathrow also takes part in the European Emissions Trading System (EU-ETS) through the emissions from its on-site combustion plant that provides heating and hot water at the airport. In 2011 these emissions were reduced through improvements in efficiency and replacement of boilers.

Based on the most recent information available from the first phase of construction of Terminal 2, the building is on the way to exceeding the targets set in terms of carbon emissions.

Construction of Heathrow Airport's new Energy Center associated with Terminal 2 continued in 2011. The 12 MW biomass boiler was installed, and the Energy Center will begin operating trials in 2012.

Work has continued on a prioritized list of opportunities, with capital finance obtained for savings projects in 2012/13. These include heating, ventilation and improved air conditioning, low-energy lighting and better controls, as well as a range of automated motor controls for escalators and other systems. These projects represent combined annual savings of 16.2 million kWh and more than 8,500 metric tons of CO₂ emissions.

Finally, work has also continued on a consolidated energy management system that will monitor and report the performance of infrastructure in terms of energy efficiency and locate the best possibilities for improvement. The system will also be used to calculate comparisons between the buildings in the terminals, and between the rented modules. The idea is to generate real figures on which to base the campaigns by energy managers for greater involvement planned for 2012 and beyond.

CINTRA

All the improvement projects carried out in 2011 are related to energy efficiency. Among them are:

Indiana Toll Road: Action has focused on three areas:

- Road lighting: All the lighting on the highway has been inventoried, and this information has been used to create a computer model that is capable of optimizing the lighting system. With the results obtained through the models unnecessary lights have been switched off, and if it is determined within a certain time that there has been no increase in the number of accidents, they will be removed permanently.

- Maintenance and administrative buildings: All the buildings have been checked to detect areas with excessive lighting and remove it. Movement sensors have been installed in bathrooms and lighting has been replaced with the low-consumption kind. The voltage and number of lights needed in outdoor parking in the buildings have been reduced based on the information provided by the computer model that optimizes lighting.

- Tolls and toll buildings: Similar measures have been carried out here as in the administrative buildings. In addition, the temperatures of the electrical hot water heaters have been adjusted. The lights illuminating the car axles at toll booths have been removed.

Ausol: Energy efficiency project in the Calahonda tunnel. A “Computer Craft” system is being used with the installation of electrical ballasts that can be digitally adjusted from the control post.

M3 & M4: Devices to reduce energy consumption in buildings and toll booths have been installed

Madrid-Levante toll road: The vehicle fleet has been changed to optimize fuel consumption by using more efficient vehicles. Specifically, the Nissan off-road vehicles have been replaced by Dacia Dusters that consume nearly 50% less fuel. The 6x6 snowplows were replaced with 4x4s, and four maintenance trucks were replaced by Jumpers that consume less.

CONSTRUCTION

Ferrovial Agroman is a participant in the European SEEDS (Self learning Energy Efficient buildings and open Spaces) project, which aims to develop a new real-time data delivery system on energy consumption, in order to improve the energy efficiency of buildings and open spaces. This system will allow buildings to learn continuously to maintain user comfort and minimize energy consumption and CO₂ emissions. It will also optimize their performance in terms of comfort, energy efficiency, financial returns, efficient resource management, functionality and lifecycle value.

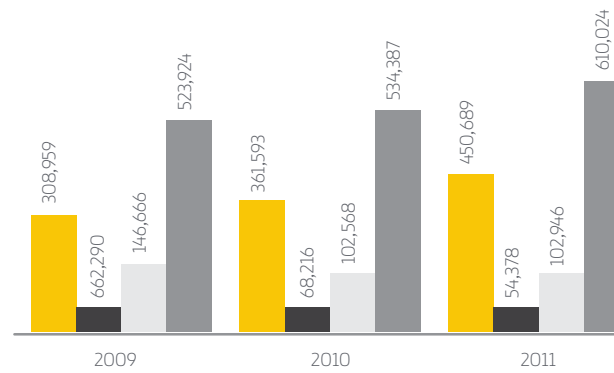
CADAGUA

Project for the optimization of the system at a waste water treatment plant (WWTP).

The project will last for three years and consists of optimizing the overall system of a waste water treatment plant (WWTP) by the development or implementation of alternative technological solutions aimed at improving the process, as well as the development of advanced tools and methodologies for the design, operation and control of these facilities with the aim of increasing the reliability of the process and overall energy efficiency.

Cadagua will be assisted in this project by the Thermal Conversion Process and Fuel and Waste Energy Recovery modules created by CIEMAT (Center for Environmental Energy and Technology Research), which answers to the Ministry of Science and Innovation; the University of Granada through the Technologies for Water Management and Treatment group; and the Environmental Research and Technology Group at the University of Valladolid.

GENERATION OF ENERGY FROM RENEWABLE SOURCES (ENERGY EFFICIENCY)



- Amount of electricity generated from biogas recovery (GJ)
- Amount of electricity produced (though cogeneration) by hazardous waste incineration (GJ)
- Amount of thermal energy generated from biogas recovery (GJ)
- Total energy (GJ)

Cespa has generated a total of 610,024 GJ in 2011 using biogas and waste as raw materials.

It increased the production of electricity from biogas recovery in controlled hazardous waste deposits by 12.2% on 2010.

As in the previous year, this calculation has used data corresponding to Cespa Spain and Cespa Portugal.

In 2011 the 1,048 kW motor using recovered biogas energy entered into operation; as did the 1,365 kW motor operating with landfill biogas.

Work has also continued on the optimization of the recovery of biogas using current motors.

ENERGY FROM SLUDGE TREATMENT (CADAGUA)

Thermal sludge drying involves applying heat to evaporate most of the interstitial water mixed in with the sludge. In the plants run by

Cadagua, energy cogeneration is achieved by using natural gas in motor-generators, turbo-generators or Centidry. This cogeneration produces electrical and thermal energy from natural gas. Cogeneration in a sewage treatment plant meets two basic objectives, one economic and the other environmental.

Cadagua generated a total of 157,061,630 Kwh through these means in 2011.

Type	Electricity Generated (Kwh)		
	2009	2010	2011
Thermal sludge drying plant	119,528,632	133,247,020	152,925,950
WWTP	6,011,047	7,127,767	4,135,679
	125,541,688	140,376,797	157,061,630

WASTE MANAGEMENT

The waste management policy shared by all companies in the Group is designed to minimize waste production, ensure proper waste management and place the emphasis on recovery, reuse and recycling.

Reuse and waste minimization targets in Construction

Target	2011
Redaction of dumping material (m³)	5,302,430
m³ of decrease in excavation volume	952,620
m³ topsoil reused	116,570
m³ of CDW recovered at the worksite	92,058
m³ of use of recycled building material	74,710
Units of on-site lighting reused	505
m³ of reduction in CDW production	367
m³ of replacement of noxious or HW generating substances	9
Units of hollow slabs and pans recycled as separators	5
Units of proposals to preserve demolished buildings	1

AIRPORTS

Heathrow. In 2011 efforts were focused on understanding waste management operational and prediction processes. A better understanding has now been reached allowing the development of the infrastructure required to comply with future sustainability targets, by improving facilities and organizing the airport campus more coherently. Future plans will focus on changing the behavior and culture of the company's own staff and those of the airport partners.

Toward the end of 2011, a 100% rate of separation was achieved with non-hazardous construction waste that was taken to the landfill. This target was reached by combining very high rates of recycling in the facilities of the material recycling waste manager (97-98%) with the fact that the rest of the non-recyclable waste is taken to a nearby waste-to-energy generation facility.

A monthly check was made of the non-hazardous construction waste in the projects in Phase 1 of T2A and Phase 2 of T2B. The data were compared with the reference BRE SMART values for efficient waste management in different sectors of construction. Both achieved reached monthly levels that were significantly below the reference values

Companies operating at Heathrow receive guidance on how they generate waste, which is then managed through Heathrow's waste contract.

• Aircraft cabin cleaning

Over 80% of aircraft cabin waste is potentially recyclable, e.g. papers, glass, cans and plastics.

The rest is mainly food and beverage waste, which, if of international origin, is subject to strict regulations and is not recyclable.

In 2010, due to the risk of contamination of cabin waste with international catering waste, it was decided to stop recycling cabin waste. Instead, all cabin waste is now transferred to the Energy from Waste plant for incineration.

Heathrow airport is working with airlines, cleaning companies and other UK airports to agree clear, risk-based guidance that would enable at least a proportion of cabin waste to be recycled, while still applying adequate animal health risk controls

• Retail and catering

The airport provides facilities to segregate and collect retail and catering waste for recycling.

During 2011:

- Introduction of collections of mixed recyclables in Terminals 1, 3 and 4, with the aim of adding 50 tonnes per month
- Expansion of current food waste collection to capture a further 25 tonnes of food waste per month
- Increase cardboard collection by promoting the retailer returns service and providing information on recycling facilities
- Continue to improve and expand the arrangements for collecting cooking oil for reprocessing into biodiesel <http://heathrowair-thought.com/at6.html>

• Cooking oil converted to biofuel

Catering companies at Heathrow use cooking oil to prepare food for the 76,500 people who work at the airport and the 180,000 passengers who pass through each day. This oil needs to be disposed of appropriately, to make sure that it doesn't block pipes or pollute water courses.

However, rather than throw used cooking oil away, it is recycled to make biodiesel – a more sustainable fuel that can be used instead of fossil fuels to run diesel vehicles. Currently, 100% of the waste cooking oil produced at the airport is being recycled in some way, with over 85% being recycled as biodiesel, and we are looking to increase this even further. This is helping towards achieving the goal to recycle 70% of the waste generated at Heathrow.

In 2009, Heathrow worked with their logistics service partner to collect 57,000 litres of used cooking oil from airport's catering companies and send it off-site for conversion to biodiesel at a specialist facility. From here, the biodiesel produced is added to the national vehicle fuel supply – providing the equivalent amount of fuel to power a car to drive round the circumference of the Earth 20 times.

Recycling the oil incurs no cost for the caterers, and each litre of used cooking oil creates almost the same volume of biodiesel.

Heathrow is looking to make the process even more efficient, to include all of the waste cooking oil produced at the airport in the recycling scheme, and to potentially include waste cooking oil from other local businesses in the future. Additionally, the airport is looking at ways to re-use the biodiesel, to help close the loop between the waste produced and the fuel used.

• Infrastructure waste

Heathrow guide the recycling behaviour of contractors. Heathrow's construction waste management and logistics contract enables construction contractors to meet the contractual recycling obligations placed on them.

The main infrastructure developments that generate waste involve demolition and construction activities.

Demolition waste includes masonry, concrete, stainless steel, aluminium, structural steel, glass and cables.

Construction waste includes mixed inert building materials, excavated materials, metals, plasterboard, timber, insulation materials, packaging and used containers.

• Landscaping

On-airport landscaping activities – primarily grass cutting and shrub trimming – generate green waste which is composted on-site in some airports. During 2011, airports managed 2.6 Tn of green waste.

• Office administration

Offices generate waste such as paper, cardboard, toner cartridges and food. In 2011 the existing office paper collections in Heathrow were extended and is expected to recycle far more.

A new waste management process was introduced at Heathrow head office in June 2011, which involves:

- Introduction of mixed recycling collection facilities
- Separate collection of white office paper
- Improved food waste collection from the staff restaurant
- Cup banks to collect recyclable coffee cups.

In four months into the trial, had been recycled 5.6 tonnes of mixed recyclables, 2.6 tonnes of office paper and 1.2 tonnes of cardboard.

Influencing the management of Heathrow's waste

Heathrow influence how the aviation industry manages waste, and how third parties generate and handle waste at the airport through their own waste contracts.

Car park management APCOA Parking Ltd manage many of Heathrow's car parks. The waste they generate at these car parks is handled directly by APCOA's own waste management contract.

APCOA issues around 8 million car park tickets at Heathrow every year.

Previously, magnetic strips within the tickets prevented recycling.

Following collaboration between Heathrow and APCOA, changes were made in order to facilitate more recycling.

For example, by switching from magnetic strips to bar codes tickets, APCOA's car park tickets are now recyclable. Investments in vehicle licence plate technology will eventually lead to the need for tickets – and the production of waste – to be completely eliminated.

In addition, Heathrow's introduction of car park recycling bins enabled APCOA to trial waste collection arrangements to segregate mixed recyclables from non-recyclable general waste. This enabled us to recycle parking tickets and general car park litter.

AMEY

• Halton highways go green

Halton now has 7,456 metres of greener highways thanks to a plastic kerbing initiative that helps Halton Borough Council achieve its zero-waste challenge.

In an effort to minimise the amount of waste that is sent to landfill, Amey – which maintains 515km of highways on behalf of Halton Borough Council – has been replacing traditional concrete kerbing with the more environmentally friendly kerbs manufactured completely from recycled plastics.

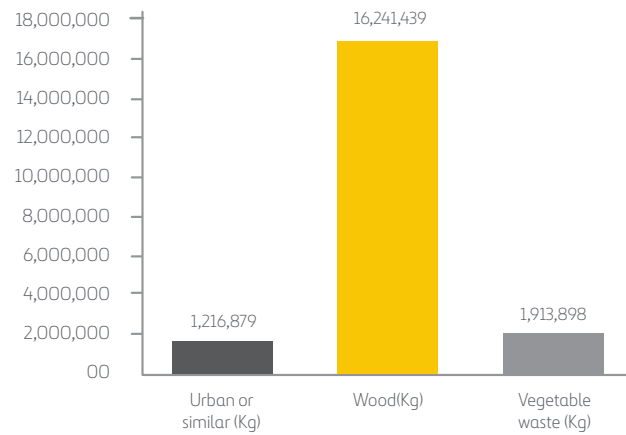
The new plastic kerbing which is being used across Halton's highways has many benefits; for instance it is more durable than a traditional kerb stone with less cracking and chipping likely to occur, providing less

of a trip hazard to pedestrians. But also plastic kerbs are resistant to salt and grit used heavily on roads during winter. This helps the council achieve significant cost savings in the long-term through reduced repair costs in the areas where the new kerbing has been installed.

There are other benefits for Amey employees also. For example plastic kerbing is a lighter weight option, with each kerb weighing in at just 5kg compared to a traditional concrete kerb that weighs a hefty 40kg. This makes the installation process much easier and cheaper because there is less labour demanded. Crucially, it also delivers health and safety benefits for Amey's employees by reducing their exposure to harmful silica dust created by concrete use.

But Amey's green efforts don't stop there - even the replaced concrete kerbing is being re-used and recycled to prevent it from being sent to landfill. The concrete is crushed and, since September 2009, around 5,000 tonnes of concrete has been recycled.

Urban Waste



URBAN WASTE (WASTE)

	Urban or similar (kg)	Wood (kg)	Vegetable waste (kg)	Total Ferrovial Group
Amey	N.D.	12,453,100	8,400	12,461,500
BAA	N.D.	N.D.	902,896	902,896
Cadagua	318,397	3,815	41,250	363,462
Cespa	N.D.	N.D.	N.D.	N.D.
Cintra	898,482	38,320	613,137	1,549,939
Fasa	N.D.	3,746,204	N.D.	3,746,204
Ferrovial servicios	N.D.	N.D.	348,215	348,215
Total	1,216,879	16,241,439	1,913,898	19,372,216

RECYCLING (WASTE)

Recycled waste (kg)		
2009	2010	2011
16,361,208	23,390,101	81,492,746

	Paper and cardboard (kg)	Industrial plastics (kg)	Scrap metal (kg)	Other materials (kg)	Recycling by company
Amey	54,800	30,200	2,181,400	N.D.	2,266,400
BAA	1,366,877	63,932,040	55,580	N.D.	65,354,497
Cadagua	35,460	N.D.	63,357	130	98,947
Cespa	54,318	N.D.	N.D.	293	54,611
Cintra	64,283	4,010	324,079	N.D.	392,372
Fasa	2,132,500	N.D.	10,331,737	N.D.	12,464,237
Ferrovial servicios	865,600	N.D.	N.D.	N.D.	865,600
Total	4,573,838	63,966,250	12,956,153	423	81,492,654

• Heathrow airport

Sculptures made out of recycled material and new sustainable thinking messages adorned Heathrow's Compass Centre.

The event marked the introduction of the new waste recycling facilities on site in support of Heathrow's 2011 recycling target. Amey are responsible for removing waste for collection on the account and were instrumental in providing project support and setting up the launch event.

The highlight of the interactive launch was a partly-assembled model Airbus A380 aircraft, made using recycled material and clad in used Costa coffee cups. Recycling artist, Michelle Reader, worked to complete this model throughout the day. This live demonstration symbolised the changes occurring around waste recycling; triggering staff and visitors to think about the environment and the impact of their actions.

Bins throughout the Compass Centre have been re-assigned to match airport collections and to encourage staff and visitors to recycle waste. These were changed overnight in preparation for the launch day to improve segregation and collection of office paper,

food waste and 'dry mixed recyclables' - card, glass, plastic and cans - in addition to general waste.

Amey is one of the founding Heathrow Sustainability Partnership members, a coalition of airport companies looking to collectively improve sustainability and environmental performance across the airport.

HAZARDOUS WASTE (WASTE)

HAZARDOUS WASTE

2009	2010	2011
1,006,080	872,407	1,104,423

Neither Amey's figures nor those of Cespa production centers are included (only main headquarters)

Note: For further details on treated hazardous waste please check the Environment section of Ferrovial's website. <http://www.ferrovial.com/es/Calidad-i-Medio-Ambiente/Analistas-ISR>

WATER

In 2011, total water consumption (6,291,899 m³) reflected an increase of 16.6% on the volume reported the previous year. It is important to note that the Group's reported water consumption is restricted 100% to the volume of water provided through the supply network. Diverted water in various business areas, basically from temporary use of flows in surface water and public streams, is not reported. Authorisations have been requested to the competent organs for all these derivations. Authorisations have been requested to the competent organs for all these derivations. Nearly half of the primary uses of water are aircraft maintenance and cleaning, water in public bathrooms for passengers, and catering services.

Water consumption			
	2009	2010	2011
Cadagua	201,269	197,752	263,022
Amey	112,723	300,622	226,500
Cespa	613,925	1,096,660	1,098,252
Cintra	174,724	137,233	82,051
Baa	3,220,044	2,915,307	3,057,556
Construction	1,692,136	628,838	1,438,466
Ferroser	86,172	116,825	119,643
Corporate	3,619	4,137	6,408
Total	6,104,612	5,397,374	6,291,898

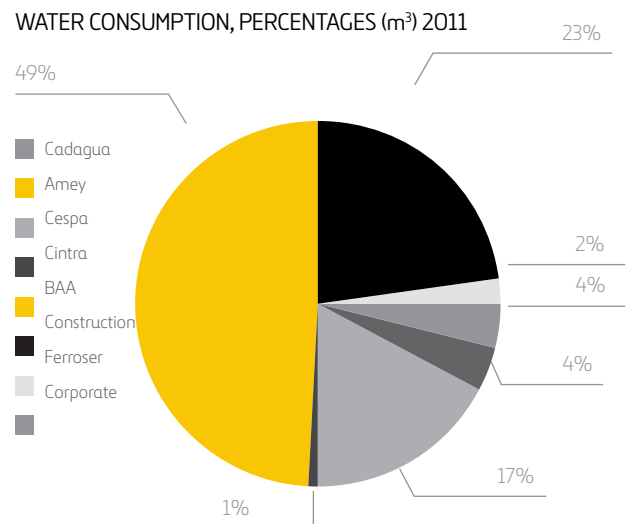
Due to the high level of water consumption in the airport facilities there is a strategy in place to detect any possible losses and to optimize consumption. Among the measures implemented are the following: leak detectors, real-time monitoring of water consumption, installation of Biox continuous flow measurement systems to check BOD

levels in superficial waste water, water-saving systems in cisterns and faucets in bathroom equipment or the collection of rainwater and wells for use as non-drinking water.

In addition, there was significant investment in systems for the control of surface water quality in Heathrow, with the aim of increasing the capacity to balance and treat surface water from the runway. The improvements to the biological treatment systems are the first of a series of measures designed to develop the system of surface water control over the coming years. The next phases will be focused on additional storage and treatment capacity. Heathrow Airport has worked with the Environmental Agency on the process of planning improvements.

Particular mention should be made in this respect of the design of terminal T5 in Heathrow, which was opened in March 2008. It has independent systems of water piping that supply non-drinking water from collected rainwater and wells. This reduces the need to use the public water network by around 70%. The system for collecting rainwater uses about 85% of all the water received in the collection area. The two wells that collect water from the aquifer have been in place from the construction phase of T5 and are 150 meters deep. The two systems combined can provide an average flow of 55 liters per second of non-drinking water.

The experience will also be applied to the future T2A terminal in the Eastern Campus, which is currently under construction.



CADAGUA

The core business of this company in the Group is water treatment. In 2011 it treated the volumes shown in the accompanying table.

		2009	2010	2011
WWTP flow treated	m³	135,816,636	126,800,848	187,167,558
IWWTP flow treated	m³	2,937,422	2,777,219	2,781,408
DWTP flow treated for drinking	m³	1,240,664	1,270,284	1,358,264
Desalination facility inflow	m³	122,286,124	56,199,422	112,920,462
Desalination facility flow treated	m³	51,063,625	56,199,422	47,777,869

REUSED WATER

As well as reducing consumption, optimizing water consumption involves ensuring the maximum quality of water discharged, so that the impact on natural resources is as low as possible. In various areas, it also involves treating effluent to allow its reuse in production centers and thus reduce supply needs. In 2011, more than 3 million cubic meters of water were reused.

CONSTRUCTION

In 2011 the plans for treatment of industrial water in larger projects were maintained, in particular those where construction of tunnels lead to significant water flows with the presence of settleable solids, solids in suspension and normally an acid pH. The basic treatment system consists of a coarse separator (settleable solids) and a settling pond for the removal of suspended solids, followed by treatment to correct the pH.

In all the cases and production centers, when there is discharge into surface or underground water the quality parameters of the discharged water are monitored carefully.

This treatment also improves efficiency in the use of this resource. Treated water from the water generated in on-site concrete plants, as well as effluent in tunnels, is generally reused at the production center. By applying these criteria, the construction division reused 1,306,710 m³ of water in 2011, thus reducing the supply needs to the same extent.

CESPA

The waste treatment subsidiary is one of the main producers of wastewater in the Group, mainly from leachates in landfills. This effluent is collected in pools and subjected to a purification process, either in the landfill itself or in an outside treatment plant.

Cespa reused around 551,991 m³ of water in 2011, basically in its gardening and urban services contracts with the Madrid City Council. The main uses are for street washdown, cleaning vehicles and machinery and watering parks and gardens.

AMEY

There are a number of examples of contracts with local governments for installing rainwater collection systems. The road maintenance contracts are particularly well adapted for use of these facilities, due to the large surface capture area in deposits, such as the salt storage tanks. This water is used for cleaning vehicles and signposting, maintenance of vehicles, drainage operations and the supply to WC cisterns. The volume of water reused by Amey in 2011 was 23,000m³.

HEATHROW

For the whole of the winter (November 1 - March 31), at least two vehicles are in use to recover antifreeze used in aircraft deicing. In 2011 4,367 m³ of rainwater were collected in Heathrow's T5.

MOVILILY

As a way of reducing its carbon footprint and pointing the way toward more sustainable mobility, in 2008 Ferrovial launched its Mobility Plan designed to improve the efficiency of the private transport used by its employees, suppliers, clients and users. The project is part of the Group's Climate Strategy, and is being developed step by step.

Some of the lines of action are:

- Optimizing access to the workplace on public transportation; providing the means for this through a steady extension of the Personal Mobility Plans to different corporate head offices.
- Creating tools to measure the ecological footprint linked to company mobility.
- Optimizing the levels of business trips by using information technologies (videoconferencing...).

-Optimizing use of industrial and personal vehicle fleets. The goals in this respect are focused both on the gradual replacement of fossil fuels by cleaner sources of energy (hybrid engines, LNG, electric), and better use of trips (in industrial fleets).

Percentage of company vehicles powered by alternative fuels in 2011

Amey	12%
BAA	55%
CESPA	8%
Cintra	3%
Ferrovial Servicios	0.71%

In a second phase, the Mobility Plan aims to influence the transport habits of users of the company's infrastructures (basically airports and toll roads). In a pioneering move, some of the initiatives have already been launched in the Airports area. Specifically, 40% of the greenhouse gas emissions produced by Heathrow Airport in London can be traced back to ground vehicle traffic coming and going from the airport. It is obvious that a significant part of the environmental impact of these facilities depends on the habits of users.

The Mobility Plan was extended to the rest of the Group's construction and corporate head offices in Madrid starting in 2011. Each of the business areas implements its own plans and establishes specific targets, based on the corporate strategy that has been defined.

FLEETS

The different lines of business work continuously to find efficient and operational solutions for their fleets.

The service business lines own the largest number of vehicles. They use industrial vehicles of different types and with special requirements, depending on their purpose.

Action plans were launched in 2010, and these have made a notable improvement in the efficiency of the fleet, and are expected to continue to do so in the coming years. A sophisticated system for monitoring and designing routes for the waste collection vehicle fleet has been developed, which is by far more effective than the

previous GPS system, as it is complemented by a GIS map server. In addition, a program was launched in 2010 to optimize resources in urban services contracts, which have a particular impact on the industrial fleet. The program, called NEO, adapts the number of vehicles to the real needs of each contract and production center by optimizing routes with the use of the most advanced information systems.

The Intelligent Infrastructure Center (CIB) of Ferrovial's R&D&i area is developing the HEDISER model (waste collection route optimizer). This is based on an information system that calculates in real time the best routes for collecting and transporting waste from storage points to treatment facilities. The system is capable of correcting the routes according to variables such as traffic congestion or road works, and complements another one that has been developed in the R&D area: the RITNER (intelligent waste collection) system. RITNER uses a matrix of sensors installed on the roadside containers that monitor the level of waste in each container in real time from a central point.

EMISSIONS AVOIDED BY THE USE OF MORE EFFICIENT VEHICLES OR ALTERNATIVE FUELS

Vehicles that use alternative fuels offer environmental improvements by the mere fact of reducing consumption of finite resources. In many cases, the differences in terms of CO₂ emissions are not significant, but they are in terms of other contaminants, such as solid particles or noise.

The emissions avoided by the use of these kinds of vehicles in 2011 have been calculated.

	CESPA	FASA	BAA	Total	Comments
Electric vehicles (metric tons of CO ₂ equivalent)	379.64		4,368	4,748	In the case of Cespa, the calculations are based on business estimates. Amey has achieved these savings in emissions with the use of an electric van.
Natural gas vehicles (Metric tons of CO ₂ equivalent)	2,288.41			2,288	GHG Protocol calculation methodology, using real data from business and contracts.
Improved conventional vehicles (% CO ₂ emissions)		2.6		2.6	By renewing the fleet with vehicles that are more efficient in terms of emissions and consumption, average CO ₂ emissions were reduced in 2011 by 2.60% and average fuel consumption by 1.34%.
LPG vehicles (Metric tons of CO ₂ equivalent)			4.14		A car fuelled by LPG consumes 746 metric tons of the fuel every 5,000 miles, while a conventional engine would consume 11.6 metric tons.

PHowever, while the supply of alternative vehicles is increasing sufficiently to meet demand, most of the fleet is driven by conventional fuels. That is why Ferrovial is working in collaboration with its suppliers to try to achieve performance adapted to needs in the most efficient vehicles possible from the point of view of consumption and emissions. To this end, an indicator of average emissions per vehicle has been calculated in some businesses since 2011. This enables the changes in terms of fleet emission efficiency to be measured overall.

At the closing date of this report, data are available for Amey (186 g CO₂/km driven) and Ferrovial Agroman (135.4 g CO₂/km). As can be seen, the figure for Amey is higher as there are many more industrial vehicles in its fleet.

AIRPORTS

• Clean Vehicle Programme

Heathrow's Clean Vehicle Programme (CVP) was established in 2003 and is designed to help reduce nitrogen oxide (NOx) and carbon dioxide emissions (CO₂) from vehicles used within and around Heathrow.

The CVP aims to reduce vehicle CO₂ emissions, by:

- Cutting mileage or hours driven
- Improving vehicle fuel economy
- Introducing cleaner, low emission vehicles
- Reducing the number of commuter journeys that employees

make by car

Forty-seven companies operating at Heathrow have joined the programme, including 26 with fleets of over 30 vehicles.

Those with large fleets complete a self-assessment to identify steps they can take to improve performance. These include tracking mileage, fuel use and driver training.

The CVP collates data and tracks improvements over time. Member companies set performance targets and develop an action plan outlining how they intend to meet them. Periodic audits of vehicle emissions by an independent expert check whether emissions are being reported correctly and can also advise on ways to reduce them.

In 2010, seventeen CVP members submitted an annual vehicle self assessment. The companies reported the average fuel economy of their ground vehicles at Heathrow falling by 6% compared with the previous year.

Input	Output	Outcomes
-Number of members: 47	-Number of drivers completing Smarter Driving training: 12,000, with average reduction in fuel consumption during training of 14.8%	-Improvement of the capabilities of drivers at Heathrow -Reduced local air pollution and traffic congestion.
-Number with fleets of over 30 vehicles: 26		
-Number of vehicles involved: 2,533		
- Number of miles travelled: over 37 million		

• Stricter air quality standards for Heathrow’s buses

Bus companies are contracted to transfer passengers and staff at Heathrow. Buses run between terminals, from long-stay car parks to the airport, and from aircraft to terminals.

It’s all an essential part of running the airport, but emissions from bus exhaust – including nitrogen oxides (NOx) and carbon dioxide (CO₂) – can affect local air quality and contribute to climate change.

To reduce this impact, stricter standards have been set to make Heathrow’s buses cleaner. All buses at Heathrow must now comply with the latest EU vehicle engine standard, introduced in September 2009 and known as Euro 5. It requires vehicles to emit at least 50% less NOx compared with the next best standard. Contracts with bus companies also require them to commit to further emissions reductions over time.

At the same time, a programme to make bus travel around Heathrow more efficient was launched. By switching to fewer bus companies the number of vehicles at the airport is cutting by nearly two-thirds, from 230 to just 84 by 2011, while maintaining the same level of service.

Together, the company’s stringent new requirements and more efficient airport transport will reduce emissions of NOx by over 50% by 2011, with benefits for local air quality.

SUPPLY CHAIN

The supply chain is one of the most common ways that businesses have to interiorize sustainable management in their performance and represents step forward from implementing environmental management plans. The advantages offered by these kinds of suppliers to the business may be understood from a variety of perspectives, depending on the business and country in question.

Increased costs and the lack of supply continue to be the biggest obstacles when it comes to using these products; on the other hand, there is increasing awareness of the profitability not only as cost savings but as the possibility to open up new markets, or even more, be a differential factor in comparison with other suppliers.

Vehicle fleets and wood-derivative products are two of the product groups common to all the most critical businesses from the environmental point of view, due to their impact on the global climate.

The most immediate challenge is to coordinate all the departments involved in the purchasing process and incorporate all the criteria that, in addition to sustainability, will be required to make a “perfect purchase.”

Work is being carried out to this end to develop green purchasing lines within the global procurement policy.

There is increasing commitment to ensuring the legal origin of materials that can be critical for the environmental sustainability of the source regions, or that may have a significant impact on the loss of biodiversity in some parts of the planet. An example of this is wood from the tropics or other parts of the world where sustainable forest management is not guaranteed (unless a certification mechanism managed by a third party is in place for this purpose).

Both commitments are explicitly included in Ferrovial’s Sustainability Policy through principles that aim for a mutual benefit in relations with suppliers, as well as the “responsible and efficient use of natural resources.” In 2011 a partnership agreement was concluded with the Iberian Forest and Trade Network (Red Ibérica de Comercio Forestal), promoted by the environmental organization WWF, under the aegis of the Forest Stewardship Council (FSC).

The basic aim of this agreement is to establish an action plan that can extend the purchase of FSC certified wood across the supply chain, extend the traceability of wood derivative products and raise awareness of the importance of products from sources of guaranteed origin. In a significant proportion of construction and public services contracts, the decision on the characteristics of the materials used is not controlled by the Company. This is why the commitment has been undertaken that all bids and proposals made to customers should include the greatest proportion possible of recycled and reused construction materials, or those that respect the environment, in order to extend the use of these products.

Materials that account for the biggest purchasing volume have been identified for each business. Fuels are the most significant raw material purchase, except in construction, at 50,817,024 l of diesel and 11,555,607 l of gasoline (not including BAA consumption). In construction, concrete is the most important material, with 4,244,250 metric tons of it consumed in 2011.

In offices, paper is the most significant in terms of volume.

The Group’s total consumption of paper in 2011 was 517,933 kg.

• Volume of paper bought

	2011 (kg)
BAA	18,259
Cadagua	4,943
Cespa	15,023
Cintra	245,920
Ferroser	38,598
Corporate	15,984
Construction	186,028
Total	571,300

Ferroser has included forest certification as a specification for purchase of office paper. This ranges from paper for everyday use to commercial leaflets, and also corporate stationary.

The system guarantees that the raw material comes from a controlled source that uses sustainable forestry management, and is duly accredited.

In addition to this specification, other initiatives were established in line with the objectives of minimizing consumption of natural resources. These range from optimization of the use of printers in central offices by reduction of peripheral equipment and implementation of multifunction equipment that includes scanning, to the establishment of rates based on control of consumption through master agreements that only permit the purchase of FSC and/or recycled paper. A new environmental awareness campaign was also launched that reinforced the presentation and explanation of commitment in different areas of the company.

Since the end of 2011, 100% of the paper used in Ferrovial Agroman is recycled. The new paper has the “Blue Angel” certification, which guarantees its composition is 100% recycled

• **Percentages of certified and recycled paper**

	BAA	Cadagua	CESPA	Cintra	Ferrosfer	Construction	Corporate	Units
Total purchases	64,804	4,943	15,023	245,920	38,598	186,028	15,984	kg
Recycled paper	0	5	65	1	30	8	0	%
Paper with FSC seal	100	9	0	0	64	0	0	%

CONSTRUCTION

The construction business is the activity that handles most of the raw materials that the Group buys and uses around the world. This is why there is a particular interest in extending the action plans in this area. The construction branch has focused a significant part of its efforts in aspects of environmental design and construction of buildings, particularly in relation to the use of recycled and reused materials.

The sector’s procurement policy therefore aims for responsible and efficient use of natural resources as a way of minimizing the environmental impact of its activities.

In 2011 an action plan was implemented to control the legal origin of wood. All purchases now require that the wood supplied be of guaranteed origin.

At the same time, an action plan is being developed in partnership with the WWF. The plan covers technical aspects, raising awareness among employees in terms of the importance of responsible consumption of forest products, and above all, involves working together with suppliers and clients across the supply chain to ensure a greater supply of certified products on the market and adapt to the changes resulting from the entry into force of the FLEGT regulations.

An e-purchasing application has been developed in which there is a section of environmentally-friendly and recycled products used in 2011. Some of the recovered materials come from the project sites themselves, where they are reused after transformation.

Item	Materials/processes
Insulation	Acoustic sound absorption panel made of recycled automotive carpet Recycled rubber membranes for acoustic insulation in buildings Acoustic vibration-reducing insulation made of recycled tire rubber Flexible insulation panel made of recycled wood Bio-insulation: organic sprayed polyurethane foam Flexible insulation panel made of recycled cellulose Modular panel (in the form of an arch) made of recycled 3cm-high polypropylene for ventilation and airing of floors, walls and ceilings Prefabricated insulation and acoustic absorber made of recycled textiles Insulation panel made of materials recycled from the automotive industry Thermal insulation made of recycled cellulose
Asphaltic bitumens	Bitumen modified with low viscosity tire powder
Cement	Tx active ® self-cleaning anti-pollution cements
Roofs and facades	Synthetic imitation slate plate - organic product
Drains and water sanitation	Drains for channeling and dispersion of rainwater made of recycled polyethylene
Auxiliary on-site elements	Pedestrian control barrier made of recyclable plastic
Structures	Recycled polypropylene boxes to lighten waffle slabs
False ceilings and raised floors	Acoustic false ceiling made of recycled plastic. Recycled product
Hardware, tools and instruments	Plastic hammers. Recycled product
Surfacing	Warm-mix, semi-warm and cold-mix asphalt: favors “sustainability”
Plumbing and water treatment	Environmentally-friendly urinal that does not use water or chemical products.

Other initiatives:

- Replacement of ordinary paper with 100% recycled paper. The new paper has the “Blue Angel” certification, which guarantees its composition is 100% recycled.
- Wood. An action plan is underway to control the legal origin of wood and construction products based on wood.
- Aggregate made from recycled concrete. Purchases have been made of this aggregate material, which comes mainly from recycled concrete.
- Replacement of PVC tubing with polyethylene tubes, which are considered more environmentally-friendly. Around 72,598 ml replaced.
- Studies of alternatives to fuel oil. Pilot projects are assessing whether the alternatives that exist in the market offer advantages with respect to this fuel for its use in aggregate plants.

This area is assessing environmental behavior as one of the six factors to indicate in the supplier quality monitoring file (FSCP) that is prepared by the project managers. If the evaluation is negative, and regardless of the evaluation received by the supplier in the other factors, it is recorded in the file as an incident.

SERVICES

The companies in the area of services (Ferrovia Servicios, S.A.; Ferrovia Infraestructuras, S.A.; Euroлимп, S.A.) have developed the QA module, which complements the purchasing project and is the result of collaboration with the Purchases Department, the IT Department and the Quality & Environment Department. It has a register that allows quantitative valuations to be made of the quality of the services provided by the suppliers and subcontractors, as well as a documentary analysis for later correction if necessary, with the aim of optimizing services. An electronic catalog has also been created with files on all the products with a framework agreement and environmental identification.

The following measures are taken to avoid contractual relationships with companies that adopt environmental policies that are contrary to Ferrovia’s sustainability policy:
-At the tendering phase, a RFQ is prepared that includes environmental valuation criteria. The decision made takes into account both the economic bid and the environmental attributes or improvements. The latter could be determinant when it comes approving the bid.

- A sub-contract is concluded in which the supplier is obliged to comply with environmental requirements.
- If there is a breach of this sub-contract at a later date, the person responsible for the contract informs of the incidents through the supplier evaluation file. This information is passed on to Ferrovia’s Purchases Department and the Quality & Environment Department, which take note in their databases. The information is then available for future tenders.

Cespa, the subsidiary that operates in urban services and waste management, includes in its purchasing procedure the obligation to give preference to suppliers with environmental and sustainability policies. Information has been collected among suppliers to learn of the characteristics of their products and services, as well as the environmental policies adopted by their companies. Each center also has available a copy of the “Contractors’ Environmental Behavior Rules,” which are signed by the main contractors who work in Cespa facilities at its request. The suppliers of chemical products must be certified with the ISO 14001 standard.

It is planned to introduce a means of identifying products and services from suppliers that Cespa considers “Green Purchasing Suppliers” in SAP in 2012 to make access to them easier.

Cespa is also working internally on extending the use of a new type of industrial absorbent called ECO ABSOL PLUS G03025. This is of vegetable origin, 100% natural, light, valid for all types of liquids and fire-resistant. Its advantage over sepiolite, the traditional absorbent material, is its great power of absorption. The capacity of this product has a direct impact on the amount of hazardous waste produced.

• **Webber**

Webber controls the largest recycler (annual tonnage) of construction aggregates in the state of Texas and is ranked in the top 10 in the nation. This allows for delivery of the lowest cost alternative in urban civil reconstruction project schemes that require the use of substantial amounts of removal and replacement of concrete, asphalt and base materials.

Webber strives to create a balance between natural and built environments, considering the landscape and the impact the designs and

construction will have in the years to come. It is the largest recycler of construction aggregates in Texas, providing a 'green' alternative by not sending debris to landfills, saving on energy costs and reducing greenhouse emissions.

In 2011 recycled aggregate from demolition concrete and other waste amounted to 1,600,000 metric tons.

AIRPORTS

• Materials use policy in airports

BAA recognises that its use of certain materials – HFC refrigerants, PVC, aggregates and timber – is a significant issue for the company in making progress towards sustainability. BAA acknowledges the importance of its role in actively leading its supply chain to reduce the potential impacts of these materials.

As a result BAA is committed to actively promoting the sustainable use of these materials and in the search for alternative products and solutions.

In addition, BAA is committed to minimising impacts associated with those materials.

This means:

- Identifying areas of major use and evaluating alternatives in supply-chain acquisitions and during projects
- Positively discriminating against the use of these materials through the use of a hurdle-based evaluation process
- Evaluating suppliers on their performance in reducing sustainability impacts associated with the material.
- Applying best practice through design standards and instructions
- Membership of relevant and externally recognised organisations, such as WWF95+ group, to benchmark performance, share best practice and demonstrate performance delivery.
- Specific Policies. Heathrow launched its sustainable purchasing policy in Heathrow in 2011. This established sustainability criteria as a further element to consider in any type of activity related to purchasing. The policy will be applied to all suppliers and covers the complete range of aspects related to sustainability.

A study will be carried out on compliance with the policy by the suppliers, based on a risk matrix designed according to the business sectors and geographical areas involved.

HFC Refrigerants

To promote the active evaluation of alternative (non-HFC) refrigerants and associated equipment solutions and in the short term to positively discriminate (in capital expenditure terms) against the use of HFC refrigerants.

PVC

BAA will work with its supply chain to continue to minimise the use of PVC products and actively support and encourage the search for alternative products and solutions.

Aggregates

To promote the use of best practice through a best practice sheet that encourages minimising virgin usage and reducing transport impacts and those of quarry operations on neighbouring communities.

SUSTAINABLE CONSTRUCTION IN AIRPORTS

Turning old buildings into new ones Heathrow's buildings, runways and pavements are hard-wearing. But, with 180,000 passengers and 1,200 aircraft passing through every day, they sometimes need replacing.

Throughout the construction work, efforts are made to send materials for recycling, rather than to landfill. For example, when demolishing the 55-year-old Terminal 2.99% of demolition waste were recycled or reused. The only materials that couldn't be recycled were hazardous ones, like asbestos.

The recycled building materials are used for construction projects across the UK. Much of the concrete, for example, goes into new motorways, roads and pavements.

Runways and taxiways use especially high quality concrete – a valuable resource. So, when replacing these surfaces, the old concrete is removed and sent to a special off-site facility for crushing. This produces a material that can be reused in new surfaces. <http://heathrowair-thought.com/at3.html>

Construction design innovations Recycling rates for Heathrow's construction projects are high. However, the approach to managing construction waste is increasingly focused on waste prevention.

Heathrow's construction suppliers are encouraged to innovate by considering opportunities for modular design and off-site fabrication. This helps to influence the amount of waste produced through improved product quality and uniformity, dimensional standardisation and manufacturing in controlled environments

Green Procurement

The Heathrow Sustainability Partnership is a group of companies working hard to make the airport – and the air travel – cleaner and greener.

From the construction firms that build Heathrow, to the airlines that fly from here and everyone in between, those in the partnership will be jointly committed to improving the sustainability of their business at Heathrow.

Heathrow wants to be recognised as a leader in sustainability. This means setting and achieving targets to improve its performance on the following sustainability issues:

Transport: travel to and from the airport, operating vehicles within the airport and aircraft landing, taking-off and on the ground.

Resources: energy use, waste generation and building design.

People: employment & skills, local procurement, community investment. Sustainability can't be achieved overnight, but tomorrow's performance can be better than today and changes are being made. Even small ideas can add up to make a big difference. Heathrow is confident that we can achieve more together than we can individually.

Timber

To demonstrate the company's commitment to using sustainable timber by joining WWF95+, understanding the sources of its timber and agreeing to procure more industry-certified sustainable timber each year.

As part of the membership of the WWF Global Forest & Trade Network (GFTN), Heathrow continues to gather data quarterly on the certification standards for all temporary/permanent timber used within capital projects. During the second half of 2011 mechanisms for providing timely feedback to the contractors were improved on the quality and performance of their quarterly timber reporting, encouraging them to take active measures to address inadequate certification evidence and reporting.

Heathrow is the airport with the biggest volume of wood purchases. All the wood purchased is FSC (86%) or PEFC (16%) certified. With respect to paper, two of the six airports buy 100% of their paper recycled.

• AMEY

Achieving Sustainability through Collaborative Working with the Supply Chain

Amey has a number of Central and Local Government Clients with whom we benefit from long term contracts; these provide opportunities for us to pass long term stability on to its suppliers.

Through creative working with the best suppliers that operate safely and consider the environment and by embracing them into the organisation, the principles of sustainable development can be directly addressed through the supply chain.

Every year Amey spends a considerable amount of money on a range of products and services. Influence through spend in the Traffic Signs market on a category managed basis has enabled the development and continuous improvement of sustainable and innovative solutions that benefit Amey, customers, suppliers, the environment and society.

We have considered the effects and detailed the benefits against these 3 areas by asking the following questions:

- Environment – How does the activity effect the environment?
- Society – How does the activity affect the community?
- Economy – How does the solution feed back into the local economy?

The Initiative

Through collaborative working, Amey, Morelock Signs and JPCS have endeavoured to embrace sustainable solutions and methods of working whilst also developing innovations and creating a solid platform for further future development. This team has delivered real results to the clients and for the community. It has also enabled enhancements in people and plant within the individual organisations that would not have been possible without long term stability.

• Embracing Innovations

Amey, Morelock Signs and JPCS have embraced the use of a number of innovative products as they have come to market that have a reduced environmental impact.

These products are:

- 3M™ High Intensity Prismatic (HIP) – Reflective sign face material
- 3M™ Diamond Grade (DG) – Reflective sign face material
- Morelock Permanent Glass-resin reinforced polyester (MP GRP) – Substrate
- Ground Screw Sign Post Foundations
- Flap Signs
- Electroluminescent signs

ENVIRONMENTAL PENALTIES

In 2011, a total of € 13,158 was paid in environmental penalties corresponding to the year. Ferrovial reports the effective sanctions for 2011 as well as for previous years, given that legal processes involved often take longer than a year. Consequently, the figures do not include proposed amounts, but only those penalties that were executed in 2011.

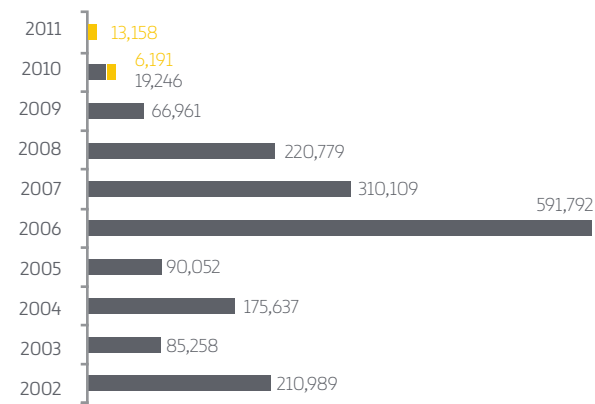
The amount of executed penalties paid in 2011 fell significantly on the previous year (€19,349,25 in 2011, compared with €75,734.5 in 2010), although the number of sanctions remains stable (22 in 2010, 26 in 2011).

An event is considered to be significant when there are disciplinary proceedings resulting from it. Therefore, in 2011 there has been no significant event relating to any water collection or transport activity.

There were no accidental discharges in 2011, although there were 3 minor cases of problems in processing the authorizations for use of land and discharges into the public water domain pending resolution.

Two disciplinary proceedings for unauthorized discharges of sludge dating to 2010 were resolved negatively.

The biggest penalties proposed are those referring to authorization for quarrying loans.



BIODIVERSITY

Ferrovial believes that the most important impact of its activity is the emission of greenhouse gases and the effect on natural systems and biodiversity.

The Construction Division has 24 construction sites located in protected areas and areas of high biodiversity value in Spain (less than 100 meters away). They all meet the regulation requirements. When an environmentally protected area is identified (State or region) the operating procedure of environmental risk identification and prevention is applied. When work starts, the environmental risks of the different units of the project are identified in order to be executed within the protected area or its immediate surroundings. Once risks are identified, preventive measures are planned to minimize these risks. The monitoring of the degree of implementation and effectiveness of the preventive measures planned is carried out periodically by Quality and Environmental Advisors.

Ferrovial supports initiatives designed to improve some specific ecosystems in the areas influenced by its construction, concession or operational activity and considers that the best way of carrying out these projects is in partnership with the specialists in each specific area.



Photo by Gabi Sierra- SEO/Birdlife

CONSTRUCTION

In work on the rehabilitation of the San Quintín barracks in El Pardo (Madrid) by Ferrovial Agroman, a colony of Sand Martins was identified as having nested in a large sand dump near the site. Between 16 and 18 nests of this trans-Saharan migratory species were discovered. Each year it visits this area in the spring and summer to breed. The Sand Martin is a bird that is suffering from a serious decline in its population, and is protected at international level. It is catalogued as of “special interest”

in the Regional Catalogue of Endangered Species of the Madrid Region.

Given this situation, Ferrovial Agroman has adopted a commitment with the Spanish Ornithological Society (SEO/Birdlife) to avoid movements of earth in the sand dump where the colony is located. Ferrovial Agroman also undertakes to minimize activities that could upset the birds near this colony.

Nicolás López, conservation expert for SEO/Birdlife, says that “it is an example of good practice, as the construction company has taken into account the considerations proposed by SEO/Birdlife to ensure the survival and reproduction of this species.”

This is not the only example of Ferrovial Agroman protecting this species. In the works being carried out on the Atlantic high-speed rail link, on the Rialño-Padrón section, an embankment was colonized by 20 pairs of Sand Martins. Work was restricted at this point until a few days ago, when the chicks finally abandoned their nests



Martin nest (*Riparia riparia*) in sand stockpile of a building site.
Photo by Gabi Sierra- SEO/Birdlife

AMEY

Cumbria is recognised worldwide as an area of outstanding natural beauty. The Amey team has made a commitment to help protect the region’s most valuable assets – the countryside and its wildlife. To date almost 35 volunteers have pledged support for 9 different projects scheduled to take place across the region over the forthcoming months.

Teaming up with Cumbria Wildlife Trust, a whole host of environmentally conscious volunteers are planning to swap their day jobs as highways maintenance operatives or managers to have a go at being conservationists. Over 2011 and 2012 Amey volunteers will participate in a number of conservation projects organised by the Trust to help preserve and protect local habitats and species.

The first of many projects took place on September, when Amey volunteers helped to install fencing in the Wreay Woods Nature Reserve, one of the last remaining ancient woodlands on the River Petteril, to protect the area from straying cattle.

Forthcoming projects in which Amey will participate in include; improving butterfly and wildflower habitats at Latterbarrow and Hutton Roof Craggs Nature Reserves, clearing invasive scrub and trees from Dubbs Moss and Newton Reigny Nature Reserves, maintaining footpaths at Thacka Beck Nature Reserve and Gosling Sike Farm, reducing non-native Sycamore and Beech in Orton Moss Nature Reserve and rebuilding a section of dry stone wall at Grubbins Wood Nature Reserve.

• AIRPORTS
Enhancing the River Crane

The Crane Valley Partnership works to support the biodiversity of the River Crane and improve access to the river corridor area for recreation purposes.

Ferrovial Airports is member of the partnership which raised around £1 million and identified another possible £1 million in funding for projects to enhance the river and its valley in 2010.

Since 2008 the company donated around £30,000 to support local charity Green Corridor to chair the partnership and to contribute funding for a River Crane Project Officer employed through the London Wildlife Trust.

This collaboration with Green Corridor was also instrumental in the launch of the Heathrow Green Volunteer Team, which engages employees and local young people in biodiversity management at Heathrow and along the River Crane.

In 2010, works started on a Crane Valley Partnership project to improve a 500 metre stretch of the river, making a decision to open it to the public for recreation purposes.

Working in partnership with the local council, the London Wildlife Trust and other local charities, a dense area of scrub land is being cleared and a surfaced pathway alongside the river is being created for people to use for walking or cycling. Clearing the area will also help more sunlight to reach the riverbank, encouraging the growth of grasses and flowering plants. We are hopeful that this will attract endangered native species, such as the water vole.

Some of the work will be done by volunteers from the airport and local communities. Around 200 person hours of labour has been donated so far helping to involve local people in the new recreation area.

Input	Output	Outcomes
<ul style="list-style-type: none"> Financial contribution to partnership coordinated by Green Corridor and London Wildlife Trust River Crane Officer: £30,000 since 2008 (total project costs £80,000) Volunteer contribution: 200 hours Building materials: 400m of new fence and pathway 	<ul style="list-style-type: none"> Funds and matching funds secured for River Crane enhancement projects: £1 million Foundation of Heathrow Green Volunteer Team 	<ul style="list-style-type: none"> Support for wildlife within and around the River Crane Better public access to the River Crane, enhancing recreation Better relationships with project partners as a result of the joint nature of this project

• Noise management at airports

The airports managed by BAA are significantly improving their sustainability plans. Among the improvements adopted are actions taken in terms of noise impact produced by their activities. Most airports have already prepared Noise Action Plans and have begun to implement the measures included in them. The plans have five basic pillars in common:

- Evidence that everything possible is being done to minimize the impact of noise.
- Participation by the communities affected by the impact of noise to increase understanding of their concerns and priorities; they must be involved in the strategies for minimizing noise and their communication.
- Influence of planning policies in cutting the number of buildings affected by noise near the airport to a minimum.
- Organization of the airport to manage noise effectively and efficiently.
- The plans aim to be an instrument for ensuring full understanding of impact of the noise produced by aircraft so that information can be given of the airport’s priorities and objectives.

Noise Action Plan, publication date

Aberdeen	(underway)
Edimburgo	2008
Glasgow	2008
Heathrow	2011
Southampton	2011
Stansted	2010

Heathrow

Among the achievements of 2011 in Heathrow Airport is the adoption of the Environmental Noise Directive Action Plan, for which the airport received government approval 18 months after its presentation.

The noise mitigation plans implemented, together with the compensation plans, were reviewed and submitted to public consultation. Among these measures are the plans carried out to protect and compensate certain areas that are considered most sensitive to noise:

- The soundproofing plan for community buildings.

- Relocation assistance plan: for people whose homes are in an area subject to great impact and with no alternatives for mitigation.
- Night noise insulation plan: soundproofing of bedrooms affected by night flights.
- Daytime soundproofing plan: actions focused on improving the insulation in houses affected by airport noise.
- Property market support bonds (PMSB): a strategy focused on growth plans for the airport. This is a way of compensating landowners who will be affected by the growth of the airport through bonds that will make it possible to sell their property without any loss in price.

Stansted

Stansted airport in London carried out a significant number of improvements in its sustainability program in 2011. The management of the aircraft fleet noise plan has resulted in a reduction of the complaints received at the airport by 49%.

Stansted Airport has been working for a decade on subjects related to noise from airports on local communities. Its goal is to manage and reduce noise. This commitment has since 2005 been backed by the environmental ISO 14001 certification, which includes noise management. Currently this accreditation is in force.

A long-term strategy has also been developed to revise the activities carried out at the airport and the actions undertaken to comply with environmental targets, as well as to adopt new technologies and work actively with other agents. The improvements will also be evaluated using indicators. During the five years of the Action Plan the indicators will be included and corrected in response to the positive changes, thus improving the management of noise impacts generated by the airport.

Aberdeen

The Master Plan for Aberdeen Airport began to be prepared in 2011. Once complete, it will include updated information on noise and reflect the impact of the airport on the local community. The launch of the project includes a wide-ranging consultation process and travelling exhibitions with the aim of involving the local community in the future of the airport. This is why there is close and continuous collaboration with local agents and the community. This work includes resolving some of the noise problems caused by helicopters to the east of

the airport, as well as an acoustic soundproofing plan that is currently being discussed with the affected parties.

Edinburgh

Of the 10 commitments that Edinburgh airport has adopted with the local community, three are dedicated to the problem of noise generated by activities at the facilities themselves, highlighting the importance of this problem for its managers.

In 2008 the airport's Noise Action Plan was published in accordance with Scottish environmental legislation. Before its publication a series of regulations had already been introduced to manage and minimize as far as possible the noise produced by aircraft operating at Edinburgh Airport.

Glasgow

The airport has introduced a series of measures focused on minimizing and mitigating aircraft noise. Its Noise Action Plan includes management actions and, wherever possible, actions to reduce the impact of noise.

Preferred noise reduction take-off and landing routes have been established, and Glasgow Airport is working on revising its operations and the impact of these routes. Other specific noise management measures that have been implemented include restrictions on the emission of noise during the day and night, and warnings to aircraft that breach established noise limits.

Quieter planes pay less to land in Heathrow

Noisier aircraft pay more to land in Heathrow

Planes make most noise during take-off and landing, because of air passing over the body and wings and through engines at high speed. Taxiing on airport runways and engine testing are other sources of aircraft noise. The amount of noise a plane makes depends primarily on its size and age but also how it is flown.

Older planes tend to be noisier. That's because the International Civil Aviation Organization (ICAO) is setting progressively stricter standards for noise from civil aircraft, to reduce the impact that airports such as Heathrow have on local communities. So, a plane manufactured af-

ter 2006 is at least 10 decibels quieter than a similar, older model. Every airline pays a base fee for each of its planes that lands at Heathrow. As an incentive for airlines to fly more modern, quieter planes, we charge the noisiest planes up to three times the base fee, while giving the quietest planes a 15% discount.

This is just one of the things being implemented to be a better neighbour. There's no way to make an airport entirely free from local impacts, but efforts are in place to make Heathrow as quiet as possible. The aim is for 97% of planes passing through Heathrow to be in the quietest ICAO category by 2015.

Human capital

• COMMITMENT

– Provide added value and innovative solutions for people management that are aligned with our business objectives and the needs of our employees.

• LINES OF ACTION

– Improve the organization's competitiveness through management of its employees' commitment.
 – Strengthen the skills and abilities of our workforce.
 – Establish strategic global people management processes.

• 2011 MILESTONES

– Obtained Top Employers certification.
 – Extended the scope of the Employee Satisfaction Survey to make it global.
 – Launched new Ferrovial University programs for executives aligned with the results of the action plans derived from a 360o evaluation, as well as the company's strategic needs.
 – Implemented career-linked training programs and organized the framework of the training provision.
 – Developed programs aimed at supporting innovation and the company's internationalization initiatives.
 – Reviewed the executive Succession Plan.
 – Launched the Global Talent Management Program.
 – Created the Vacancy Committee to promote internal mobility at national and international level.
 – Optimized the content and scope of the corporate intranet.
 – Implemented a new International Mobility Policy.
 – Implemented new modules in the employee portal (BRIDGE project): Performance Appraisal, Development Planning, Mobility and Remuneration, covering all business units and company subsidiaries.
 – Implemented the single payroll in SaaS (Software as a Service) for the Corporate, Toll Roads and Airports divisions and part of the Services division.

• 2012 Goals

– Monitor the action plans associated with the 2011 Employee Satisfaction Survey.
 – Implement spot Employee satisfaction evaluation mechanisms (pulse checks) in addition to the annual (two-yearly) survey.
 – Extend the Global Talent Management Program to other subsidiaries and business units.
 – Optimize the channels and possibilities of social networking as a way of attracting talent.
 – Update the current skills evaluation process and development planning by adapting it to the organization's new needs.
 – Consolidate the mobility process directed through the Hiring Committee.
 – Consolidate the training provided in line with the company's strategy.
 – Implement new channels for exchanging knowledge in the student community at Ferrovial's Summa University.
 – Implement new training schools in Summa: commercial and technology classes.
 – Continue with the implementation of the single payroll in SaaS for the rest of the business units.
 – Continue with the BRIDGE project to implement new modules linked to the planning of targets, connection with payment systems, management of salary increases and management of training at Ferrovial's Summa University.
 – Implement initiatives that create collaborative spaces for communities of experts to enable a major leap in innovative capacity.

The combination of the **talent and commitment** of Ferrovial professionals is one of its **pillars of success** as a world leader in infrastructure management.

Over the last year, efforts in people management have been focused on increasing the efficiency of processes in order to improve the organization's competitiveness through managing its employees' commitment, promoting internal talent mobility and ensuring the professional growth of all the people who make up Ferrovial.

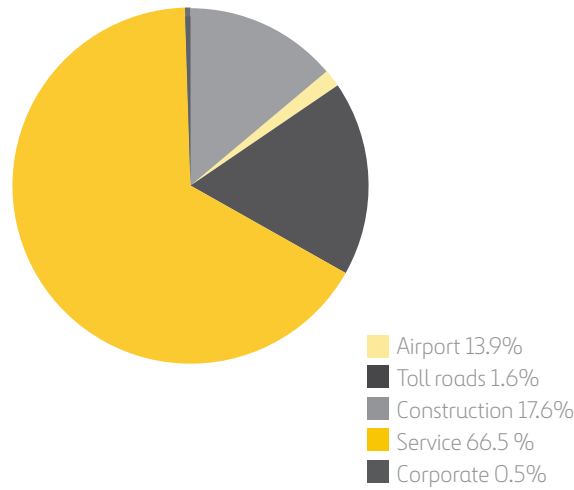


Photo: Ferrovial employees in the Corporate University, El Escorial, Spain.

	2011	2010	2009	Var.11-10
Average workforce	71,199	100,995	108,117	-30%
Workforce at close of year	68,008	101,404	100,059	-33%
International workforce at close of year	48%	62%	61%	-23%
Part-time workforce	16%	18%	18%	-11%
Staff on permanent contract	78%	83%	82%	-6%
Staff on temporary contract	22%	18%	18%	22%
Women on the workforce	32%	33%	30%	-2%
Average employee seniority	8.3	6.60	6	25%
Average age of workforce	40.8	41.40	38.8	-1%
Turnover rate	2.8%	6.70%	5.90%	-58%
Investment in training / revenue	0.16	0.34	0.17	-53%
Employees subject to skills assessment (%)	96	97	94	-1%
Employees with variable remuneration	12%	13%	25%	-8%
Number of expatriates	242	260	396	-7%

Ferrovial's workforce as of december 31th 2011 was 68,008, being the average workforce of 71,199 employees. The profile of its human capital is international and diversified geographically in activities and businesses.

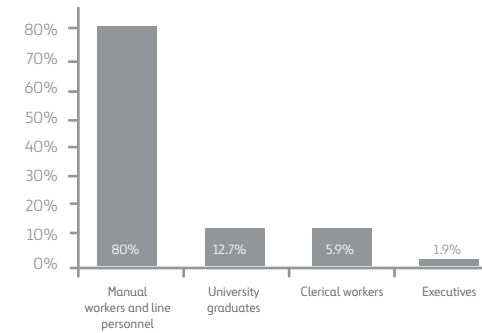
1. By areas of activity, 13.9% of employees work in the area of Airports, 1.6% in Toll Roads, 17.6% in Construction, 66.5% in Services, and 0.5% in Corporate.



2. By geographical areas, 48% of average workforce as of december 31th 2011 work outside Spain. Specifically, 31% work in the United Kingdom, 11% in Poland and 4% in the United States. Ferrovial is present in 17 countries, and 99.04% of its workforce is in countries that are members of the OECD.

285	Chile	949	Portugal
2	Colombia	1	Dominican republic
2.552	U.S.	21.151	United kingdom
35.487	Spain	1	Tunisia
6	Greece	4	Morocco
84	Ireland	12	Dubai
72	Italy	12	Oman
7.376	Poland	1	Qatar
		13	India
		68.008	Total

3. In terms of professional categories, 80% of average workforces are manual workers and line personnel, 12.7% university graduates, 5.4% clerical workers and 1.9% executives.



4. The workforce has an average age of 40.8, with an average of 8.3 years in service. Executives have an average of 8.4 years in service and an average age of 46.6.

5. 78% of employees are on permanent contracts and most of them have service contracts subject to subrogation if the contract is awarded to another company.

Of particular note in the results presented in this report, and in line with events in 2011 with the rotation of mature assets, is the concentration of the workforce in four countries (Spain, the United Kingdom, U.S. and Poland), where most of the company's assets are concentrated. This creates synergies that provide its professionals with opportunities for growth and development.

The average workforce over the year was 71,199. There was a fall of 30% on the figure for 2010 due to the disinvestments during the year (Swissport, Autopistas Chilenas and ETR-407).

The analysis of the information obtained is segmented by activity and not by country, as the specific nature of each business leads to different scenarios, and thus different measures have to be adopted. Segmented by gender, female representation in each division was as follows: 41% in Corporate, 43% in the Airports division, 35% in the Toll Roads division and 33% in Services. In the Construction division the figure is 13%, higher than the percentage of women in the construction sector.

The situation of the labor market in the main countries in which Ferrovial operates explains the fall in the average turnover rate in the company to 2.8% in 2011. Of the total number of employees leaving voluntarily, 29% were women, compared with 36% the previous year.

Labor relations between Ferrovial and its employees are based on compliance with the applicable legislation in each country, international conventions and other legal and regulatory provisions governing employment.

In every country where it operates, Ferrovial guarantees workers' rights such as the right to strike, freedom of association and the right to collective bargaining by appointed workers' representatives and unions. Collective bargaining agreements currently govern the working conditions of 78.56% of employees.

Ferrovial has a variety of internal communication channels for transmitting information to the workforce, as well as internal mechanisms to communicate organizational changes fulfilling established period of notice included in the employment regulations. At the same time, spaces can be created that allow discussion and dialog on questions when requested. Corporate level minimum established period of notice has no been defined.

FERROVIAL MULTIPLIES YOUR OPPORTUNITIES

Ferrovial has been one of the Spanish companies that has achieved the Top Employers certification granted annually by the CRF Institute to identify the most notable companies in Human Resources management.

The Top Employers certification recognizes the policies developed by Ferrovial in recent years with the aim of boosting its employees' capacities, creating a working environment in which they are satisfied with their work and attracting talent for future projects.

The CRF Institute grants the certification following a four-step objective study: identification of the best employers in the country; a questionnaire on practices to be completed by the company; a review and additional external audit of the answers; and finally, a rating and selection of the companies deserving certification.

More than 533 job offers were published through the employment portal Infojobs, for which more than 154,566 applications were received. In addition, the Organization has for some time run the +talento program, which aims to encourage new professionals to join Ferrovial through applications presented on their behalf by the organization's own employees and interns. A total of 373 applications were received in this way in 2011 through this channel.

Also notable is the implementation of a the single-application system to manage all the processes associated with hiring and appointments in the company across Spain, involving improvements in process monitoring and reporting.

Over 2011, Ferrovial has been present in a number of employment forums at national and international level. Among them were the presentation in "Madrid Professional Trek", in which students of Georgetown University took part; as well as the forums detailed in the table below.

Name of forum / presentation
ETSEIB Forum - Barcelona
ITOP Forum - Madrid
"e" forum - Valencia
IE - Madrid
Forempleo 2011 CIII - Madrid
Presentation at Georgetown
3U Forum (UPM, UCM y UNED) - Madrid
Comillas Forum - Madrid

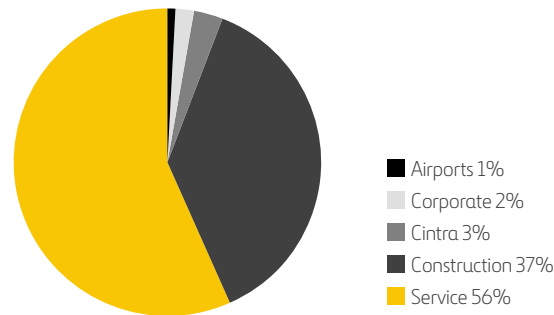
All the companies making up Ferrovial have the responsibility of contributing to generate employment among the young. All the divisions and subsidiaries include initiatives linked to the hiring, development and training of new talent. Of particular note are the following:

- Amey apprentice program, which each year incorporates 100 recent graduates through programs that were included in the Job Crowd's 2011 Top Companies for Graduates to Work in recognition of the care and mentoring of recent graduates, as well as the flexibility offered by the company with respect to professional career development.

- 22nd Project Manager Course, aimed at Civil Engineers in the Politécnica University, Madrid, run by Ferrovial Agroman. This year 31 students were selected in their last academic year and they were provided with a preparatory course that will help them start their professional careers.

YOUR OPINION COUNTS IN FERROVIAL

The 4th Employee Satisfaction Survey was completed in 2011. This was the first global survey to include all the foreign divisions and subsidiaries of Ferrovial, targeting 20,942 professionals, with a final participation of 11,218 professionals (54%). This compares the figure of 7,440 in the previous survey in 2008. Of the total answers received the distribution by businesses is as follows:



As the range of this survey was broader, Ferrovial has collected 50% more opinions, thus enabling it to prepare action plans of greater scope. In addition, the company has acquired a multilingual online tool designed to exploit the results and planning actions. It has enabled the implemented initiatives to adapt to the organizational structure at business and country level, and adjusted to group segmentation.

The average percentage of **favorable results** (totally agree and agree) was **71%**.

The survey includes 40 items grouped into 8 dimensions. The satisfaction percentages (totally agree/agree) obtained in each them are as follows:

Results by category (% satisfaction)

General satisfaction	82%
Commitment	77%
Customer focus	77%
Communication and Internal Relations	75%
Management Style	74%
Organization	71%
Professional development and training	58%
Remuneration and Benefits	49%

As was the case in previous surveys, the participation of employees in this project marks the start an initiative aligned to the social corporate responsibility strategy. This time the company has donated € 11,218 (1 euro for each survey received) to the NGO Plan España to rehabilitate a school in the county of Apokor, Uganda.

With the assistance of HR professionals from all the business units and subsidiaries, both national and international, the action plans associated with the results obtained in the Employee Satisfaction Survey began to operate in September. The following is a summary of the size of the different internal initiatives implemented based on these results.

Category	Nº of initiatives
Professional development and training	37
Remuneration and Benefits	18
Communication and Internal Relations	16
Management Style	7
Organization	7
Other	6
Total	91

For Ferrovial, this study offers an opportunity to find out what makes employees proud of working for our company, and particularly what we need to do in order to improve and ensure that things are done in the most efficient manner and to everyone's satisfaction.

One of the key aspects in this process is the role of the people manager. This is why the Guía del Manager – Gestor del Clima Laboral (Guide for the Employee Satisfaction Manager) was published. It includes recommendations on improving each of the dimensions assessed in the survey.

The 2011 Employee Satisfaction Survey initiated an internal communication campaign of global scope in five languages, using all the communication channels available (corporate intranets, e-mail, internal magazines, merchandizing, posters, etc.) to ensure that all the employees invited to take part had the opportunity to dedicate 15 minutes of their time to give their opinion.

YOU GROW IN FERROVIAL

People are a strategic asset for Ferrovial and thus talent management is a key objective for Human Resources. The main aim is to provide the employees with channels to boost their professional growth.

The **process of 360° Feedback evaluation** is targeted at executives (Top 150). It aims to promote their professional development and provide value for the organization. It is a "multi-perspective" abilities appraisal using the opinions of superiors, peers, collaborators and self-assessment. The process involves all the participants receiving feedback on the assessment of their executive skills and identifying the priorities for their professional development, which may include training actions, experiences focused on their development and other activities that promote networking.

This process is carried out every two years for the company's top management. The next assessment will take place in 2012. It has been extended to professionals in positions who report to executive management with the aim of improving their value contribution to the business in their current positions, anticipate their future value contribution and make their promotion within executive positions in the company possible. This year there have been 70 more positions and the number will increase steadily over coming years. This process was rated 3.14 out of 4 on the basis of the response to the question "to what extent is it useful for your development?".

The **evaluation process according to abilities and development planning** is one of the most strongly rooted annual processes within

the organization. It evaluates employees and uses a personal interview to communicate their performance levels to them.

A total of 4,667 employees (28% women) took part in the process in 2011, representing 90% of the structural personnel in Spain, with a participation rate of 96%. This year's survey was carried out through a new application that integrated the employee portal and the manager portal. The result is better access to the process by those evaluating and those being evaluated, and a better tool for monitoring participation and for result analysis and extraction.

This year a New Catalog of Development Actions has been introduced that is simpler and more intuitive. The aim is the boost the role of the manager as team developer.

A total of 5,218 training courses and 1,386 development actions were identified through the development plans decided between superiors and collaborators.

In the feedback received from the process, 75% said that they agreed with the evaluation carried out and 86% were satisfied with their evaluation interview.

The third revision of the **Succession Plan** was carried out in 2011. This is a strategic process within Ferrovial which aims to ensure that the organization has the professionals available with the skills required and at the precise time needed to fill possible vacancies among the members of Ferrovial's executive team.

The key indicators of this revision in 2011 were:

- Global scope, with an analysis of 129 positions in all the business units and subsidiaries, compared with 114 positions analyzed in the Plan in 2009.
- A review of the talent and identification of successors has been carried out based on more than 500 profiles: an analysis was made on which professionals are now outstanding performers, those with the potential to assume greater responsibilities with success, and potential successors are identified in the medium and short term.

- Coverage:
Short term: 89% of positions with coverage and 2.99 candidates on average per position.

Medium term: 81% of positions with coverage and 2.64 candidates on average per position.

This planning is updated every two years.

The main benefits of this process for Ferrovial are:

- Identification of candidates with potential for our executive positions.
- Integration between different organizations to take advantage of synergies.
- Design of specific development actions for this group.
- Minimal impact of the transition when there is an executive vacancy.

In 2011 the company designed and implemented a **Talent Identification Program** with the aim of talent pool of employees and identify those professionals with the greatest potential so that their professional development can be managed activity to ensure that they have the profile required to take up positions of greater responsibility within the organization. The pilot program reviewed 260 positions in one of the business areas.

As is the case with the Succession Plan, this Talent Management program will be run every two years.

Through these processes, Ferrovial shows its commitment to the professional career of its employees, and is a model for such practices in the different countries in which it operates. Proof of this is the award granted to Amey (the Services subsidiary) for its Change Management Program, in HR Magazine's Top HR Excellence Awards 2011. The program involves designing a new career plan taking into account market and business needs.

FERROVIAL EQUALS

Ferrovial has a workforce that is diversified geographically in terms of activities and business. This means a diversity of people, profiles and nationalities. Ferrovial is aware of the importance of knowing team members' cultural values and communication patterns, as this is one of the keys to success in business.

Ferrovial is aware of this situation and as a result has set itself two major challenges in terms of people management:

- Create a work environment that is satisfactory and respectful. Ferrovial does not try to impose an established culture, but rather to create an integrating identity that enriches the cultures, experiences and operating methods of the different business and countries that make it up.
- Attract the best talent to tackle and achieve Ferrovial's objectives as a business.

In its Code of Business Ethics and linked procedures, Ferrovial includes its commitment to the fight against discrimination. Proof of this is the commitment to Spain's Diversity Charter, which it adhered to on October 26, 2011. This European initiative is part of the anti-discrimination directives adopted by the European Union in the year 2000. It is supported directly by the European Commission's Directorate General for Employment, Social Affairs and Equal Opportunities. It is a voluntary commitment code adopted on a voluntary basis by companies and institutions in order to support and promote the principles of inclusion of diversity and non-discrimination in the workplace.

As a signatory, Ferrovial follows ten principles that include the commitment to:

- Raise awareness of the principles of equal opportunities and respect for diversity as part of the company values
- Promote the work/life balance
- Build up a diverse workforce
- Effectively promote integration without discrimination in the workplace
- Manage diversity in all its management policies
- Disseminate and communicate the commitment to these values to all its local environment

Through this commitment, Ferrovial supports diversity as a business, social and legal principle, and complies with current legislation regarding equal opportunities.

Ferrovial is a sponsor of the second series of forums organized by the Diversity Foundation, called the Diversity Management Toolkit. The company has taken on this initiative in order to facilitate a series of specific diversity management tools through four seminars with a practical and participative approach. The series comprises four fo-

ums that will take place throughout 2011 and 2012 with the aim of becoming a benchmark initiative for the analysis of effective and efficient people management models.

Ferrovial is also fully committed to respect for the individual rights of its employees, particularly those related to privacy, dignity and equal opportunity. The Code of Business Ethics states that all employees shall be given equal opportunity to advance their professional careers on the basis of merit.

This commitment has been recognized by the Equality Award for Companies. **The award is granted by the Spanish Ministry of Health, Social Policy and Equality.** It recognizes those companies that make a significant contribution in the application of policies of equal treatment and opportunities among its male and female workers.

It is a distinction of excellence in the field of equality which serves as a stimulus and recognition for continuing to strengthen Ferrovial's commitment to equality and application of the policies of equal treatment and opportunities in working conditions, in organization models and in other fields such as the company's services, products and advertising.

Specifically, the award has taken into account the actions and measures taken that tend to facilitate the work/life balance, measures to guarantee equal treatment and opportunities in professional selection and promotion, the adoption of equality plans, implementation of positive action measures, and non-sexist advertising of the company's products or services.

This distinction was disseminated internally through the company's intranet and externally on the company's website. The equality distinction has stood in terms of internal company events, such as annual executive conferences, and among the distinctions received by the company as a whole. It leads the way for other companies in the group, which, like the parent company, strive to promote and establish equal opportunity policies, nationally and internationally.

Externally, the company sponsors different forums that promote networking amongst professional women, such as the European Professional Women's Network, which held a meeting in February 2011 attended by 200 European executives.



been implemented on a step-by-step basis since it was approved. The following were implemented this year:

Exit interview protocol: A unique protocol has been standardized in order to achieve a uniform use of information from the exit interview including specific questions regarding discrimination.

Ferrovial is committed to the balance between work and personal life. This is why it makes a variety of options available to its employees to allow them to adapt their workday to their personal life. Some of the options in the work/life balance plan that structural personnel in Spain can take advantage of are:

Extension of maternity leave: With the aim of facilitating the arrival of new children (either pregnancy or adoption), female workers will be able to enjoy an extension to paid maternity leave of 14 days, to be taken straight after giving birth or after the day of the court resolution for adoption.

Reduced flexible workday: If workers are the legal guardians of **children under 10**, or of a person with a physical, mental or sensory disability who is not carrying out paid work, they will have the right to reduced working hours (daily), with a proportionate salary reduction, between a minimum of 12.5% and a maximum of 50%, throughout the duration of the reduction. They will have the same right as those who are primary caregivers of family members, related up to a second degree of kinship or by marriage and who, because of their age, an accident or illness cannot take care of themselves, and do not carry out paid work.

Sabbatical period: Employees who have worked at the company for three consecutive years (they cannot be accumulated) and reach an agreement with their immediate superior regarding dates, will be able to request a sabbatical period of one to three months (to be taken consecutively). This permit will be considered an unpaid permit without rights generated during said period (vacation, bonuses and variable remuneration). The worker's Social Security contributions will be made based on the official minimum wage. The condition is that two months' notice are given and no paid work is carried out during the sabbatical period, or work that is incompatible with the worker's professional activity in Ferrovial.

Segmented by gender, female representation in each division in 2011 was as follows: 41% in Corporate, 43% in the Airports division, 35% in the Toll Roads division and 33% in Services. In the Construction division the figure is 13%, higher than the percentage of women in the construction sector.

Female membership of Ferrovial's governing bodies, meaning the Board of Directors, and the group made up of Management Committees, Corporate Divisions and Management Committees of the Group's divisions and subsidiaries, represents 13% of the total.

By professional category, 24% of the total number of company executives are women, 26% of graduates (3- or 5-year degree), 61% of clerical workers and 31% of manual workers and line personnel.

Ferrovial applies the same basic salary according to professional category.

In 2009 the company signed its Equal Opportunity Plan with the leading national labor unions representing the company's sectors. It applies to all its employees in Spain. This plan is valid for 5 years and is revised annually through joint equality commissions, created specifically for this purpose. The plan includes 17 measures that have

Guide to effective meetings: Meetings cannot be held after 5 pm, and there is a protocol that establishes the actions to be taken in order to maximize time and respect work/life balance.

The Work/Life Balance Plan is on the intranet, in the same place as employees' personal information, to ensure that everyone can have access to it and the company has an application to request such measures. In order to disseminate it further, several information and awareness-raising campaigns have been conducted. The guide has also been renewed and employee pictures have been used to give it an approachable and realistic image. It has also been disseminated through interviews published on the corporate intranet with people who have taken up one of the measures, and with their superiors who explain the reasons and show their support for the measure. The guide has also been published on paper in the company's internal magazine.

It is important to highlight that the **company's technological means** enable any worker in the company to go on the corporate extranet to check their folders and files that can make their workday more flexible.

The Employee Satisfaction Survey included specific items regarding equal opportunities to assess the level of satisfaction.

The global responses were the following:

My superior treats me with respect

87% positive answers

My superior enables a healthy balance between my work and personal life

81% positive answers

The company treats its employees fairly

63% positive answers

Regarding training, two years ago a training initiative for pre-executive women was set up in order to prepare the company to generate a reserve of employees with potential to fill possible vacancies in positions of responsibility and to achieve similar ratios of gender representation by activity and business. As of now, 20 grants have been given for these post-graduate studies.

The company continues to offer online training actions in equality, with the aim of disseminating internal protocols that make sure these principles are complied with. Of note is the protocol to tackle harassment to prevent workplace harassment, sexual harassment and/or gender-based harassment, which was implemented in 2008. This procedure guarantees the right to handle all such matters and the persons involved in the utmost privacy and confidentiality.

The procedure has been communicated and is also linked to the company's Complaints Box, which is in the corporate portal and is available to all employees.

In line with its commitment to equal opportunities the company concludes agreements that enable the integration of people with disabilities and those who are at risk of social exclusion.

ADECCO FOUNDATION

Since 2006, the company has worked alongside this foundation to start up social responsibility initiatives involving hiring people with disabilities and other initiatives that raise awareness and make a social contribution.

Of particular note here is the Familia Plan. It is designed for Ferrovial employees, who seek to improve the quality of life and facilitate the social integration and employment of family members with disabilities. The initiative aims to help achieve the normalization of the different social collectives by promoting equal opportunities for all, in line with Ferrovial's values of **respect, equality and integrity**, and by establishing socially fair and responsible models of behavior within the company.

Other results of the collaboration with Adecco Foundation are social integration initiatives for people with disabilities, such as Sailing Schools. This year the company also collaborated with the 2nd Abilities Race, in which Ferrovial employees took part.

Of note are the schools in Ibiza and Almería, which aim to promote social integration and employment of people with disabilities by means of sport, entertainment and leisure activities. These activities foster the development of social, personal and professional skills, and help people with disabilities to break down overprotective barriers that limit their autonomy and independence. But beyond these be-

nefits, the ultimate goal is to provide participants with resources to help them to be integrated into society through work, occupation and social participation.

Two measures also stand out in the Work/Life Balance Plan: Employees with disabilities, such as those with reduced mobility, may choose workplaces near their homes and have a parking lot made available for them; and disabled family members of employees related up to the second degree of kinship or by marriage are given preference for employment.

INTEGRA FOUNDATION

The INTEGRA Foundation aims to provide standard employment to people who are experiencing particular difficulties in finding work. The role of the Foundation is to act as a mediator between companies and NGOs to ensure that people who are subject to social exclusion can have access to decent work and thus achieve genuine integration into society and help reinforce their self-esteem. Ferrovial has been a trustee of the Foundation since 2002. Since then, Ferrovial has incorporated over 150 people, of whom 18 joined the company last year. At an event held to celebrate its 10th anniversary, the Foundation mentioned Ferrovial, not only for supporting the integration of people in work, but also for its ongoing support to initiatives that raise the awareness of these issues in society.

FERROVIAL SUMMA

Ferrovial's corporate University celebrated its 5th anniversary in 2011, thus consolidating its strategic role in the transmission of the company's values and boosting of a culture of innovation and collaboration among professionals.

Ferrovial's Summa University acts as a driving force for the development of outstanding talent in Ferrovial. Proof of this is not only the number of annual participants, but also the rising number of internal speakers who are part of a consolidated teaching staff: more than 130 internal speakers that transmit knowledge and the values and principles that make Ferrovial different.

In 2011, three initiatives stood out especially, aimed at promoting innovation, integration, internationalization, strategic alignment and development of leadership in the organization.

1- Launch of 7 programs associated with the 360º evaluation processes, in which 143 executives took part. These programs include sessions dealing with spokespersons, negotiation, networking, corporate governance and finances, and a specific Leadership Development program.



2- Career-linked programs: Programs aimed at helping Ferrovial professionals throughout their professional career were implemented during the year. They complement those that already exist (Executive Management Program and Welcome Program). Three programs were started up:

2.1 Global Management Program: This international program is aimed at exploring the company's strategy more in depth and boosting collaboration to introduce new ideas that promote change. The program takes place over two weeks, the first at Ferrovial's Summa University headquarters in Madrid, and the second in London.

One of the most valued aspects in this program was the participation of executives as speakers and promoters of the specific change management projects that have arisen. Last year 40 managers from 8 countries came, and scored the program at 8.2 out of 10.

2.2 Manager Leadership Development: The program is made up of two classroom-based modules that aim to foster self-knowledge in order to lead high performance teams. The first enabled participants to improve their self-knowledge, as a first step toward achieving the second one, aimed at developing their ability to relate with and manage teams. The participants' evaluation of the program was very positive – 9.3 out of 10.



2.3 New Managers: This program aims to support professionals who have been promoted from a technical position to another where they are responsible for people. It gives them tools and training skills and shares experiences to achieve an easier and smoother transition toward their new job. The key element of the program is the participation of professional speakers who share about their own transition toward being managers.

3- More training connected with needs identified in the skills evaluation process and development project.

In 2011 there were more training opportunities in order to cater to the different groups of people in the company, by meeting their current and future development needs, according to the strategy of each business.

Ferrovial 2011

Total training hours in SUMMA over the year	59,867
Total training hours in SUMMA over the year per participant	22
Overall satisfaction rates: Facilities and training teams	8
Number of employees who attended training in SUMMA over the year	2,754
Overall satisfaction rates: Campus	8
Overall satisfaction rates: Trainers	9
Overall satisfaction rates: Contents and methodologies	8
Overall satisfaction rates: Organization	9

The idea of the University as a space to exchange experiences can be seen in the increase in the number of day workshops and meetings held in the headquarters in 2011. There were 32 internal conferences with 778 participants, 23% more than in 2010.

In this sense, 220 courses were started in 2011:

Leadership school: 127 skills programs

Business School: 70 actions

Cultural Integration School: 23 training actions

The University also has an **Online Campus**, which includes online training with a global scope and for each business area. In 2011 a new compulsory Crime Prevention course was given to 100% of the structural personnel in Spain.

Ferrovial's Summa University has its own site in the corporate intranet. It informs about all the training available, new features, and especially, the results of its most outstanding actions, illustrated with news articles, testimonials from participants and videos in which they talk about their level of satisfaction and application of the training action. More than 40 news articles on this subject were published this year. One of the new actions has been the creation of a six-monthly newsletter, in which participants and internal experts write about the main activities that have been carried out, with the aim of bringing the Summa portal closer to Ferrovial professionals, in a more proactive way.

The opinion of employees who are being trained is essential in order to adapt the contents to their needs and introduce ongoing improvements. To this end, this year, as well as satisfaction surveys after each training event, an evaluation questionnaire was given out to a representative group of 1,163 participants, 22% of the target trainees. It asked for evaluation in three areas: contents, operations and communication: 8 out of 10 was obtained on average and an action plan to improve these areas has been drawn up.

Ferrovial University acts as a facilitator of internal initiatives linked to the company strategy. This year, a highlight was three Innovation seminars, attended by nearly 120 leaders from the company, from many countries. The Vice Chairman and CEO of Ferrovial, the General Director of Human Resources, and the Chief Information Officer have promoted

and taken part in these seminars led by the Innovation Department. The seminars aimed to generate a culture of innovation and to show company leaders the importance of generating a collaborative environment that encourages people to put forward ideas that turn into real improvements and/or new business opportunities. Thanks to the open forum style, innovation projects that are being carried out in each one of the subsidiaries were shared, and people discussed and worked on different innovation strategy aspects in the company.

In 2011, the total training hours amounted to 1,148,945. The investment in training amounted to 0.16% of the total revenue.

FERROVIAL COMPENSATES

The company's remuneration policy is fair and competitive in the markets in which it operates. It includes: fixed and variable remuneration adjusted to local markets, together with long-term incentive systems with a global focus.

This year, the variable target-based remuneration system affecting 12% of the total staff was consolidated.

The company has continued to promote the flexible remuneration system, with the Flexibility Plan, which provides employees with the chance to modify their current remuneration package in accordance with personal needs, replacing part of the current fixed remuneration with products (day nursery vouchers, life, accident and health insurance, and vehicle and computer leasing). The program was boosted further during the year, particularly with those products that were most interesting in terms of personal needs and current law, such as the Online Home (HCL) plan that gives tax allowances for employees who want to buy computer equipment.

This plan is targeted at all the structural employees in Spain (4,973 people).

All employees can access the **Employee Club** on the employee portal, where they will find easy ways to purchase products and services, as well as payment facilities to save money as well as time, while improving their quality of life.

In addition, work has continued over the year on the "12,000 Plan," a remuneration package that pays part of the variable remuneration of beneficiaries (311 executives, middle-management and department heads or similar categories) with Ferrovial shares.

A new long-term incentive program called the Performance Share Plan was set up in 2011 for 329 executives and middle-management, who receive shares after 3 years if they meet certain requirements.

The conditions of the basic salary of the Ferrovial workforce depend on the professional categories included in the various collective bargaining agreements involved, and thus there are no salary inequalities.

FERROVIAL MOVES YOU

Ferrovial maintains its commitment to foster professional development (by promotion, new geographical destination or a position with new functions) and assist mobility within the Company.

One of the tools used by the Human Resources area to promote development and mobility is the **Job Bank**, through which all the job vacancies for skilled (non-executive) positions in the country are publicized. 188 internal job offers were published in 2011, around 25% more than 2010. All the employees and company interns may apply for these vacancies. This year, **28% of jobs were filled in by internal candidates**, which clearly shows that employees are interested in internal mobility.

Over recent years Ferrovial has grown internationally and needs a change in approach toward a more international and diversified profile of human capital. The company is committed to mobility as a lever for business growth and the development of its professionals.

At the end of 2011, a **Vacancy Committee** was created to fill executive and pre-executive positions in the different divisions in a coordinated fashion. Because of the strategic nature of these positions, it was necessary to boost mobility directed through an internal procedure to fill these positions with the best candidate available in the organization. This process also guarantees the mobility of key professionals identified in programs such as succession planning or strong potential.

This committee communicates all the (non-confidential) vacancies managed by the Human Resources Departments of the business units or subsidiaries in Spain for pre-executive and executive positions. 13 vacancies were presented since it was implemented, and 30% were filled internally.

The new International Mobility Policy was implemented in 2011. Its guidelines have been designed to unify and clarify criteria, and to stimulate and properly coordinate short-term and long-term international assignments.

International assignments promote employee career development by offering them the experience of working in new expanding markets, where they can put into practice and improve their skills and obtain more knowledge and experience to the benefit of the organization as a whole. Currently the number of international assignments is 242 in 14 countries.

The aim of foreign assignments is to support the strategy of international growth over recent years, promote career development, transfer knowledge between the different countries and establish synergies between the different business units and subsidiaries.

One of the company's priorities is the internationalization of its professionals. To that end, mechanisms to identify professionals with potential are being introduced, to offer focused development opportunities, not only through training but also through national and international professional mobility.

Local staff represent 91% of the total number of executive members of the management committees of the business divisions and subsidiaries and the various governing bodies of Ferrovial and its group companies (Boards of Directors and executive committees).

TECHNOLOGY AS A LEVER FOR TALENT MANAGEMENT

Ferrovial's main challenge as an international company is to have flexible tools available that can be easily integrated and cover the management processes required by the different business units, while minimizing costs and allowing for development.

One of the main projects in 2011 was the opening of internal communication channels that made more information available to all

groups. This goal was achieved by opening all the business channels in the same corporate intranet, as well as through the development of new channels for the airport and corporate divisions.

A total of 1,700 articles were published on this communication channel. The Spanish channel, for example, published 355 corporate news articles and 586 news items associated with each of Ferrovial's businesses.

This project is Ferrovial's first step toward the necessary development of the Intranet as a way of sharing knowledge and the best practices of each business.

The new **Employee Portal and the Manager Portal** were launched in 2011. The strategic groups of people in the company will be added to them gradually. The introduction of these systems creates value and integrates information among the organization's different business units, taking advantage of globalization synergies, because this kind of standard-deployment SaaS tool with increasing functionality is capable of adapting to different needs of businesses, countries and languages.

This project has managed to:

- Launch the **process of Evaluation according to Abilities and Development Planning** for the structural personnel in Spain and in the following subsidiaries: Cintra abroad, Ferrovial Agroman USA/Portugal/UK/Ireland, Ferroser Portugal and Cespa Portugal.

- **New Mobility field**, in which employees may express their geographical preferences and the business unit in which they would like to work, and areas of functional preference in case of mobility. This functionality provides a preference map so that the professional can be matched to any opportunities that may come up internationally.

The 2011 target tables have also been visible this year to employees and managers. The challenge for 2012 will be to manage the planning and setting of targets, as well as payment of the variable remuneration, automatically from this platform.

This tool improves the use of information, and therefore, human resource management. Managers consider it a simple, intuitive and easy to access tool.

Another initiative this year was developed by Amey, with the aim of introducing and **developing more efficient and effective workflows**, as well as designing a **new career plan**. The aim of this is to provide a better response to new market needs. This initiative was recognized by HR magazine, which granted Amey of the their Top HR Excellence Awards for 2011 for its work on the “One Amey Efficient and Effective” project, which received the **best Change Management Program award**.

Another initiative has been the implementation of a countrywide project to implement a single payroll management and personnel administration product for all employees in Spain, with a SaaS model implementation. This has made Ferrovial a national pioneer in the implementation of this kind of payroll and personnel administration solution, which is an added challenge in addition to the intrinsic difficulty involved in changing a payroll platform.

Health and Safety

• COMMITMENT

- Continuous improvement in the health and safety of workers.

• LINES OF ACTION

- Continuous improvement in the design and implementation of effective systems to prevent and reduce health and safety risks in Ferrovial companies.

• 2012 GOALS

- Extend OHSAS 18001 certification to Ferrovial Agroman worldwide.
- Implement new, specific measures to improve safety at the construction sites.
- Reduce accident rates via analysis of the highest-risk processes and operations, increasing specific instructions by 10%.
- Ongoing improvement of health and safety at the workplaces, with the implementation of automated systems, safety inspections and the fulfillment of maintenance plans.
- Reduce accident rates via the accident awareness campaign "Push the prevention button" and publication of the Safety Notes/Reports by the Safety Department.
- Implement the Safety Plan set out for 2012 and achieve a 5% reduction in the Incidence Rate and the average duration of leaves in Ferrosfer.
- In Toll Roads, reduce the accident rates and the seriousness of accidents, draft the new "Toll Safety Manual" and review the "Roadway Maintenance and Conservation Personnel Safety Manual"

Ferrovial believes quality work is safe work. It therefore undertakes to provide a safe working environment for employees, constantly updating occupational safety measures and scrupulously respecting the applicable health and safety regulations in all locations where it operates.

Statistical indexes of accident rates in all areas of Ferrovial's business in Spain

Statistical index	2011	2010	2009	Var 11-10
Incidence rate	65.37	81.44	79.75	-19.7
Frequency rate	38.30	45.34	46.7	-15.45
Severity rate	0.94	0.95	0.87	-2.11

Health and safety actions by Ferrovial worldwide

	2011	2010	2009	2011-10
Occupational safety studies	2,749	2,743	2,846	0.22
Emergency plans	1,443	1,987	1,170	-27.38
No. of visits by safety experts	15,271	15,870	15,073	-3.77
Training in safe work practices (hours)	374,721	445,064	500,991	-15.81
Training for safety experts (hours)	27,507	239,515	50,259	-88.52
Physical examination for employees	29,687	34,120	30,271	-12.99

The number of health and safety actions decreased in 2011 due to the sale of assets, mainly due to Swissport's sale.

Statistical indexes of accident rates in the construction division in Spain

Index	2011	2010	2010/2009 11-10 (%)	Sector 2010
Incidence rate	37.68	40.20	- 6.2	85.46
Frequency rate	21.03	21.90	- 4.11	49.9
Severity rate	0.44	0.54	- 18.51	1.43

Accident rate indices correspond to the domestic construction division, while the sector indices are those prepared by the Ministry of Labor and Immigration in 2010. To calculate the severity rate for the construction business, only workdays are taken into account when calculating lost days.

Commuting accidents have been excluded from the Ferrovial Spain and construction division indices to allow direct comparison with the

indices published by the Spanish Ministry of Labor and Immigration.

- Incidence rate: The number of accidents occurring during working hours for every thousand people exposed.
- Frequency rate: The number of accidents with days lost occurring during working hours for every million hours worked.
- Severity rate: The workdays lost as a result of accidents per thousand hours worked.

The number of accidents in the construction division fell by 6% in 2011 to 37.7 per thousand people exposed. This compares with the industry average of 85.46 per thousand. The frequency rate declined by 4% to 21%.

The incidence rate for all Ferrovial divisions in Spain saw a slight downturn of 19.7% to 65.37 accidents per thousand people exposed. The frequency rate fell by 15.45% to 38.30.

There were no fatal staff accidents in Spain.

Ferrovial's global incidence rate (accidents meaning a leave over one day) in 2011 was 43.13, based on total workforce of 65,905.

The absenteeism rate in Spain stood at 5.99% in 2011. This rate includes days lost to non-occupational illnesses and occupational accidents, including commuting accidents.

CONSTRUCTION DIVISION

Occupational safety is a fundamental part of operations in the construction division, with an active approach taken to ensure that projects are executed within strict health and safety levels. Occupational safety experts in the construction division carried out a total of 5,633 "monitoring and control" visits last year, detecting anomalies and proposing the appropriate preventive and corrective measures.

In the course of these visits, systematic information is gathered and processed using the occupation health and safety computer application "SERPRE", which is available via the Intranet to all those involved in safety systems throughout Ferrovial Agroman.

The Occupational Safety Service has prepared 1,372 Occupational Safety Studies and 69 specific emergency plans for the various businesses.

The number of employees benefitting from health and safety representation is 44%, and 3,552 underwent medical examinations in 2011.

OCCUPATIONAL SAFETY TRAINING

The training process established under the 2007-2011 agreement continued in 2011. Each worker was given training in accordance with his/her job. The first or initial training cycle for all manual site workers has nearly been completed. Middle management, production heads and project managers have received basic level training of 60 hours, with the whole of Spain accredited with Basic Level Safety Expertise certification. Training for management personnel has been completed, with the second occupational training cycle underway.

Independently from the above, all workers receive OHS training at the time of recruitment and during on-site work. Last year the number of personnel trained stood at 2,223 employees, as well as 4,307 employees at subcontractors.

AUDIT AND CONTROL

Ferrovial Agroman successfully passed its audit to renew the OHSAS 18.001:2007 certification that was granted three years ago, accredited by ENAC (National Accreditation Office).

The objectives of the OHSAS certification audit are to:

- Confirm that the Management System conforms to the requirements of applicable standards.
- Confirm that the organization has effectively implemented the management system.
- Confirm that the Management System is able to meet the objectives and policies of the organization.

The scope covers all workplaces, including temporary and mobile units, of the companies belonging to the Ferrovial Agroman Health and Safety Service.

OHSAS Certification must be renewed every 3 years, with annual follow-up audits being performed by the certification authority.

MILESTONES

First: Promoting the production line's active participation in on-site health and safety.

Measures has been adopted as part of Ferrovial Agroman's engagement with occupational safety, with the aim of continuously improving on-site safety. They require the full participation of the entire production line and pursue several goals:

- Preventing the concurrence of unwanted events and foreseeing unsafe behavior.
- Rapid identification of solutions to prevent accidents.
- Allowing the line to demonstrate its leadership and engagement with occupational safety.
- Motivating supervisors and employees by emphasizing safe behavior and promoting a culture of prevention.
- Accustoming staff to discussing safety issues at the workplace and getting involved in preventative action.
- Changing attitudes via awareness.

Prevention is founded on detection and correction of possible risk situations by the works team. This means improving the action framework and emphasizing the direct involvement of the full production line via PSO (Preventative Safety Observations).

Second: OHSAS 18001:2007 certification UK and Ireland.

Mindful of the importance of this certification in the United Kingdom and Ireland, and the growing activity levels in these countries, the Occupational Safety Management System was revised to adhere to the requirements of OHSAS 18.001:2007, thus ensuring the certification of the three companies operating in these territories: Ferrovial Agroman UK, Ferrovial Agroman Airports and Ferrovial Agroman Ireland. The Occupational Safety Management System was subjected to an independent OHSAS audit. The process for awarding certification is currently underway.

Third: International Accident Notification Procedure

An international accident notification procedure was established for Ferrovial Agroman (and its subsidiaries), Webber and Budimex. When an accident occurs that is classified as serious (based on standard criteria for the countries where applicable), fatal or of significance for third parties, it is reported as soon as possible to the central health and safety department and registered in a specific application called "SIA".

This application shows all accidents that have occurred by country, and provides statistical data based on general or specific criteria, as well as the outcome of incident management.

Fourth: To improve the investigation and reporting procedure for minor accidents

All minor accidents in Spain must be investigated and reported to the department, to ensure that immediate solutions be implemented to prevent reoccurrence. The investigation is exhaustive, with each injury monitored and regular follow-up checks on the status of employees involved in accidents.

PARTICIPATION IN EVENTS AND AWARDS

In 2011 Ferrovial Agroman took part in several conferences on occupational safety. Highlights:

- **Laboralia:** Comprehensive Occupational Health and Safety, Protection and Prevention Fair: The 2011 Laboralia event brought together the most prominent sector experts in occupational safety, again establishing it as the country's foremost occupational health and safety forum. A total of 155 speakers took part, with more than 30 side events including conferences, technical workshops and demonstrations. The event consisted of three days of intense debate on issues at the forefront of health and safety. Top experts took part in various technical events, with the common message being that prevention of occupational risks is key to business competitiveness.

- **2nd Murcia Region OHS Conference:** As part of the 4th Occupational Safety Plan for the Murcia Region 2008-2012, this year it included a forum of specialists in labor risk prevention to discuss experience, good practices and the challenges facing companies in the 21st century when including occupational safety in their operations. The meeting brought together major figures from the Spanish and

international occupational safety field. It gave those taking part the opportunity to look at the latest techniques and trends, as well as the standout advances in occupational health and safety in Spain and abroad.

Independent recognition for incorporation and implementation of occupational health and safety.

- Highways Agency: The company again satisfactorily passed the independent OHS audit carried out by the Highways Agency in the United Kingdom. This Department of Transport executive agency is responsible for operating, maintaining and improving the UK's strategic road network.

- Honorable Mention at the 2011 Prever Awards: Awarded by the Spanish and International Occupational Safety Awards Committee Prever 2011.

AIRPORTS DIVISION

A total of 295 specific studies were carried out in the airports division, 200 at Edinburgh airport, 84 at Glasgow airport, 7 at Heathrow and 2 at Southampton and Stansted airports.

There were 984 emergency action plans established: 650 for Heathrow, 135 for Glasgow, 123 for Southampton, 49 for Aberdeen and 27 for Edinburgh.

The number of employees benefitting from health and safety representation was 7,189, and 1,744 accident investigations were carried out.

A total of 6,192 physical examinations were provided for employees, 4,811 of which were at Heathrow airport.

OCCUPATIONAL SAFETY TRAINING AND INFORMATION

In BAA's airports health & safety awareness raising campaigns are run for employees, with different initiatives such as psychological support in case of financial or marital difficulties, cholesterol and weight control, etc.

A total of 47,513 hours of training were provided. The figure for Heathrow was 29,944 hours, for Edinburgh airport 9,209 and for Glasgow 1,112. Stansted airport provided 4,993 hours of training in safe working practices, via 157 courses to 1,698 people. Staff at Aberdeen airport received 1,444 training hours in fire prevention and safety. Southampton airport provided 51 courses covering 191 employees and 811 hours.

1,251 hours of training were provided for personnel with safety responsibilities, of which 880 were given at Edinburgh airport, including refresher courses, fire prevention, handling manuals, etc. Heathrow airport provided 127 hours, Stansted 154, Glasgow 50 and Aberdeen airport 40.

PREVENTION CAMPAIGNS

Over the year Aberdeen airport held various instructive meetings with personnel to raise awareness of occupational health issues. The topics discussed included quitting smoking, mental health, healthy habits, wellbeing in the summer and cardiac health. Along the same lines, the "Walk at Work Challenge" involved 10 teams of 5 employees each, who used pedometers over the course of 12 weeks to compete between them to accumulate the highest number of steps. This encouraged personnel to be more active both at work and in their day-to-day lives.

In terms of health and safety, Stansted airport has introduced an automatic tray return system for security operations, which has significantly reduced the ratio of injuries caused by manual handling tasks.

AUDIT AND CONTROL

BAA has a permanent Health & Safety audit program with internal and independent audits, as well as for OSHAS 18001 by BSI.

HEATHROW AIRPORT MILESTONES

- Redefine Capital's H&S role as an 'intelligent client' and develop the team accordingly .
- Develop bespoke behavioural and safety leadership programmes for Capital staff.
- Review processes for prevention of catastrophic events.
- Identify and bring focus to bear on high risk areas or activities.
- Develop an Integrated Management System.
- Develop criteria for new incident reporting database.

- Review Heathrow Airport Limited's asbestos and legionella management process.

PARTICIPATION IN EVENTS AND AWARDS

Glasgow has been awarded the "Silver Healthy Working Lives Award" for health, safety and recycling, and was also considered the best in Scotland in the "Recycling Stars" Silver category. As well as the above, it won the "British Safety Council's International Safety Award".

Aberdeen was shortlisted for and won numerous awards in 2011. The first was the "International Safety Award with Merit" in health, safety and the environment, granted by the British Safety Council. This was followed by the "Healthy Working Lives" bronze medal, while Aberdeen airport was also shortlisted in the "Scotland's Health at Work" awards.

SERVICES DIVISION

This year the services division made 8,999 visits to various work centers; 537 to Ferrosers centers (hereinafter this includes Ferrosers, Euro-limp and Ferrovia Infraestructuras), 782 to Cespa and 7,680 to Amey.

A total of 874 health and safety studies were carried out, of which 254 were at Ferrosers and 620 at Cespa.

The number of workers benefitting from health and safety representation was 37,103, covering 86.4% of staff.

A total of 4,078 accident investigations were carried out, 2,416 at Ferrosers, 1,377 at Cespa and 315 at Amey.

In terms of emergencies, 351 actions were taken: 40 at Ferrosers, 70 at Cespa and 241 at Amey.

In the area of health monitoring, 18,914 physical examinations were provided: 7,455 at Ferrosers, 9,948 at Cespa and 1,511 at Amey.

OCCUPATIONAL SAFETY TRAINING AND INFORMATION

In 2011 the services division provided a total of 229,366 hours of training, 43,188 of which were given at Ferrosers and 180,000 at Amey. Cespa provided 76,178 hours via 424 courses attended by more than 3,800 employees. Of these, the occupational safety division provided 175 courses to 753 employees. The content of these courses included:

what to do in the event of fire; handling loads; stress positions and ergonomics in different activities; dangerous product handling; OHS syringes; OHS excrement cleaning; safety in confined spaces; road safety; work at heights; work in median strips and roads; and a continuous training class for the construction business.

Parallel training given to occupational safety experts exceeded 18,100 hours, of which 14,350 were at Ferrosers, 393 at Cespa and 3,408 at Amey.

Cespa has updated its general "Work at heights" OHS training manual. It has also published the following specific manuals: "Use of ladders: Safety rules"; "Ergonomic triage guidelines" and "Rules for avoiding excess weight in vehicles."

PREVENTION CAMPAIGNS

This year the "Stop accidents, use your 5 senses" campaign continued. The campaign raises awareness of the need to always work carefully and to make full use of safety measures. The event includes an information bus that travelled around Cespa's various work centers in Spain for more than four months. The bus making the visits to the centers was fitted with information on previous OHS campaigns, learning materials and computers.

From January to March the bus visited 40 work centers, with a total of 1,594 employees taking part in campaign activities. In this second stage of the campaign 42 suggestions were deposited in the suggestions box.

Also in 2011 the Occupational Safety Department launched its "Push the prevention button" campaign. This replaces the "12 Accidents 12 Causes" campaign, although the essence is the same. It aims to bring real accidents to the notice of employees, explain their causes and show the preventative measures that could have stopped them from occurring, in order to raise awareness amongst staff of the importance of safety.

AUDIT AND CONTROL

All companies in the services division have undergone the corresponding legal OHS and OHSAS audits. Specifically, Cespa has undergone 75 internal audits from the OHS department, as well as 22 independent audits for OHSAS certification and 17 legal audits.

Ferrosfer has undergone 56 internal audits and 47 independent audits that include OSHAS and legal audits.

PARTICIPATION IN EVENTS

The companies took part in various events, with the following standing out for Cespa:

- “Communication strategies as a key to incorporating a culture of prevention” in Foment del Treball in Barcelona.
- “OHS as a strategic value for the company”, in “Foment del Treball” in Barcelona.
- “Changes to regulations in safety services” in “Foment del Treball” in Barcelona.
- “OHS management in internalization processes” in “Foment del Treball” in Barcelona.
- “Waste management and Occupational Safety” at the Barcelona National Working Conditions Center.

MILESTONES

The following are worth mentioning in Cespa:

- The number of OHS instructions has increased by 10%.
- “Prevention Caravan. Stop Accidents. Use all 5 senses.”
- Accident awareness campaign in CESP. “Push the Prevention button”.
- The system for reporting Serious Accidents/Incidents and Accident Rates to the Management Committee of Ferrovial Servicios has been maintained.
- Compliance with the maintenance plans in OHS audits has been monitored, emphasizing the review and maintenance of safety systems for work teams.
- The implementation of a computer application for managing repair traceability continued.
- Implementation of the authorization system for work teams continued.
- OHS personnel attended on a six-monthly basis the meetings held by the coordination groups of the workplaces.
- Improvements have been made to the program for monitoring and control of the resolution of infringements detected in safety reports.
- Specific, scheduled safety visits have been made for high-risk operations at the workplaces.

TOLL ROADS DIVISION

A total of 563 visits were made in this division by OHS experts, with 207 specific studies and 37 emergency plans implemented.

The number of workers benefitting from health and safety representation stood at 910 (212 in Spain), accounting for 44.9% of employees. The vast majority are represented in health and safety committees in workplaces with more than 50 employees, and with an equal number of worker and company representatives. The meetings are held every three months to help prepare, implement and evaluate occupational safety plans and programs, as well as to promote initiatives on methods and procedures for effective occupational risk prevention.

There were 135 accidents investigated (33 in Spain), 16 of which did not lead to absence from work.

The number of physical examinations carried out in 2011 totaled 903 (291 in Spain), covering 44.57% of staff.

HEALTH AND SAFETY INFORMATION AND TRAINING

There were 11,158 hours of training provided, of which 1,004 were at Autema, 493 at the R4, 1,209 at the AP36, 60 at Ausol and the rest divided amongst several concessionaires worldwide.

MILESTONES

- Carrying out of several training and awareness-raising campaigns:
- OHS basic level course (60 hours) - 90% of concessionaire maintenance staff have been trained.
 - Awareness-raising campaign and incorporation of OHS into Management and line of command - 100% Spanish concessionaires.
 - Training campaign on safety in work at heights (elevator platforms, bucket trucks and vertical work).
 - “Phytosanitary” training campaign for concessionaires in Madrid - 10 workers attended the basic course (25 hours) + 6 workers took the qualified course (72 hours).
 - Practical training campaign on fire extinction - 50% of Cintra Alarm and Evacuation Teams.

Implementation of a new prevention model at Spanish concessionaires (External Safety Service and designated employee).



Photo: Customer service in Atocha Station, Madrid, Spain.

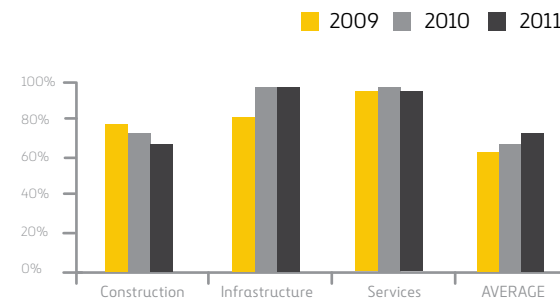
Quality

QUALITY MANAGEMENT QUALITY AND ENVIRONMENT SYSTEM

Ferrovial is firmly committed to quality and the environment. The contracts concluded by all the business areas include quality and environment systems.

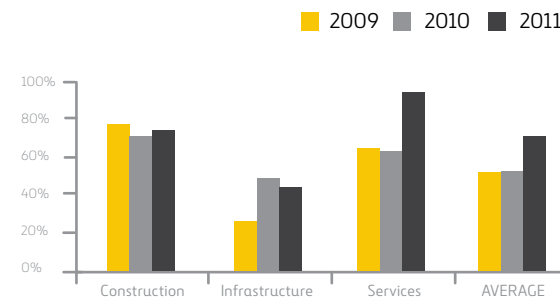
On most occasions these systems are certified according to ISO 9001:2008 and 14001:2004 standards and by the main accredited certification companies, including AENOR (Spanish Association for Standardization and Certification), SGS, BVQi (Bureau Veritas Quality International), BSI Group and ERM CVS.

Percentage of certified activities (ISO 9001)



Thus, in 2011 the average percentage of quality-certified activity in the construction, infrastructures and services businesses was 84%; if airports are also included, the figure was 71%, slightly higher than in the previous year.

Percentage of certified activities (ISO 14001)



In 2011, the average percentage of environment-certified activity in the construction, infrastructures and services businesses was 80%; if airports are also included, the figure was 70%, slightly higher than in the previous year.

This year, Ferrovial Agroman has maintained the scope of its quality certifications with respect to previous years. The slight drop in relation to previous years was due to the fact that the construction branch is extending its operations to new countries that are not within the scope of current certifications. However, 100% of the contracts are managed with systems that guarantee management and product quality. The offices in Chile and Portugal have been included into the Environment scope.

In the services area, the percentage of activity with certified quality remained unchanged compared to previous years, and increased considerably in terms of environment, thanks to the certification of the Aragón Highway.

In the toll road division, the percentage of certifications remained unchanged compared to previous years. All systems are internally audited by teams of qualified auditors who are independent of the audited area. The company continued to make great efforts in this respect, with more than 900 internal audits and 1,161 assessment visits.

PRODUCT AND EXCELLENCE CERTIFICATES

Ferroser Infraestructuras is certified under the following standards: UNE 135332 "Vertical signs. Plates, sheet slats and directional panels used for metal signs and permanent signs. Materials. Characteristics and test methods"; UNE 166001 "R&D&I management: Requirements for R&D&I projects"; and UNE 166002 "R&D&I management: Requirements for R&D&I Management Systems."

Cadagua, Euroлимп, Ferrovial Servicios and Ferrovial Agroman have received certification of their R&D&I management system under UNE standard 166002:2006 "R&D&I management: Requirements for R&D&I Management Systems".

The Madrid Regional Government has renewed the Madrid Exce-

lente seal for Ferrovial, Cintra Infraestructuras, Cadagua, Euroлимп, Ferroser Infraestructuras, Ferrovial Agroman, Ferrovial Conservación, Ferrovial Servicios and Autopista Madrid Sur Concesionaria Española.

Madrid Excelente is the Madrid Regional Government’s guarantee mark, which recognizes and certi-fies the quality and excellence in company management aimed at promoting business competitiveness.

Cadagua obtained the environmental statement validation certi-ficate for the Campo de Cartagena joint venture in the Valdelentisco Desalination Plant, in accordance with EMAS regulations.

Cespa, the head company in the urban services business, has renewed its EMAS certificates for the company’s center in Barcelona, for the Collection and Recycling Center of El Puerto de Santa María and for the Urban Services center of the Duty-Free Zone in Barcelo-na, in accordance with the new EMAS III Regulations (these were the first certifications under the new regulations). It has also regis-tered the “Zalla Landfill” in EMAS for the first time.

MANAGEMENT INDICATORS
CORPORATE SCORECARD

The key management indicators defined in previous years were maintained in 2011. The Carbon Footprint is one of these indicators.

These indicators are a selection of those established by the divi-sions to control their main processes and are systematically sent to Ferrovial’s Quality & Environment Department.

The following table highlights the most significant indicators measured on our corporate scorecard.

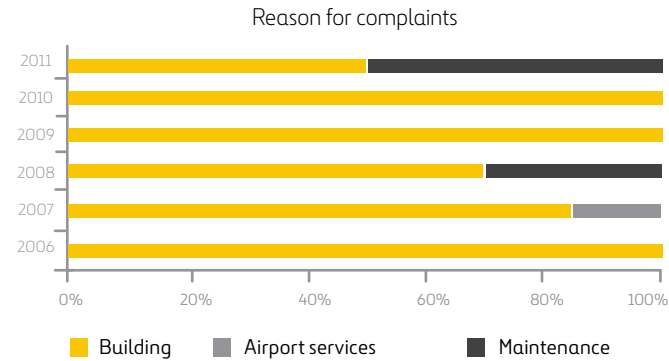
Area	Main aspects and processes measured by the indicators
Ferrovial	<ul style="list-style-type: none"> • Carbon Footprint • Energy efficiency in buildings
Construction	<ul style="list-style-type: none"> • Effectiveness of worksite quality plans • Incidents reported at building sites • Close of complaints received by the end of the year
Infrastructures	<ul style="list-style-type: none"> • Toll road accident rate • Saturation of concessionaire toll lines • User satisfaction (through surveys)
Maintenance, cleaning and upkeep	<ul style="list-style-type: none"> • Undefined contract conditions • Service incidents and complaints index • Customer satisfaction (through surveys) • Road infrastructure accident and incident response time • Road infrastructure repair response time
Water treatment, urban solid waste and biosolid thermal sludge drying	<ul style="list-style-type: none"> • Flows treated without incident • Discharge incidents • Response time for carrying out corrective work orders • Customer satisfaction (through surveys)
Urban services	<ul style="list-style-type: none"> • Customer and user satisfaction (through surveys)
Amey	<ul style="list-style-type: none"> • Customer satisfaction
Airports	<ul style="list-style-type: none"> • Customer satisfaction (waiting lines, cleanliness, service, etc.) • Time spent waiting in lines

The monitoring of the indicators seeks to establish targets for im-provement based on specific actions.

QUALITY-RELATED COMPLAINTS

All the businesses have internal procedures in place which establish the methodology for detecting, identifying, recording and moni-toring complaints made by customers about products or services. When a complaint is received through the complaint forms or by letter, e-mail, verbally, etc., a com-plaint file is opened with the complainant’s data, the reason for the complaint, and the actions needed for resolution. Subsequently they are analyzed and im-provement actions are established.

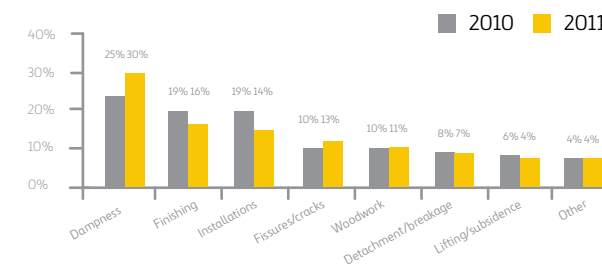
The Quality & Environment Department of Ferrovial handles any complaint that has not been satisfac-torily resolved by the business areas and which the client has channeled through Ferrovial reques-ting a solution.



In 2011, 4 complaints were received, 2 relating to buildings in Spain and 2 relating to maintenance. The number of complaints received continues to decline, given that the company has not been in-vol-ved in real estate development, which was the main reason for the complaints. Complaints were resolved in less than 3 weeks.

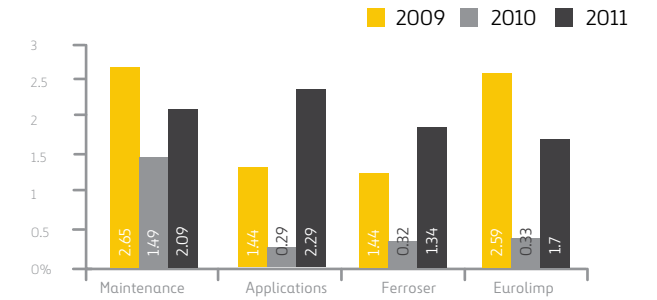
Ferrovial Agroman received 121 complaints relating to quality issues, and the percentage of com-plaints closed by the end of the year was 64%. Complaints pending closing are being managed in ac-cordance with the established procedure. Breakdown of indications compared to 2010:

Breakdown of symptoms 2010 and 2011



The number of good practices files related to dampness will be increa-sed in order to reduce this particular complaint.

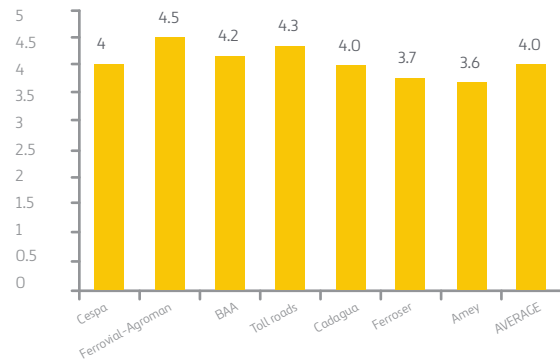
Average complaints, warnings and reports received per contract



Ferroser has a management indicator to measure the volume of complaints received by number of contracts. This study will give rise to actions to prevent them from recurring or minimize their conse-quences. It must be taken into account that the value obtained is calculated according to the total number of contracts implemented with the Quality & Environment System. They have decreased com-pared to previous years, which means that the indicator has increa-sed. The number of complaints in this period increased and one of the causes for this was the acquisition of two new types of activities – sports management and PRM (people with reduced mobility). All complaints received are closed, or steps have been taken for their closing and solving.

CUSTOMER SATISFACTION

As established in Ferrovial’s Quality and Environment Policy, one of the objectives of the Company is meeting user and customer ex-pectations. Customers and users are at the heart of everything the company does. The company strives to offer them the best expe-rience as users of the infrastructures and services.



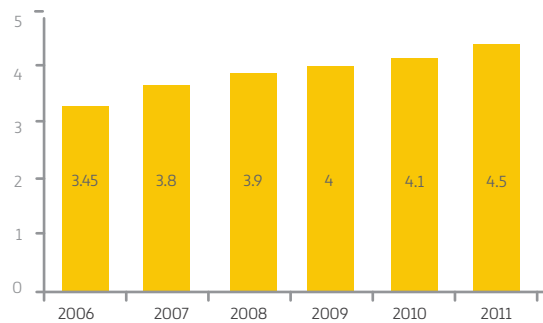
The different business areas carry out periodic surveys of customer expectations and satisfaction. The analysis of the results obtained enables us to identify the strengths and weaknesses in the company's performance in order to establish actions for improvement.

Customer satisfaction is very high across the different activities performed by Ferrovial, with an average score of 4 points on a 1 to 5 scale at corporate level (0.1 point lower than in 2010).

Ferrovial has an e-mail address where complaints, suggestions and comments can be sent (dca@ferrovial.es).

• **Ferrovial Agroman**

Customer satisfaction (Ferrovial Agroman)



Ferrovial Agroman sends satisfaction surveys to its customers on an annual basis. The rate of replies received in 2011 was 30%. The questionnaires consist of two parts: one with specific assessment questions about important and precise aspects relating to the customer-company relationship; and another including questions with no specific assessment, open to customer opinions and comments. The questionnaire analyzes the customer's perceived opinion on four aspects: commercial activity, bids, execution and after-sale.

Customer satisfaction with Ferrovial Agroman has improved year after year, particularly in the execution and after-sale stages. Gradual consolidation of the GREPA application for managing incidents arising in housing, has helped improve the rating in the after-sales phase.

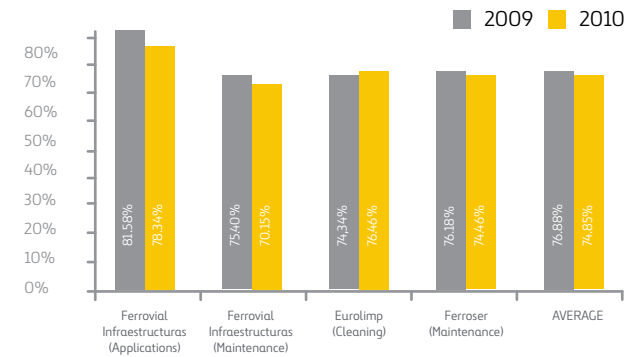
In 2011, 670 visits to worksites were made in order to implement or assess quality plans. The average rating for the visits was 7.

In 2012, matters relating to the documentation distribution control, the NC register and waste management will be closely monitored.

• **Ferrovial Servicios**

Before 2011, the contract manager used to deliver and collect the surveys personally. They were then sent to the Ferroser Quality, Environment & R&D&i Department where they were analyzed and the executive report prepared.

In 2011, the CAWI methodology was used for sending surveys by Internet. This has the following advantages: low cost, sampling control, response quality control, fast availability of results, ease of implementing changes. They are classified into three blocks: commercial, products and services, and execution.



Ferroser Infraestructuras received the highest satisfaction rate in Applications activity, despite suffering a slight drop compared to 2009.

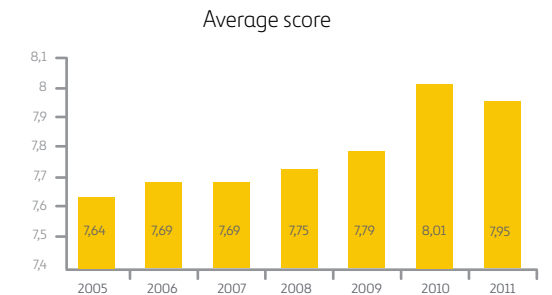
Euroлимп (cleaning), on the other hand, exceeded its 2009 results, with 76.46% in 2010.

• **Cespa**

Once again this year, Cespa has conducted the Customer Satisfaction Measurement Campaign in order to find out the level of satisfaction of its customers with the services provided and meet one of the requirements established in the ISO 9001:2008 standard. In the 2011 Campaign, customers whose service was provided in any of the following situations were surveyed:

- Those which took part in the 2010 campaign.
- Those facilities where quality systems were implemented during 2011 or where such systems were in the process of being implemented.

A total of 880 surveys were conducted.



The results of the analysis of Overall Satisfaction with Cespa was 7.95 points (slightly lower than in 2010, but much higher than the results from 2007 to 2009), on a scale of 1 to 10; 68% of satisfied customers gave a score above 8 (71.6% more than in 2010) and there were only 1.8% of dissatisfied customers who gave a score below 5; in 2010 the figure was 1.1%). This does not mean that Cespa customers are more dissatisfied than in 2010; it means that more people rated the company as acceptable (30.2% of scores between 5 and 7) than satisfactory (over 7 points).

The breakdown of the scores by type of service is as follows:

- Landfills: 7.69 (125 surveys).
- Industrial collection and transportation: 7.57 (435 surveys).
- Chemical clean-ups: 8.33 (3 surveys).
- Health services: 8.22 (300 surveys).
- Composting: 8.00 (5 surveys).
- Hazardous waste treatment: 7.58 (12 surveys).

The highest-rated points were equipment, manual work, clerical and commercial teams, and documentation.

Thus, it can be said that Cespa customers are "markedly satisfied" with the services received. Improvement actions will be proposed and carried out throughout 2012, and new tools will be implemented to increase customer satisfaction.

Cespa carried out the following actions in 2011 in its policy of continuously improving the level of customer satisfaction:

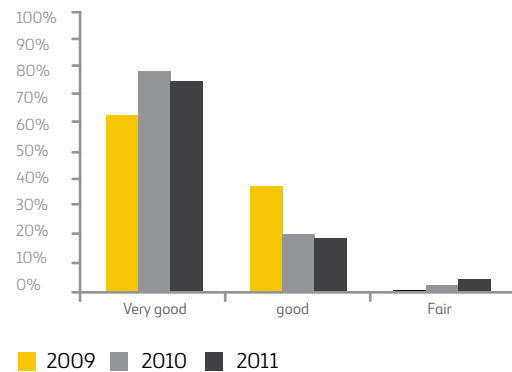
- Gave courses aimed at improving customer treatment and complaint management, particularly among commercial and clerical staff in the centers in Tres Cantos, Guadalajara SU, La Oro-tava, Talavera SU, Castellbisbal, Molins de Rei, Sant Vicenç dels Horts, Badia, Sant Just Desvern, La Garriga, Bagés and Ecoparc IV.

- Developed an electronic billing application for industrial and public service customers, which will be implemented gradually as the customers' systems are adapted; there are plans to start using it with the Vigo Port Authority in 2012.

- Developed the ETER Project (Standardization of Electronic Waste Processing) to improve management, accessibility, availability and processing of information relating to industrial waste; its level of development varies according to autonomous region.

• Cintra

Customer satisfaction (Eurolink)



A number of satisfaction surveys were conducted to find out the level of user satisfaction of the Irish M3 and M4 toll roads. They consisted of 5 short questions (frequency of use, reason for using the toll road, method of payment and general opinion on the toll road and the service provided). 75.5% of users had a "very good" opinion of the service.

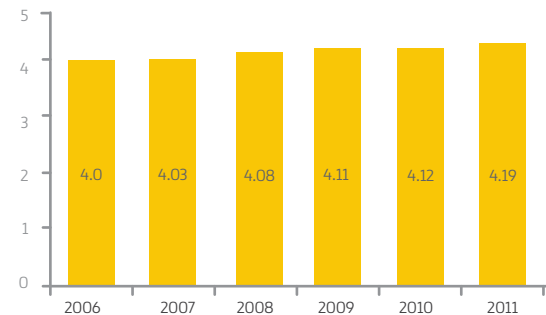
The Indiana Toll Road (USA) conducts surveys using various means: website, delivered at toll booths and via e-mail. The results for 2011 concluded that 77% of the users were satisfied or very satisfied with their i-zoom (electronic automatic toll payment device) and 87% considered that the help received from the customer service department had been "excellent" or "very good". The results are considered to be "very good."

In Spain, two types of surveys were conducted on the Radial 4 toll road, where 28% of respondents were highly satisfied and 47% were moderately satisfied. For the Madrid-Levante toll road, 12% of respondents were highly satisfied and 85% were fairly satisfied. The results show a positive trend and are considered to be "very good."

• BAA

BAA has implemented a system called QSM (Quality of Service Monitor) for conducting surveys among the passengers arriving at or departing from the airports and who use the airport's services (parking, restaurants, stores, etc.). Passengers are asked to score the service received on a scale of 1 to 5.

Overall satisfaction with the airport



In general terms, the overall level of passenger satisfaction with the airports is "very good", 4.19 points in 2011. The scores have improved in recent years at all the airports.

One of the highest-rated aspects was the waiting time at security control points. At Aberdeen airport, 99% of passengers waited less than 10 minutes. At Heathrow airport, 96.89% of passengers went through these security controls in less than 5 minutes (1.89 points above the goal set). At Southampton airport, passengers waited 4 minutes on average, and at Edinburgh airport they waited 4.13 minutes. At Stansted airport, 97.7% of passengers went through security in less than 10 minutes. At Glasgow airport, 95.1% of passengers waited less than 5 minutes and 99.1% waited less than 10 minutes.

ATENCIÓN AL CLIENTE

Certain business areas have formal customer communication channels integrated into their after-sales or customer service departments. This is the case of Cespa, which has independent customer service structures at each facility. For public contracts, these service requirements are usually laid down in the customer's bid specifications, while for private contracts each work center uses a switchboard to channel the inquiries to the most appropriate person.

Most of the toll road concessions have their own customer service departments. For example, the 407 ETR toll road in Toronto (Canada) not only has a call-center, but also other innovative services for dealing with the suggestions or complaints of users who wish to contact the Customer Center in person, or prefer to send them via regular mail, e-mail or fax, which are dealt with directly by the Customer Care Team. Similarly, Chicago Skyway, Autema, Ausol, Radial 4, Madrid-Levante, Cintra Chile and Eurolink all have customer service websites and specific telephone numbers.

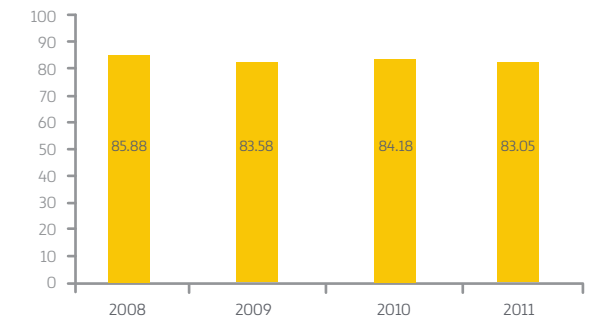
Ferros, Eurolimp and Ferroser Infraestructuras receive and manage customer breakdown notifications through their call centers. These departments are channels for ascertaining any opinions, doubts and/or complaints from users or customers.

When a close relationship exists with customers, as is the case of construction or water treatment, customers contact the person responsible for the contract directly.

Ferrovial has an e-mail address where customers can send their complaints, comments or doubts (dca@ferrovial.es).

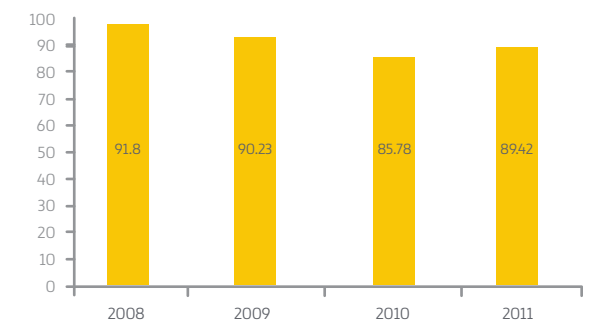
• Ferroser Infraestructuras

Percentage of defects and deterioration dealt with in less than 48 hours



As regards road maintenance, Ferroser Infraestructuras measures the responsiveness in the event of road defects or damage (road surface, overpass construction work, signs, lighting, etc.). In 2011, 83.05% of all defects and damage were repaired in less than 48 hours. This figure is in line with the results recorded in previous years and is somewhat lower than in 2010.

Accidents and incidents dealt with in less than 1 hour as a percentage of total



Ferrosier Infraestructuras also measures the speed with which road accidents or incidents requiring swift action in order to prevent risks and damage are dealt with. This indicator has remained stable in recent years.

RELEVANT PROJECTS

• Normateca and Ambienteca

Through the Ambienteca and Normateca applications and its internal procedures, Ferrovial guarantees compliance with current regulations and legislation, fulfilling one of the principles of its policy “The value of commitment: We are an organization that fulfills its commitments. We abide by current legislation and fulfill the agreements signed with customers and users, ensuring the quality and safety, as well as environmental performance, of products and services.”

The Ambienteca application enables business managers to find out about environmental legal requirements that apply to a particular contract in Spain. In addition, the user can run open searches of legislation by topic, activity, area, title or code.

Over the year, 1,519 technical regulations were added to the Normateca (technical regulation library).

• GREPA (After-Sales Incident Management)

By using the GREPA application, Ferrovial Agroman speeds up the management of incidents that appear during the after-sales phase. In 2011, 9 property developments were added to the database – 984 housing units had 11,057 after-sales incidents. These figures, together with 26 previous property developments, provide the following indicators: 35 property developments; 3,351 housing units; 54,309 after-sales incidents, with average number of after-sales incidents per housing unit of 16.

The application has achieved its objective of improving customer satisfaction in the after-sales phase.

• SIC (Integrated Quality System)

Ferrovial Agroman has implemented SIC across 100% of its worksites, and Cadagua, in 92.31% of its sites. This application can be used to prepare and monitor Quality Assurance Plans at the worksites. Thanks to the direct access environment, information can be transmitted and data made available in real time.

• Cespa

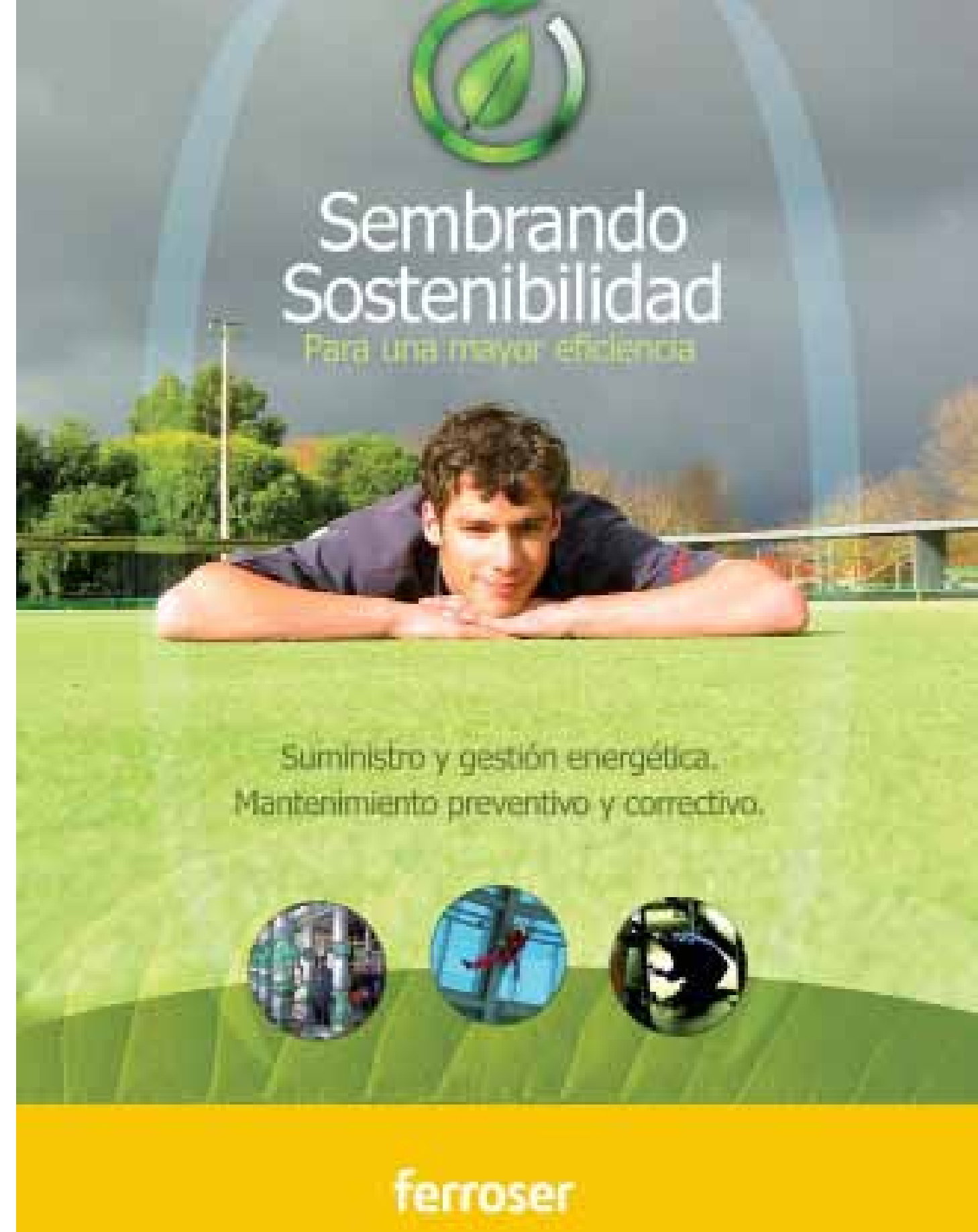
The following important or improvement projects in the area of quality and environment were carried out in 2011:

- MIRAT, a practical guide for application of the risk analysis and report drafting methodology, is now complete. The methodology was presented to the employers’ organization CEOE in October 2011. Cespa agreed together with the CEOE to send it to the Ministry of Agriculture, Food and Environment. A meeting is planned soon with the rest of the members of ASELIP to communicate the results of this presentation, and also with the new Director of Quality and Environment from the Ministry of Agriculture, Food and Environment.
- NEO (Standardization for Operational Excellence) project. This is a strategic project that reviews internal procedures with the aim of identifying points of improvement or best practices to be shared. The main aim is to achieve higher efficiency and to increase the quality of the services provided.

In order to communicate the developments in the project, Cespa created “NEOcias”, available on paper or online, so that the entire company can be involved in this strategic project.

• EMMOS

Ferrosier is developing a computer tool called EMMOS (Energy Management and Monitoring Operational System) to control energy consumption and monitor the efficiency measures taken at the facilities, alarm control, etc. It will enable remote control of energy efficiency of all the services contracted under this arrangement. The project started in 2010 is still being developed in line with the goals set initially.



GOALS

CESPA

Cespa has monitored compliance with applicable requirements (legal and contractual) and risk management. To this end it has conducted technical audits at its centers in order to identify the environmental risks and, where necessary, carry out the corrective actions needed to address them: 47 technical audits planned for 2011 were conducted, in accordance with the 2011-2012 Biennial Technical Audit Plan.

In order to involve all stakeholders in quality and environment management, the company has established awareness-rising training actions for all employees at least every three years, it has put in place dialog mechanisms with stakeholders so that they can engage with the content of the sustainability report, and has partnered the Public Cleaning Business Association (ASELIP) in the completion and implementation of the Standard Environmental Risk Report (MIRAT) for waste treatment facilities.

Some of the goals for 2012 include the implementation of the Quality and Environment Management System in the “Ecoparque de Toledo” ecopark center, and the certification as per the ISO 9001, ISO 14001 standards and EMAS III regulations. The Customer Portal will be given a technological renewal to improve the range of services provided and to facilitate customer communication with Cespa.

FERROVIAL AGROMAN

Ferrovial Agroman has monitored and checked the control of topography equipment on site. In order to disseminate and share knowledge, the number of best practice sheets relating to dampness and façades (Building) and to sub-bases and spread mortar (Construction Work) was increased.

The ISO 14001 certification system was implemented in Portugal and the OHSAS was implemented in the UK.

Digital filing of relevant construction work documentation such as authorizations, tests and hazardous waste has become standard; and a follow-up will take place during 2012 to ensure that the goal is met.

CADAGUA

Cadagua has drawn up a Quality Plan for Bids based on the UNE-ISO 10005:2005 standard, which will be updated according to the scope of each contract.

In order to disseminate and share knowledge, a best practice catalog has been created, based on the most common incidents in works and operation. 11 sheets have been made and will be published in 2012.

AWARDS AND DISTINCTIONS

CESPA

Equality in Talavera: Business 2011. Talavera de la Reina City Council’s Social Welfare Family, Women’s Affairs and Immigration Office has recognized Cespa S.A. for its participation in the Equality in Talavera: Business 2011 award.

Golden Bioenergy award. The waste management and environment association ATEGRUS (Asociación Técnica para la Gestión de Residuos, Aseo Urbano y Medio Ambiente) has awarded Cespa the Golden Bioenergy award for its BIOFUEL project, which aims to develop a new integrated waste treatment process for generating bioethanol.

ECOPLAYAS Flag Awards. At the 6th ECOPLAYAS Flag 2011 awards, Cespa once again received the awards won in previous years for the San Amaro, Riazor-Orzán-Matadero, Ozá and As Lapas beaches, in A Coruña; and for Panxón beach, in Nigrán, where Cespa provides beach maintenance services.

8th Murcia Region Energy Awards 2011. Murcia City Council and Cespa S.A. received a special energy efficiency mention for their measures to cut emissions in urban services at the 8th Murcia Region Energy Awards 2011, organized by ARGEM (Agencia de Gestión de Energía de la Región de Murcia) and the Autonomous Region of Murcia.

BAA

•Aberdeen airport received the British Safety Council’s International Safety Award, the National Recycling Stars Silver Award and the Gold Tidy Business Standards Award.

•Glasgow airport received the British Safety Council’s International Safety Award, the National Recycling Stars Silver Award and the Gold Tidy Business Standards Award.

•Edinburgh Airport was named best airport in Europe in its category by the Airports Council International. The jury highlighted both its operational excellence in many areas and its high level of service and excellent punctuality.

•Edinburgh airport also came fifth in the Airport Service Quality Awards.

AMEY

Amey was awarded first CEEQUAL Civil Engineering Environmental Quality prize in Scotland for its road management in the south-west of the country. CEEQUAL is an assessment system that aims to improve sustainability in civil works by assessing performance across various social and environmental aspects. This award recognizes Amey’s commitment to environmental quality and social welfare.

BUDIMEX

Budimex was shortlisted in the first round of the European Business Awards in the Environment and Social Responsibility category.

This competition gives Budimex the chance to make its mark as one of the best European companies. The fact that Budimex is representing Poland in Europe confirms that its leading position in that country.

FERROVIAL AGROMAN

The design and construction project for the Northern Ireland DBFO Package 2 highway, carried out by Ferrovial Agroman, has received the Construction Excellence Award 2011 in the Best Transport Infrastructure category. The assessment was based on the following parameters: customer satisfaction and commitment; health, safety and sustainability criteria, and public complaint management.

FERROVIAL

Ferrovial obtained the highest score in the Carbon Disclosure Project (CDP) 2011 report. For the second year in a row, it is on the Carbon Disclosure Leadership Index, which is the main CDP index. Ferrovial is also on the CPLI (Carbon Performance Leadership Index). In both cases, it has posted the highest result out of any Ibx 35 companies: 90 out of 100 – one point higher than in 2010.

The Carbon Disclosure ratings assess the quality and completeness of the information provided by the companies, taking into consideration best management practices relating to greenhouse gas emissions, energy consumption, progress in risk identification, opportunity development, corporate responsibility and governance, communication and results on climate change.

Ferrovial reached the second position in Fortune magazine’s Corporate Responsibility ranking, one of the most prestigious in the world. The keys to this great success are the excellent positions obtained in the nine parameters analyzed by Fortune. Of particular note is its first place on the Corporate Responsibility and Global Competitiveness ranking, and its second and third place in Service Quality and Innovation respectively.

CADAGUA

Cadagua received a distinction in the Global Water Intelligence awards, in the 2010 Water Company category. The award was presented by Kofi Annan, former General Secretary of the United Nations, during the Global Water Awards ceremony held on April 18 in Berlin.

Every year, Global Water Intelligence (GWI), the most prestigious publication in the water sector, recognizes world leaders in this sector. The Water Company of the Year category recognizes the company that has made the most significant contribution to international development in water treatment.

Cadagua was nominated because of its proven capacity to compete at the top of the international market and win, and because of its international expansion with the opening of offices in other countries and great achievements in the Middle East and Asia.

SPONSORSHIPS AND OTHER ACTIVITIES

CADAGUA

Once again this year, Cadagua sponsored the ESAMUR Annual Water Treatment and Purification Techniques Workshop, held with great success in November 2011, in Murcia.

With the slogan “Energy efficiency in waste water treatment”, the 7th edition of this workshop included an ambitious program with current topics in the sector, such as: electricity consumption and costs, use of alternative energy, aspects of design applied to energy efficiency, emerging technologies and con-trol methods.

Cadagua maintained and operated more than 160 facilities in the world. In Murcia, it is in charge of the maintenance of 10 plants, including the waste water treatment plants in San Javier, San Pedro, and Roldán, Lo Ferro and Balsicas. In San Pedro del Pinatar, MBR (membrane bioreactor) technology is being used.

Cadagua’s Maintenance and Operation contracts serve an equivalent of 21,000,000 people world-wide. These figures make Cadagua a leading Spanish company in the sector.

CINTRA

An aquatic ecosystem with a high ecological value was created within the Radial 4 toll road, in an old clean soil landfill. The company is working with the Madrid Regional Government to keep this ecosystem in the best possible condition.

BAA

- Member of Green Business Partnership

Heathrow Sustainability Partnership is a collaborative project to improve sustainability performance by working with Heathrow-based companies.

- Hydrogen as vehicle fuel
- Upgrades for the pollution control system
- Reduction of aircraft emissions, working with the Airport Operators Association Sustainable Aviation carbon roadmap

- Aviation promotion through the Global Sustainable Aviation Research Agreement with the Aviation Environment Federation
- British Airways and NATS in noise indicators and their forecasts
- Code of Best Practice

- Business Environment Partnership, with the program of practices in Scottish businesses and the community.

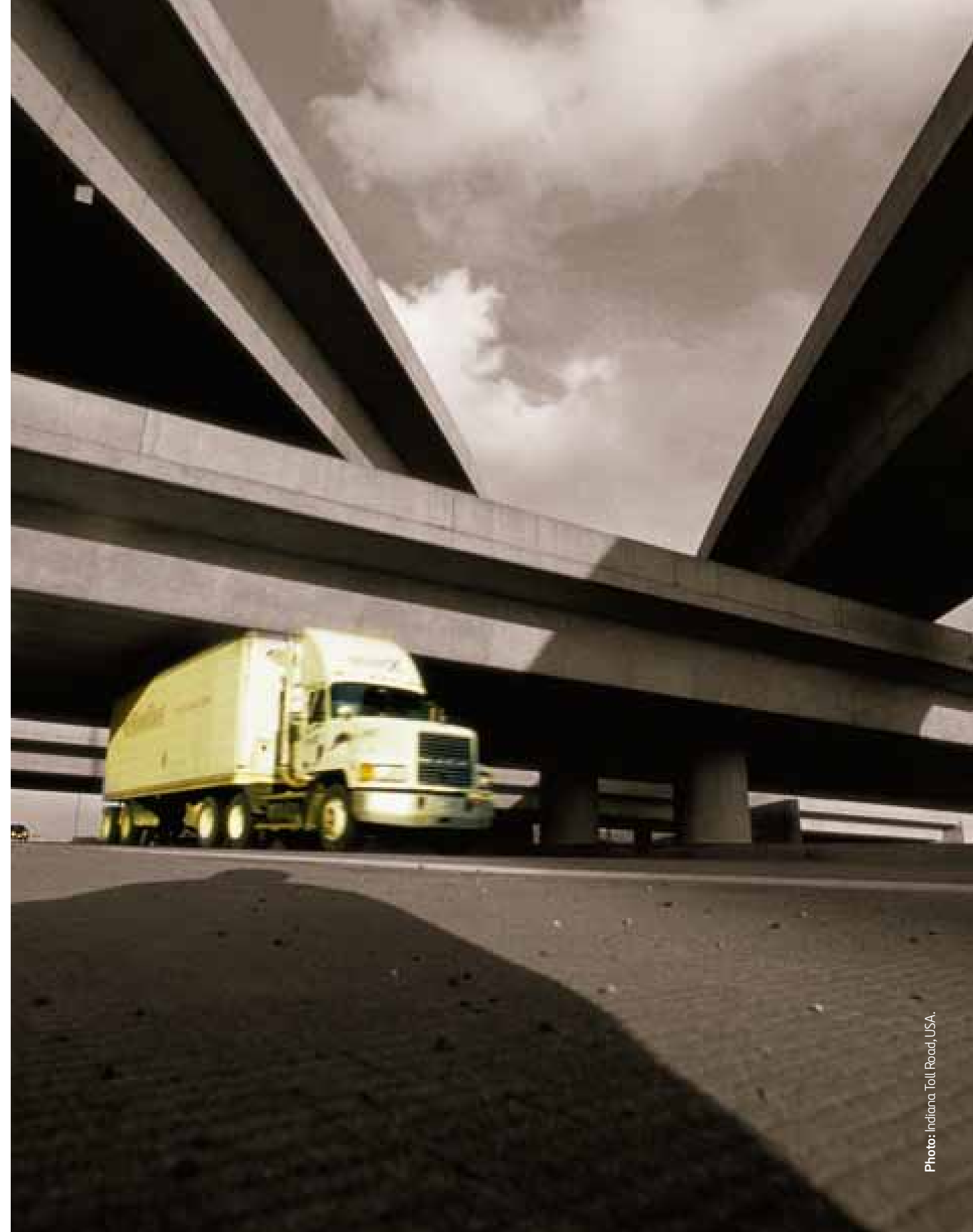
- Aberdeen Airport is working closely with the local Dyce Primary School to develop its environmental performance with financial, staffing and educational support. It also works with another local school, Blackburn Academy. The community’s association program works through community, national and local associations to give young people opportunities to use, enjoy and help to conserve Scotland’s natural heritage.

AMEY

Amey has implemented a scheme called “Community Involvement Day”, where each employee can be a volunteer for a day in the community. It took place over 127 days in 2011, and many of these days were used to work on the environment and on projects to extend collaboration with a range of environmental organizations.

FERROSER

More than 2,000 trees were planted to offset CO2 emissions from the energy used in 2010 at the Ferroser corporate headquarters (certificate attached).



Innovation

Ferrovial identifies strategic innovation as a tool for addressing the global challenges facing the world of infrastructure. In 2011 the company redoubled its efforts in this area, focused on developing its vision of intelligent infrastructure.

The world currently faces major challenges in terms of infrastructure management (growing urban populations, congestion and pollution problems, energy efficiency issues, sustainability, etc.). Ferrovial therefore pursues constant and systematic innovation as a key to tackling these challenges and creating wealth in a sustainable fashion.

Ferrovial sees innovation not only as a tool for improving productivity and competitiveness, but as a key source of value creation for all its stakeholders and society in general. With this in mind, it has established its corporate strategy and launched an action plan based on:

- A customer/business centric approach.
- Emphasis on solution implementation.
- Collaboration with industry, the public sector, universities and entrepreneurs, based on an open innovation model.
- Improvements to the innovation process.

Ferrovial has more than 100 innovation projects underway, with total investment in 2011 of 51.2 million euro. It has also registered more than 100 patents to protect its intellectual property in strategic areas of research. In addition, Ferrovial is a member of various organizations and participates in major public and private innovation initiatives worldwide, where it promotes an exchange of experience and best practices among the experts in the field.

• COMMITMENT

- Innovation practices will buoy competitiveness and value creation.

• LINES OF ACTION

- Coordinating strategy and global policy on innovation.
- Fostering R&D&i opportunities within priority business areas.
- Using and properly safeguarding results of R&D&i activities.
- Fostering a culture of innovation among staff by encouraging creativity and teamwork through the Ferrovial University training plan.

- Defining the core action areas for innovation, in order to develop and implement new technologies and methodologies.
- Establishing an innovation communication policy.

• 2011 MILESTONES

- Organization of Innovation Events for company executives.
- Launch of initial projects in partnership with MIT.
- Participation in the INNPACTO and INNPRONTA programs run by the Ministry of Science and Innovation, and in the EU's Seventh Framework Program.
- Organization of the First Meeting of Researchers into Intelligent Infrastructure in collaboration with the Alcalá de Henares University.
- Participation in the first "Pasión>ie, passion for innovation and entrepreneurship" forum, to create ties between the innovation community and industry.

• 2012 GOALS

- Found an awards program to recognize the most innovative ideas for overcoming specific intelligent infrastructure challenges.
- Boost innovation training via the corporate university, to support the identification and development of new business opportunities, and to explore new innovation management practices.
- Launch a channel to publicize initiatives and innovation partnerships.
- Use an external program to identify and assess innovative solutions to strategic challenges.
- Develop innovation projects in priority areas.

Innovation	2011	2010	Change 11-10
Investment in innovation (€ M)	51.2	45.0	14%

Note: this data reflects the company's investments in R&D projects (funded by the company or by public grants) as well as staff expenses and other related expenses. It refers to gross amounts and do not consider R&D subsidies received.

INNOVATION POLICY

Ferrovial pursues its innovation policy via an open innovation model. This involves creating an open process and ecosystem of partners to enhance the process through the exchange of ideas outside the organization.

Photo: LED lights, Birmingham, United Kingdom.

To this end, public sector and public sector companies, as well as other innovation centers, major companies, SMEs, entrepreneurs and innovative startups, are incorporated into each of the projects as partners. The innovation policy covers three levels:

1. A strategy that seeks to combine the innovation management models implemented by the business areas in order to establish best practices and address future challenges.
2. An innovation community that seeks to identify those individuals that hold responsibilities in this area and to foster an appropriate cultural climate.
3. Identification of the resources required (information, funding, vehicles) to support the innovation model at Ferrovial's business units.

INNOVATION MANAGEMENT

Ferrovial recognizes the importance of managing the innovation process in all areas of the company and of capitalizing on all synergies. This has led it to set up a Global Innovation Group, with representatives from all business units, which is responsible for defining state-of-the-art innovation and ensuring its consolidation. To this end, in 2011 Ferrovial senior management attended innovation forums where they shared best practices and their experience in innovation, as well as discussing new challenges.

Each business line has an innovation manager who is responsible for establishing R&D and Innovation policies, allocating human and material resources as required, safeguarding and exploiting the results, and representing Ferrovial in dealings with R&D&i organizations and forums.

Ferrovial Agroman and Ferroser have an R&D&i management system in place, designed in accordance with the UNE 166002:2006 standard, as certified by AENOR. This system ensures the utmost technical quality and profitability for the company's projects, while guaranteeing transparency in all R&D&i activities.

INNOVATION AREAS

Ferrovial focuses its applied technology development efforts on: the construction of infrastructure, transport, municipal services, water, energy efficiency and environmental sustainability. Its aim is to position itself as a national and international benchmark in the development of intelligent infrastructure products and services.

The company has established seven areas of innovation interest, in response to the challenges facing its business units:

•**Energy efficiency:** As part of its strategy of reducing GHG emissions and anticipating future regulations, projects are being developed in maintenance, auditing and energy efficiency optimization for buildings, reducing urban lighting consumption, and expert energy management systems.

•**Energy recovery from waste:** In response to questions of energy security (peak oil), competitiveness and climate change, projects are underway to recover energy from waste (such as used solvents, bittern, oils and various organic products of organic origin), both as a partial substitute to conventional fossil fuels and as a solution to treat or eliminate the growing volumes of waste generated by the consumer society.

•**Intelligent cities:** Projects are underway as part of the integrated municipal services initiative, based on operating excellence (efficiency), service quality (indicators) and environmental sustainability. The aim is to satisfy the innovation needs of the city of the future, with public-private partnerships that can reduce costs and improve quality of life for urban populations, while guaranteeing sustainable economic development.

•**Roads:** In the application of the latest infrastructure and vehicle technologies, projects are underway focusing on the use of new materials and construction methods (intelligent asphalts), improved traffic management, detection of high-occupancy vehicles and satellite tolls), as well as the design of more sustainable roads.

•**Water:** As part of the incorporation of novel technologies in this area, new water treatment processes and improvements to existing ones are being developed for projects related to energy and process optimization, both in the field of seawater desalination via inverse osmosis and waste water purification.

•**Construction:** Within the priority civil works and construction areas, the main innovative actions are chiefly in the railroad and transport field, as well as projects focusing on underground and

geotechnical construction, sustainability in construction and the use of new materials in infrastructure.

•**Airports:** Projects underway in this area include real-time airport management systems, the winter resilience program, automation of passenger processes, personal rapid transit (PRT), biometric monitoring at security control points and technologies to improve the passenger travel experience.

INTERNAL INNOVATION CENTERS

Ferrovial runs two Competitiveness Centers (asset and transport management), aimed at optimizing process management by identifying best practices and developing partnership projects.

The company also has two cutting-edge R&D&i departments: one dealing with water treatment (treatment of urban and industrial waste water and desalination via inverse osmosis) within its Cadagua construction subsidiary; and the other with waste management (controlled landfill processes, leachates treatment and recovery of materials and energy from waste) within the services company Cespa. Both also works closely with other research centers. Other companies carry out this activity in their own R&D&i departments, as does Ferroser, or in business innovation units, as is the case with Amey, BAA or the 407ETR, among many others.

In addition, the company has technical offices (Ferrovial Agroman, Cintra, etc.) that support its innovation strategy by designing and developing new technologies and processes, or by establishing partnerships with other research centers.

CENTER FOR INTELLIGENT INFRASTRUCTURE INNOVATION

The Center for Intelligent Infrastructure Innovation (CI3) is a pioneering business initiative within its field, based on a "Triple Helix" organizational model in which private enterprise, universities and the public sector participate to create an open innovation ecosystem.

In 2011, the CI3 took part in the European projects OUTSMART (applications platform for the city of the future) and FOTsis (European Field Operational Test on Safe, Intelligent and Sustainable Road Operations), as well as in domestic projects such as SOFIA and CIUDAD

2020. The latter was the only intelligent cities project to be selected by the INNPRONTA program, run by the Ministry of Science and Innovation, out of 40 proposals submitted.

The main projects underway include EMMOS (expert energy efficiency management system for buildings, urban areas and facilities), TOBO-SO (back-office system for highways), Green Assistant (virtual assistance for the public) and HEDISER (route optimization).

TRAINING IN INNOVATION

Ferrovial has its own corporate university with a training program that offers specific creativity and innovation workshops, and also generates new business opportunities, thanks to the Direct Management Program. In this program, business management methods are studied via an in-depth analysis of the various ways of approaching entrepreneurial management, its procedures and activities, looking at the entire entrepreneurial process from the identification of business opportunities through to the development of a business project (business plan).

AGREEMENT WITH MIT

In line with the open innovation strategy, in late 2010 Ferrovial signed a five-year agreement with the Massachusetts Institute of Technology (MIT) to work in partnership on research projects aimed at transforming cities and developing the infrastructure of the future.

Six innovation projects began in 2011, with MIT research groups working in coordination with Ferrovial business teams. The average duration of each project is 2 years, with total accumulated investment of more than two million dollars. The projects are:

- Automatic software to identify the ten most common energy consumption problems in buildings.
- Infrared scanning of buildings and rehabilitation based on energy efficiency.
- Measuring and optimizing urban lighting.
- Assessment of land movement caused by the construction of tunnels and its effects on adjacent buildings.
- Reduction of the carbon footprint of waste water treatment plants.
- Key factors for selecting toll roads for heavy vehicles.

COLLABORATION WITH UNIVERSITIES

Among the universities with which Ferrovial companies have concluded agreements are:

- Alcalá de Henares University
- University of Birmingham
- Valladolid University
- Girona University
- Granada University
- University of Manchester
- Newcastle University
- Rey Juan Carlos University
- University of Texas at Austin
- Valladolid University

It is worth noting that Ferrovial is part of the “Intelligent Energy” project run by five Spanish universities, which recently received the seal of approval as International Excellence Campus (CEI) from the Ministry of Education, Culture and Sports. This program aims to modernize the Spanish university system through innovation, as well as developing biotechnology and intelligent infrastructure.

CEI Intelligent Energy is a program that engages two current challenges facing society: first, the replacement of fossil fuels; and second, rational use of energy through the design and operation of more efficient infrastructure. Ferrovial contributes to this second challenge with its R&D program in intelligent infrastructure for optimal energy use.

Five universities are taking part (Rey Juan Carlos University, University of Alcalá, Cartagena Polytechnic University, University of Murcia and the University of Extremadura), together with public agencies (the Center for Energy, Environmental and Technological Research (CIEMAT), the Madrid Institute of Advanced Energy Studies (IMDEA Energía) and the Institute for Diversification and Energy Savings (IDAE)) and two private companies (Repsol and Ferrovial). Between them, there is a total of more than 9,000 researchers, a portfolio of over 700 patents and R&D investment in 2010 of over 250 million euro. This research capacity ensures the success of the project’s start-up and development.

SUPPORT FOR ENTREPRENEURS

At the same time, Ferrovial has worked alongside the IE Business School and Accenture at the first “Pasión>ie, passion for innovation and entrepreneurship” forum to create ties between the innovation community and business. This initiative has been publicized amongst the innovation community made up of universities, R&D centers, science parks and entrepreneur networks, to ensure that those with an innovative spirit can project their ideas within three categories: The City of the Future, Health of the Future and Retail Distribution of the Future. Ferrovial will provide guidance for two of the finalists in the cities area, “Ser Mobile” and the “Birth of energy in Spain,” by helping the entrepreneurs to focus their projects in line with market needs.

PUBLIC INNOVATION SUPPORT PROGRAMS

In 2011 Ferrovial was successful in five projects put up for tender by the Ministry of Science and innovation (INNFACTO, INNPRONTA):

- CITY 2020, dealing with the development of infrastructure and services for intelligent cities, in which Ferrovial Agroman has a significant role in the Energy and Efficiency work section, along with the support from the CI3.
- ITACA, for research into treatment, reuse and control technologies for the future sustainability of industrial and/or urban waste water treatment, in which Cespa is participating.
- SOFIA, for the development of a multidimensional information system for intelligent infrastructure, consisting of creating a platform of real-time sensors for highways that gather information on diverse events affecting infrastructure (climate data, status of structures, traffic, incidents), which is then managed at the control center. Ferrovial Agroman heads the project, in which Cintra and the CI3 are also taking part.
- N-OPTIMOX, for the construction of the world’s first plant demonstrating PANAMMOX® technology applied to the treatment of leachates, headed by Cespa in partnership with Girona University through the Chemical and Environmental Engineering Laboratory (LEQUIA).
- Optimization of water treatment at a waste water treatment plant (WWTP). Cadagua will research the application of advanced technologies for optimizing energy and general treatment at a WWTP, with three lines of research (a new nitrogen elimination process as post-treatment for anaerobic systems in urban waste

water treatment, the development of an innovative system for cleaning membranes and a study on cracking tar generated in the sludge energy recovery process).

Finally, Ferrovial Agroman has obtained funding from the EU Seventh Framework program for its “SEEDS” project (Self learning Energy Efficient buildings and open Spaces), which aims to develop a new real-time data delivery system on energy consumption, in order to improve the energy efficiency of buildings and open spaces. This system will allow buildings to learn continuously to maintain user comfort and minimize energy consumption and CO2 emissions. It will also optimize their performance in terms of comfort, energy efficiency, financial returns, efficient resource management, functionality and lifecycle value.

INNOVATION PROJECTS

As a result of the strategy and policies established by the company, Ferrovial’s businesses implement dozens of innovation projects each year, helping to improve processes, services and products. In 2011, Ferrovial invested 51.2 million euro and received 554,000 million euro for the following innovation projects:

• Energy efficiency:

- Measuring and optimizing urban lighting.
- Expert energy management system.
- Infrared scanning of buildings and rehabilitation based on energy efficiency.
- Automatic software to identify the ten most common energy consumption problems in buildings.

• Energy recovery from waste:

- Development of new absorbents based on recycled waste materials for application in hydrocarbon cleaning processes in the marine environment and the purification of biogas.
- Reuse of winemaking waste to produce biosurfactants and the bio-correction of contaminated soil.
- Development of a new comprehensive waste treatment process, with liquid biofuel generation as the final output.

• Intelligent Cities:

- Intelligent waste collection system.
- Route optimization.

- Virtual assistant.
- Silent waste collection trucks.
- Safe intelligent traffic lights.
- Intelligent city and services development platform.

• Intelligent highways:

- Dynamic charging.
- Key factors for selecting toll roads for heavy vehicles.
- Detection of high-occupancy vehicles.
- Video verification systems for traffic using artificial vision to interpret the images.
- Surface parking regulator sensors.
- New payment methods for infrastructure.
- Automatic detection of fraudulent behavior at electronic toll collection.
- Automatic lane system for ticket tolls.
- Field tests for safe, intelligent and sustainable road operations.
- Comprehensive control, signage and communication system for the safe and intelligent operational management of traffic in services and infrastructure.
- Vehicle fingerprint reading.
- Computerized road management system that improves service levels and reduces conservation and maintenance costs.
- Advanced back-office system for highway transactions.
- Automatic detection of congestion on toll roads.

• Water:

- Optimization of water treatment at waste water treatment plants (WWTPs).
- Reduction of the carbon footprint of waste water treatment plants.
- Research into treatment, reuse and control technologies for future sustainable waste water treatment.
- Advanced tools and techniques to optimize the design, operation and control of seawater desalination plants (SDPs).
- Advanced pretreatment for membrane ultrafiltration technology, to eliminate xenobiotics and natural organic material (NOM) in drinking water processes.
- Technologies to reduce, reuse and recover the waste generated from the sludge gasification process at WWTPs
- Processes to minimize sludge production, recover nutrients and optimize energy consumption in waste water treatment.

- Advanced technologies for removal of nutrients and xenobiotic chemicals in waste water treatment
- Construction of the world's first demonstration plant using PANAMMOX® technology applied to the treatment of leachates.
- Biological treatment of leachates via partial nitrification and anaerobic oxidation of ammonium using the PANI-SBR and ANAMMOX process.
- Partial nitrification and anaerobic oxidation of ammonium in digestion processes at an urban WWTP using anammox biomass.

• Construction:

- Buildings and open spaces with energy-efficient self-learning systems.
- Assessment of land movement due to the construction of tunnels and its effects on adjacent buildings.
- Multi-dimensional information management system for intelligent infrastructure.
- Development of a building sustainability assessment methodology.
- Strategic research into safer and more sustainable highways.
- Clean, efficient and environmentally friendly construction.
- Foundations in sensorized rock mass.
- Research into new concepts in structural composite materials for long-span isostatic bridges located in port areas.
- Development of new technologies for enhanced final durability of structures based on the use of pre-tension techniques.
- Development of a new technology to improve the durability of acoustic shielding for transport infrastructures.

• Airports:

- Automatic border control.
- Personal rapid transit (PRT) system.
- Real-time airport management.
- Winter resilience program.
- Security line management.
- Self-check-in for luggage.
- Automatic boarding.
- Technologies to improve the passenger experience.
- Clean fuels.

Supply Chain

• COMMITMENT

Treat the supply chain as a key factor in the company's sustainable development strategy.

• LINES OF ACTION

Encourage suppliers and subcontractors to adopt principles increasingly in line with the Corporate Responsibility policy.

Base relations with suppliers on a methodology that includes CSR criteria.

• 2011 MILESTONES

Modification of the current models of orders and contracts, with more emphasis on Corporate Responsibility aspects.

• 2012 GOALS

Create a methodology for classifying suppliers according to CSR criteria.

Ferrovial considers relations with its suppliers and subcontractors are an essential part of its business activity. Both sides seek mutual benefit by joining their forces and creativity in order to offer customers higher quality services, while guaranteeing compliance with the Principles of the Global Compact and respect for the environment.

Ferrovial aims to establish long-term relations with its suppliers as far as possible. It encourages greater communication and collaboration with its suppliers and subcontractors. The Construction Division has worked throughout 2011 to develop a new IT purchasing system that improves communications with suppliers.

Supply Chain	2011	2010	2009	Change 11-10
Number of suppliers*	61.354	60.911	54.280	1%
Suppliers evaluated	8.415	9.876	7.456	-15%
Suppliers rejected	685	735	131	-7%
Suppliers certified in Quality, Environment and Human rights (%)	19.2	27	14.44	-29%
Supplier incidents	607	303	664	100%

*This figure has been obtained by using country-specific revenue data, so there are suppliers that have been counted more than once, although the impact of this is very limited.

GLOBAL PROCUREMENT COMMITTEE

A new corporate-level committee called the Global Procurement Committee was created in 2011. The aim is to ensure the continued coordination, monitoring and control of global procurement activity in Ferrovial, in order to:

- Take advantage of synergies between businesses, and thus save costs by aggregating volume.
- Share best practices.
- Improve the global procurement function.
- Improve mutual knowledge.

The committee is headed up by Federico Flórez, CIO of Ferrovial, and composed of all the purchasing managers of the different business divisions. It is responsible for approving procedures, guides and recommendations on purchasing in the company. A manager is appointed for each purchasing project, making it easier to identify the synergies in the group and use volume aggregation in purchasing practices, thus saving costs. The Global Procurement Committee meets every four months. It also has other objectives, such as promoting studies of Best Practices in the industry, and participating in workshops and conferences with experts.

Photo: Construction of the Terminal T2A, Heathrow airport, London, United Kingdom.

PROFILE OF FERROVIAL SUPPLIERS: LOW RISK AND LOCAL PURCHASING

In 2011 Ferrovial had relations with 61,354 suppliers, including suppliers, leasers and subcontractors. It is worth highlighting the fact that most Ferrovial suppliers belong to OECD countries, so they are considered low-risk in terms of Human Rights violations and compliance with labor and environmental regulations. Therefore, no specific analyses in addition to legal compliance are included.

By geographical area, 48.4% of all suppliers are contracted in Spain, 19.7% in Poland, 15.2% in the United Kingdom, 7.2% in the United States and 9.3% in other countries. Local suppliers represent the majority in all the markets in which Ferrovial operates.

In Ferrovial Agroman, the total number of suppliers with which the company worked in 2011 is 24,457, of whom about 80% are Spanish; but in the breakdown by countries the number of local suppliers is around 95% of the total, given that the nature of the construction business promotes the use of local suppliers. However, given that the company operates worldwide, in the case of the most important purchases prices are checked internationally with the aim of using the competitiveness offered by other markets around the world.

CERTIFIED WOOD

In its contracts, Ferrovial requires its wood suppliers to provide information and guarantees on the origin of their materials. Since 2005, all orders and purchasing contracts include clauses setting out the contractual obligation that the material supplied must be of a guaranteed origin.

Ferrovial uses wood as an auxiliary material, and it thus does not constitute a critical element for its commercial operations, except in the case of housing construction. In this case purchasing specifications establish technical, quality, environmental etc. requirements that must be met by the materials supplied, among them wood and materials that use wood in the manufacturing process.

In addition to this, in 2011 Ferrovial Agroman established and implemented an action plan for the control of the legal origin of wood and wood-based construction products, with a particular focus on the highest-risk woods.

Starting in 2012, under the agreement signed by Ferrovial with the WWF Iberian Forest and Trade Network, new joint actions will be undertaken that will exercise greater control on the origin of wood and its derivative products.

Given that in most of the work executed by Ferrovial Agroman the projects are designed by another company (not Ferrovial) contracted by the Customer, the use of certified materials depends on the Customer, although if Ferrovial's advice is sought it always recommends the use of certified wood.

USE OF RECYCLED MATERIAL

Ferrovial undertakes to increase as far as possible the use of recycled materials or products manufactured using recycled materials in its operations. With this aim, in 2011 Ferrovial Agroman carried out a survey of its main suppliers covering the activities in which these products are most likely to be included. It will be supplemented and updated with new surveys over the coming years.

The aim is to have systematic information available on the use of these materials in its operations. Ferrovial Agroman's goal for 2012 in Spain is the creation of a database of suppliers of recycled and recyclable products.

GREEN PURCHASING

Ferrovial pays attention to the environmental aspects of construction activity, particularly in terms of the use of recycled and recyclable materials. The Purchases Department has an IT application for knowledge management called *icompras*, which enables information to be exchanged between national and international production centers. In 2011 a section called "Ecological and Recycled Products" was added to this application as a way of collecting and disseminating information about these kinds of products.

This database includes information about commonly used products with environmental improvements, ranging from paving and acoustic insulation materials made with recycled cork, to street furniture, signposting and piping. This information will be supplemented starting in 2012 with the database of suppliers of recycled/recyclable products outlined above.

Examples of specific green purchasing actions in 2011 in the Construction Division in Spain include:

- Starting in December 2011, replacement of all paper for normal use by 100% Blue Angel certified recycled paper.
- Purchase of aggregate made from recycled concrete.
- Replacement of PVC tubing with polyethylene tubes, which are considered more environmentally-friendly.

The Services Division has prepared its own green purchasing guide that includes specific products, equipment and manufacturers for its own needs.

The database is a useful tool for preparing construction tenders for customers, and also after the project has been assigned:

- All the tender bids include the greatest proportion possible of construction materials that are recycled, reused or environmentally-friendly, and also include the certificates that guarantee these characteristics. The database provides information quickly and simply and is constantly updated during the process of preparing the bids.
- Once the project has been assigned, the information contained in the database is used to identify the best opportunities in terms of costs.

COMMUNICATION WITH SUPPLIERS

Suppliers are one of the most important stakeholders for the company. Because of this, it has established a fluid dialog with its suppliers to train them and make them aware of key aspects of responsible management. It therefore keeps in constant touch with the main suppliers in the following ways:

- Quarterly meetings, as established in framework agreements with the relevant suppliers. These framework agreements include collaboration commitments covering R&D&i, the environment, health and safety and support for disadvantaged groups.
- Surveys to update or extend the information available on suppliers, in 2011 specifically related to environmental matters.
- Communication of incidents detected during operations.

- Training meetings, particularly focused on subjects related to occupational health and safety.
- A summary report of Ferrovial activities that is sent to the main suppliers in order to enhance mutual understanding and increase trust.
- A corporate website where suppliers can access the purchasing management section containing information about the most important purchases.
- Whistleblowing channel available for general use on the Ferrovial corporate website.

One example of this communication are the 21,207 surveys carried out on suppliers, 27% more than in 2010. There were 24,546 meetings with suppliers, 5% up on the figure for 2010, and the number of forums increased by 34% to 165 meetings.

BUYER'S CODE OF ETHICS

Supplier management and relations in Ferrovial should be based on a rigorous, ethical and effective bond. The Buyer's Code of Ethics was updated in 2009. Among the changes was the need to stress compliance with the Corporate Responsibility rules in procurement, both from the point of view of the source of products and the labor force used in their manufacture. This document supplements Ferrovial's Code of Ethics and applies to all Purchases Department staff in the Construction division, who are trained in the Code and required to acknowledge their commitment to it in writing.

The aim of the document is to draw up the general lines of action for day-to-day work in purchasing, without aiming to cover all the possible situations exhaustively. The Code specifically establishes the following principles, which must be taken into account in all purchases:

- **Ferrovial's general interest:** This is the overarching goal of any negotiation.
- **Integrity:** An immediate supervisor must be advised of any direct or indirect conflicts of interest arising from family connections, personal ties, financial interests or other factors. Employees involved in purchasing are prohibited from accepting special discounts or gifts valued at over € 90 in one year. Gifts of a lesser value may only be accepted if they are delivered to corporate headquarters.

The immediate superior must give prior approval for any invitations for trips, events or payment of company meals. The Code requires the purchaser to ensure compliance with the Corporate Responsibility rules and to promote the Principles of the Global Compact among suppliers.

- **Professionalism:** Professionalism is required to prevent overly-personal relationships outside the strictly professional realm with suppliers from interfering in negotiations. Information that may influence the final result of a concession must be treated in a formal way by the purchaser. The purchaser must also maintain an appropriate level of professional training.
- **Confidentiality:** Confidentiality is required for commercial or technical information related to the purchase in question and any other aspects that may affect the company's position in the negotiation, or benefit a particular supplier over others.

CORPORATE RESPONSIBILITY CLAUSES

In 2008, Ferrovia Agroman introduced a specific Corporate Responsibility clause into its supplier-partner agreements. These agreements are made with major suppliers.

Ferrovia has informed its suppliers of its adherence to Global Compact Principles, presented them with a copy of those principles and urged them to take them into account in their operations.

The Corporate Responsibility clause covers the following commitments by the supplier:

- Comply with the Global Compact Principles.
- Comply with all environmental and sector-based legislation applicable to any aspect of Ferrovia's activities or services.
- Comply with all health and safety rules and occupational safety commitments established at Ferrovia workplaces.
- Study possible collaboration with Ferrovia to carry out joint aid projects for disadvantaged groups.

Failure to comply with the requirements established in this clause could lead to a prohibition on contracting with the supplier in question.

It is important to note that a major step forward was taken in 2011 in this area when changes were made to Ferrovia Agroman's orders and contracts to require compliance by all suppliers and subcontractors with the Principles of the Global Compact. This change will be applied at a general level internationally in 2012.

• Human Rights Compliance

An analysis of Human Rights-related risks in the supply chain is conducted according to product-risk and country-risk, and in accordance with the methodology for supply chain management promoted by the Global Compact.

An analysis of the profile of suppliers, products and countries of origin does not reveal significant changes in supplier risk with respect to previous years. Ferrovia has a moderate-low level of risk. Most of Ferrovia's investments are in OECD countries or high-income countries according to the World Bank classification, whose legislation recognizes and guarantees respect for Human Rights, which is why the risk of non-compliance by suppliers has been rated as low.

The goal for 2012, coordinated jointly with Ferrovia's Communication & Corporate Responsibility Department, is the definition of criteria for classifying suppliers in relation to risk in matters related to Human Rights and Corporate Responsibility, in accordance with the Principles of the Global Compact.

CONSTRUCTION

Approximately 40% of all Ferrovia's suppliers are in the construction industry. In the Construction Division, the Purchases Department is responsible for managing relations with major suppliers so that clients can be offered higher quality and better services. In addition, long-term relationships can be achieved wherever possible that provide the maximum benefit for both parties. One of the division's responsibilities is to improve communication between suppliers and project managers, in order to help solve any problems that may arise.

The Construction Division has a Purchases Department that coordinates purchasing policy at a global level and manages purchases in which global negotiation (through economies of scale) and/or international market knowledge contribute value.

The Purchasing Manager is one of the members of the new Global Procurement Committee.

In 2011 this department was incorporated into Ferrovia Agroman's new Corporate Resources Department. Other areas included in the department to improve coordination between them are Quality, Prevention and the Environment.

The goal for 2012 is to implement a new internationally applicable purchasing procedure adapted to each individual country. It establishes a new category of coordinated purchase management at international level, which will be managed jointly between the purchasing managers of each country and the Purchases Department of Ferrovia Agroman.

Ferrovia's established purchasing principles, policies and processes aim to comply with customers' requirements by optimizing prices and meeting deadlines and the quality, prevention and environmental requirements specified, while at the same time maintaining the greatest possible profitability.

PURCHASING POLICY

Purchasing policy is formally organized through individual procedures at country level that are based on a single general model with basic principles and rules. It regulates the complete purchasing process, from the identification of needs, planning of purchases, request for bids, study of offers, negotiation process, selection of the supplier and process of approval, preparation of order/contract, reception of products and services and assessment of compliance with quality, safety and security, the environment, and compliance with supply and service deadlines.

Corporate Social Responsibility and quality and environmental policy are being increasingly mainstreamed into purchasing policy.

PURCHASING PROCEDURES

Purchasing procedures at Ferrovia Agroman form part of the Quality and Environment System, which is certified under the ISO 9001 and ISO 14001 standards.

The basic principles are:

- Benefits from economies of scale and centralized purchases when they add value.
- Coordinated purchasing between different countries.
- International/global vision of the supplier market.
- Transparent purchasing process.
- Use of company IT systems to manage purchasing knowledge and help control the purchasing process in itself.

PURCHASING MANAGEMENT

In order to optimize the purchasing process, the Construction Division has unified purchasing procedures and supplier quality monitoring at a global level in those countries where it operates. The common principles and working methods allow treatment of key aspects that are uniform at company level, yet tailored to each country's specific features. As a result, purchasing can be managed globally. Each country's main purchases are known and needs can be aggregated worldwide for the most important products and services. This ensures that all purchases are made in the best possible price conditions from suppliers that accept the technical, quality, social, environmental, etc. requirements, thus guaranteeing equal opportunities in the contracting process.

The procedures apply to all purchases (or leases) of products and services included in the Process Monitoring Plans / Quality Plans that call for specific environmental requirements, or those with a significant economic impact. The following is guaranteed in all cases:

- Wide range of bids.
- Uniform information and fair treatment of suppliers.
- Justified selection process, with established approval levels based on competitiveness.
- Strictly professional relationship with suppliers.
- The procedure regulates the complete process, as indicated above.

Purchasing policy classifies its management for this purpose into three categories:

Centrally managed purchases: These are for products or ser-

VICES that are uniform across different projects, with a reduced number of suppliers in the market and a high volume of frequent purchases. They are managed centrally in each country to obtain the best conditions by negotiating large volumes.

Purchases managed jointly between the Purchases Department of the corresponding country and the different sites: These are for products or services that are not uniform (different for each project), with a reduced number of suppliers in the market and a high volume of purchases: Here the best conditions can be obtained by coordinated negotiation with the projects.

Decentralized purchasing management: The rest of the purchases are managed directly with the project sites, with the support of the Purchases Department of the country in question, at the request of the project managers.

Given the knowledge that the Purchases Department of Ferrovial Agroman has about the main purchases managed at international level, it participates jointly with the purchasing managers of each country in all those countries where global management can contribute value through volume or relevance.

In all cases, the purchasing system guarantees that the purchases and services comply with requirements regarding quality, environmental performance, safety and security, and delivery times, in the best possible conditions.

The purchasing process is as follows:

- Identification of purchasing needs and purchasing planning. The project manager identifies the purchasing needs and includes them in a Purchasing Plan, which remains updated in accordance with the schedule and progress of the works. He/she then prepares the specifications for the purchases, which are included in the orders and contracts. This is done with the aid of a database of standard specifications included in computer purchasing applications, and the Integrated Quality System (SIC).
- Request for bids. The project manager or the Purchases Department, depending on the type of purchase or what has been agreed with the site, prepares the request for bids via the Inter-

net or traditional means, including the documentation needed to guarantee that the supplier knows the quality and specifications required.

- Reception of bids, preparation of the comparative table, negotiation and selection of the best bid. The number of suppliers must be extensive to guarantee that the process is competitive. The bids are included in a comparative table, which is used to analyze the bids received and to prepare the negotiation. If the number of suppliers is under three, the person who prepares the table must justify this in writing. The negotiation process with suppliers must not end until the project manager or person managing the purchase is reasonably sure that the best conditions possible have been obtained, with the assistance of superiors or the Purchases Department where deemed necessary. To boost the transparency of the purchasing process and encourage new suppliers, Ferrovial has a specific space on its corporate website where it publishes the main purchases managed at any time. The bids have to be standardized so that selection of the supplier is objective.

- Award of the purchase, approval and permits. The Purchases Department or the project manager, depending on who manages the purchase, selects the best bid. If the bid selected is not the most competitive, the decision has to be justified. Before the bid is accepted, the Company Suppliers Catalogue must be checked to make sure that the selected supplier is not listed as “rejected.” The proposed award must be approved in writing at least by the immediate superior, and depending on the volume of the purchase, at a higher level.

- Preparation of the order or contract. The purchases must be formalized through orders or contracts that comply with the Company’s models, and must be signed by people with authorization on both the supplier’s and the Company’s side.

- Reception of materials and work carried out by subcontractors. The control at reception of materials and equipment, and of work carried out by subcontractors, guarantees that the quality received matches the technical specifications of the contracted goods.

- Invoicing and payments. Invoices are received and checked on site or at the corresponding production center, to ensure that the items invoiced agree with what has been received. A computerized system is in place to control invoicing and payments, thus ensuring that the invoiced amounts and thus payments to suppliers do not exceed what has been contracted.

- Supplier evaluation: monitoring supplier quality. The project manager at each site evaluates the most important suppliers.

SUPPLIER EVALUATION

The construction division controls and monitors the quality of suppliers through evaluations carried out by project managers when the supplies/works are complete, or annually for long-term supplies or works, or when incidents occur, as soon as they are detected.

The factors evaluated are: meeting deadlines, quality and technical capability, and meeting price specifications, as well as environmental performance and health and safety, which have a relatively higher weight than the rest of the factors. Any supplier with three incidents in a year or with very serious non-compliances, becomes “rejected.” This prohibits him from working with our Company for a minimum period of 3 years. When a contract with a rejected supplier is required for exceptional circumstances, authorization is required from the Purchases Manager.

INCIDENTS

A total of 334 incidents relating to suppliers in the Construction division were registered in 2011. Of the 209 incidents in Ferrovial Agroman, 5 were related to health and safety, 9 to the environment and 7 to both factors. The Purchases Department has made all the suppliers with incidents recorded aware of the problems and the need to resolve them and/or prevent them from recurring at other sites, given that otherwise they will become “rejected” suppliers.

Of all the suppliers and subcontractors working with the Company in 2011, 8% underwent an evaluation process. Of the total evaluated, 309 registered incidents and were therefore warned as indicated above.

SERVICES

Ferrovial Services promotes stable bonds with its suppliers through the creation of framework agreements that strengthen communication and guarantee the purchasing and award processes.

Amey, the infrastructure and public services management subsidiary in the United Kingdom, carries out over 90% of purchases through strictly controlled centralized agreements that comply with these policies. Amey is highly committed to working proactively with its suppliers. It is concerned with protecting the environment and promoting innovation, offering its customers quality products and services that are reliable and respect the highest ethical standards.

Since 2008, the Management Committee of the Services Division has unified its business with the main aim of increasing synergies between both units and improving earnings. The Purchases Department was created at the same time to improve purchasing management as part of the integration process of these companies, thus unifying processes and making the most of synergies to achieve improvements in purchasing power.

From then on, the Purchasing Department set the following objectives for the NOA (negotiation + optimization = savings) project:

- Standard processes and support systems for the purchasing function.
- Full traceability over the purchasing cycle, from the source of the order to reception and payment.
- Optimization of the authorization process, with information received in real time.
- Optimization of supplier payment monitoring, thus reducing the number of invoices and improving efficiency.
- Improved control of documentation of the subcontracts and agreements within the organization.
- Savings through improved purchasing conditions by taking full advantage of the volume of business.

The characteristics of the organization and the NOA project made it essential to involve the different areas of the company (finance, quality, TI Ferroser, Ferrovial Grupo de Sistemas), as well as the purchasing area.

The team carried out an exhaustive analysis of all the contracting tools in the organization, as well as the tools that exist in the market.

The foundations for optimizing the procurement system and the Ferrroser Purchasing Model were established with the participation of Grupo Ferrovial's Systems Department and an external agent.

The main levers for improvement were as follows:

- Strengthening and reorganizing the purchasing organization model.
- Unifying and standardizing authorization, procurement and the purchasing process throughout the whole organization.
- Implementing a standard system that will support the new procedure.
- Establishing a negotiation plan for services and supply activities.
- Full e-management of the order-invoice cycle.

It was an efficient purchasing model that covered the whole process, from the detection of a need to payment. All purchases above a certain volume are now automatically referred to the new Purchasing Department to be negotiated. There is also an online supplier communication portal, for which suppliers must be authorized by the purchasing heads before registration.

The initial implementation phase of the model was completed in 9 months for more than 400 business units, with training provided to over 600 users in different areas for the new model and procurement platform.

Given the diversity of suppliers and the need for local contracting, the Purchases Department has developed a significant centralized negotiating procedure that reduces the number of suppliers of products and services such as safety barriers, painting, signing, prevention of Legionnaires' disease, elevator maintenance and cleaning products. This has been supplemented by negotiations with local suppliers for fire protection, equipment tools and electrical equipment.

In line with Ferrovial's philosophy, the Services Division maintains a policy of diversity of suppliers and promotes local purchases and contracts, thus supporting the societies where it operates. The Services Division carries out most of its activity in Spain and the United Kingdom.

AIRPORTS

The Purchases Department in this division is common to all the airports. The goal of the division is to contribute maximum added value in the purchasing process, with the aim of obtaining the highest level of commitment from suppliers and building loyal long-term relations with each of them.

Each airport has a multidisciplinary purchasing team that knows the market in which it operates and the requirements of each process. The experience of each purchasing team allows them to identify the best suppliers. The large volume of purchases also gives greater negotiating power on prices, time frames and conditions.

PURCHASING POLICY

The BBA supply chain policy aims to create the maximum negotiating value possible and to minimize risk for the company by the use of the best procedures. It is based on the following principles:

- Preference in purchasing shall be given to approved suppliers.
- All approved suppliers shall be selected in accordance with the procedure established by BAA for the purchasing process.
- All approved suppliers must meet the Corporate Social Responsibility requirements established by BAA.
- Companies related to BAA that act as suppliers shall receive the same treatment as the rest during the process.

Social commitment

• COMMITMENT

- Support socioeconomic development wherever the company operates.
- Ferrovial's social action is linked to its "Intelligent Infrastructure" positioning.

• LINES OF ACTION

- Plan community investment as a tool to assist in the development of societies and protect the environment wherever Ferrovial operates.
- Work with governments, NGOs and other social agents on projects and activities related to social development, environmental conservation and occupational safety.
- As a global company, confront the problems of the planet and in particular engage in the fight against poverty.

• MILESTONES 2011

- Conclusion of the Maji ni Uhai cooperation project, with 100% of the objectives met.
- Implementation of the Social Infrastructure program with two projects selected, one in Peru and the other in Tanzania.
- Completion of the design of the Ferrovial voluntary work program.

• 2012 GOALS

- Have an instrument available for channeling social and corporate volunteering activities.
- Implement a training plan for businesses within the plan to publicize Ferrovial's "Intelligent Infrastructure" positioning.
- Set up a policy and procedure for sponsorship and social action.
- Have an own methodology available for assessing the impact of Ferrovial's social action.
- Involve 5% of structural personnel in Spain in community help and set up a Ferrovial corporate volunteer portal.

In 2011, Ferrovial invested € 47.8 M in community investment, 2.08% of EBITDA. The company carried out 853 social action projects that have benefited more than 1,500,000 people. One of the priority areas for action is the development of efficient, accessible, clean and caring infrastructures.

Community investment	2011	2010	Var 11-10
Net job creation (%)	-30*	-6.6	N.A.
Community support projects	853	574	49 %
Social investment in the community (million €) *	47.8	56.9	-16 %
Social investment as proportion of EBITDA (%)	2.08	2.26	-8 %
Beneficiaries of social projects	1,696,938	934,985	81 %

*This variation is due to the change in scope of the campaign in 2011.

Voluntary contributions amounted to € 7.2M, while obligatory ones totaled € 40.6 M. Most obligatory contributions (€ 40 M) correspond to compensation due to the construction of a third runway at Heathrow Airport. The multiplier effect from contributions made by third parties has been of an additional €2.5 M.

In 2011 the company launched the Social Infrastructure program, a model of good practices in the management of community projects for other companies, as it consolidates an innovative model of cooperation on basic social infrastructure development in water and sanitation in collaboration with two reputable NGOs: ONGAWA and Plan España.

Photo: Pupils in the kindergarten. Rutana.

In 2011 the Dow Jones Sustainability Index recognized and recommended the London Benchmarking Group (LBG) methodology to inform on companies' community investment. Ferrovial has been using this methodology since 2007. It is an innovative high-quality model that improves on and unifies criteria for classifying, managing, measuring and communicating initiatives in the community.

The LBG methodology classifies community investment into eight areas: education and young people, economic development, social welfare, health, arts and culture, and the environment. The following chart illustrates the breakdown of investment in 2011 by these areas of action.

Ferrovial's voluntary contributions were allocated to the following areas:

Areas	Contribution in 2011 (% total)
(% Total Vol.)	
Education and young people	22.95
Health	5.48
Economic development	5.98
Environment	17.12
Arts and culture	7.68
Social welfare	11.08
Emergency relief	0.32
Other	28.87

Ferrovial aims to develop community projects that are consistent with its business model and the societies in which it carries out its activities. Hence, the countries in which it has made its biggest community investment are the UK and Spain, the geographical areas that concentrate most of the company's activities.

The breakdown of voluntary contributions by country is as follows:

Country	Contribution (€)	% Voluntary
Burkina Faso	35,000	0.5
Canada	163,507	2.3
UU.EE.	136,486	1.9
Spain	3,899,277	53.8
Greece	15,191	0.2
Haiti	24,921	0.3
Poland	44,366	0.6
Portugal	25,541	0.4
UK	2,653,118	36.6
Tanzania	250,736	3.5
Total	7,248,142	100

The breakdown of voluntary contributions by business is as follows:

Business	Contribution (€)	% Voluntary
Services	1,497,795	20.7
Corporate	2,149,277	29.7
Construction	840,905	11.6
Toll roads	540,814	7.5
Airports	2,219,351	30.6
Total	7,248,142	100

COMMUNITY INVESTMENT POLICY

Ferrovial's new Corporate Responsibility strategy, the 20.13 Plan approved in 2010, confirms the company's strategic vision of community investment, which it considers an instrument for the development of society and the environment in which it operates.

The Plan sets up a Corporate Responsibility Committee to ensure the correct application of the criteria of consistency and sustainability in community projects supported by the company. The Committee is composed of the directors of corporate areas and one representative from each business (12). In 2011 it approved 12 projects for which each contribution was

more than € 15,000 (€ 1,814 M in total). For more information about the CR Committee, see the section on Corporate Responsibility Policy in this Annual Report.

Three priority community investment areas have been defined that concur with the nature of Ferrovial's business and its possible impact:

- **Social Infrastructure.** Two projects were selected from a total of 29 presented. Basic water and sanitation infrastructure project will be implemented in collaboration with the NGOs ONGAWA and Plan España and with the participation of the company's professionals. The ONGAWA project will be carried out in 2012 in Tanzania, and the Plan España project will be carried out in 2012 and 2013 in Peru.

- **Accessibility to public spaces and buildings.** Ferrovial undertakes to use its know-how to adapt public spaces and buildings to people with mobility problems.

- **Restoration of historical monuments.** The company's commitment to the arts and culture is manifested through reconstruction and restoration projects on buildings of historical interest.

The following criteria are also taken into account when selecting community projects:

The **continuity** of the projects through medium and long-term alliances with entities in the Third Sector that have proven reputation and transparency. Ferrovial is active in numerous multi-sector organizations in the Third Sector. These include the Spanish Association for the Global Compact (ASEPAM), of which Ferrovial is a founding partner, Fundación Lealtad, Fundación Seres, Forética and the London Benchmarking Group (LBG) Spain. Ferrovial also participates actively on the Corporate Responsibility committees that have been created in SEOPAN and CNC in order to establish common ground in this matter. It is involved in the National Higher CSR Board (CERSE) through various professional and Third-Sector associations.

Sustainability of projects, both financially and institutionally, in order to avoid generating dependency in the communities that receive assistance from Ferrovial.

The multiplier effect. Ferrovial communicates its experiences and good practices in social investment through forums to serve as an example to other institutions. It encourages campaigns that raise awareness of global problems. In 2009 it published the Maji ni Uhai documentary on the problem of water in Tanzania.

Promotion of employee participation in the company's social commitment through corporate volunteers and the involvement in "matching gift" initiatives such as Juntos Sumamos (Stronger Together). In 2011 this initiative selected an Intermon Oxfam project in Burkina Faso and the continuation of Maji ni Uhai in Tanzania with AMFREF-Flying Doctors.

LOCAL DEVELOPMENT

Value creation ⁽¹⁾	Million euro		
Economic value generated	2011	2010	2009
a) Revenues			
Sales	7,446	12,169	12,232
Other operating revenue	15	17	30
Financial revenue	181	172	167
Disposal of fixed assets	229	740	-620
Income by the equity method	18	53	69
Net result from discontinued operations (BAA deconsolidation)	165		
	8,054	13,151	11,878
Distributed economic value			
b) Consumption and expenses ⁽²⁾			
Consumption	2,366	1,486	1,487
Other operating expenses	2,258	4,588	4,584
c) Payroll and employee benefits			
Personnel expenses	2,018	3,422	3,423
d) Financial expenses and dividends			
Dividends	367	308	293
Financial expenses	542	1,818	1,672

e) Taxes			
Corporate income tax	63	44	-84
	7,614	11,666	11,375
Retained economic value	440	1,485	503

⁽¹⁾ Note: The difference between the figures presented in 2011 and those from the previous years lies in the fact that BAA left the perimeter of the Group's consolidation. The effect of the deconsolidation is shown in the 2011 financial statements of December 31 and in BAA's 2010 profit and loss account

⁽²⁾ Note: Social action expenditure is contained in the epigraph "Other Operating Costs" and detailed in this chapter.

LOCAL ECONOMIC DEVELOPMENT

As an infrastructure manager, Ferrovial's local economic development plays a fundamental role in the development of local economies. The nature of its business makes Ferrovial a key player in reducing geographical imbalances, as the provision of infrastructures in a region determines its economic development.

GENERATION OF LOCAL EMPLOYMENT

The company is also active around the world, where it creates employment at the local level and promotes sourcing from local suppliers. Ferrovial is currently present in 17 countries. Despite the economic crisis, Ferrovial has maintained job creation in the main markets where it operates.

LOCAL SOURCING

Ferrovial has a purchasing policy that is adapted to its international expansion, while maintaining the goal of strengthening long-term relations with suppliers and subcontractors. To achieve this, the centralized management needed to supply all of the company's projects is combined with a decentralized approach that allows local project managers to establish strong ties with local subcontractors, who in general have less global exposure.

By geographical area, 48.4% of all Ferrovial suppliers are contracted in Spain, 15.22% in the United Kingdom, 7.18% in the United States and the remaining 29% in other countries. Although the concept of supplier is not entirely the same in all the countries, given the type of

activities the company engages in, non-centralized suppliers contracted locally are classified as local suppliers.

Local suppliers are contracted predominantly in all the markets in which Ferrovial operates. This is true, for example, in Spain (about 63.36% of all Ferrovial suppliers are in construction, and Spain is the main market of Ferrovial Agroman).

LOCAL INVESTMENT

The company pursues social investment programs in the areas where it carries out its business activity. Hence, the countries that have benefited from most of the social investment are Spain (53.8% of total voluntary work) and the UK (36.6% of total voluntary work). These are the geographical areas that concentrate most of the company's activities.

The BAA airports are particularly notable for their excellent relations with local communities. In areas near airports, such as the communities of Thames Valley and Hillingdon in the case of Heathrow, BAA finances and develops job training programs help locals access jobs in the airport labor market and to train young people. In addition, solidarity funds are created to finance projects for social regeneration of the area or to support local charities (Groundwork Thames Valley, Hillingdon Community Trust, Stansted Airport Communities Trust, etc.).

Particularly important in 2011 was the commitment of CINTRA and Webber with the State of Texas (US) and its young people through the National Math & Science Initiative, which provides instruction for young people with low math and science levels in Texas.

LOCAL CONTRIBUTION - TAXES PAID

Ferrovial is aware of the importance of its contribution to the local economy and maintains a strict policy regarding its tax payments in the countries where it operates. (See Note 22 "Tax Situation" in the Financial Statements).

COMMUNITY PROGRAMS

In 2011, investment projects in the communities where Ferrovial operates were directly beneficial to 1,696,938 people, 80% more than in the previous year.

In 2011 Ferrovial invested 47.9 million euro in community projects, which represents 2.08% of EBITDA. Of this amount 7.3 million euro corresponded to voluntary contributions and 40.6 million to obligatory contributions.

Ferrovial's Corporate Responsibility strategy is confirmation of the company's strategic vision with regards to investment in the community. **One aspect that is common to all Ferrovial community programs is employee involvement in its charitable projects**, whether by professional volunteering, either on-site or at offices (social infrastructure program), or by choosing the projects that they wish to support (Juntos Sumamos program).

Based on the principles of this strategy, Ferrovial structures its community programs via open charity drives, ensuring transparency and quality in its community investment initiatives.

In addition to the Juntos Sumamos matching gift program, which has been running since 2005, in 2011 a new charity drive was announced, giving non-profit organizations the opportunity to partner with Ferrovial and getting Ferrovial employees directly involved in the action: **the Social Infrastructure program**.

Ferrovial is also a responsible donor that bases its donations on prior background information and subsequently checks the work of the NGO in question and the impact of the donation. The company works with Fundación Lealtad, a not-for-profit organization that aims to maintain the transparency and good practices of NGOs, and applies its recommendations in relation to the Third Sector. This collaboration guarantees that the counterparties with which the company works meet the standards of good governance and transparency.

The company has staff responsible for the monitoring and control of the quality of its community projects. This ensures that the funds are invested both appropriately and efficiently.

In 2011, Ferrovial carried out 855 community projects.

Main projects	Business	Scope	Contribution (€)
Maji ni Uhai, Amref Flying Doctors	Corporate	Economic development	237,418
"HEDISER" Project (application for optimization of waste collection routes)	Corporate	Environment	148,277
Stansted Airport Communities Trust	Airports	Social welfare	119,310
Music scholarships for the Violoncello Chair at the Reina Sofia Higher School of Music, run by the Albéniz Foundation	Corporate	Arts y culture	125,000
Global change monitoring program in the National Parks network, Fundación Biodiversidad	Construction	Environment	100,621
Sponsorship of the 2010-11 season of the Teatro Real, Madrid, Teatro Lírico Foundation	Construction	Arts y culture	78,726
Local economic development program "Heathrow Meets the Buyers"	Construction	Economic development	71,586
National Math & Science Initiative	Toll Roads	Education and young people	57,278
Red Cross Volunteering-Haiti	Corporate	Emergency relief	24,921

• Maji ni Uhai Cooperation project

Maji ni Uhai (Water is Life) resulted from the partnership between a company (Ferrovial), an NGO (Amref Flying Doctors) and local authorities to fight poverty. It is a cooperation project that has provided clean water and sanitation infrastructures to 51,000 people in Tanzania.

The project was completed in late 2011 after three years of work, with a budget of 1.8 million euro. The company provided 100% of the funding, the core technology for the project and volunteers to carry out technical studies and supervise the works.

Maji ni Uhai has contributed toward achieving the Millennium Development Goals as follows:

Goal 1: Eradicate extreme poverty and hunger. Lack of access to clean water leads to diseases affecting people and livestock, lower livestock production and the loss of potentially productive time due to the need to walk long distances to get water. In addition, the population's low level of health reduces productivity when working, and in many cases prevents productive activities from being carried out. This project has helped to reduce these negative effects on the economy. Maji ni Uhai has also promoted the creation of small businesses and the professional training of local technicians to maintain infrastructures. **1,500 people were trained in infrastructure management and maintenance.**

Goal 2: Achieve universal primary education. Children, and in particular girls (and women), are responsible for bringing water to the home. Access to clean water nearby will allow children to go to school, as the time spent on collecting water will be reduced. In addition, the lack of adequate sanitary facilities at schools makes most girls take time off school once a month due to their menstruation, and sometimes to leave school completely. The construction of latrines in schools, as included in the project, will help prevent these dropouts. **The proportion of schools with adequate hygiene infrastructures (latrines and tanks for hand washing) has increase from 8.3% in 2008 to 53% in 2011.**

Goal 3: Promote gender equality and empower women. Women are responsible for collecting water for domestic use, a task that takes 4 hours per day on average. The project has reduced this time to less than one hour, allowing women to use the time in productive activities, such as agriculture and small-scale commerce. Furthermore, access to clean drinking water has reduced family spending on health-care, which previously represented one third of their income.

The project enforced gender equality in Water Committees, requiring that all the associations it promotes be made up **at least by 50%**

women, both as users and in representative positions (chair, treasurer, or secretary). In addition, health instructor training was particularly targeted at women, as a way of ensuring their recognition among the community.

Goal 4: Reduce infant mortality. The main diseases affecting children in the area are diarrhea and parasitosis of the digestive tract. Both are the result of consuming poor quality water. The Maji ni Uhai project reduced the occurrence of these diseases: **malaria, from 3,500 cases in 2008 to 2,300 cases in 2011; diarrhea, from 1,000 cases to 250 cases; worms, from 600 to 250 cases; skin diseases, from 500 to 250 cases.**

Goal 5: Improve maternal health. The lack of clean water and adequate health facilities in clinics substantially increases the risk of infections during childbirth. By the end of the project, **100% of clinics in the area had sanitation and water infrastructures.**

Goal 6: Fight HIV/AIDS, malaria and other diseases. An essential aspect of this project was health training and the promotion of good hygiene practices, which notably reduced the occurrence of disease: **diarrhea, from 400 cases in 2008 to 250 in 2011; worms, from 1,100 to 400 cases; skin diseases, from 900 to 250 cases.** Works to improve reservoirs and other water points prevent the proliferation of mosquitoes and thus **malaria (from 4,000 in 2008 to 2,100 cases in 2011).**

Goal 7: Ensure environmental sustainability. The project has had a positive impact on its natural environment. On the one hand, **water coverage in the region has increased from 23% in 2008 to 89% in 2011.** Clean water and hygiene infrastructures in schools has increased from 8.3% in 2008 to 53% in 2011. Households with access to water and hygiene increased from 7% to 20.5%. **140 infrastructures** were built: 14 shallow wells, 14 deep wells, 3 gravity systems, 2 reservoirs, 23 tanks to capture rainwater, 44 latrines (with 5 compartments each), 37 wash tanks and 3 troughs. Ferroviai volunteers helped minimize the environmental impact of these infrastructures via corrective measures.

In addition, the construction of water troughs to prevent livestock from

drinking from rivers and streams will improve water quality by reducing bacteriological contamination and help preserve riverbank vegetation. Soil quality and protection also improve thanks to adequate sanitation.

Goal 8: Develop a Global Partnership for Development. The innovative aspect of this project is that it is an alliance between an NGO, Amref Flying Doctors, local authorities in the Serengeti region and a private company, Ferroviai. **29 Ferroviai employees worked side-by-side with the NGO's experts in Tanzania, the Serengeti authorities and the communities themselves,** sharing their know-how.

The quality and innovative nature of the project was recognized in 2010 with numerous awards, such as the European Environment Award for Companies granted by the European Environment Commission, the Codespa Charitable Company Award, and the World Business and Development Awards organized by the International Chamber of Commerce, at which it received a special mention.

• **Social Infrastructure cooperation and volunteering program**

Ferroviai again showed active participation in cooperation projects, going beyond the traditional role of a mere funder by providing not only funds, but also technical assistance, technology and specialists to help carry out the projects.

The Social Infrastructure Program offers the following opportunities to partner with co-operation and development organizations:

- **Professional consultancy**

Ferroviai staff, with their various roles and skill sets (civil engineers, water engineers, architects and others), make themselves available to work with development NGOs and share their knowledge to benefit the NGO's projects, whether on-site or at offices.

In 2011 a pilot program began with the Red Cross organization. Volunteers from the Ferroviai Technical Department are now working from Spain to support the Red Cross' reconstruction projects in Haiti, providing technical consultancy and checking restoration designs for two schools in the Jacmel region. Three volunteers supervise the project, ensuring that the designs meet earthquake and hurricane resis-

tance requirements and comply with appropriate quality standards.

- **Active Cooperation Projects**

Ferroviai is committed to replicating the collaboration model between NGOs, companies and governments initiated with the Maji ni Uhai project in Tanzania. Ferroviai will offer aid to NGOs to support and fund water and sanitation supply projects by non-profit organizations working in Africa and Latin America, and will put its professionals at the service of international cooperation in projects in which they can add value.

In short, the Social Infrastructure Program will include projects:

3. Funded by Ferroviai.

- Managed through a Committee with representatives from the NGO and the company, in which the latter will act as a technical infrastructure adviser.

- That are able to attract volunteers from Ferroviai in accordance with the projects' needs.

In 2011, the short-listed projects were "Establishment of sustainable and accessible water supply systems in the counties of Maore and Kihurio, Same District, Tanzania" by the NGO ONGAWA, Engineering for Development, and "Sanitation, coverage, quality and access to drinking water for homes in San Marcos, region of Cajamarca, Peru" by the NGO Plan España. The projects will be carried out in 2012 and 2013 and volunteers from Ferroviai will take part in their design and management.

• **Juntos Sumamos (Stronger Together) donation program**

Ferroviai has been working on the Juntos Sumamos program since 2005. It encourages the company and its employees to work together to meet the global needs of society and stop Human Rights violations. This is a matching-funds initiative under which Ferroviai employees decide to contribute a monthly amount to a social project and the company doubles the amount donated.

Since its inception the program has grown steadily and so far the company and its employees have donated more than 650,000 euro to a variety of projects.

Ferrovia is a responsible donor that is actively involved in the projects in which it participates. Following the 2008 program, the company introduced a new procedure for selecting the projects to be funded in order to encourage the involvement of employees and increase the transparency of the whole process. It consists of a committee comprised of community programs experts from Ferrovia, who every year review the proposals put forward by NGOs and select the best projects to be submitted to the employees for their vote so that one can be selected.

When the subsidized project has been completed, the beneficiary is required to submit a final report on its financial and operational aspects, which is evaluated by the Ferrovia Community Programs Team. Moreover, to verify project quality and sustainability, an expert in cooperation spends a week at the project site. Photographs and videos are taken during this visit and subsequently presented to the employees so they can verify what their donations have achieved and make them aware of the importance of Human Rights.

Fight against malnutrition in Burkina Faso

“Construction of water facilities to fight against malnutrition in the municipalities of Kossouka, Ouagadougou and Zitenga, Burkina Faso” was one of the short-listed projects in the call for Juntos Suma-

mos aid in 2011. Intermón Oxfam has benefited from a donation of 70,000 euro for the project, which will improve the living conditions of 2,544 people.

In the central and northern regions of Burkina Faso, most families live on less than 0.68 euro per day, and the levels of malnutrition among women and children are considered to be an emergency. This happens because 80% of the population relies on agriculture with production that is weak and not highly diversified.

This situation is especially serious in a country that suffers frequent climate changes, with recurring droughts and floods, and has no farming techniques adapted to this reality. Furthermore, rising food prices since the beginning of the crisis in 2007 make it even harder to get food, other than what is grown at home.

One of the most successful solutions to this situation is growing vegetables to support traditional farming. As well as supplementing dietary deficiencies with vegetables, part of the produce is sold, thus generating substantial income for producers.

Vegetable growing, however, needs water supply points in the production areas because there is little water during the dry season. In order to solve this problem, this project will build four ponds, connected to two 500 m2 drip irrigation kits, and fifteen large-capacity wells (20/25 meters).

This project has particular impact on Millennium Development Goal 1 “Achieve universal primary education”, as well as a general impact on Goal 3 “Promote gender equality and empower women”.

Maji ni Uhai II

“Maji ni Uhai II (Water is Life II)” was the second short-listed project in the call for Juntos Sumamos aid in 2011. Amref Flying Doctors has benefited from a donation of 26,635 euro to extend the scope of the Maji ni Uhai project, which Ferrovia and Amref launched in 2008.

Maji ni Uhai is a water supply and sanitation project, which got volunteers from the company involved over three years. More than 51,000 people from the Serengeti region (Tanzania) benefited from the construction of wells, latrines and other water and sanitation infrastructures.

When the project ended, however, there were still communities left unattended and suffering the same problems as their neighbors did 3 years ago. To solve this problem, several deep wells have been planned in several areas identified as vulnerable in the Serengeti region. There will also be training in health, hygiene and community mobilization, and members of the water committees will be taught how to maintain the infrastructures.

With this second stage of the project, Maji ni Uhai will manage to increase the number of people with access to drinking water and sanitation services, which primarily has an impact on Millennium Development Goal 7.C “Halve, by 2015, the proportion of the population without sustainable access to safe drinking water and basic sanitation”. Other MDGs supported through this project are included in the “Maji ni Uhai Cooperation Project” section.

Educational reconstruction in Burundi

“Educational reconstruction in the post-conflict zone of Rutana, Burundi”, managed by Fundación Entreculturas, was the short-listed

project in the call for Juntos Sumamos aid in 2010, and was carried out successfully in 2011.

The Rutana I school opened up in September for 1,015 new students. Many of these children, from the Hutu ethnic group, were also returning to their homes, which they had fled with their parents during the worst part of the war. Others were born in the refugee camp and this was the first time they were able to use books.

Ferrovia and its employees donated a total of 90,000 euro to help build 12 new elementary school classrooms and 3 latrine units. Books were also purchased for all the Rutana I students and for other schools in the area, and 150 teachers and several parents’ associations were trained.

This project had a particular impact on Millennium Development Goal 2 “Achieve universal primary education”, as well as a general impact on Goal 3 “Promote gender equality and empower women”.

Environmental and social welfare programs in the community

Ferrovia is involved in social projects in all the communities where it is active. The aim is to improve the quality of life of people and care for their environment. The “Local Investment” section details the main projects undertaken in 2011.

The main environmental project carried out by the company in 2011 has been the Global Change Monitoring Program in the National Parks Network. Through its collaboration with Fundación Biodiversidad, Ferrovia promotes research on the identification, conservation and sustainability of biodiversity.

Furthermore, in 2011, Ferrovia launched numerous projects to provide assistance to persons with disabilities (such as job placement projects through the Integra Foundation Trust and the collaboration with Adecco Foundation and the AMPANS Special Employment Center) and the promotion of sports (such as the contribution to FUNDAL, Alcobendas Sports Foundation).

In the State of Texas (US), CINTRA and Webber collaborate with the Math & Science Initiative, which provides instruction for young people at risk of social exclusion, to improve their math and science knowledge.

Periods	Projects	Entities	Beneficiaries of the project	Donation (€)
2005	Construction of a Hospital in Ambato, Ecuador	Intermón Oxfam	80,000	54,790
2006 - 2007	Water supply for the rural population of Chad	Intermón Oxfam	5,000	167,041,14
2008	Expansion of the Las Salinas school, Madagascar	Fundación Agua de Coco	700	44,129
2008	Construction of a school in Chandur, India	Fundación Madreselva	285	17,689
2008	Improving food safety in Mauritania	Intermón Oxfam	9,000	29,211
2008	Study of the governance of cooperation in Tanzania	Intermón Oxfam		42,987,61
2009	Improving food safety in war-torn areas of southern Lebanon	Acción Contra el Hambre	2,025	90,000
2010	Emergency relief and reconstruction in Haiti	Acción Contra el Hambre, Congregación Jesús María, Cruz Roja, Intermón Oxfam y Plan España	5,900	117,082
2010	Educational reconstruction in the post-conflict zone of Rutana, Burundi	Fundación Entreculturas	14,083	90,000
2011	Fight against malnutrition in Burkina Faso	Intermón Oxfam	2,544	70,000
2011	Maji ni Uhai (Water is Life) II, Tanzania	Amref Flying Doctors	5,178	26,635
Total			124,715	632,483

Promoting arts and culture

Through its collaboration with various cultural institutions and artistic projects, Ferrovial supports the promotion and dissemination of culture, education and artistic creation.

Ferrovial has worked with the Fundación Albéniz since 2008 to sponsor the music scholarships in the Ferrovial Violoncello Chair at the Reina Sofía Higher School of Music. The aim is to train promising young musicians who are particularly gifted in playing this instrument.

Ferrovial also shows its support for the cultural activities of renowned institutions such as the Guggenheim Museum Foundation and the Teatro Real in Madrid.



Photo: Community project. in Peru. Oxfam / Cecilia Puebla.

Global compact evolution

Principle 1

Companies must support and respect the protection of internationally recognized fundamental human rights within their spheres of influence.

2002: Ferrovial adheres to the Global Compact and is committed to promoting and observing nine universal principles in the areas of human rights, labor standards and environmental protection.

The company has become the first Spanish construction group to be selected to join the Dow Jones Sustainability Index, a global benchmark index of companies committed to sustainability.

2003: Inclusion in the Corporate Reputation Forum, a meeting point to discuss and share corporate reputation trends, tools and models in business management.

2004: In its Declaration of Principles for Sustainable Development, Ferrovial states that it aims to create long-term value for shareholders, employees, customers and suppliers. Furthermore, it wants its business project to be recognized internationally, with its success based on the following principles:

- Ethical and professional conduct in all activities
- Use of best practices of corporate governance
- Support for socio-economic development where the company operates
- Reducing the environmental impact of its activities
- Recruiting and motivating the finest human resources
- The health and safety of workers
- Quality and constant improvement in processes and activities
- Transparency of information

As a member of the Corporate Reputation Forum, it promotes and subscribes to a Code of Ethics.

2005: Study on adaptation to the Code of Business Ethics, in order to comply with international human rights regulations, taking into consideration the “Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights”, adopted by the United Nations.

Inclusion in the FTSE4Good index, which assesses the social responsibility of companies based on their actions to promote sustainable development and respect for human rights.

Definition of a dashboard of management indicators, aimed at assessing the group’s human rights performance and detecting risk situations in advance.

2006: Identification of the key corporate responsibility issues for Construction and Services, based on consistent, comparable and homogenous analysis of materiality.

2007: Ferrovial announces its commitment to development at the United Nations Global Compact Summit (Geneva).

In accordance with the Board of Directors’ Regulations, the definition of Ferrovial’s policies on Corporate Responsibility is the responsibility of the Board of Directors.

Approval of the 2008-2010 Corporate Responsibility strategic plan “From responsibility to commitment”, which enhances engagement with the community by promoting the social integration of immigrants, the disabled and the elderly.

2008: New definition of Corporate Values, to instill in the organization a culture more in accord with the company’s diversity.

Constitution of a Stakeholders’ Forum, which seeks to discuss with stakeholders the structure and content of Ferrovial’s Annual Corporate Responsibility Report and to hear their suggestions.

2009: Gold medal in sustainability, according to the Sustainability Yearbook prepared by PricewaterhouseCoopers and Sustainable Asset Management (SAM).

Ferrovial is included in the prestigious “Eco 10” index, prepared by the financial daily El Economista, which selects ten companies based on the consensus of 52 investment companies managed by Dow Jones Stoxx.

2010: Launch of Plan 2013, a new Corporate Responsibility strategy aimed at binding CR to the company’s positioning in Intelligent Infrastructures: Efficient, accessible, clean and humane infrastructures to improve quality of life in their surrounding communities.

Second place in the field of Corporate Responsibility in the Most Admired Companies ranking from Fortune, confirming Ferrovial as one of the leading companies in sustainability.

Inclusion in the Triodos Bank Socially Responsible Investment universe, a benchmark for ethical banking, in recognition for the company’s commitment to the environment, culture and society.

European Excellence Award 2010 for its communication campaign regarding the merger with Cintra, awarded by Communications Director magazine in the Mergers & Acquisitions category.



Principle 2

Enterprises must ensure that their companies are not complicit in the violation of human rights

2002: For the second consecutive year, Ferrovial has published its Annual Report, incorporating the recommendations of the Global Reporting Initiative (GRI).

2003: Setting up of the Global Risk Management (GRM) system, covering all business activities worldwide, including subsidiaries over which Ferrovial has management control. The system covers risks with regards to quality, the environment, those linked to breaches of regulations and labor risks; particularly those related to the health and safety of employees.

2004: Setting up of a Code of Business Ethics, establishing the basic principles and commitments that all group companies, employees and executives must observe and comply with in the course of their duties. The document emphasizes the commitment to ensure that relations between the company, its employees and other stakeholders observe the principles of the law, ethics and human rights.

As part of the 7th National Environment Congress, the company submitted the report “Socially Responsible Investment. From values to action”.

Founding member of the new Services Companies Advisory Council of the Spanish Standardization Association (AENOR), aimed at promoting efficient adaptation of standardized management systems (ISO 14001) to the needs of the various stakeholders, as well as the peculiarities of the sector.

2005: Launch of an internal training program covering human rights aspects, including courses related to international standards and case studies on human rights, business and relations specific to HR and management systems for certain functional areas.

Launch of “Juntos sumamos” (Stronger together), a solidarity campaign in which the company donates the same amount each month that its employees decide to donate from their paychecks to a welfare project.

Survey on basic social corporate responsibility aspects, aimed at a number of suppliers representing around 46% of total purchasing in the construction business.

An event was held at which the company detailed its corporate social responsibility commitments, specifically as an adherent to the ten key principles of the United Nations Global Compact.

2006: “2015: “A better world for Joana”, an awareness-raising campaign amongst stakeholders on the challenges posed by the United Nations Millennium Development Goals.

Definition of a Strategic Purchasing Plan, to support responsible supply chain management, including human rights criteria.

2007: The Corporate Responsibility Report, in its complete version available on the Internet, includes the principles of the 1000AS Accountability standard.

Implementation of a Corporate Responsibility information system, to report non-financial information in a comparable and traceable fashion.

2008: Establishment of a Code of Ethics for purchase managers, with the general principles that govern dealings between the company and its suppliers, including compliance with the Global Compact Principles.

Creation of a new Corporate Risks Department, answerable to the CEO.

Participation in the United Nations Global Compact work group, in charge of preparing a guide to establish selection and assessment criteria for suppliers and sub-contractors, as well as assessing the risk of Human Rights violations.

2009: Extension and start up of a new comprehensive risk management system, Ferrovial Risk Management (FRM), adapted to the company’s growth and aimed at greater association between risk assessment and the targets threatened by such risks, including the principles of the Code of Ethics.

Introduction of corporate responsibility clauses in all Supplier-Partner agreements signed as of 2009.

2010: Creation of a Corporate Responsibility Committee to ensure compliance with the strategy and to validate projects over the next

few years. The committee members include representatives from the four businesses (Services, Airports, Toll Roads and Construction) and directors of corporate units (Human Resources, General Secretary’s Office, Environment and Communication and CR), and report to the Board of Directors and the Management Committee.

Launch of an online training course on business ethics.

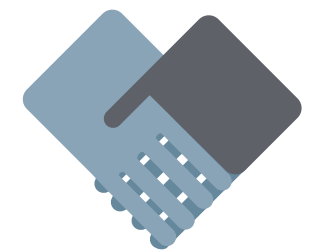


Principle 3

Companies must support freedom of association and recognize the right to collective negotiation

2008: A formal consultation process with employees as a result of the restructuring of BAA, via two committees (one for managerial positions and another for all other staff) made up of 12 members, including union representatives. The committee members act as a channel of communication between national committees and employees.

2010: “Best Practices Award” in the CSR category, awarded by the Internal Communication and Corporate Identity Observatory.



Principle 4

Companies must support the elimination of all kinds of forced labor or labor under duress

2002: Partnership agreement with the National Institute of Occupational Health and Safety, to design and implement an innovative occupational safety system.

First specific “Occupational safety” course included in the “FerroAula” training platform, found on the company’s intranet system.

Creation of an e-learning platform (FerroAula) on the company’s intranet.

2003: Launch of an Employee satisfaction survey for all Ferrovial staff.

Training center set up: The Stansted Airport Skills Programme.

2004: Launch of a Suggestion box, which employees can use to present their ideas, opinions or complaints.

Development of the SIAL computer application, used to manage accidents in the workplace and including mandatory electronic processing, leading to faster management.

2005: Start up of the 12,000 Plan, a remuneration package in which part of the variable remuneration due to employees (around 1,100 executives, department heads or similar categories who are resident in Spain) is paid in Ferrovial shares.

First edition of the new Performance appraisal plan, based on a computer platform (e-performance).

Development of the 360º Appraisal Plan, an initiative linked solely to the professional development of personnel and not to salary issues. The plan is applicable to management personnel, who are assessed by their superiors, peers and colleagues.

Creation of a working group, made up of Line personnel (delegates and group leaders) and members of the Safety service to establish minimum priority requirements for working conditions at works in Spain.

Updating of the Occupational safety management system, as part of the Occupational Safety Plan.

2006: 27% increase in the number of women in the workforce.

5% of employees improved their professional status.

2007: Inauguration of Summa, the corporate university, founded with the aim of transmitting Ferrovial’s values and driving the development of the organization’s talent.

46% of the business has been granted the OHSAS occupational safety certificate.

Amey and Tube Lines receive the “Royal Society” award for occupational safety.

Ferrovial among the 30 best companies to work for, according to the Actualidad Económica ranking.

The performance appraisal system introduces IDPs, (Individual Development Plans), used to identify specific training and development actions.

Planning the succession of 54 top executive positions, via a talent review process covering more than 250 professionals.

2008: New Employee satisfaction survey, aimed at 12,901 members of staff in all business units.

International OHSAS Occupational Safety Certification for the construction and highways divisions.

2009: Implementation of a global intranet across the Ferrovial group.

Flexibility Plan, a flexible remuneration system for all structural personnel in Spain.

The infrastructure maintenance and conservation business (Ferroser) obtained OHSAS international occupational safety certification.

Occupational safety campaign in Services.

Actions to control swine flu.

2010: Consolidation of the variable target-based remuneration system, Compensa.

Launch of a new long-term incentive program (Performance Share Plan) for 338 executives and middle-management, in which payment is made in company shares.

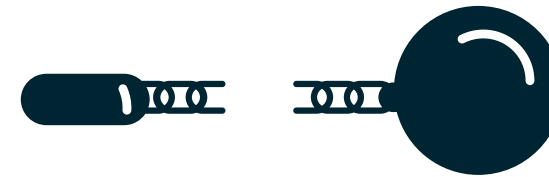
Implementation of a global people-management tool integrating all strategic human resource processes.

Ferroser, Euroлимп, Grupisa and Amey receive OHSAS Occupational Safety System Management certification.

4th Employee Satisfaction Survey.

Gold and Silver in the Royal Society for the Prevention of Accidents (RoSPA) awards, recognizing Amey and Ferrovial for their efforts and best practices in occupational safety.

Launch of the “Security starts with you” campaign.



Principle 5

Companies must support the eradication of child labor

2002: “Future for the children” campaign, aimed at improving quality of life for more than 500 children and senior citizens in Poland.

Support for the Aldeas Infantiles organization to rebuild a children’s park in Sant Feliú de Codines (Barcelona).

2006: Collaboration with Fundeso to promote the social participation of young people in neighborhoods with immigrant populations through the use of new technologies.

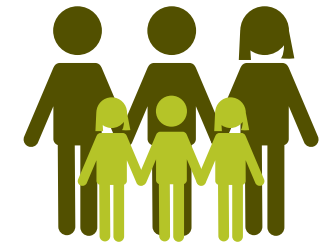
2008: Funding and management of the Maji ni Uhai (Water is Life) project, to provide access to drinking water and hygiene to a population of 50,000 in Tanzania. The project will free children in the Serengeti from water collection duties, allowing them to attend school.

2009: Construction of a school in Ankalika, (Madagascar) funded by Ferrovial and its employees, providing child workers with access to education.

Construction of a school in Chandur (India) funded by Ferrovial and its employees, providing underprivileged girls with access to education.

2010: Winners of the International Cooperation for Sustainable Development Award from the European Commission and “Committed Company” award from the Codespa foundation for the Maji ni Uhai project.

89% of Ferrovial’s 101,404 employees work in OECD member states, where Human Rights are expressly recognized in national legislation.



Principle 6

Companies must support the abolition of discrimination in the workplace and in employment

2002: Inclusion in the Integra Foundation Board of Protectors, aimed at encouraging employment opportunities for persons at risk of social exclusion.

2003: Signing of a memorandum of understanding to set up the first Family Friendly Company certificate, an initiative backed by the Ministry of Employment and Social Affairs, and the + Familia Foundation.

Cooperation agreement with the ONCE Foundation, via the INSERTA program, to hire persons with disabilities.

Labor insertion agreement with Adecco Foundation.

2004: Setting up of Plan Familia, to ensure social and labor inclusion of the disabled family members of employees.

“Personnel Training Fund” in the Basque Country: training for a group of 20 unemployed people in maintenance and green spaces, and hiring of 90% of them.

Agreement with the shelter for Moroccan immigrants run by the Vizcaya county council, to provide training in maintenance and green spaces.

Agreement with the Alternative Penal Measures and Juvenile Justice authorities to allow sentences to be served via social work at the Sant Feliú de Guíxols green space.

2005: Ferrovial’s services area launches the “Building Maintenance Worker” course, intended to promote the labor integration of persons with disabilities.

Corporate website accessibility, with a Double A rating (AA).

2006: Design and start up of a Reconciliation Plan to promote a balance between professional responsibilities and the personal and family lives of employees.

Ferrovial is certified as a family friendly company by the Más Familia Foundation, based on EFR 1000-1 standard.

Arboretum project, promoting the social and labor inclusion of persons with disabilities, through the rehabilitation of the botanical gardens of the El Valle y Carrasco park (Murcia).

2007: A 12 point increase in the number of women holding executive positions (23%).

2008: Publication of a procedure to tackle harassment (anti-mobbing) to prevent workplace harassment, sexual harassment and/or gender-based harassment in Spain.

Preparation of equality diagnoses for all companies with more than 250 employees, in collaboration with independent and internationally recognized experts.

2009: Signing of equality plans with the CCOO and UGT labor unions, covering all Ferrovial companies in Spain in the construction and services sectors, covering more than 40,000 workers.

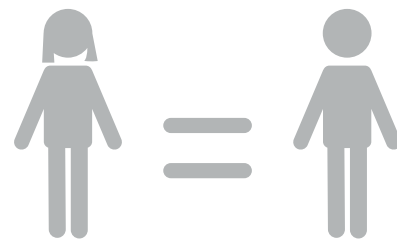
As part of the 2nd Corporate Voluntary Work event, the “Interviews for inclusion” initiative took place, offering a series of simulated work interviews for persons facing labor inclusion difficulties.

Services division campaign targeting 16,000 workers to raise awareness of the career benefits available to people with disabilities, while supporting the management and processing of these benefits.

2010: Signing of the Women’s Empowerment Principles, an initiative promoted by the United Nations Development Fund for Women (UN-DFW) and the United Nations Global Compact. These principles help companies promote gender equality in the workplace, the market and the community.

Distinction in equality award for Ferrovial S.A, conferred by the Spanish Ministry of Health, Social Policies and Equality.

The Women and Leadership Program is taught at Ferrovial, to support the training and promotion of women within the company and increase the number of women in managerial positions.



Principle 7 The companies must maintain a preventative focus to protect the environment

2002: Implementation of a waste management plan in building works.

Collaboration agreements signed with the Spanish Ornithology Society (SEO) and the Hispanic Portuguese American Lepidopterology Society (SHILAP), to implement the proposed compensatory measures to offset damage to feeding areas of the lesser kestrel and various lepidopteran species.

2003: 74% of the company’s total revenues are certified with environmental management systems.

2004: Reduction of the ICM by 114 points, to 94 points.

2005: Cooperation agreement between Cintra, the Madrid regional government and the Native Fauna and its Habitat Rehabilitation Group (GREFA) to reintroduce populations of the lesser kestrel (*Falco naumani*) in Perales del Río (Getafe, Madrid) and to support the recovery of populations of this small migratory bird of prey, which is included in the National Catalog of Threatened Species.

Partnership agreement with the Universidad Politécnica (UPM) for the mapping and characterization of the flora and vegetation of the El Regajal Natural Reserve, Mar de Ontígola, an area that is home to one of the best preserved ecosystems in the Madrid region, with one of the most important butterfly colonies in Europe.

2006: Development and implementation of an environmental management system (ISO 14001) at Cintra.

Conclusion of the first stage of works to develop, implement and validate a specific and pioneering environmental performance index (ICM) for the services business.

100% of Amey’s operations are covered by environmental management systems certified by standard ISO 14001.

Launch of a computer system tracking the company’s environmental performance, known as CONSIGGNA (Standardized global management monitoring plan), to allow precise control over its consumption of water, electricity, fuel and paper.

2007: Ferrovial doubles the amount of water its reuses in construction (311,415 m³).

2008: A new quality and environment policy is launched, with a universal scope for the entire organization.

Completion of the Castilla y León Environmental Resources Center, considered one of the “greenest buildings” in Spain, according to Green Building Challenge, the top international body that certifies environmental excellence, which has granted the building the highest score for any building tested in Spain.

Collaboration with the Brown Bear Foundation for close monitoring of the impact of the Rañadoiro tunnel construction work on the brown

bear. The Rañadoiro region is a natural habitat of this and other emblematic species.

Collaboration agreement with the Independent National Parks Agency, the now defunct Agency for the Prevention of Pollution and Climate Change, the National Meteorological Agency and the Biodiversity Foundation for the operation of the Global Change Monitoring program in the National Park Network.

Completion of the first stage of the global greenhouse gas emissions offsetting project.

ISO 14001 certification for Spanish highways.

Measurement of CO2 emissions corresponding to 72% of revenue.

2009: Calculation of the overall carbon footprint, used to standardize the data collection and emission calculation methodology. Verification via the UNE ISO 14064-1:2006 standard “Greenhouse gases. Specification with guidance at the organization level for quantifying and reporting greenhouse gas emissions and sinking.”

Measurement of CO2 emissions corresponding to 89% of revenue.

90.4% of works have environmental targets.

Tube Lines receives the Platinum Green Award for their commitment and consistent efforts to reduce emissions of greenhouse gases.

The origin of all wood is closely scrutinized to ensure it is sourced from responsibly managed forests.

2010: Highest rating from the Carbon Disclosure Project (CDP): Analysts rank Ferrovial as the European leader in its sector and among the 25 best companies in its sector for strategy and performance in tackling climate change.

Extension of Ferrovial’s strategic positioning on climate change (the “Ferrovial 2015” project) into the 2015 and 2020 time horizons.

Review of the carbon reduction commitment (CRC) scheme in the UK.

Employee Mobility Plan.

The Indiana Toll Road has received an award from the Michiana Area Council of Government (MACOG) for its efforts to fight air pollution via systems that reduce waiting times for users in toll areas.



Principle 8

Companies must support initiatives to promote greater environmental responsibility

2002: Ferrovial is the world's first construction company to publish an Environmental Performance Index (ICM). The index has been validated by an independent team of scientists from the Rey Juan Carlos University and is officially recognized by the UNESCO Chair for the Environment.

Participation in the Spanish Green Building Challenge Committee, an initiative that assesses the lifecycle of a building to establish criteria and tools for a future "ecological certification" for buildings.

Participation in the 6th National Environment Congress.

2004: Launch of the Quality, Prevention and Environment Portal (QPMA) on the intranet for employees in the construction division, with exhaustive information on the subject.

2005: Launch of the first portal to specialize in environmental and sustainability issues for the infrastructure and services sectors in Spain, aimed at promoting understanding, providing information and stimulating debate on new models for sustainable construction.

2006: Launch of an energy saving campaign at offices to improve resource management and, thus, reduce consumption.

2007: Signing of the Bali climate declaration.

2008: Creation of a green purchasing guide for the services division.

Mobility Plan to improve the efficiency of personal transport for employees, suppliers or customers, in partnership with the Movilidad Foundation.

BAA joins the UK Green Building Council (UK-GBC), aimed at improving sustainability criteria in the construction process.

2009: Ambienteca is developed, an application that allows business supervisors to view the legal environmental requirements that are applicable to a given contract in Spain, and allows open searches for legislation by subject, activity, scope, title and code. This reduces the risk of breaching environmental regulations.

Cespa training campaign, promoting the main conduct guidelines for service quality and environmental management in Gardening and Forestry Works and Services.

2010: Amey joins the Carbon Disclosure Project, which brings together and shares high-quality information to help stakeholders take actions to prevent climate change.

New corporate website on quality, the environment and sustainability.



Principle 9

Companies must encourage the development and uptake of environmentally friendly technologies

2002: Collaboration with the CSIC Environmental Sciences Center to study hydroseeding on the embankments of the Costa del Sol highway.

BIOSEC research project "EDAR biosolid gasification process" (Phase 1), as an alternative to the usual treatment of solid waste from sewage treatment plants.

2003: Increased activity at triage plants, as well as a significant increase in materials recovered thanks to the use of new automated triage technologies.

CLONIC project (closure of nitrogen cycle via biological treatment of leachates from controlled reservoirs via the elimination of nitrogen from nitrate and subsequent thermal treatment), in partnership with the University of Girona.

2005: The first Spanish construction company to certify its R&D&I management system based on the UNE 166002 EX standard.

2006: CLEAM Project (Clean, Efficient and Environmentally Friendly Construction), targeting new knowledge generation in linear transport infrastructures to identify a more sustainable model.

Microphilox, Spain's first biogas micro-turbine, developed along with the Institut Químic de Sarrià and the Austrian technology center Pro-factor, to use biogas energy from landfills via the use of micro-turbines that prevent the generation of certain pollutant waste during the waste treatment process.

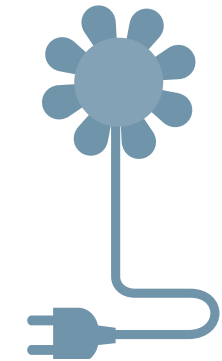
Winner of "Energy Globe - The world award for sustainability" and the "Garrigues Environmental Prize" in the research, development and application of new technologies category.

2007: Amey introduces the use of hybrid cars, electric cars and bicycles for its employees.

2008: Development of the Personal Rapid Transit (PRT) vehicle, a low-energy electric vehicle that transports passengers between terminals, making the journey with no driver, by following a fixed guideway.

2010: Cespa's Microphilox project is chosen by the European Commission as one of the best "LIFE Environment" projects. The project

involves the installation of the first micro-turbine in Spain that operates with biogas from a controlled landfill.



Principle 10

Companies must fight corruption in all its forms, including extortion and bribery

2002: Publication of regulations on travel and/or managerial expenses, requiring the centralization of these services to ensure that they are controlled and that limitations are established.

2003: Approval of internal rules of conduct for matters regarding the share markets.

Partnership agreement with the Lealtad Foundation, to encourage actions alongside organizations adhering to its Transparency Guidelines and promote the Principles of Transparency and Good Practices.

Ferrovial is the only Spanish company to take part in the CIC Securities event in Paris on Socially Responsible Investment, as well as to take part in the 2nd European Congress on Socially Responsible Investment organized by IMN (Information Management Network).

2004: Addition of the Annual General Meeting Regulations to the Board of Directors' Regulations and Internal Code of Conduct, which governs aspects concerning shareholder meetings and guarantees shareholder rights at meetings.

2005: Implementation of remote voting and delegation at Annual General Meetings.

2006: Launch of online shareholder participation at Annual General Meetings and voting by e-mail.

2007: The London Benchmarking Group (LBG) methodology is used to measure the social impact of the company's donations.

2008: Publication of a new procedure for the prevention of internal fraud.

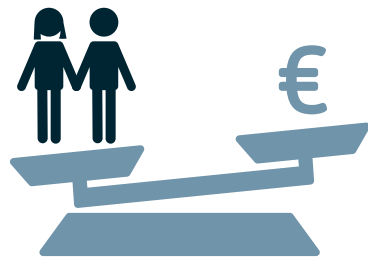
Publication of regulations on hiring employees of rating agencies.

Introduction of the Whistleblowing Channel, allowing any employee with reasonable suspicion or knowledge of some violation of the Code of Ethics to anonymously report the same via the corporate intranet, which will result in an investigation by the Complaints Box Managing Committee.

New selection system for social action projects eligible for funding, via "Juntos Sumamos" (Stronger Together program), under which it is the donors themselves (employees) who vote via the intranet for the projects that they wish to support.

2009: Approval of the "Internal Regulations of Ferrovial, S.A. and its group of companies in matters regarding the share markets".

Approval of the Corporate Framework for Information Security and a procedure to develop the framework in terms of roles and responsibilities with regards to information security.



About this report

REPORTING PRINCIPLES

• The AA1000 Standard

For the fifth consecutive year, the Corporate Responsibility Report has applied the principles of the AA1000 Standard, a key tool for aligning information presented in reports with stakeholder expectations, which are explained in a more extensive section on stakeholder relations.

The standard is based on three fundamental principles:

- **Inclusivity:** This principle analyzes the extent to which the reporting organization can identify and engage with the material aspects of its sustainable performance and present sufficient information in terms of quality and quantity.
- **Materiality:** The information included in the report must be the information required by the stakeholders. In other words, it ensures disclosure of all those “material” aspects whose omission or distortion could influence its stakeholders’ decisions or actions.
- **Responsiveness:** This means assessing the capacity to respond to stakeholder expectations.

• GRI3 Guidelines

The report follows Version 3 of the Global Reporting Initiative (GRI) Guidelines. These Guidelines include a series of principles and indicators that aim to define the report’s content, scope and coverage, as well as to ensure the quality of the information disclosed. A GRI content and indicator index is presented in the final part of the Corporate Responsibility section of this report.

Ferrovial declares it has a GRI application level of A+.

The guidelines are based on two sets of principles:

- Principles for defining the content:
 - Materiality
 - Stakeholder engagement
 - Sustainability context
 - Completeness

• Principles for defining the quality of the Report:

- **Balance:** The report must reflect both the positive and the negative aspects of the company’s performance.
- **Comparability:** The information must be presented in such a way that stakeholders are able to compare changes over time, as well as the company’s performance with that of other companies.
- **Accuracy:** The published information must be accurate and detailed.
- **Frequency:** The report must be published periodically.
- **Clarity:** The information must be presented in a clear and accessible way to everyone.
- **Reliability:** The information must be high quality and it should establish the company’s materiality.

As regards the principles underpinning reporting content, Ferrovial’s activities are described in the specific sections on materiality, stakeholder engagement and principles for sustainable development.

A series of measures were applied throughout 2011 to ensure the quality of this Report:

- The extension of the scope of the reporting system for Corporate Responsibility issues in the Group (see the section on the Information Consolidation Process) to ensure that the information obtained is clear, reliable, regular, comparable and accurate.
- Ferrovial has continued with a process of stakeholder engagement. The corporate responsibility reports of the competition were also analyzed to extract the most relevant matters for the sector; a perception study was conducted among different stakeholder groups; the 2nd Stakeholders’ Forum was held; and lastly, the company’s materiality matrix was updated.

Photo: Amey employees, Birmingham, United Kingdom.

SCOPE OF THE INFORMATION

The scope of the information encompasses the companies and any other form of association in which Ferrovial is a majority shareholder or controls its management.

Ferrovial comprises the parent company Ferrovial S.A and its subsidiaries and associated companies.

In 2011 there were four material events that affected the scope of consolidation of the group.

- In February, the process of purchasing Swissport International AG from PAI Partners was completed.
- In October, Ferrovial sold 5.88% of UK company BAA to two investment vehicles managed by Alinda Capital Partners. As a result, Ferrovial became an indirect holder of 49.99% of BAA, with the rest held by Britannia Airport Partners LP (26.48%) and GIC (17.65%). Because of this transaction, in the consolidated financial statements, BAA went from being consolidated using global integration in 2010 to be accounted for by the equity method in 2011 (discontinued operation).

This report, therefore, does not include information on Swissport from 2011. The scope of this report, however, does include social and environmental information on BAA for 2011. The reason for this is that, although this stake was sold in October, its impact on Ferrovial's sustainability during most of the year has been significant. Corporate Responsibility's reporting and information system refers to the whole year, and it is not possible to segregate the information for the last two months of the year.

However, BAA is not included in the scope of the following GRI indicators:

In order to make it easier to understand and compare CR information, a table containing the most relevant indicators of the company with BAA's integration impacts.

Through these companies, Ferrovial conducts its business in the following divisions:

Comparative indicators table with and without BAA

Environment	2011 s/ BAA	2011	2010
Direct and indirect emissions of greenhouse gases (co2 equ. T) (scope 1 + scope 2)	663.086	1.063.677	1.140.794
Water consumption	3.234.342	6.291.898	5.397.374
Total hazardous waste generated	987432	1.104.581	872.407
Human capital	2011 s/ BAA	2011	2010
Average workforce	61,357	71,199	100,995
International workforce (%)	39	48	62
Staff on permanent contract (%)	75	78	83
Staff on reduced work hours (%)	16	16	18
Workforce length of service (years)	7.9	8.3	6.6
Average employee age (years)	40.5	40.8	41.4
Turnover rate (%)	2.5	2.8	6.7
Investment in training / revenues	0.17	0.16	0.34
Health and safety	2011 s/ BAA	2011	2010
Occupational safety studies	2,454	2,749	2,743
Emergency plans	459	1,443	1,987
Training in safe work practices (hours)	327,208	374,721	445,064
Quality	2011 s/ BAA	2011	2010
Activity certified to the iso 9001 standard (%)	84	71	67
Supply chain	2011 s/ BAA	2011	2010
Number of suppliers	58,527	61,35	60,911
Human rights	2011 s/ BAA	2011	2010
Employees protected by collective bargaining agreements (%)	78.0	78.6	74.5
Women in the workforce (%)	31.0	32.0	32.7

Comparative indicators table with and without BAA

Community investment	2011 s/ BAA	2011	2010
Net job creation (%)	-32	-30	-6,60
Community support projects	470	853	574
Community investment (million €)	5.1	47.8	58.3
Community investments as proportion of ebitda (%)	0.62	2.08	2.26
Beneficiaries from community help project	1,619,358	1,696,938	934,985

• Airports

Ferrovial Aeropuertos is the flagship company in this activity. Of particular importance is BAA plc, of which Ferrovial held 49.99% as of December 2011. As stated in the section above, the social and environmental information on BAA for the entire year 2011 has been included, despite losing its controlling stake in October 2011.

• Toll Roads

This activity includes the development, financing, execution and operation of toll road projects carried out through the company Cintra S.A. The following companies are included in this business: Autopista del Sol, C.E.S.A, Autopista Terrasa Manresa, S.A, Autopista Madrid Sur C.E.S.A, Autopista Madrid Levante, C.E.S.A., Autopista M-203 Alcalá-O'Donnell S.A., Cintra Portugal, Eurolink Motorway Operation, Ltd., N4/N6 (M4), Eurolink Motorway Operations (M3) Ltd, Cintra Texas Corp Skyway Concession Co. LLC, ITR Concession Company, Nea Odos Sociedad Anónima Concesionaria, Ionian Road and SH130.

• Services

Ferrovial Servicios S.A. is the chief company in this division, which is divided into the following business areas:

- Maintenance and upkeep of infrastructures, buildings and facilities. Conducted by Amey, Plc. in the UK and Ferroser Infraestructuras in Spain.
- Facility Management, which is handled primarily by Ferrovial Servicios S.A. and Euroлимп in Spain.
- Urban services and waste treatment. This activity is mainly carried out through Cespa S.A., Ecocat S.L. (IP) and Cespa Portugal S.A.

• Construction

This division executes all kinds of public and private works in Spain and abroad, fundamentally through Ferrovial Agroman, S.A., this business division's flagship company. The following are responsible for some of this division's most salient activities: Construcción España (Ferrovial Agroman, S.A., Compañía de Obras Castillejos, S.A., Edytesa, S.A., Técnicas del Pretensado y Servicios Auxiliares, S.L., Ferrovial Conservación, S.A., and Ditecpesa, S.A.).

Among the most important of its international construction activities are those carried out in Poland through Budimex, S.A. and its subsidiaries, and Przedsiębiorstwo Napraw Infrastruktury (PNI); Ferrovial Agroman Canada Inc; Ferrovial Agroman Chile S.A; Ferrovial Agroman US Corp; Ferrovial Agroman Ireland Ltd; Ferrovial Agroman Portugal, S.A.; Ferrovial Agroman Grecia S.A.; Ferrovial Agroman Colombia S.A; Ferrovial Agroman República Dominicana S.A; Ferrovial Agroman Texas S.A; Ferrovial Agroman Italia S.A; Ferrovial Agroman Indiana S.A; Ferrovial Agroman Túnez; Ferrovial Agroman Puerto Rico S.A and Webber.

Other activities within this division are construction in the United Kingdom (Ferrovial Agroman UK, Ltd) and industrial construction (Cadagua, S.A., Boremer, S.A., Cadagua Portugal, S.A., Cadagua Chile, S.A., and Cadagua Polonia, S.A.).

When the information provided in this report does not represent the totality of the group, a footnote will be included to this effect.

INFORMATION CONSOLIDATION PROCESS

Since 2007 Ferrovial has employed a system for reporting and consolidating Corporate Responsibility information.

This system helps improve the quality of the information and makes it easier to compile information for internal and external reporting. This information is used for a variety of purposes, such as the Annual Report, management of the different sustainability indices (Dow Jones, FTSE4Good, etc.), the UN Global Compact Progress Report and other observatories or barometers that are kept informed of the activities undertaken by Ferrovial.

This reporting process allows us to work on two levels: geographically, including all of Ferrovial's subsidiaries worldwide; and by business

areas, which encompass the four company divisions: Construction, Services, Toll Roads, and Airports. This scheme means that the data collected can be cross-referenced to obtain the information needed.

The collection of the information involves several phases: first, data is entered by users from their own companies; the information then goes through several validation phases until it is verified; and finally it is consolidated.

At present, information entered by 187 users is collected from 100 companies (only active companies and excluding special-purpose vehicles). In total, consolidated information is collected on nearly 200 indicators. The consolidation criterion applied by the system has not changed from previous years, except for that mentioned above regarding BAA in 2011. All the companies have provided their Corporate Responsibility information as of December 2011.

REFORMULATION OF THE INFORMATION PRESENTED

The consolidated information included in this Report may display significant variations in terms of comparability, because of changes in the reporting scope.

In general, changes to the scope of consolidation in 2011 have not significantly affected the comparability of the information compared with 2010. Nevertheless, if any particular indicator undergoes a specific change in either the scope or the criteria affecting the so-called comparability the body of the report would indicate that.

The principles of the GRI Guidelines and the AA1000AS Standard have been used since 2009 as the basis for presenting the information.

MATERIALITY AND STAKEHOLDER PARTICIPATION

In 2011, several initiatives were undertaken to promote participation by stakeholders and identify their expectations:

-Stakeholders' Forum:

The 2nd Stakeholders' Forum took place in 2011. Its aim was to discuss with stakeholders the structure and content of the Annual Corporate Responsibility Report and Plan 2013, and to hear their suggestions. The selection criteria for stakeholders attending the Forum were mainly their direct relationship with Ferrovial and relevant matters identified by

the company. A workshop was held, with XX participants. The documents mentioned above were analyzed and a report with conclusions was drafted, from which the recommendations were extracted.

-Perception study:

The first results are now available from the perception surveys conducted among different stakeholders directly related to Ferrovial. The perception study used a reputational perspective in its design and in the analysis of results and conclusions.

The model consults the company's most representative stakeholders on questions related to the contents of the Annual Corporate Responsibility Report. The questions focused primarily on identifying specific variables from matters considered most relevant by Ferrovial: excellence in its service, integrity, corporate responsibility, talent management, financial results, executive management, innovation and international expansion.

A total of 192 stakeholders were interviewed, 28 from the government, 24 media, 21 public opinion leaders, 20 customers, 20 suppliers, 20 people related to the Third Sector, 17 from the main labor unions, 16 partners in Ferrovial projects, 15 financial analysts and 10 business associations.

Following analysis, the data obtained has been used to prepare a report for each stakeholder, together with a joint report. The reports have enabled the company to design action plans with reputational objectives with the aim of improving company's relations with its stakeholders.

-Materiality study:

A comparative study was carried out in 2011 of the annual reports of Ferrovial's main competitors and of the issues they consider most relevant, as a basis for establishing Ferrovial's materiality matrix. The companies analyzed were: Abertis, Acciona, ACS, FCC, GS E&C, Hochtief, and Hyundai E&C.

The results of this analysis and relevant issues are explained under Corporate Responsibility Policy and Commitment to Stakeholders in this report.

Other external sources consulted were:

-Media tracking.

Ferrovial tracks articles about any part of the company. A total of 2,623 news articles in the Spanish newspapers were collected in 2011, especially concerning the Corporate area. Most of the articles have a neutral approach (73%), 20% are positive and 7% negative. In the rest of the world, 373 articles were identified, out of which 78% were purely informative, 14% were positive and 8% negative.

Independent Assurance

This Corporate Responsibility Report aims to provide reliable and balanced information on Ferrovial's performance with respect to relevant issues raised by stakeholders.

The verifier's work has been done in accordance with the standards and procedures included in the International Standards 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 the Institute of Chartered Accountants of Spain guidelines for the review of Corporate Responsibility Reports. AA1000AS has been applied to provide type-2 moderate security.

- **Verification Report**



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

Independent Assurance Report on the 2011 Corporate Responsibility Annual Report of Ferrovial

Scope of our work

We have performed a review of the 2011 Corporate Responsibility Annual Report (CRAR) of Ferrovial S.A. and subsidiaries (hereinafter referred to as Ferrovial), the scope of which is defined in the chapter "About this report – Reporting scope". Our work consisted of the review of:

- The adherence of the content of the CRAR to the GRI Sustainability Reporting Guidelines version 3.0 (G3) and the core performance indicators proposed in the aforementioned guidelines for 2011. The "GRI Indicators" provides details of the indicators reviewed and of the limitations in the scope of our work.
- The information included in the CRAR relating to the application of the principles of inclusivity, materiality and responsiveness set out in the AccountAbility's AA1000 AccountAbility Principles Standard 2008 (AA1000APS).

Assurance standards and procedures

We conducted our review in accordance with International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000) 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 to achieve limited assurance. Also, we have applied AccountAbility's AA 1000 Assurance Standard (2008) (AA1000AS) to provide moderate assurance on the application of the principles established in standard AA1000APS and on the sustainability performance indicators (type 2 moderate assurance).

Our work consisted of making enquiries to management of Ferrovial involved in the preparation of the CRAR, and of carrying out the following analytical procedures and sample-based review tests:

- Meetings with Ferrovial personnel to ascertain the principles, systems and management approaches applied.
- Review of the minutes of the 2011 Corporate Responsibility Committee meetings.
- Review of the steps taken in relation to the identification and consideration of the stakeholders during the year and of the stakeholders' participation processes through the analysis of the available internal information and third-party reports.
- Analysis of the coverage, materiality and completeness of the information included in the CRAR on the basis of the understanding of Ferrovial of its stakeholders' requirements in relation to the material issues identified by the organisation and described under "Stakeholder Engagement".
- Review of the information furnished about "2011 Milestones" in each line of action related to Corporate Responsibility in Ferrovial.
- Review of the information related to the management approaches applied to sustainability.
- Analysis of the adherence of the contents of the CRAR to those recommended in the G3 Guidelines and verification that the core indicators included in the CRAR agree with those recommended by the GRI G3 Guidelines and that any inapplicable or unavailable indicators are identified.
- Review on a sample basis, of the quantitative and qualitative information relating to the GRI indicators included in the CRAR and of the adequate compilation thereof based on the data furnished by the information sources of Ferrovial.

Responsibilities of Ferrovial management and of Deloitte

- The preparation and contents of the CRAR is the responsibility of the Management of Communication and Corporate Responsibility of Ferrovial, which is also responsible for defining, adapting and maintaining the management and internal control systems from which the information is obtained.
- Our responsibility is to issue an independent report based on the procedures applied in our review.
- This report has been prepared in the interests of Ferrovial management 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 of the International Federation of Accountants (IFAC).
- Since a limited assurance is substantially less in scope than a reasonable assurance engagement, we do not provide reasonable assurance on the CRAR.
- Our team consisted of a combination of professionals with assurance qualifications and professionals with social, environmental and stakeholder engagement experience and sustainability report assurance experience.

Conclusions

The "GRI Indicators" provides details of the indicators reviewed and of the limitations in the scope of our work, and identifies any indicators that do not cover all the areas recommended by the GRI. As a result of our review, no other matters were disclosed that would lead us to believe that the CRAR contained material errors or that it was not prepared in accordance with the guidelines of the Global Reporting Initiative Sustainability Reporting Guidelines version 3.0 (G3).

Also, the review procedures performed did not disclose any matter that would lead us to believe that Ferrovial has not applied the principles of inclusivity, materiality and responsiveness as described in "Corporate Responsibility Policy", "Commitment stakeholders" and "About this report" in accordance with standard AA1000 2008 APS:

- **Inclusivity:** participation process for stakeholders that facilitate their involvement in the development of a responsible approach.
- **Relevance:** the process of determining materiality requires an understanding of the material or important matters for Ferrovial and its stakeholders.
- **Response capacity:** actions and commitments related to the material issues identified previously.

Observations and recommendations

In addition, we presented to the Management of the Ferrovial our recommendations relating to the areas for improvement in Corporate Responsibility (CR) management and in the application of the principles of inclusivity, materiality and responsiveness. The most significant recommendations, which do not change the conclusions expressed in this report, are summarised as follows.

Inclusivity

In 2011 Ferrovial continued to implement already well-established initiatives - the Stakeholders Forum and the Perception Study - that enable it to gain greater insight into the perception of its stakeholders in Spain. Also of particular note was the preparation of a comparative industry analysis to contrast matters of interest.

Following this line of work, in 2012 Ferrovial plans to undertake a second phase which will include both internal and external stakeholders. Our recommendation would be to increase the geographical diversity and the involvement of certain pertinent groups, primarily employees and suppliers. In this regard, matters of interest here could be considered to include the results of the Employee Satisfaction Survey conducted in 2011 and, in the case of suppliers, the matters detected through the new supplier communication platform, currently under development.

Relevance

In 2011 Ferrovial made greater inroads into the identification and categorisation of significant matters affecting its stakeholders by performing an analysis that prioritises these aspects on the basis of their level of maturity and relevance. However, since this was an industry analysis, it would be recommendable to adapt the conclusions arising from it, to the extent possible, to the particular reality of Ferrovial, thereby adjusting the order of priority of the matters identified to the specific characteristics of the organisation in each of the countries in which it operates.

We also recommend integrating the conclusions reached in the three surveys carried out in order to analyse and monitor the degree of adaptation of the lines of action of the 20.13 Plan to such conclusions.

Response capacity

Whereas in 2010 the CR Committee was created and Ferrovial's CR strategy was approved (20.13 Plan), in 2011 the initiatives to be taken in each of the action lines approved in the Plan were defined. In 2012 Ferrovial must endeavour to define the indicators to monitor the specific objectives to be pursued and the corresponding timeframes for each of them. In this regard the CR Committee must play an important role and reinforce itself as the cornerstone of CR within the organisation.

Additionally, Ferrovial launched several initiatives that respond to relevant matters identified, such as the commitment to reduce the carbon footprint by 21.3% before 2020 with respect to base-year 2009 in terms of carbon intensity. Accordingly, in view of the diversity of the activities and geographic locations of the organisation, it would be recommendable to continue to improve the procedures for gathering information and the scope thereof, and to increase the automation of the reporting system in order to ensure the traceability of all the data that make up this information.

Lastly, as regards the process of compiling, consolidating and reporting CR information, Ferrovial should review its reporting calendar and procedures in order to guarantee the availability of information at the scheduled dates, and continue to strengthen internal controls in order to ensure the reliability and completeness of the information reported.

DELOITTE, S.L.

Helena Redondo
 Madrid, March 29th, 2012



Content Index

CD: Company Description
 MR: Management Report
 CAA: Consolidated Annual Accounts
 CR: Corporate Responsibility

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1.2	Description of key impacts, risks, and opportunities.	p. 19-23 (Note 4 CAA)

Organizational Profile

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2.2	Primary brands, products, and/or services.	p. 16-59 (CD)
2.3	Operational structure of the organization, including main divisions, operating companies, subsidiaries, and joint ventures.	p. 16-59 (CD), 7 (CAA)
2.4	Location of organization's headquarters.	p. 7 (CAA), back cover (CR)
2.5	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	p. 12, 13, 16-59 (CD)
2.6	Nature of ownership and legal form.	p. 7 (CAA)
2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	p. 12, 13 (CD)
2.8	Scale of the reporting organization.	p. 12, 13 (CD), 2-38 (MR), 83, 84 (CAA)
2.9	Significant changes during the reporting period regarding size, structure, or ownership.	p. 2-38 (MR)
2.10	Awards received in the reporting period.	p. 9-12 (CR)

Report Parameters

3.1	Reporting period (e.g., fiscal/calendar year) for information provided.	p. 153-157 (CR)
3.2	Date of most recent previous report (if any).	p. 153-157 (CR)
3.3	Reporting cycle (annual, biennial, etc.)	p. 153-157 (CR)
3.4	Contact point for questions regarding the report or its contents.	Back cover (CR)
3.5	Process for defining report content.	p. 5-7, 9, 23, 29, 153-157 (CR)
3.6	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers). See GRI Boundary Protocol for further guidance.	p. 153-157 (CR)
3.7	State any specific limitations on the scope or boundary of the report (see completeness principle for explanation of scope).	p. 153-157 (CR)
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations.	p. 153-157 (CR)
3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report. Explain any decisions not to apply, or to substantially diverge from, the GRI Indicator Protocols.	p. 155 (CR)
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	p. 155 (CR)
3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	p. 153-157 (CR)
3.12	Table identifying the location of the Standard Disclosures in the report.	p. 162-167 (CR)
3.13	Policy and current practice with regard to seeking external assurance for the report.	p. 159 (CR)

Governance, Commitments, and Engagement

4.1	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight.	p. 6, 7 (CD)
4.2	Indicate whether the Chair of the highest governance body is also an executive officer.	p. 6 (CD)
4.3	For organizations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	p. 6, 7 (CD)
4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	p. 17-18 (CR)
4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance).	p. 80-81, 83-85 (CR)
4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	Corporate Governance 2011 Annual Report, p. 40-41
4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organization's strategy on economic, environmental, and social topics.	Corporate Governance 2011 Annual Report, p. 24-31
4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	p. 15 (CR)
4.9	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	p. 34-36 (MR) Corporate Governance 2011 Annual Report p. 41-51
4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	Corporate Governance 2011 Annual Report, p. 24-31
4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organization.	p. 34-36 (MR) Corporate Governance 2011 Annual Report p. 41-51
4.12	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses.	p. 5, 6, 12 (CR)
4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organizations in which the organization: * Has positions in governance bodies; * Participates in projects or committees; * Provides substantive funding beyond routine membership dues; or * Views membership as strategic.	p. 29-34 (CR)
4.14	List of stakeholder groups engaged by the organization.	p. 5-7, 23-29, 153-157 (CR)
4.15	Basis for identification and selection of stakeholders with whom to engage.	p. 5-7, 23-29, 153-157 (CR)
4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	p. 5-7, 23-29, 153-157 (CR)
4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting.	p. 5-7, 23-29, 153-157 (CR)

Performance Indicators

Performance indicator	Reference	Scope	Assurance	
Economic				
Economic performance (p. 39-40, 131 CR; Consolidated 2011 Annual Accounts, Notes 18, 21, 23 and 33.7)				
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	p. 131 (CR)	Ferrovial	Ok
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	p. 39-40 (CR)	Ferrovial + BAA	Ok (13)
EC3	Coverage of the organization's defined benefit plan obligations.	p. 55-58, 91 Consolidated Annual Accounts 2011, Notes 18 and 33.7	Ferrovial	Ok
EC4	Significant financial assistance received from government.	p. 72, 73-77 Consolidated Annual Accounts 2011, Notes 21 and 23	Ferrovial	Ok
Market presence (p. 85, 120 CR)				
EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	p. 120 (CR)	Ferrovial + BAA	Ok (1)
EC7	Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	p. 85 (CR)	Ferrovial + BAA	Ok
Indirect economic impacts (p. 129-132 CR)				
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	p. 129-132 (CR)	Ferrovial + BAA	Ok

Environment

Materials (p. 51, 61-62 CR)

EN1	Materials used by weight or volume.	p. 61 (CR)	Ferrovial + BAA	Ok (2)
EN2	Percentage of materials used that are recycled input materials.	p. 51, 62 (CR)	Ferrovial Agroman	Ok (3)

Energy (p. 47-50 CR)

EN3	Direct energy consumption by primary energy source.	p. 47, 51 (CR)	Ferrovial + BAA	Ok (15)
EN4	Indirect energy consumption by primary source.	p. 49-50 (CR)	Ferrovial + BAA	Ok (4) (15) (16)

Water (p. 56 CR)

EN8	Total water withdrawal by source.	p. 56 (CR)	Ferrovial + BAA (except for Budimex)	Ok(5) (16)
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Biodiversity (p. 66-69 CR)

EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	p. 66 (CR)	Ferrovial Agroman Spain	Ok (13)
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	p. 66-69 (CR)	Ferrovial + BAA	Ok

Emissions, effluents and waste (p. 44-66 CR)

EN16	Total direct and indirect greenhouse gas emissions by weight.	p. 44-46 (CR)	Ferrovial + BAA	Ok (16)
EN17	Other relevant indirect greenhouse gas emissions by weight.	p. 46 (CR)	Amey	Ok (15)
EN19	Emissions of ozone-depleting substances by weight.	p. 47 (CR)	BAA	Ok (15)
EN20	NOx, SOx, and other significant air emissions by type and weight.	p. 46-47 (CR)	Ferrovial + BAA	Ok (15) (16)
EN21	Total water discharge by quality and destination.	p. 66 (CR)	Ferrovial + BAA	Ok (6)
EN22	Total weight of waste by type and disposal method.	p. 54-55	Ferrovial + BAA	Ok (7) (15) (16)
EN23	Total number and volume of significant spills.	p. 66 (CR)	Ferrovial + BAA	Ok (16)

Products and services (p. 37-52 CR)

EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	p. 37-40, 49-51 (CR)	Ferrovial + BAA	Ok (13)
EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	Ferrovial's activity does not include the production of goods for sale with packaging materials.	Ferrovial + BAA	Ok

Compliance (p. 66 CR)

EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	p. 66 (CR)	Ferrovial + BAA	Ok
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Social: Labor Practices and Decent Work

Employment (p. 74-75 CR)

LA1	Total workforce by employment type, employment contract, and region.	p. 74-75 (CR)	Ferrovial + BAA	Ok
LA2	Total number and rate of employee turnover by age group, gender, and region.	p. 74-75 (CR)	Ferrovial + BAA	Ok (9)

Labor / Management Approach (p. 75 CR)

LA4	Percentage of employees covered by collected bargaining agreements	p. 75 (CR)	Ferrovial + BAA	Ok
LA5	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	p. 75 (CR)	Ferrovial + BAA	Ok

Occupational Health and Safety (p. 89-93 CR)

LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	p. 89 (CR)	Spain	Ok
LA8	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	p. 92-93 (CR)	Ferrovial + BAA	Ok

Training and Education (p. 83 CR)

LA10	Average hours of training per year per employee by employee category.	p. 83 (CR)	Ferrovial + BAA	Ok (10)
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Diversity and Equal Opportunity (p. 83 CAA; 74-84 CR; Corporate Governance 2011 Annual Report, p. 9, 10)

LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	p. 83 (CAA), 74, 83 (CR) Corporate Governance 2011 Annual Report, p.10-11	Ferrovial + BAA	Ok (11)
LA14	Ratio of basic salary of men to women by employee category.	p. 84 (RC)	Ferrovial	Ok

Social: Human Rights

Investment and Procurement Practices (p.121-122 CR)

HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	p. 121-122 (CR)	Ferrovial + BAA	Ok (13)
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	p. 121-122 (CR)	Ferrovial + BAA	Ok (13)

Non-discrimination (p. 15-18 CR)

HR4	Total number of incidents of discrimination and actions taken.	p. 15, 17-18 (CR)	Ferrovial + BAA	Ok (12)
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Freedom of association and collective bargaining (p. 75 CR)

HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	p. 75 (CR)	Ferrovial + BAA	Ok
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Child labor (p. 145 CR)

HR6	Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.	p. 145 (CR)	Ferrovial + BAA	Ok
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Forced and compulsory labor (p. 144-145 CR)

HR7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	p. 144-145 (CR)	Ferrovial + BAA	Ok
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Social: Society

Community (p. 129 CR; Corporate Governance 2011 Annual Report, p. 41-51)

SO1	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	p.129 (CR) Corporate Governance 2011 Annual Report, p. 41-51	Ferrovial + BAA	Ok
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Corruption (p. 16-19 CR)

SO2	Percentage and total number of business units analyzed for risks related to corruption.	p. 17-19 (CR)	Ferrovial + BAA	Ok (13)
SO3	Percentage of employees trained in organization's anti-corruption policies and procedures.	p.16 (CR)	Ferrovial + BAA	Ok
SO4	Actions taken in response to incidents of corruption.	p.17 (CR)	Ferrovial + BAA	Ok (14)

Public policy (29-34 CR)

SO5	Public policy positions and participation in public policy development and lobbying.	p. 29-34 (CR)	Ferrovial + BAA	Ok
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Compliance (Consolidated 2011 Annual Accounts, Note 19 and 24)

SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	P.59-60, 77-81 Consolidated 2011 Annual Accounts, Note 19 and 24	Ferrovial + BAA	Ok
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Social: Product Responsibility

Customer health and safety (Corporate Governance 2011 Annual Report, p. 42-52)

PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	p.59-60, 77-81 Corporate Governance 2011 Annual Report, p. 42-52	Ferrovial + BAA	Ok (13)
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Product and service labelling (p. 104 CR)

PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	p.104 (CR)	Ferrovial + BAA	Ok (13)
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Marketing communications (p. 33 CR)

PR6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	p. 33 (CR)	Ferrovial + BAA	Ok
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Compliance (Consolidated 2011 Annual Accounts, Note 19 and 24)

PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Consolidated 2011 Annual Accounts, Note 19 and 24	Ferrovial + BAA	Ok
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(1) Locally-hired non-centralized suppliers are classified as local suppliers. Proportion of expending is not reported.
 (2) Only information about purchased paper (according to indicated scope) is given, and about concrete purchased by Ferrovial Agroman.
 (3) Only information about recycled and certified paper (according to indicated scope) is given and about reused waste in Ferrovial Agroman Spain.
 (4) Electricity consumption of Amey and BAA has been estimated according to CO2 reported emissions. Electricity production efficiency rates and losses due to distribution system have not been taken into account to convert to primary energy source.
 (5) Only information regarding water withdrawal from municipal water supplies is given.
 (6) Only information regarding accidental spills is given. The total volume discharged is not reported.
 (7) Not broken down by disposal method. Information about generation of hazardous waste of Amey are not included.
 (8) Information about total volume of spills is not reported.
 (9) Not broken down by age group. The employee turnover refers only to the number of employees who voluntarily leave the organization broken down by gender.
 (10) Only information about global number of training hours is given.
 (11) Not broken down by age group, minority group membership and other indicators of diversity.
 (12) Only information about complaints received through Whistleblowing Channels is given.
 (13) Only qualitative information is provided.
 (14) Información related to existent procedures and intended measures.
 (15) 2011 data includes estimations according to the best available information at the time of preparing this report.
 (16) The review of this information has consisted of checking the gathering process of the data reported by the different companies of the group and the analysis of trends in comparison with the previous year.

Ferrovial, S.A.

Príncipe de Vergara, 135
28002 Madrid
Tel. +34 91 586 25 00
Fax +34 91 586 26 77

Aeropuertos (Ferrovial Aeropuertos)

Caleruega, 102-104 Planta 9
Edificio Ofipinar
28033 Madrid
Tel. +34 91 768 66 00

Autopistas (Cintra)

Plaza Manuel Gómez Moreno, 2
Edificio Alfredo Mahou
28020 Madrid
Tel. +34 91 418 56 00
Fax +34 91 555 12 41

Servicios (Ferrovial Servicios)

Serrano Galvache, 56
Edificio Madroño - Parque Norte
28033 Madrid
Tel. +34 91 338 83 00
Fax +34 91 388 52 38

Construcción (Ferrovial Agroman)

Ribera del Loira, 42
Parque Empresarial Puerta de las
Naciones
28042 Madrid
Tel. +34 91 300 85 00
Fax +34 91 300 88 96

Oficina de Atención al Accionista

Príncipe de Vergara, 135
28002 Madrid
Tel. +34 91 586 25 65
accionistas@ferrovial.es

Para realizar consultas sobre algún
aspecto del Informe Anual:

Departamento de Comunicación y
Responsabilidad Corporativa
Príncipe de Vergara, 135
28002 Madrid
comunicacion@ferrovial.es
www.ferrovial.com

