

# about this report

In preparing this year's Report, Ferrovial has been working to integrate its economic, social and environmental information in order to move toward integrated reporting in line with the recommendations of the International Integrated Reporting Committee (IIRC).

## 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 the Report with stakeholder expectations. These 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 reporting on the response to stakeholder expectations.

### GRI 3.1 Guidelines

The Report follows Version 3.1 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 way that is clear and accessible to everyone.
- **Reliability:** The information must be high quality and it should establish the company's materiality.

The principles underpinning the content of the Report are described by Ferrovial in the specific sections on materiality, stakeholder engagement and principles for sustainable development.

A series of measures were applied throughout 2012 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.

## 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 October 2011, Ferrovial sold 5.88% of Heathrow Airport Holdings Ltd. (formerly BAA Ltd.) to two investment vehicles managed by Alinda Capital Partners. As a result, Ferrovial became an indirect holder of 49.99% of BAA. In addition, in 2012 Ferrovial's indirect holding in this company was reduced to 33.65% as a result of the sale in August 2012 of 10.62% to Qatar Holding LLC, and in October 2012 of 5.72% to Stable Investment Corporation. This Report does not therefore take into account 2012 information for Heathrow Airport Holdings Ltd. (for more details, see Notes 1.2 Changes in the scope of consolidation" in the Ferrovial's 2012 Annual Consolidated Financial Statements and "Scope of information" in Ferrovial's 2011 Annual Corporate Responsibility Report).

Through these companies, Ferrovial conducts its business in the following divisions:

### Airports

Of particular importance in this activity is Ferrovial Airports.

### Toll Roads

This activity includes the development, financing, execution and operation of toll road projects through the company Cintra Infraestructuras, S.A. The following companies lie within this activity: Autopista del Sol, C.E.S.A., Autopista Terrasa Manresa, S.A., Autopista Madrid Levante, C.E.S.A. Autopista M-203 Alcalá-O'Donnell, S.A., Eurolink Motorway Operation, Ltd. N4/N6 (M4), Eurolink Motorway Operations (M3) Ltd., ITR Concession Company Indiana Toll Road, R4, Euroscut Norte, Euroscut Algarve, Euroscut Azores, North Tarrant Express, LBJ, Vialivre, SH-130, ETR Extension East.

## 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 in Spain.

Urban services and waste treatment. This activity is mainly carried out through Cespa S.A. 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., Tecpresa S.L, Ferconsa, 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; 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 Tunisia; 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 through Cadagua, S.A. and Boremer, 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. The 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: Services, Toll Roads, Construction 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 162 users is collected from 50 companies (only active companies and excluding special-purpose vehicles). In total, consolidated information is collected on nearly 313 indicators. The consolidation criteria used by the system has not been modified with regard to previous years. All the companies had reported their indicators on Social Corporate Responsibility as of December 2012.

## 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.

The changes in the scope of consolidation in 2012 do not affect the comparability of information with respect

to 2011, as a table has been provided without BBA to enable a comparison to be made between 2012 and the previous year. However, if a particular change in the scope has taken place in a specific indicator that affects this comparability, this is indicated in the text of the Report.

The principles of the GRI3 Guidelines and the AA1000AS. Standard have been used since 2009 as the basis for presenting the information.

## Materiality and stakeholder participation

In 2012, several initiatives were undertaken to promote participation by stakeholders and identify their expectations:

- Stakeholders' Forum: The 2nd Stakeholders' Forum (a biennial event) took place in 2011. Its aim was to discuss with stakeholders the structure and content of the Annual Corporate Responsibility Report and Plan 20.13, 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 10 participants. The documents mentioned above were analyzed and a report with conclusions was drafted, from which the recommendations included in the 2011 Report and this year's were extracted.
- Materiality: In 2012, the second phase of the study of material issues was completed, based on a series of interviews in internal and external stakeholders. This formed the basis for establishing Ferrovial's materiality matrix.

The results of this analysis and relevant issues are explained under Corporate Responsibility Policy and Commitment to Stakeholders in this report.

- Media tracking: Ferrovial tracks news published about any part of the company. A total of 2,407 news articles in the Spanish newspapers were collected in 2012, especially concerning the Corporate area. Most of the articles have a neutral approach (72%), 19% are positive and 9% negative.