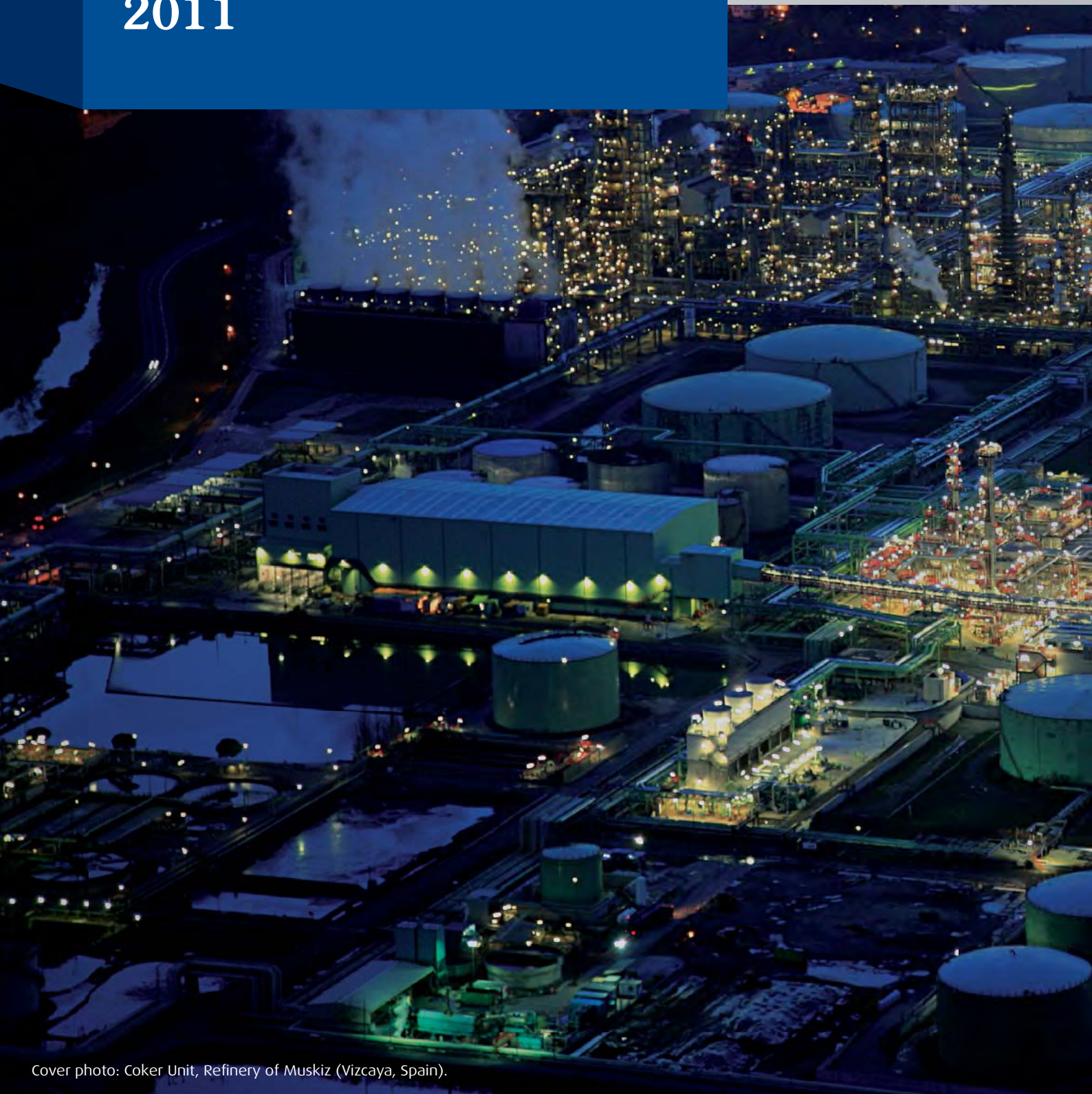


Corporate Responsibility Report of ACS Group 2011



Cover photo: Coker Unit, Refinery of Muskiz (Vizcaya, Spain).



Corporate Responsibility Report of ACS

“The ACS Group is an organisation which promotes the autonomy, responsibility and initiative of the companies which make it up, with the aim of generating maximum profitability and promoting excellence.”

Florentino Pérez
Chairman of the ACS Group





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1. Letter from the Chairman

Dear
Shareholder



We present, as every year, the ACS Group's Annual Corporate Responsibility Report, a reference document summarising best practices as regards sustainability in the ACS Group and all the companies which make it up.

This year we incorporate Hochtief's policies, initiatives and data in this document, after its integration into the ACS Group in 2011. The German company contributes enormous and extended experience in sustainable development, positioning it as one of the leaders in this aspect in Europe and worldwide

The ACS Group is an organisation which promotes the autonomy, responsibility and initiative of the companies which make it up, with the aim of generating maximum profitability and promoting excellence. Decentralisation is key to understanding ACS's corporate culture, and this is also true in the field of sustainability. One of the most important conclusions is that, in this decentralised setting, ACS's different companies successfully and autonomously develop sustainable policies which are very similar to each other as they share a single strategic line which is directed and coordinated by the Group.



The year 2011 has been difficult from an economic and financial point of view, but the ACS Group achieved good results, as it did in the Corporate Social Responsibility area too. Among all the initiatives we advanced and the milestones we achieved, I would like to highlight three main ones.

Firstly, in 2011 we improved our Occupational Health and Safety policies, recording a reduction in our accident rate indices, which evolved positively. In 2011, the ACS Group's various companies invested nearly €27 million in developing risk prevention and occupational health and safety policies, with the objective of promoting an effective risk prevention culture in all our areas of activity. This is, undoubtedly, a trend which will be continued in 2012.

Also this year, we continued to increase the indices of satisfaction of our clients. We surpassed 2010 and already receive 91% of assessments as satisfactory or very satisfactory in the surveys we carry out among our clients. Our target for 2012, as a minimum, is to maintain this percentage.

Finally, in 2011 we expanded our Code of Conduct and made it universal, to adapt it to our more international and multicultural reality. We also developed an Ethical Channel tool, with the aim of this being available to all the ACS Group's employees. During 2012, we will continue with this policy to make our ethical and professional culture extend to all our employees and the majority of our suppliers and subcontractors.

Last year we stated that the ACS Group was immersed in profound organisational and operational changes, converting us into one of the world's most important infrastructure development companies, by sales, number of employees and international scope. We take on this responsibility with the

conviction that our sustainability policies are correct, beneficial for our company, our shareholders, employees and clients, and that these are reflected in the infrastructures we develop, which are used by millions of people around the world.

In 2012 we want to continue to be leaders in Corporate Social Responsibility, promoting the development of business initiatives in our companies to have positive influences on our environment and on our main Stakeholders, with the aim of continuing to generate wealth, acting as a sustainable economic engine committed to society.

A handwritten signature in black ink, which appears to read 'Florentino Pérez'. The signature is written in a cursive, flowing style.

Florentino Pérez
Chairman of the ACS Group



2. The ACS Group

2.1 Company Profile

2.1.1 Corporate Strategy

The ACS Group¹ is a worldwide reference in the infrastructure development industry, participating in sectors which are fundamental to the economy. It defines itself as a company committed to economic and social progress in the countries where it is present.

ACS is positioned as a world leader in the infrastructure development industry, with a clear and defined mission:

To pursue global leadership, optimising the profitability of the resources employed and promoting sustainable development.

¹ The parent company of which is ACS, Actividades de Construcción y Servicios S.A., with registered offices in Madrid, Spain.





Improving society, generating wealth to guarantee the wellbeing of the citizens it serves, in the final analysis, is a primordial part of the ACS Group's mission.

The ACS Group's commitment to society is summarised in three fields of action:

- 1. Respect for the social, economic and environmental setting.*
- 2. Promotion of innovation and research in its application to infrastructure development.*
- 3. Creation of employment and wellbeing, as an economic motor for its stakeholders.*

This performance and all the Group's activities are impregnated with the corporate values that ACS has developed over its nearly 30 years of history and form the basis of the actions of all the Group's employees:



Profitability and integrity, together with commitment to stakeholders, especially commitment to clients, and operational excellence, are the ACS Group's identifying features.



2. The ACS Group

2.1.2 Description of the ACS Group's Activities

The ACS Group is a worldwide leader in the infrastructure development industry. The company operates in over 54 countries and employs a total of 162,262 employees. Of these, 55,314 work in Spain and the other 106,948 abroad. The five countries with the highest levels of activity are Spain, Australia, the United States, Germany and Mexico.

In 2011, the year to which this report refers, ACS had turnover of €28,472 million, a sales figure which makes the company one of the largest listed companies in the world² by revenue in the construction and infrastructure sector. It recorded a net profit of €962 million, recurring net profit of €951 million and ended the year with an order book of €66,152 million, equivalent to 22 months of activity. At 31 December 2011, the ACS Group accounted for a net worth of €6,191 million and a net balance sheet debt of €9,334 million.

In the construction area, ACS mainly carries out projects in the civil works, residential and non-residential building, development and management of infrastructure concessions and mining operations areas. The ACS Group's construction activity is based on the provision of services to third parties, both private and public clients, in countries where ACS has a consolidated local presence or where it carries

out infrastructure concession projects. The Construction area had turnover of €19,802 million in 2011 and employed 90,819 people, 56 % of the total workforce.

In turn, the Industrial Services area provides maintenance and support services to industrial clients, electricity, oil, gas and telecommunications companies. In addition, it carries out turnkey energy and industrial projects for its clients worldwide. This area had turnover of €7,045 million in 2011 and employed 41,462 people, 25.6% of the total employees.

The Environment area focuses its activity on the carrying out of solid urban waste collection, cleaning and gardening services, as well as the management of large infrastructures for waste treatment and recycling, incinerating and biomethanisation plants and also dumps. Additionally, it offers facility management services for buildings and infrastructures. Net sales totalled €1,686 million in 2011. A total of 29,924 employees participated in its activities, 18.4% of the Group total.

Lastly, the ACS Group invests in listed companies which carry out their activity in industrial fields related to the ACS Group's areas. It currently holds stakes in Abertis and Iberdrola, where ACS holds 10.3% and 18.55%³ of the share capital respectively, with the objective of contributing its experience and industrial nature as a reference shareholder.

² According to ENR in its publication Top Global Contractors 2011 in August: <http://enr.construction.com/toplists/GlobalContractors/001-100.asp>

³ At the date of publication of this report.



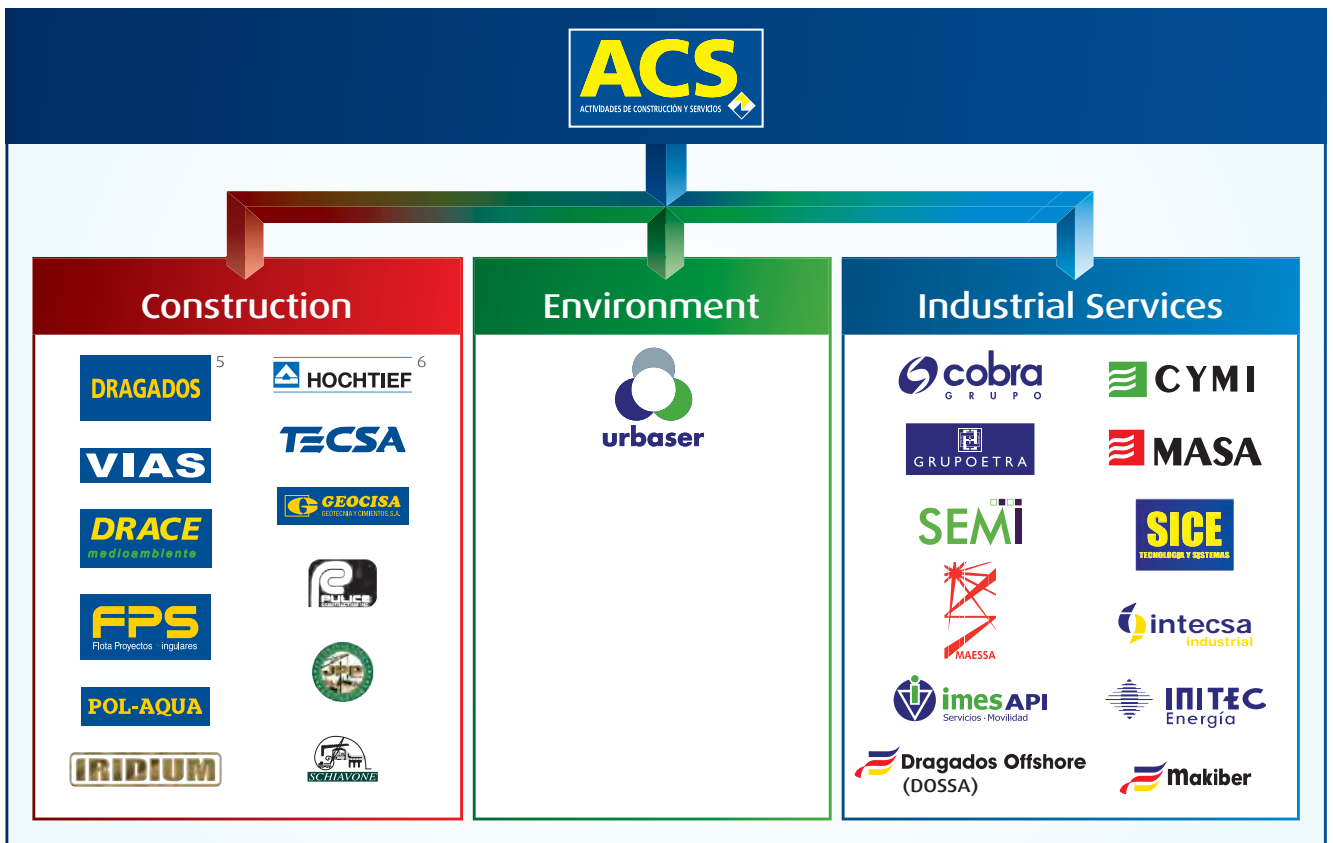
ACS is one of the largest listed companies in the world.

2.2 The ACS Group and Corporate Social Responsibility

The ACS has a decentralised structure⁴ based around its three areas:

Construction,
Environment and
Industrial Services,

and it carries out its activities through dozens of different companies. This complex but highly efficient organisation encourages the Group's companies to compete and carry out their work independently, at the same time sharing common guidelines which add value for their clients. Included in this report are the data for the following companies:



⁴ It is important to highlight two changes which occurred during 2011, which significantly affected the ACS Group's structure:

- On the one hand there was the deconsolidation of Clece, ACS's Integral Maintenance Company, which had turnover of €1,175 million in 2010, with 49,503 employees.
- Hochtief, the German construction company acquired by ACS in 2011, was consolidated, contributing turnover of €14,882 million and 75,449 employees.

The effect of this change makes comparison between the years 2009-2010 and 2011 difficult due to Hochtief's weight in terms of sales, which were much higher than those of Clece, and the change in the number in terms of sales, which were much higher than those of Clece, and the change in the number of employees. Furthermore, Clece was included in the Environment section and Hochtief is now a company in the Construction area.

⁵ Dragados, Dragados USA & Canada and Dragados Poland.

⁶ Hochtief Americas, Hochtief Europe and Leighton.

2. The ACS Group

Each of the ACS Group's companies is managed autonomously, with independent functional managements and flexible and sovereign executive bodies. The aim of this type of organisation is to promote:

- **Profitability.**
- **Decentralisation.**
- **Reduced bureaucracy.**
- **Entrepreneurship.**
- **Competitiveness.**
- **Flexibility and ability to adapt.**
- **Diversity.**
- **Subcontracting of activities.**

The objective is for all the ACS Group's companies to share the Group's values and culture, at the same time as each operates in a standalone manner, individually contributing numerous valid and profitable management formulas thanks to the multiple factors involved in their decision making and generating know-how and good practices which are also independent.

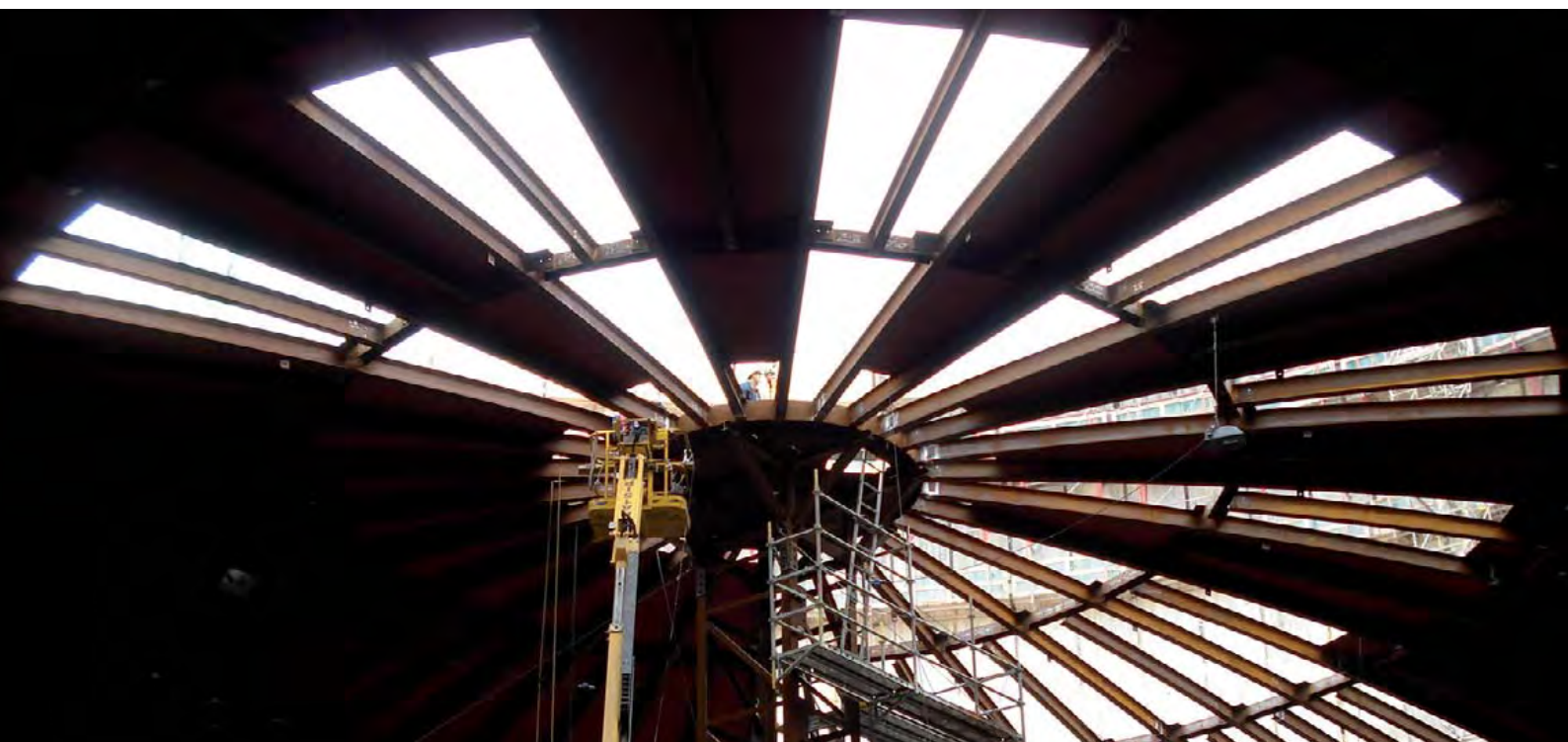
Therefore, contributions from a multitude of companies come together in the ACS Group's Sustainability effort, defining its policies for

action autonomously and managing their resources in the most efficient manner possible, always covered by a common objective.

To tackle the immense challenge presented by the coordination of the ACS Group's sustainability, the company's Corporate Responsibility area carries out thorough data collection, with contributions from over one hundred functional directors from key areas for sustainability: Environment, Human Resources, Quality, R&D+i, Clients, Suppliers and Health and Safety.

From the analysis of the information a series of strategies and good practices become clear, resulting from the Group's strategic vision and in line with the aforementioned company's values.

This process is supported by independent external consultants who incorporate improvements periodically, both at the functional and procedural levels. Furthermore, the ACS Group's Corporate Responsibility Report is prepared according to the GRI's A+ standard and is verified annually. The ACS Group was selected in the Dow Jones Sustainability Index World in 2011.





2.3 ACS Group Governance

2.3.1 Ownership Structure

ACS, Actividades de Construcción y Servicios, S.A., (ACS), the ACS Group's parent company, is a Spanish quoted limited company, the share capital of which totalled €157,332,297 at 31 December 2011, represented by 314,664,594 shares, with a face value of €0.50 per share, fully subscribed and paid up, all of a single class and with the same rights.

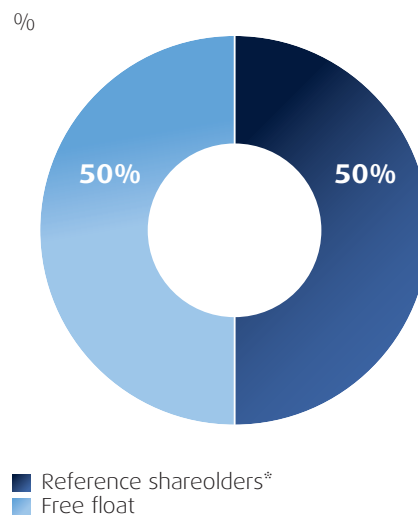
ACS's shares are represented by means of book entries and admitted to trading in all Spain's Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia). You can access the main data relating to the company's ownership structure in real time through the company's corporate website, www.grupoacs.com, and that of the Spanish Stock Market Commission (C.N.M.V.), www.cnmv.es, as reflected in the following table as at 31 December 2011:

Shareholder's name or corporate name	Number of shares	Percentage of the total number of shares
Corporación Financiera Alba, S.A.	57,599,232	18.31%
Corporación Financiera Alcor, S.A.	40,755,395	13.86%
Inversiones Vesán, S.A.	39,397,625	12.52%
Southeastern Asset Mananagement, Inc	23,527,063	7.48%
Sayglo Holding, S.L.	17,741,012	5.64%

The information obtained from IBERCLEAR, the Spanish Central Securities Depository, for the call to the company's most recent General Shareholders' Meeting, held on 14 April 2011, showed a total of 45,693 shareholders. There were 40,979 resident minority shareholders who held 45.7 million shares between them. There were 4,714 non-resident shareholders and domestic institutional shareholders with a stake of 269.5 million shares.

According to the stated data and bearing in mind those shareholders who, with an over 5% share of the capital, also have representation on the board of directors, the distribution of capital ownership is as follows.

Capital ownership distribution



* Shareholding of over 5% and representation on the board

2. The ACS Group

2.3.2 Company Administration

2.3.2.1 ACS Governance Structure

It is laid down in the Company Bylaws and the Rules of the Board of Directors that the ACS will be governed by a Board of Directors made up of a minimum of eleven (11) and a maximum of twenty-one members (21). ACS's Board Members are named according to a procedure to assess their competences, knowledge, experience and dedication to proper fulfilment of their task, carried out by the Board of Directors' Appointments and Remuneration Committee.

As ACS's decision-making body, it falls to the Shareholders' Meeting, at the proposal of the Board of Directors, both to set the exact number of members of the Board, within these limits, and to name the people to occupy these posts.

The composition of the Board of Directors is based on a proportional principle, by means of which the interests of all ACS's groups of shareholders are represented on the Board. In this way, at 31 December 2011, ACS's Board of Directors was made up of 17 Board Members: 4 executive members, 8 members representing major shareholders, 4 independent members and 1 external member. There is one woman board member representing major shareholders, Sabina Fluxá Thienemann⁷. The mission of these independent and external board members is to represent the interests of the free-float capital on the Board of Directors. The Chairman of the Board of Directors, Florentino Pérez, is also the CEO of ACS.

2.3.2.2 Governance Procedures in ACS

As regards the function of the Board of Directors, this acts jointly and is granted the broadest of powers to represent and govern

the company as the body supervising and controlling its activity, but also with the capacity to assume the responsibilities and decision-making powers directly on the management of the businesses.

In particular, the Board of Directors fully reserves the authority to approve the following general policies and strategies:

- The investment and financing policy.
- Definition of the corporate group structure.
- Corporate governance policy.
- Policy for Corporate Responsibility.
- The strategic or business plan, as well as management targets and annual budgets.
- Senior executive management assessment and remuneration policies.
- The risk control and management policy, in addition to the periodic monitoring of internal information and control systems.
- The policy on dividends as well as on treasury stock and its limits.
- Related-party transactions, except in those cases anticipated by the Regulations.

For greater efficiency in its functions, a series of Commissions are constituted within the Board of Directors, the task of which consists of controlling and monitoring those areas of greatest importance for the good governance of the company. The Board of Directors is currently made up of three commissions: the Executive Commission, the Audit Committee and the Appointments and Remuneration Committee.

The Executive Committee is a delegated committee which can exercise all the Board of Directors' powers except those which cannot be delegated or which the Board reserves as its competence.

The Audit Committee has 11 main functions, which are detailed in the ACS Group's Corporate Governance Report (Section B.2.4), outstanding among which are the accounting control functions, supervision of compliance with the ACS Group Code of Conduct and risk management.

⁷ Personal information on ACS's board members can be found on the ACS Group's website:
http://www.grupoacs.com/index.php/es/c/gobiernocorporativo_consejodeadministracion.



Finally, the Appointments and Remuneration Committee has eight main functions, which are detailed in the ACS Group's Corporate Governance Report (Section B.2.4), outstanding among which are control of board member senior management remuneration and performance, proposals for their appointments and matters relating to gender diversity on the Board of Directors.

The Board Members' remuneration is defined by a general policy approved by the full Board, heeding the recommendations of the Appointments and Remuneration Committee. The total remuneration of the ACS Group's Board Members in 2011 was €12.49 million, 1.3% of the profit attributed to the parent company. Within the ACS Group's transparency and information policy, the remuneration received by both the members of the Board of Directors and the Senior Executives during the financial year is shown in the Annual Corporate Governance Report (Section B.1.11).

Assessment of the Board of Directors quality and efficiency of performance is a task which falls to the Board itself and cannot be delegated. It is carried out after receiving a report from the Appointments and Remuneration Committee. Furthermore, the General Shareholders' Meeting submits approval of the Board of Directors' management to a vote every year.

Finally, the ACS Group, through the Rules of the ACS Board of Directors, has detailed rules on the mechanisms laid down for detecting, determining and resolving possible conflicts of interest between the company and/or its group and its board members, managers or significant shareholders, as detailed in point C.6 of the ACS Group's Corporate Governance Report.

2.3.2.3 Shareholders Rights and the General Shareholders' Meeting

The operation of the Shareholders' Meeting and the rights of the shareholders are regulated in ACS's Company Bylaws and in the Rules of the Shareholders' Meeting. According to Article 1 of the latter, the Shareholders' Meeting is the supreme body for the expression of the will of the company and its decision making.

As such, according to these Rules, the Group's shareholders represented in the General Shareholders' Meeting will decide all matters within the Meeting's powers by majority. This meeting will be made up of those holders of at least one hundred shares present or represented, such that holders of less than one hundred shares can group together to reach this number.

In addition, shareholders' attendance and voting rights are laid down in these Rules, by means of which egalitarian treatment is guaranteed for all, and a series of measures aimed at encouraging shareholders' participation in the General Meeting are included. As such, not only is delegation or representation of votes permitted during the Meeting, but the possibility of shareholders casting their vote remotely is also expressly established. Furthermore, since the Ordinary General Shareholders' Meeting of 19 May 2005, the necessary procedures have been articulated for exercising the right to vote in advance remotely. The measures adopted by the Group to encourage attendance of the Meeting are positively reflected in their attendance percentages.

Attendance at Shareholders' Meetings	2009 Ordinary	2010 Ordinary	2010 Extraordinary	2011 Ordinary
Shareholders Present	208	213	115	179
Quorum Shareholders Present	7.66%	19.44%	19.93%	20.55%
Shareholders Represented	2,763	2,776	2,183	2,792
Quorum Shareholders Represented	70.88%	58.22%	57.11%	54.41%
Quorum Total	78.54%	77.66%	77.04%	74.96%

2. The ACS Group

Likewise, the shareholders' and investors' right to information is detailed in several parts of the Rules of the Shareholders' Meeting. Indeed, all the necessary information is made available to the shareholders prior to holding each Meeting, in that, in addition to the standard information provided by the company in the annual, half-yearly or quarterly reports, the Group maintains a website with all the fundamental data on it. Periodic meetings are also held with analysts for this information to reach both shareholders and the general market in the fairest, most symmetrical and efficient way possible.

The ACS Group not only sets up permanent communications channels with its shareholders and investors, but also ensures that all the information made available to them is truthful and rigorous. The Audit Commission reviews this information before it is transmitted to confirm that it is prepared in accordance with the professional principles, criteria and practices with which the accounts are prepared.

ACS's Board of Directors has, over a number of years, also been promoting measures to guarantee the transparency of the company's action in the financial markets and to exercise as many functions as result from its position as a listed company on the stock exchanges. To this effect, we try to ensure that knowledge of relevant facts is restricted, until made public, to the minimum number of identified people.

2.3.3 Risk Control Systems

The ACS Group's risk control system is based on a range of strategic and operational actions which seek to mitigate risks in addition to fulfilling the objectives set by the Board of Directors.

The diversity and complexity of the sectors in which the Group carries out its activities involve a great variety of risks and the Corporation is responsible for defining the basic guidelines to homogenise operating criteria in each of the divisions and so guarantee an appropriate level of internal control. The companies and divisions of which ACS is made up are responsible for

developing the necessary internal regulations so as to implement appropriate internal control according to the particular nature of their activity.

In order to be able to respond in the face of global and homogeneous risk, the Corporation has established a risk management model which includes the identification, assessment, classification, valuation, management and monitoring of risks at the Group and Operating Area levels. Once risks have been located, a risk map is prepared which is systematically updated periodically.

In accordance with that explained above, the following risks have been identified:

- Operational risks, stemming from the Group's different businesses and which vary depending on the area of activity, but which, in short, are related to entering into contracts, planning and control of the execution of the works and projects, quality-related risks, environmental impact and risks related to international activities.
- Non-operational risks, which also stem from the different businesses the Group carries out, but which in this case relate to image, human resources, legal or regulatory matters, tax, financial matters and insurance coverage.

As indicated previously, the Group's risk control systems are common to all the Group's areas of activity, but organised according to a decentralised model, which enables each business unit to exercise its risk control and assessment policies in accordance with certain basic principles. These basic principles are the following:

- Definition of the maximum risk limits that may be assumed by each business in accordance with its characteristics and its profitability expectations and which are implemented at the time contracts are entered into.
- Establishment of procedures to identify, approve, analyse, control and report the different risks for each business area.



- Coordination and communication to ensure that each business area's risk policies are consistent with the Group's overall risk strategy.

The systems provide the necessary information to supervise and evaluate the risk exposure of each business area and develop the corresponding management reports for decision making with monitoring of the appropriate indicators.

The control systems developed in each business area may be classified into the following categories:

- Management systems for entering into contracts and bidding processes for works and projects.
- Management systems for planning and execution of works and projects.
- Quality management systems.
- Human resources management systems.
- Financial risk control systems.
- Environmental management systems.
 - Incorporation of the most advanced technologies as regards environmental matters, such as:
 - Conservation of energy and raw materials.
 - Using recyclable and biodegradable materials.

- Minimising waste production and environment-friendly treatment.
- Promoting the reforestation and landscaping of works.
- Carrying out specific actions for activities that require them, depending on the effect of the impact and the setting.
- Informing the client continuously on the environmental risks and possible preventive measures.

- Other systems: For risks of a legal or fiscal type, ACS has appropriate departments in each company, division or at a corporate level and with prestigious external support in each specific field of action. Additionally, the signing of contracts is supervised by each company's legal adviser and, depending on its relevance, by the legal counsel of the different divisions or of the Group.

The Group has a strategy for covering accidental risks which could affect Group assets and activities that involves the underwriting of various insurance policies for any coverable risks. The characteristics of these policies are reviewed periodically to adapt them to the current and specific status of the risk covered.



2. The ACS Group

2.4 The ACS Group and its Stakeholders

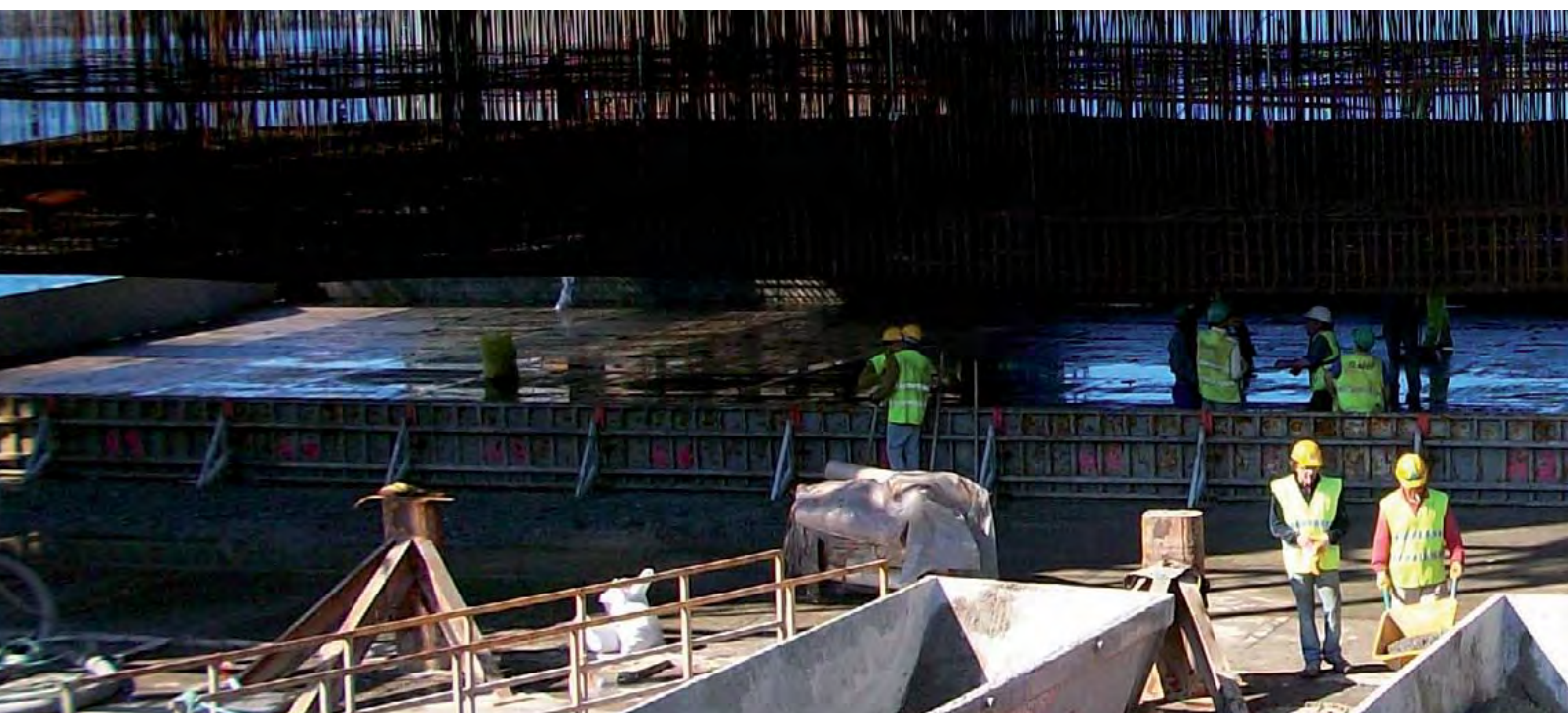
2.4.1 Stakeholders

The ACS Group defines stakeholders as groups with the capacity to have an influence on the achievement of the organisation's objectives. Outstanding among them are shareholders, employees, clients, suppliers, infrastructure users and society in general, who benefit from its policies in quality, R&D+, philanthropy and the environment.

To generate trust and identify these groups, a priority is to keep channels open for honest, plural and transparent dialogue in the ACS Group's various companies, as well as in its fields of action and functional areas.

- Shareholders relate to the company continuously through the communications channels established, such as the permanently open website, the shareholder services forum, the Investor Relations Department and the Shareholders' Meeting itself, which is held at least once per year. This relationship is detailed in the Creating Value for Shareholders section.

- The employees are key to carrying out the ACS Group's activities, as a company mainly intensive in human capital. The employees' relationship with the company is continuous, but it is especially intense over the performance assessment period, which usually takes place annually. Personnel policies and management are detailed in the corresponding section of this report. They also have the ACS Group's Ethical Channel, as detailed in the Ethics and Professionalism section of the Corporate Social Responsibility Report.
- The relationship with clients and suppliers and how ACS deals with their management is part of the section on Creating Value for clients and suppliers. However, the frequency of the ACS Group's relationships with its clients is practically daily, meaning that there are numerous meetings each year. The relationship with suppliers is also fluid as the Group's purchasing directors and works managers hold frequent meetings, even having weekly contact in large accounts. As with the employees, suppliers have the ACS Group's Ethical Channel available to them.
- The ACS Group's relationship with society in general and in particular with infrastructure users is detailed in the chapters on chapters, philanthropy and the respect the Group holds





for the Environment. It should be emphasised that the ACS Foundation holds several meetings each month with organisations in the civil field with the aim of defining its philanthropic activities. Furthermore, the ACS Group's various Environment departments analyse the environmental needs and risks affecting society several times each year and, especially, every time that general plans are dealt with in this subject within the company Environmental Impact Studies are undertaken.

2.4.2 Transparency in Institutional Relationships

The ACS Group is an organisation with a very significant impact in social, labour, economic and political fields in those countries in which it operates. This impact is managed directly by ACS's Chairman, Florentino Pérez, and his team. In this respect, it is important to highlight the influence that ACS has on the decision making or behaviour of those levels and clients with whom it habitually relates.

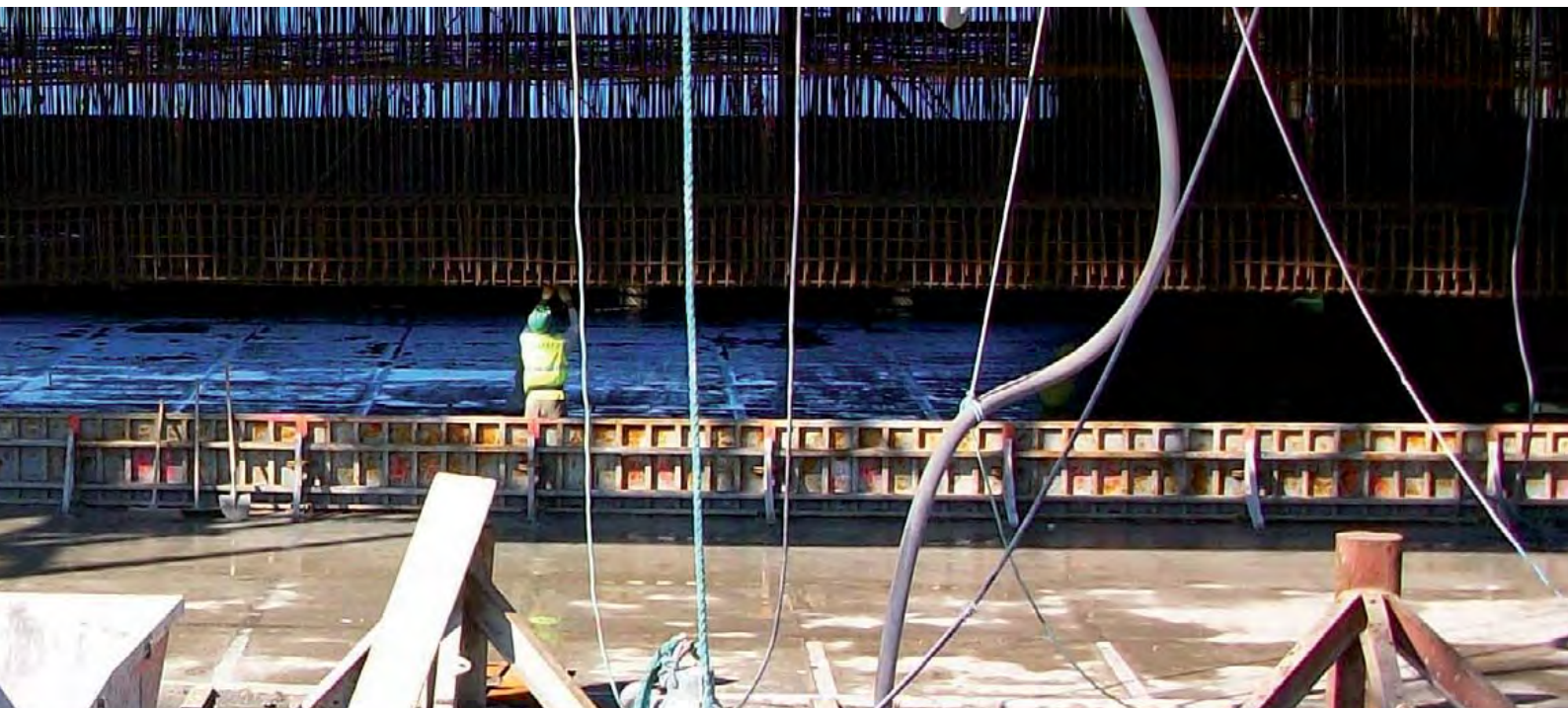
ACS incorporates responsibility into its whole organisation and its daily practices, sharing knowledge, information and experience. It also carries out projects in collaboration, promotes fair

practices, builds alliances with organisations, associations and other sector members, working in a responsible manner and open to dialogue and attending to the calls from Government and from the industrial institutions representing its sector.

In short, through its businesses, ACS intervenes in its environment with the intention of contributing voluntarily and actively to social improvement, complying with the law and additionally developing policies and initiatives which boost the excellence and quality of its activities. The ACS Group Chairman is the leading exponent of this policy.

The nature of ACS's political and institutional relationships is augmented by the presence of its Chairman in the most important political and business meetings⁸, as well as in various public functions, always guided by the ethical principles of social responsibility and the intention to improve competitiveness and general and added value.

⁸ The ACS Group made no financial or in kind contributions to political parties during 2011.



3. Corporate Responsibility and the ACS Group

3.1 The ACS Group's Main Indicators in CR

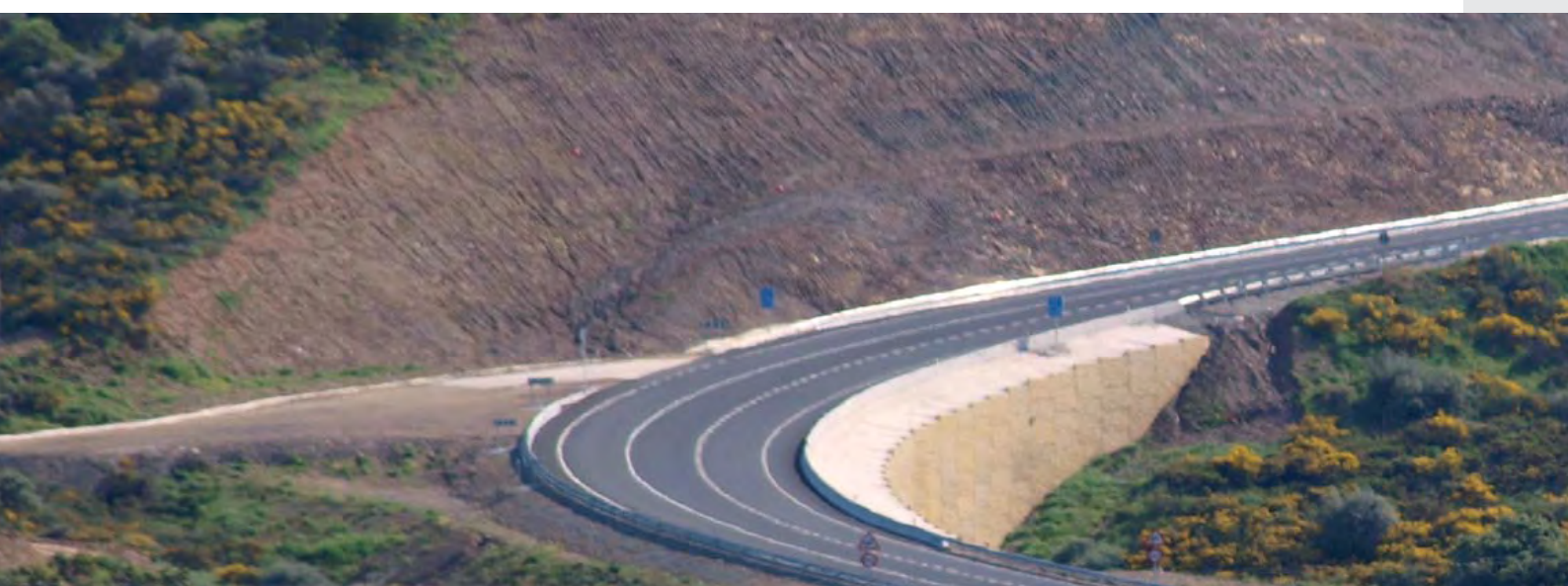
	2009	2010	2011 ⁹	Forecasts 2012
Recurring earnings per share (euros)	2.69	2.92	3.21	2012e > 2011 ¹⁰
Gross dividend per share (euros) ¹¹	2.05	2.05	2.05	See note
Clients satisfied or very satisfied (%)	85.75	85.62	91.08	2012e ≥ 85%
Production certified under ISO 9001 (%)	89.47	91.55	77.14	2012e ≥ 93.5%
Production certified under ISO 14001 (%)	69.86	71.69	72.56	2012e ≥ 73%
Economic value generated (millions of Euros) ¹²	30,505	28,400	55,940	2012e ≥ 55,000
Investment in training (euros/employee)	84.58	87.66	114.71	2012e ≥ 96.6€
Rate of construction and demolition waste recovery (%)	58.50	65.10	61.55	2012e ≥ 71%
Investment in R&D+i / recurring net profit (%)	5.18	5.07	5.87	2012e ≥ 5%
CO ₂ emissions (t) / Production (million euros)	127	130	61	2012e ≤ 126
Water Consumption / Production (m ³ /thousand euros)	423	440	196	2012e < 420
Frequency Rate	51.25	49.05	42.67	2012e ≤ 47
Investment in social initiatives/ recurring net profit (%)	0.40	0.39	0.40	2012e ≥ 0.4%

⁹ Includes information for Hochtief in 2011, but not for 2010 and 2009. Clece is not included in 2011, as it was reclassified as an asset available for sale. For further information on the scope of the data, see section 11 of this document.

¹⁰ The recurring earnings per share for 2010 has been adjusted to 2.92 euros per share (from the 3.08 euros per share reported in 2010) as a consequence of Clece being put up for sale. To make both sets of data comparable, the recurring income in 2010 has been reduced by the earnings figure for the aforementioned company. As 2010 is the reference year for the definition of the objective, this has been recalculated taking the adjusted figure into account.

¹¹ Referring to the dividend paid in the year. ACS Actividades de Construcción y Servicios, S.A.'s Board of Directors, after deliberating on the modes being used by quoted companies to remunerate shareholders, agreed that, in due course, it would propose the approval of flexible formulas for compensating shareholders to the next Ordinary Shareholders' Meeting, to enable this to be made in money and/or in shares. As a consequence of this particular, this information is not available at the date of publication of this report.

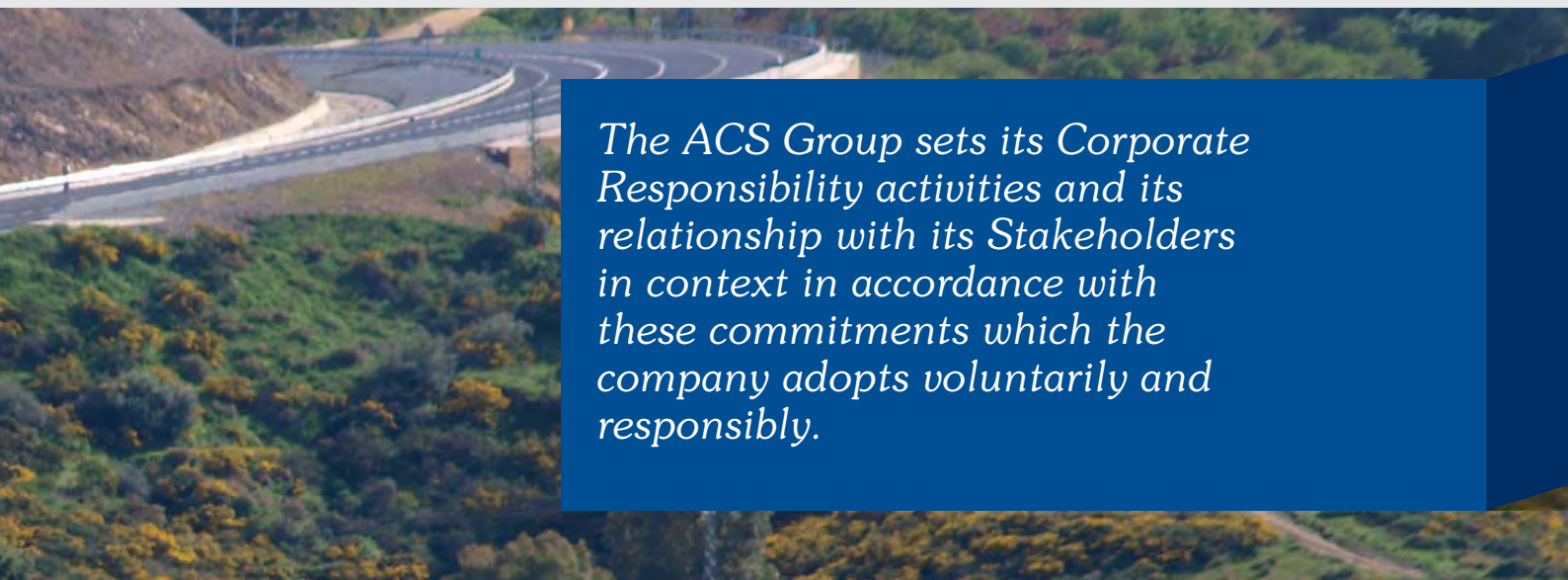
¹² The target has been reformulated to make it coincide with the datum for the economic value generated defined as relevant for the ACS Group.





The ACS Group's Five Commitments

ACS has defined its form of committing itself to its stakeholders through its five commitments to sustainability.



The ACS Group sets its Corporate Responsibility activities and its relationship with its Stakeholders in context in accordance with these commitments which the company adopts voluntarily and responsibly.

4. Commitment to Creating Value

4.1 The Value of our Businesses

ACS is committed to creating value for all its stakeholders. To provide growing and sustained profitability is one of the company's main objectives.

	2010	2011
Net revenue (million euros)	14,329	28,472
Gross operating profit. EBITDA (million euros).	1,432	2,318
Total gross investments (million euros)	5,099	4,755
Recurring net profit (million euros)	875	951
Net profit (million euros)	1,313	962

Economic value generated (€ Million)	2010	2011
Revenue	14,329	28,472
Operating costs	9,995	20,355
Staff costs	3,241	6,319
Payments of direct remuneration to shareholders (Dividends)	618	614
Taxes	217	181





4.2 Shareholders

Milestones 2011

Servicing of 628 shareholder questions and/or problems, of which only 7 shareholders declared themselves unsatisfied.

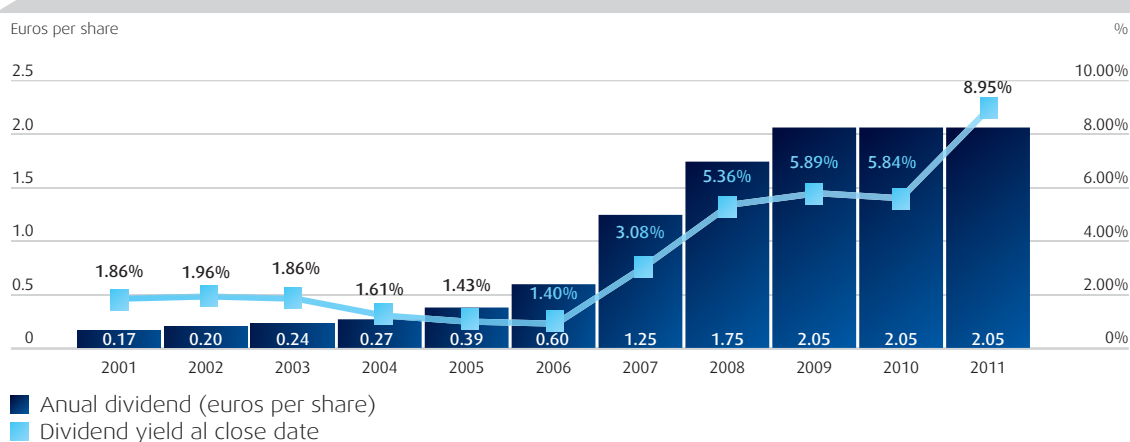
Increase Recurring Net Profit to €951 million, 8.8% up on that recorded in 2010.

Actions anticipated for 2012

The Board of Directors will propose to the General Shareholders' Meeting the approval of flexible formulas for remuneration of shareholders, enabling this to be made in money and/or shares.

ACS stock	2009	2010	2011
Closing Price	34.81 €	35.08 €	22.90 €
Appreciation of ACS shares	6.62%	0.76%	-34.71%
Appreciation of the IBEX35	29.84%	-17.43%	-13.11%
Maximum closing price	38.75 €	38.38 €	37.94 €
Minimum closing price	27.67 €	28.90 €	21.75 €
Average price over the period	34.61 €	34.15 €	29.67 €
Total volume (thousands)	196,115	194,506	220,147
Average daily volume of shares (thousands)	769	757	857
Effective (€ million)	6,759	6,533	6,531
Effective daily average (€ million)	26.50	25.42	25.41
Number of shares (millions)	314.66	314.66	314.66
Capitalisation at the end of the period (million)	10,953	11,037	7,206

ACS as a company is highly committed to shareholder returns and dedicates a significant amount of funds to the annual payment of dividends.



Likewise, considering the concept of total return for shareholders, an investor who purchased an ACS share on 31 December 2000 would have obtained an annual yield of 15.73% at the end of 2011. If a shareholder had invested €100 on

that day, he or she would have had €498.91 at the end of 2011, meaning the investment had risen by 4.99 times, including the appreciation of the share during this period and the dividends paid by the ACS Group.

4. Commitment to Creating Value

4.2.1 Communication with Shareholders

The Group's commitment to the markets, shareholders and investors is upheld in its information transparency. As such, and in order to offer them the best service, the company has specific communications procedures, as detailed in the section on transparency in this document. In summary, the following are outstanding among these:

- **Relationship with investors.** A total of 191 meetings were held in different places worldwide. These meetings enable it to pass information on the Group's prospects and on relevant events which may affect the company or its sector. Specific events are also held regularly, of which 9 took place in 2011.
- **Shareholder service.** Service is provided from the Investor Relations Department to numerous minority shareholders seeking to resolve doubts and obtain detailed information on their investment. In 2011, 628 problems raised by the shareholders were dealt with, of which 69.7% received a satisfactory solution to the problem (as stated by the shareholders), 29.1% expressed neither satisfaction nor dissatisfaction and only 1.1% expressed dissatisfaction.
- **Communications with financial analysts and institutional investors.** Regular sending of information of interest to those analysts and investors who follow the Group most closely.
- **Participation in conferences and seminars of interest.**
- **Corporate Website** and start-up of the **Shareholder Services Web Forum.**



4.3 Clients

Milestones 2011



Implementation of an application for controlling cash flows at works/ service level.

POL-AQUA

Development of a procedure for measuring client satisfaction.



In 2011, Thiess received the prize for Excellence in execution of the construction activity awarded by the Australian National Construction Major Project Review (ANCR).



The general procedure for preparing the final dossier and for project delivery to the client has been revised, improved and expanded in all the divisions as a consequence of the low marks the process obtained in surveys.

Challenges for 2012



Optimisation and segmentation of the client portfolio based on profitability criteria.

Definition of strategic KPIs in the client satisfaction analysis.



Development of a common CRM system in Hochtief Europe's activity for acquiring and retaining clients.



Development of a system for measuring client complaints in Iridium's facilities.



Development of a single register of tenders for public authorities.

Initiatives developed

Main areas of work	Percentage of total
Client management system	34%
Client follow up	16%
Client Satisfaction	23%
Others	27%

4.3.1 Strategy

The commitment to clients is one of the ACS Group's most important corporate values. Not for nothing is there a high level of trust between the client and the Group, thanks to the high added value services the company offers throughout time, promoting this close relationship.

This commitment to its clients is tackled from a clear strategy based around the following points:

- Problem-solving orientation.
- Client relationship feedback.
- Information on the ACS Group's capabilities.
- Identification of future needs and opportunities for collaboration.

In addition, the ACS Group seeks appropriate solutions to improve its approach to the client, particularly in technological matters of importance. This leads to the search for collaboration with detail engineering companies, specialised in the specific field required for each project. Better adapted alliances are created for each case in this way and, as such, the final client can be offered the best technical and economic solution.

Another important value for the Group's businesses is confidentiality. The ACS Group company's contracting and client relationship department carries out periodic initiatives to promote responsible use of information, so guaranteeing client confidentiality.

4. Commitment to Creating Value

4.3.2 Management Principles

Given the characteristics of ACS's business, where large infrastructure projects are carried out or general agreements are entered into for the provision of services (such as the cleaning of a city or maintenance of an electricity grid), the number of clients with whom ACS deals is very limited, or they are large corporations or public institutions from around the world.

In 2011, companies representing 79.6% of the ACS Group's sales¹³ reported the existence of a client management system, managed by each company's contracting management. The management aspects common to the whole ACS Group are as follows:

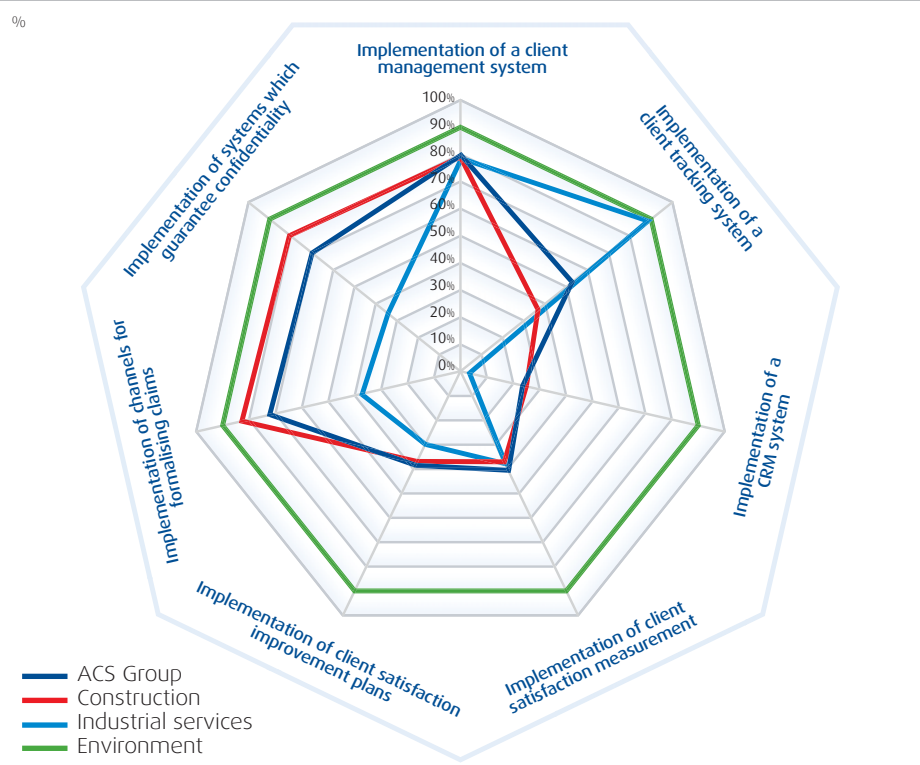
- Monitoring of client needs.
- Periodic measurement of client satisfaction.
- Guarantee of confidentiality.

In addition, different management trends have been collected, outstanding among which are:

- Analysis of evolution of clients' payment status, as well as other financial variables.
- Development of computerised systems for control of the tendering system.
- Analysis of the impact and interferences caused by production in the carrying out of civic activity.

¹³ The data referring to the ACS Groups included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data is expressed in terms of percentage of total Group sales in 2011.

The adoption of the main management parameters in the Group is summarised in the following graph:



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.





4.3.2.1 Monitoring and Communication

Formally, companies representing 88.7% of the ACS Group's sales hold regular meetings with clients, through those responsible for each project, or continuously if, as occurs in exceptional projects, the client dedicates resources to production control.

This is how objectives, monitoring systems and client information plans are defined for each project and in line with the specific aspects of each company. Control points for important phases of production are established in these plans, along with certification meetings to manage the partial payments for the work and partial monitoring points which may come to mean daily contact between the supervisor and the client in order to reinforce the latter's confidence.

Similarly, computerised CRM systems are being implemented to collect information relating to clients, in order to facilitate analysis and the carrying out of actions to improve satisfaction.

In 2011, companies representing 23.3% of the ACS Group's sales had a system of this type operating.

Finally, the following specific initiatives stand out among the ACS Group's client monitoring systems, identified by the various contract management departments:

- Initiatives for controlling the required contractual requirements, tender values and bid details.
- Analysis of client financial risks.



4. Commitment to Creating Value



4.3.2.2 Client satisfaction

ACS's second key client relationship management policy is the measurement of their satisfaction. Companies representing 40.3% of the ACS Group's sales carry out this type of process, either in a standalone form or within the framework of quality management systems. These vary according to the characteristics of the services provided by each company, but they share some common elements:

- Companies representing 40.3% of the ACS Group's sales identify the worst and best rated aspects of the service provided.
- Similarly, Group companies representing 38.1% of sales implement measures and plans to improve client satisfaction.
- The great majority of the Group's companies, those representing 72.3% of sales, include and system for managing complaints and penalties in contracts.

Additionally, the following specific noteworthy initiatives were detected in the client satisfaction management system:

- Comparative analysis of client satisfaction results year on year to detect areas for improvement.
- Numerous comparative studies are carried out between ACS Group companies and the competition, for the client to assess points for improvement in service execution.

In 2011, 1,056 client satisfaction surveys were carried out in the ACS Group, of which 91.1% produced a positive assessment (the client was satisfied or highly satisfied). The 2010 percentage was 85.6% from 1,211 surveys carried out.

On the other hand, a total of 2,683 complaints were received from clients, of which 97.5% were attended to and 74.1% were resolved satisfactorily. In 2010, 1,491 complaints were

received, of which 88.3% were attended to and 75.7% resolved.

An indicator of client service quality is seen in the limited number of penalties due to breach of regulations which the ACS Group received in 2011, above all in relation to the provision of services. In 2011 these totalled €1,490,000.

A study was carried out on the aspects rated best and worst by the clients. Worthy of highlighting among the best rated are:

- The technical quality of the Group's works and service teams.
- The detailed process for monitoring client needs.
- Capability to respond in the case of problems.

Outstanding among the worst rated are:

- The works delivery periods and the delays which occur on occasions.
- The perception of price against the quality of the products.

4.3.2.3 Guarantee of Confidentiality

A key aspect in the ACS Group's relationship with its clients is the guarantee of confidentiality in the Group's management system. From the analysis carried out, it was found that companies representing 69.8% of the ACS Group's sales have implemented systems guaranteeing client confidentiality.

In this regard, a study was carried out on the percentage of complaints received in 2011 of the total related to confidentiality problems and it was determined that none came from this cause.





4.4 Quality

Milestones 2011

VIAS

Improvement in the recording and analysis of non-conformities related to quality.

DRACE medioambiente

Improvement in management systems to expand activity outside Spain.



Extension of quality control procedures and systems in relation to activities such as structural design or works with steel in Schiavone.

IRIDIUM

Renewal of ISO 9001 certification in Iridium.

MASA

Implementation of the management system in the recently-created Maintenance and Mechanical Assemblies Division in Brazil.



Implementation of the "Quality" Indicator, permitting measurement and analysis of the costs of failures to comply in terms of quality in various projects being executed.

Challenges for 2012

DRAGADOS USA

Designation of a team responsible for Quality, both for the preparation of bids and the monitoring of the execution of works awarded.

TECSA

Implementation of a computer program for preventive and corrective maintenance in the Machinery Fleet.

DRAGADOS POLAND

Definition of risk parameters depending on different aspects of works execution and control of their evolution.



Implementation of an Energy Efficiency Management System in the Cobra Group in accordance with the UNE-EN-ISO 50001: "Energy Management Systems" standard and obtaining of Certification from AENOR.



Development and implementation of a training plan for quality and environment managers and specialists.



Improvement in management of average time for resolution of incident reports.

Initiatives developed

Main areas of work	Percentage of total
Quality management systems	45%
Quality control systems	20%
System for managing failures to comply with quality standards	10%
Others	25%



4. Commitment to Creating Value

4.4.1 Strategy

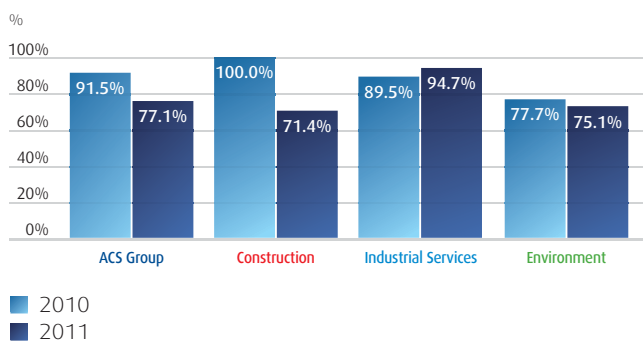
Quality is a determining factor for the ACS Group, as it represents the factor distinguishing it from the competition in the infrastructure and services industry, with high technical sophistication.

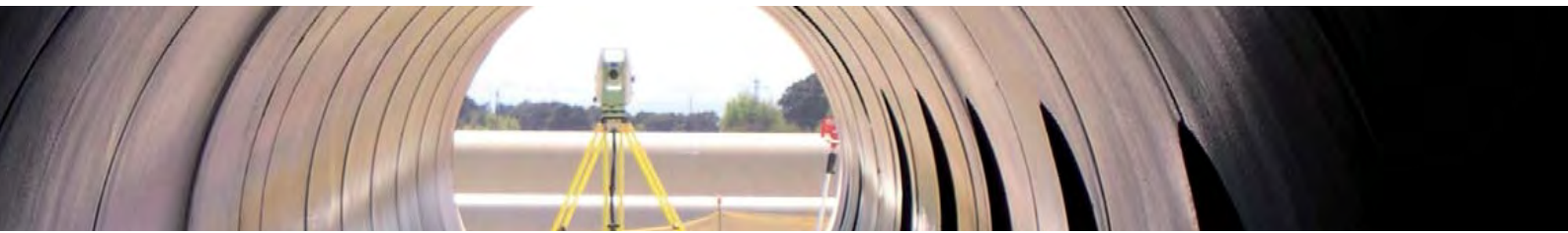
The Quality Department in the Group's different companies is the entity responsible for implementing its own Quality Management Systems. Companies representing 96.9% of ACS Group sales¹⁴ presented some form of quality management system in 2011. In this period and as a consequence of these systems, the ACS Group invested a total of €5.71 million in promoting quality.

These quality systems are audited periodically in order to certify the Group's activities, mainly according to the ISO 9001 standard, as well as the Madrid Excelente quality seal in Dragados, ENAC ISO 17020 and ISO 17025 accreditations in Geocisa, Urbaser and SEMI and ISO 3834 in POLAQUA, among others. In 2011, companies representing 95.9% of the Group's sales carried out independent audits. A total of 1,419 quality audits were carried out in the year. Of the production by Group companies, 77.1% is certified to the ISO 9001 standard.

¹⁴ The data referring to the ACS Groups included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data is expressed in terms of percentage of total Group sales in 2011.

Percentage of production certified under ISO 9001





4.4.2 Management Principles

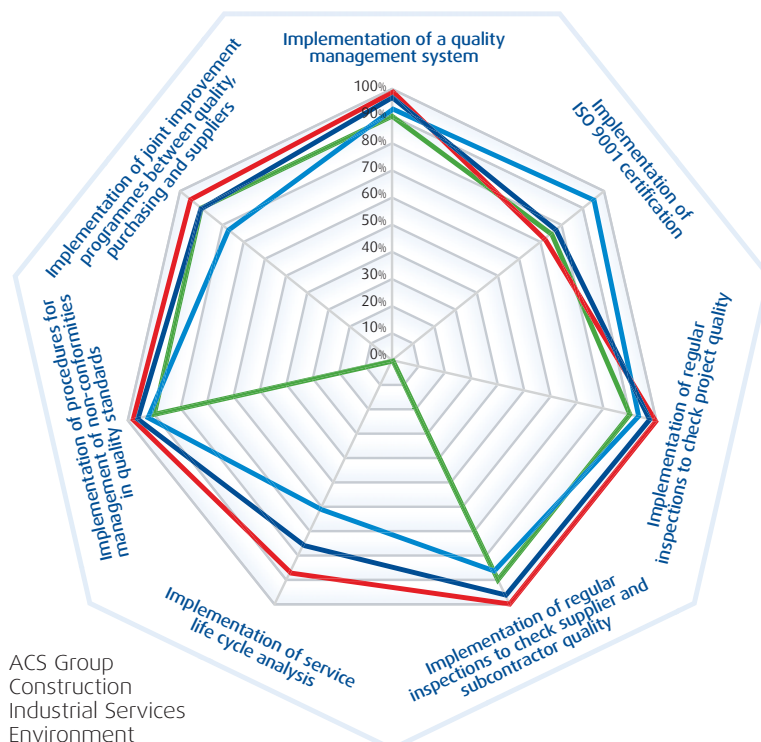
Each company in the group adapts its needs to the specific characteristics of its type of production, but a series of common lines of action have been identified within their Quality Management Systems:

- **Objectives** are set periodically as regards quality and their fulfilment is assessed.
- **Initiatives and actions** are carried out aimed at improving the quality of the services provided.
- Specific actions are carried out in **collaboration with suppliers and subcontractors** to improve quality.
- Systems are implemented for analysis of **Product and Service Life Cycle** when necessary.

Deriving from continuous improvement of processes is the control and management of failures to comply as regards quality, an important characteristic of the ACS Group companies' management system, present in companies representing 96.9% of total turnover in 2011.



The adoption of the main Quality Management parameters in the ACS Group is summarised in the following graph:



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.

4. Commitment to Creating Value

4.4.2.1 Objectives

The quality management for the ACS Group's various companies sets general quality objectives for the following financial year. In 2011, companies representing 96.6% of the ACS Group's sales defined formal objectives in this respect.

According to its characteristics, each project or work adopts the general objectives applicable to it and which focus, normally, on the obtaining, renewal or expansion of quality certifications, especially when a Group company develops a new technique or expands its activity into a new geographical area.

At the same time, another common aspiration is to minimise incidents through quantifiable improvement activities, as well as to obtain information relating to clients.

In this aspect, the processes in this area are improved as a consequence of management of non-compliances as regards quality, an important characteristic present in companies representing 96.9% of total turnover in 2011.

The most important objectives reported by the ACS Group's companies can be summarised in the following overall framework:

- Obtaining and expanding the scope of certifications.
- Implementation of tools to improve quality.
- Improvement of specific performance indicators.
- Improving the process of installation, start-up and operation of onsite manufacturing plants in Dragados.
- Improving the training of supervisors, operators and works managers.
- Increasing client satisfaction indices, reducing complaints due to problems in execution.
- Meeting delivery schedules globally and with maximum quality.
- Increasing the number and capacity of internal quality auditors.

4.4.2.2 Improvement initiatives and actions

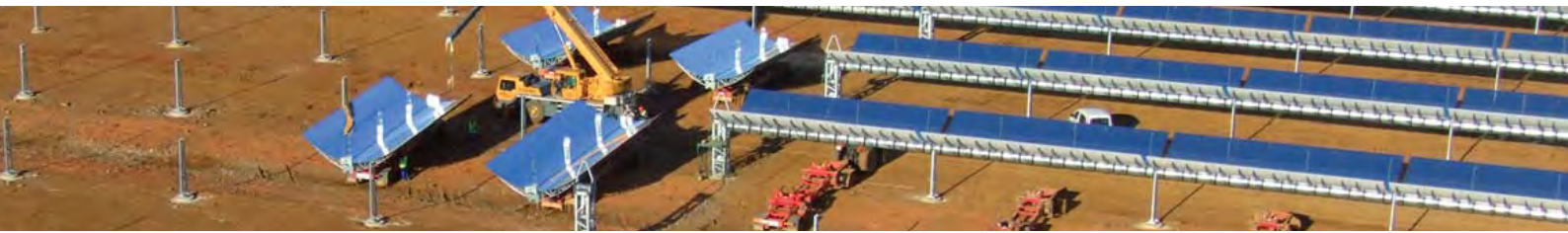
The concern with quality in all the group's companies reflects not only the effort to achieve the objectives set, but also the specific actions by the companies. A significant percentage of the Group's companies carry out quality improvement actions. According to the reported data, companies representing 94.0% of ACS Group sales carried out at least one initiative of this type in 2011.

Outstanding among these, for example, are processes such as the implementation of a document management system for online access by works management, the technical service department and suppliers; improvements in quality control achieved through the simplification of quality control documentation and records; and increased control over works operation carried out by the management of some companies.

4.4.2.3 Collaboration with Contractors and Suppliers

To a great degree, ACS Group companies carry out a large part of their activities by means of the use of services from suppliers and subcontractors, who collaborate to a significant degree in the execution of the projects. In order to guarantee an appropriate level of quality in the provision of services from suppliers and contractors, companies representing 97.2% of ACS Group sales include clauses in contracts demanding a guarantee of a minimum level of quality, which generally depends on the supplier or subcontractor having certification to ISO 9001, among other measures.

Furthermore, as will be seen later in the section on suppliers, the purchasing and supplier contracting departments, together with quality departments, carry out monitoring and audits of performance in terms of supplier quality once the works or contracts for service provision are complete. This permits the proposal of corrective measures if areas for improvement are found or may even lead to cessation of collaboration with the supplier



or subcontractor in future projects. In 2011, companies representing 95.3% of ACS Group sales reported making such checks. Some of these include reviews of various environmental criteria in projects.

In line with this control initiative, corrective measures have been implemented in the supplier quality processes in companies representing 89.7% of ACS's sales, and it was seen that in the case of a clear breach in relation to supplier performance, companies representing 94.4% of Group sales have mechanisms for cancelling contracts or rescinding relationship agreements.

In Group companies where collaboration with third parties is relevant, joint procedures are promoted between the quality department and its equivalent in the suppliers and the purchasing department and those of the suppliers to identify projects for collaboration to improve quality. In 2011, companies representing 91.1% of ACS Group sales carried out such joint improvement processes, among which traditionally were included the integration of optimisation and improvement processes, inspections and various collaborations with companies and universities.

4.4.2.4 Life Cycle Analysis

Life cycle analysis is an innovative tool which permits improvement opportunities to be identified in industrial processes, in harmony with the reduction in the impact of the services on the environment and on health and safety.

Different Group companies are progressing in the adoption of this approach, as shown by the fact that the level of implementation of procedures for life cycle analysis went from 52.8% in 2010 to 75.0% in 2011.

From the start of the project itself, periodic inspections are carried out to check compliance with quality standards, as shown by the fact that companies representing 97.2% of the ACS Group's sales carry out regular inspections to check quality. In such inspections, 32.7% of the total projects accounted for in the 2011 study were audited. Last year 56 incidents of failure to comply with the regulations as regards quality resulting in a warning or fine were recorded

Likewise, the life cycle analysis of products and services to improve quality extends to supplier's and subcontractor's activities, a procedure implemented in 61.5% of the ACS Group.



4. Commitment to Creating Value



The project received a “Gold” certificate from the German Sustainable Building Council.



Practical Case: Creating sustainable value: “Green” buildings Case Study: Nordex Forum, Hamburg, Germany

Life cycle management in Hochtief is closely linked to the project production process. The different phases are well represented in the project for the “Nordex Forum”, an office building in Hamburg. The new head office for one of the biggest wind power system manufacturers is a real team effort, in which Hochtief contributed its experience and capacity. In January 2011, the project received a “Gold” certificate from the German Sustainable Building Council (DGNB).

Hochtief was involved in the “Nordex Forum” project in the planning phase and remained involved continuously throughout the building’s complete life cycle:

Integrated planning

Experts from a variety of fields participated in the planning process from the beginning so that this office could be developed as part of an overall sustainability strategy. This included tackling all the phases from development and design to construction and operation.

Designed for sustainability

As a result of the integrated planning, primary energy consumption by the “Nordex Forum” lies 21% below the level established in the Energy Saving Ordinance. This is achieved thanks to various factors, such as its efficient external lining, optimal use of daylight and innovative construction systems. The project produces 35% of its heating need from renewable sources. These mean that the impact on global warming of the “Nordex Forum” is 36.9 kg of CO₂/m², 29% lower than comparable buildings. In the construction of the “Nordex Forum”, Hochtief paid great attention to guaranteeing low levels of resource consumption during operation so, for example, Hochtief used only wood from sustainably managed forests and rainwater is collected and used for the toilets. Indeed, the building only consumes 7,308 cubic metres of water per year.

Optimal use and management

One of the keys to optimal operation of construction and management of installations is the comprehensive documentation on the construction. For the “Nordex Forum”, Hochtief adapted to the requirements and recommendations of the German Federal Ministry of Transport, Building and Urban Affairs.

Stable value

Making the “Nordex Forum” a building ready for the future calls for attention to flexible designs, preparing the technology for its updating and reconfiguration. The building adapts to future needs thanks to the height of its floors, movable dividing walls and adaptable and reconfigurable systems for installation of technical construction systems. This enables it to continue to be an attractive property with a stable value over the long term.

“Nordex Forum” project represents well how Hochtief manages the production process of their projects. The building has been developed as part of an overall sustainability strategy.

4. Commitment to Creating Value

4.5 Suppliers¹⁵

Milestones 2011

DRAGADOS

Over 15% of purchases made with suppliers which have ISO 9001 certification and 5% of purchases which have ISO 14001 certification.

TECSA

Optimisation of the purchasing process when preparing comparisons, which has resulted in better fits in the final contracted price.

HOCHTIEF EUROPE

"Global Sourcing" Project for the structured search for international subcontractors.

Association with top quality producers (to guarantee project quality standards through control of the supply chain).

Framework agreements with top quality subcontractors for residential buildings (carrying out of detailed audits, grouping of volumes, reducing the costs of the process, quality control).

urbaser

Development of the Group's application for comprehensive machine management (GIM, for over 8,500 machines). This has resulted in a reduction of costs for spares consumed due to management of workshops and stores through the application.

SEMI

Computer control of purchasing management and supplier registration by means of the Navision application and training of 100% of the organisation's works managers in the use of the tool for placing orders.

Dragados Offshore

Assessment of the subcontractor contract model for better fulfilment of requirements as regards Health and Safety.

Challenges for 2012

DRACE medioambiente

Include OSHAS18001 certification and CSR certification (e.g. SA8000) in the initial supplier acceptance questionnaire.

MAESSA

Placing orders automatically to increase the economic analysis of purchases.

FPS Flota Proyectos Ingulares

Incorporation in the final supplier assessment of a capital referring to the social and ethical measures adopted by the suppliers and subcontractors during the carrying out of the works, for their assessment in future contracts.

CYMI MASA

Inclusion of obligations as regards CSR and compliance with the Principles of the Global Compact in CYMI/MASA contract models.

Intecsa industrial

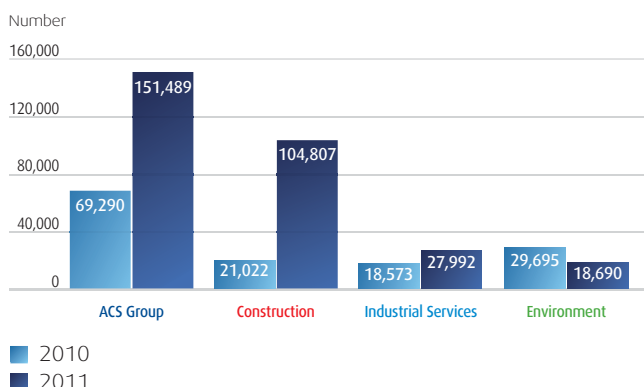
Study and assessment of the potential market for subcontractors in Brazil, Morocco and Abu Dhabi.

SICE TECNOLOGIA Y SISTEMAS

Handling of subcontractor documentation data by means of Obralia's "Gestiona" computer tool.

¹⁵ The data referring to the ACS Groups included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data is expressed in terms of percentage of total Group sales in 2011.

Number of suppliers broken down by business line





Initiatives developed

Main areas of work	Percentage of total
Systems for supplier and subcontractor approval	43%
Inclusion of ethical, environmental and social criteria in approval processes	0%
Inclusion of clauses of an ethical, social and environmental nature in contracts	0%
Systems for measuring suppliers' performance of an ethical, social and environmental nature	6%
Management of non-compliances	6%
Dissemination of good practices and training for suppliers and subcontractors	6%
Others	39%

4.5.1 Strategy

In Group companies, the purchasing department manages the relationship with suppliers and contractors by means of specific systems for managing, classifying and approving them.

In carrying out this activity, ACS manages three types of suppliers:

- Suppliers of materials and/or services defined by the client.
- Suppliers of services or subcontractors contracted by the ACS Group.
- Suppliers of materials contracted by the ACS Group.

In the first case, in which an ACS Group company carries out a project in which the client defines the type of suppliers contractually, as well as the quantity and characteristics of the materials to be used, the Group companies, in general, obey these requirements. Even so, the ACS Group's purchasing departments and suppliers have a control procedure established to verify the efficiency of the supplier designated by the client.



4. Commitment to Creating Value

This contracting format, in which ACS has very little capability for managing the suppliers, is not watertight as, as mentioned in the section on clients in this report, the Company carries out feedback actions with the client. This means that, in cases in which the suppliers defined by the client have given problems or presented areas for improvement, the client will be notified of these and corrective measures will be promoted.

It is worth highlighting that, once the special features of the different markets in which the ACS Group is present have been considered, specific purchasing procedures are developed when necessary to increase competitiveness.

For the suppliers of services and materials which the ACS Group contracts, detailed management and control processes are

defined. These have the following points in common in all the Group's companies:

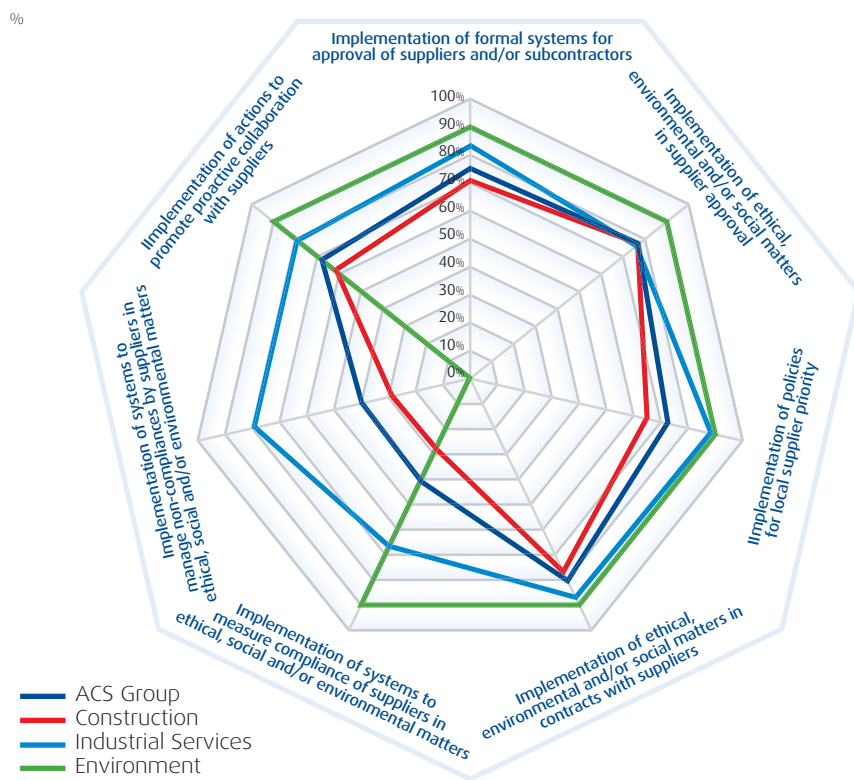
- There are specific standards and a system for management, classification and approval of suppliers and subcontractors.
- The level of compliance with these systems is assessed.
- Collaboration with suppliers and transparency in contractual relationships are promoted.

4.5.2 Management Principles

4.5.2.1 Contract Approval and Management

According to the data analysed, companies representing 75.1% of the ACS Group's sales

The adoption of the main Supplier Management parameters in the ACS Group is summarised in the following graph:



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.





have a formal system for approving suppliers and subcontractors. In these processes, ACS Group companies classify suppliers as critical (or essential) or circumstantial, according to the following concepts:

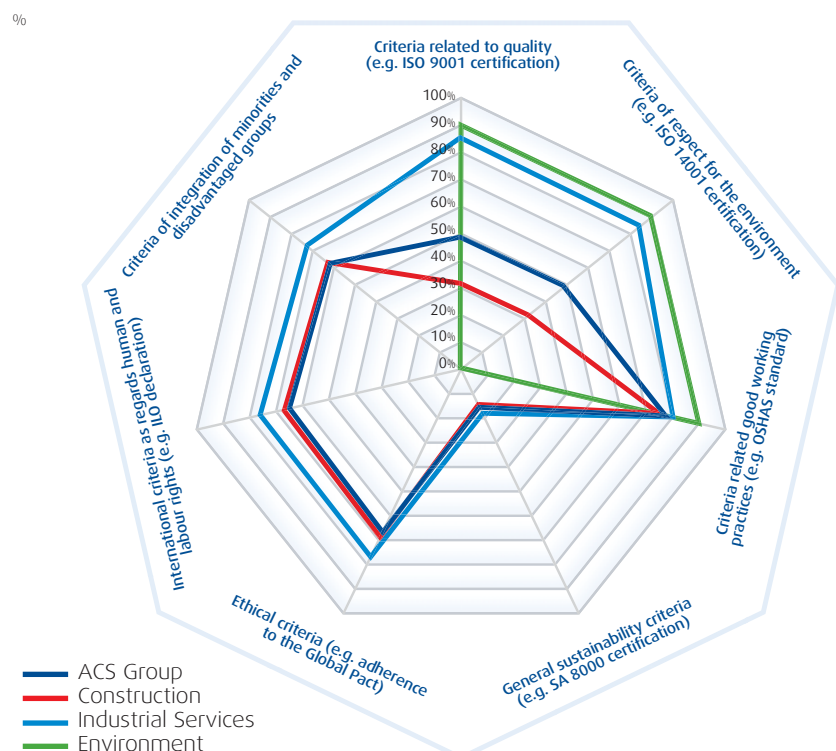
- Experience, professional prestige and technical capability.
- History of fulfilment of contractual clauses in their prior relationship with ACS.
- Proximity to the work centre, giving preference to local suppliers (86.8% of suppliers were from the local community in 2011, these being the suppliers which do not receive international payment).
- Additional financial criteria, labour, ethics, health and safety and environmental matters.

With respect to the latter criterion, companies representing 77.6% of the ACS Group's sales formally include matters of an ethical, environmental and/or social type in their approval processes.

Likewise, there are procedures, policies or regulations which formalise and standardise commitments in matters of a social, environmental and/or ethical nature with suppliers, in companies representing 77.7% of the ACS Group's sales.



Specifically, and in relation to non-economical matters, the following levels of implementation of good practices in supplier and subcontractor approval were detected:



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.

4. Commitment to Creating Value

Furthermore, companies representing 72.7% of ACS Group sales give preference in their supplier and subcontractor selection processes to local companies. This is an initiative which also promotes the development of new enterprises.

During 2012, the ACS Group will develop a new plan for measuring the impact it has on the group of enterprises, by identifying companies which provide services or sell products to the Group which meet a series of characteristics, such as having been set up five years ago or less, which have five or less workers and which are from a local community.

Additionally, there is solid implementation of good practices in the ACS Group when drawing up contracts with non-financial/economic clauses, as shown by the fact that companies representing 80.6% of the ACS Group's sales already include some type of clause of an ethical, social or environmental nature.

Specifically, the most widely used clauses are environmental ones, which are included in 100.0% of contracts with these characteristics, followed by social clauses, present in 79.6% of contracts with these characteristics and lastly ethical clauses, included in 34.6% of all contracts with these characteristics.

In 2011, likewise, 65.5% of contracts signed included clauses or criteria on human rights.

4.5.2.2 Compliance

The system for guaranteeing compliance with contractual clauses and agreements with suppliers to the Group's companies is based fundamentally on detection and on corrective measures or management of non-compliance.

In the case of the initiatives for detection and control, the policy is based on regular audits, both internal and independent. In this case, companies representing 33.4% of ACS Group sales report that they carry out internal supplier audits and those representing 25.3% report that they carry out independent audits. In 2011, 2,400 internal audits and 5,402 external audits were carried out.



Furthermore, it was reported that there are self-assessment systems for suppliers in companies representing 8.1% of sales for 2011. The intention with these processes is to update and optimise the supplier selection systems.

The corrective measures taken in cases of poor performance are adapted taking the following circumstances into account:

- If it is a critical supplier for the company, the reasons for the negative assessment are analysed and initiatives proposed to strengthen the identified areas for improvement including, among others, training and collaboration activities.
- If the company is not critical for the company, it is deleted from the database.

In addition, companies representing 40.0% of ACS Group sales reported the existence of procedures for managing non-compliances in relation to contractual commitments of an ethical, social and/or environmental nature. Only 0.4% of contracts rejected or modified in 2011 failed to comply with environmental, quality

and/or human rights matters and/or the ACS Group's ethical standards.

In these cases, collaboration initiatives are also promoted, and the cancellation of the contracts can result.

4.5.2.3 Collaboration and Transparency

Companies representing 67.8% of Group sales report proactive collaboration initiatives with suppliers.

The main activities for collaboration are based on training which, generally, is made up of courses in various subjects such as quality, the environment, safety and the execution of works.

Another central aspect in the management of the Group's suppliers is transparency. Along these lines, various Group companies are standardising general contracting and purchasing terms and conditions for all the services, equipment and materials contracted. These are used in all processes, hence the same high standards and determining factors are maintained for all the company's suppliers and also within each tendering process.



5. Ethics, Integrity and Transparency in the ACS Group

5.1 Ethics and Integrity: Summary, Objectives and General Principles

The ACS Group and the companies which make it up are fully committed to promotion, reinforcement and control in matters related to ethics and integrity, through measures which enable them to prevent, detect and eradicate bad practices.

The ACS Group promotes knowledge of the general principles of conduct, ethics and integrity by all employees, clients, suppliers and contractors.

Integrity is a very important aspect in the ACS Group. In 2011, important measures were promoted from the Board of Directors' Executive Committee to advance these values included in the ACS Group's Code of Conduct.

The Ethical Channel was developed in 2011 and the powers of a Monitoring Committee for the Code of Conduct were defined. In 2012 it is planned to name the components of this Monitoring Committee. This naming will be carried out in the ACS Group's Board of Directors.

A priority objective for the Group is the complete dissemination of the current ethical rules and proper and efficient management of the ethical incidents which may occur in the company.

5.2 Ethics and Integrity: Code of Conduct

Since its foundation, the ACS Group and its companies have made a commitment to the various parties forming part of its operations and interacting with the company or its employees. This commitment is based on the ethical principles governing the ACS Group's operations, which shape its corporate culture.

ACS's General Code of Conduct¹⁶ constitutes a guide for the professional performance of all the Group's employees and managers in relation to their daily work, the resources used and the business environment, as well as for all the investee companies in which the ACS Group has control of management.

¹⁶ The ACS Group's Code of Conduct can be seen at http://www.grupoacs.com/index.php/es/c/responsabilidad_corporativ_etica_y_profesionalidad.





The basic performance principles of the General Code of Conduct are as follows:

- **Integrity:**

the ACS Group promotes recognition of behaviour in accordance with loyalty and good faith, and against corruption and bribery, among its employees.

- **Professionalism:**

the ACS Group's employees and management should be recognised for their high professionalism based on proactive and efficient performance focused on excellence, quality and willingness to provide service.

- **Respect for Others and the Environment:**

ACS undertakes the commitment to always act in accordance with the United Nations Global Compact, to which it has adhered since its foundation, the objective of which is the adoption of universal principles in the areas of human and labour rights and the protection of the environment.

All actions taken by the ACS Group and its employees shall maintain scrupulous respect for the Human Rights and Civil Liberties included in the Universal Declaration of Human Rights. The relationship of the Group with its employees, as well as the relationship among employees, therefore, shall be based on the following commitments:

- Equal opportunities.
- Non-discrimination.
- Promotion of training and professional and personal development.
- Health and safety at work.
- Eradication of child labour.
- Reduction of negative impacts on local and indigenous communities.

The General Code of Conduct was approved by the ACS Group's Board of Directors in its meeting of 15 March 2007 and modified by agreement of the Board of Directors' Executive Committee of 30 August 2011.



5. Ethics, Integrity and Transparency in the ACS Group

5.2.1 Due Diligence in Ethics and Integrity

The ACS Group understands due diligence as the set of activities carried out and aimed at minimising the possibility of bad practices arising in the Group as regards ethics and integrity. The ACS Group understands that the following are necessary for this:

- Analysis of the main risks as regards ethics and integrity.
- Establishing commitments which make clear the behaviour expected of the people who make up the company.
- Allocation of responsibilities as regards supervision of the company's performance in this field.
- The knowledge and understanding by the company's people of what is expected of them in relation to ethics and integrity.
- Supervision and monitoring of practices.
- Establishing procedures which enable the prevention, detection and eradication of bad practices in this field.

The final aim of ACS's actions with regards to ethics and integrity is the establishment of a framework for action which stimulates everyone to execute their responsibilities in an upright, responsible and transparent manner.

The ultimate responsibility for transmitting and overseeing the Group's commitment to integrity falls to its governing bodies, which are charged with driving the development of rules and procedures and the implementation of good practices.

The General Code of Conduct and the procedures laid down for disseminating and safeguarding it are basic elements in the Group's integrity framework. In this respect, the General Code of Conduct has been extended to the whole organisation:

- The Code applies to all members of management bodies and to all the employees of Group companies, independently of the contractual form determining their labour

relationship, the post they occupy or the place in which they carry out their work. They are all obliged to know and comply with the General Code of Conduct and collaborate in its implementation in the Group.

- The scope of application of the Code may be extended contractually to any other individual or legal entity with commercial or business relations with the ACS Group when, due to the nature of that relationship, its activities could affect the ACS Group's image and reputation. Details on these policies have been included in this document in the section on suppliers and clients.
- The scopes of application contained in this Code affect all companies which form a part of the ACS Group due to the latter having control over their management.
- Additionally, the ACS Group's management team shall make the necessary means available to such companies to fulfil the regulations contained in the General Code of Conduct.

5.2.2 The ACS Group's Code of Conduct in the Day-to-Day

Compliance with the General Code of Conduct is mandatory and hence it is disseminated to all the Group's employees.¹⁷

On 5 September 2011, the Secretary General of the ACS Group addressed a communication to all the heads of the Group's different companies, informing them of the modifications to the General Code of Conduct, as approved by the Board of Directors on 30 August 2011. By reason of these changes, the Reworded Text of this General Code of Conduct was sent to the Spanish Stock Market Commission by means of the communication of the appropriate Relevant Fact, with the sending of the electronic link in the aforementioned communication accompanied, furthermore, by the Reworded Text of the ACS Group's General Code of Conduct which has appeared, since that date, on the Company's Website.¹⁸

¹⁷ The data included in this section are those in force at 12 March 2012.

¹⁸ http://www.grupoacs.com/index.php/es/c/gobiernocorporativo_codigodeconducta.



To ensure fulfilment of the General Code of Conduct, resolve incidents or questions on its interpretation and adopt the appropriate means for the most complete fulfilment possible, the creation of a Monitoring Committee is planned for March 2012. This will be made up of three members designated by ACS Actividades de Construcción y Servicios, S.A.'s Board to be proposed by the Appointments and Remuneration Committee. This Monitoring Committee is entrusted with the following functions:

- Promoting the dissemination, knowledge and compliance with the Code in each and every one of the Group's companies.
- Establishing the appropriate means of communication so that each employee can obtain or provide information on its fulfilment, guaranteeing the confidentiality of the allegations processed at all times.
- Interpreting the rules stemming from the Code and supervising their application.
- Guaranteeing the truthfulness and impartiality of any procedure initiated, as well as the rights of people allegedly involved in a possible breach.
- Defining cases in which the scope of application of the Code needs to be extended to third parties which are to have commercial or business relationships with the ACS Group.
- Preparing information including the level of compliance with the Code and disclosing the specific indicators for it.
- Preparing an annual report on its work with the recommendations it considers appropriate to be raised to the Board of Directors through the Audit Committee.

Also notified, in the Board Secretary's letter to all the Group's divisions, was the implementation of an Ethical Channel which enables anyone to notify of irregular conduct in any company belonging to the ACS Group or any breach of rules included in the General Code of Conduct through:

- the e-mail address: canaletico@grupoacs.com.
- or the postal address, Canal Ético, ACS Group, Avenida Pío XII 102, 28036 Madrid, Spain.

The Ethical Channel is both a route for denouncing breaches of the rules in the ACS Group's General Code of Conduct and a means for resolving doubts which may be raised on applying the General Code of Conduct.

The handling of data of a personal nature of the ACS Group's Ethical Channel adopts the internal system of reporting laid down by the Spanish Data Protection Agency in its Report No. 2007/0128 in development of Spanish Organic Law 15/1999 on the protection of a data of a personal nature and Opinion 1/2006 of the European Union Working Party created by Article 29 of Directive 95/46/EC, the main characteristics of which are as follows:

- The system will permit the reporting of "behaviour, actions or facts which may constitute violations of the company's internal rules and the laws, regulations and ethical codes" governing its business.
- Any of the company's employees may report or be reported through the system.
- Employees will be informed in advance of the system's existence and purpose, its operation, the guarantee of confidentiality of the reporting party's data and the guarantee of informing the person reported of the existence of an allegation.
- In principle, only the person responsible for the "compliance counter" and people for whom it is essential in order to investigate the reported events will have access to the data.
- The handling will be notified to the Spanish Data Protection Agency in order to obtain registration in the General Data Protection Register.
- The system will include data for the reporting party and the reported party, the events reported and the result of the investigations, avoiding the existence of anonymous reports, so guaranteeing the precision and integrity of the data processed.
- The person reported will be informed as soon as possible of the events reported, the addressees of the information, the department responsible for the system and his or her rights as regards protection of data. He or she will not be informed of the reporting party's identity unless the latter has acted in bad faith.

5. Ethics, Integrity and Transparency in the ACS Group

- The data will be deleted within two months of the completion of the investigations if the events are not proven. If actions are instituted, the data will be held for as long as necessary for the company to exercise its rights in law
- High level security measures will be implemented.

From 5 September 2011, the Group's various divisions have proceeded to set up the necessary channels and means to enable delivery of the new reworded text of the General Code of Conduct to all of the ACS Group's employees and executives who provide their services in companies which are within their area of responsibility. A total of 82 courses were given in 2011 related to Human Rights, Ethics and Integrity in the business areas and additional initiatives will be defined in 2012 for dissemination and implementation of the General Code of Conduct and the Ethical Channel.

In turn, since the creation of the Ethical Channel a total of five proceedings have been processed, which can be classified as follows:

- The proceeding is started by means of the allegation presented through the Ethical Channel by a worker for one of the ACS Group's companies against one or more of the Group's executives: Three of the proceedings processed were of this type.
 - Two of these proceeding were closed after a period of internal investigation of the alleged events, not exceeding two months.
 - The third of these proceedings referred to events which are sub judice, hence the final decision adopted through the corresponding legal process is awaited.
- The proceeding is started by means of the allegation presented through the Ethical Channel by the Company Committee of one of the ACS Group's companies against one or more of the Group's executives: One of the proceedings processed was of this type.
- The proceeding is started by means of a query presented through the Ethical Channel by the Company Committee of one of the ACS Group's companies: One of the proceedings processed

was of this type, which was resolved by means of a simple clarification to the parties involved of the nature of the General Code of Conduct and its necessary communication, dissemination and general application by all the Group's companies.

5.3 Commitment to Information Transparency

An essential requirement for the ACS Group to be able to fulfil its mission of generating profitability for its shareholders and the society in which it operates is information transparency. The objective of this strategy is to ensure that its activity is as open as possible and that the interests of its clients and the company's other stakeholders are respected. The ACS Group is committed to total rigour in the information transmitted, especially with respect to the media.

5.3.1 The Value of Information Transparency

This general objective of transparency is stated by means of the following guidelines:

- Transmitting the Company's overall corporate strategies, as well as those specific to each of the Company's business areas, to the outside world.
- Projecting the Group's business reality so that the Group's different stakeholders recognise it as being sound and well-managed in Spain and abroad.
- Contributing to the makeup of a positive corporate image which aids in the achievement of business objectives and in commercial activity.
- Maintaining a fluent relationship with external agents, particularly with representatives of the media.
- All of the above leads to an increase in the value of the ACS brand and of its different companies and businesses.



The ACS Group manages its commitment to transparency towards its stakeholders by three main means:

- The ACS Group’s Communications Department.
- The ACS Group Website.
- Shareholder and investor information activities.

The ACS Group’s relationship with all forms of media is fluently and transparently led by the Group’s Communications Department and involves interviews, press releases and contacts on the corporate website, as well as meetings with journalists.

Numerous contacts were made with journalists in 2011: 7 press releases were published, several press conferences were held and many individual interviews were given by the Chairman and Corporate General Manager.

The website, www.grupoacs.com, is a commitment from the Group to clarity, accessibility and information. Its objectives are specified below:

- To open a “window” to society through which the company may be analysed with greater transparency and ease.
- To maintain a permanently open communication channel both with the Group’s priority stakeholders and with any individual or company needing any type of information on the Group.
- To offer, completely transparently, the company’s economic and financial information, information on its systems of governance and management and the activities it undertakes.
- To enable searches for historical information on the company for more thorough analysis of trends and performance.
- To maintain up-to-date information on the performance of the company and the criteria behind its management at all times.

www.grupoacs.com	2009	2010	2011	Daily average 2011	Var. 10/11
Website visits	890,441	1,028,874	1,131,448	3,100	+9.97%
Pages viewed	8,677,863	10,598,226	14,583,027	39,953	+37.60%



5. Ethics, Integrity and Transparency in the ACS Group

Similarly, to aid in their commercial and informational activity, the ACS Group's lead companies and large subsidiaries own and promote a large number of complementary web sites and information portals, intranets, online tools and remote reporting and training systems.

On the other hand, the **shareholders' right to information** is detailed in several rules in the regulations of the Shareholders' Meeting. Hence, in order for the Company Shareholders' Meeting to properly serve the function for which it was designed, the Board of Directors makes available to all shareholders, prior to each Shareholders' Meeting, all the information which is legally required to be provided to them, in addition to information that is not legally required to be provided, but that reasonably should be made available, given the interests of the company and of the shareholders, for them to form their opinion. In this regard, the Group makes every effort to respond duly to requests formulated by shareholders for the purpose of the General Shareholders' Meeting, regardless of whether

these requests are formulated before or after Shareholders' Meetings, provided that the Company's interests are not jeopardised.

The ACS Group uses various channels to fulfil this commitment to communication and transparency. Its objective is to promote flexibility, fairness and immediacy and to achieve greater reach with the published information by means of:

1. The Group's website.
2. The shareholder service office (+34 91 343 9200).
3. The shareholder information e-mail address (irgrupoacs@grupoacs.com).
4. The shareholder service web forum.
5. Fluid communication with the Spanish Stock Market Commission (CNMV).
6. The information offered by the Investor Relations Department.





Furthermore, a Shareholder Service Web Forum has been operating since October 2010 to attend to requests for information resulting from the General Shareholders' Meetings. This tool acts as a support in each period leading up to the General Shareholders' Meeting and will be available to all the Group's shareholders.

In addition, the Spanish Stock Market Commission (CNMV) is the main means through which the ACS Group communicates and announces its development and its main actions. Thirty-seven "Relevant Facts" were communicated through the Commission during 2011.

The ACS Group publishes standardised financial information and information on the development of its businesses annually and quarterly. Similarly, the company attends to requests for information from other market agents through meetings. These meetings are intended to complement the Group's reporting efforts and the objective thereof is

to clarify information already published in accordance with investors' and shareholders' needs.

During 2011, the Group gave 4 corporate presentations, held 1 General Shareholders' Meeting, attended 9 seminars and events in specialised forums in Europe and the US and organised 191 planned meetings with institutional investors.

Activity with institutional investors	2008	2009	2010	2011
Investors attended	174	180	167	191
Events	7	10	8	9



The measures aimed at promoting information transparency affect the Company's reputation and the dissemination of its corporate values, its technical capacities and its business successes.

6. Commitment to Technological Development

6.1 R&D+i in the ACS Group

Milestones 2011



The AENOR certification follow up audit was successfully passed in accordance with the UNE 166002:2006 standard.



Dragados attended the ECTP (European Construction Technology Platform) in Warsaw



The construction system for gantries patented by Flatiron (tilting lead gantry) was used on the Washington Bypass, in North Carolina. This project won the "Aon Build America Award" presented by the Associated General Contractors of America, which selected the project due to the use of the innovative and ecological construction technique patented by Flatiron.



Development of a contactless electronic ticketing system with location, service control, information, video surveillance and communications functions in the urban transport system developed by ETRA.



Presentation of proposals in the INNPRONTA and INNPACTO calls by the Ministry of Science and Innovation in Spain.



Initec Energía obtained two European Quality Assurance Certificates for R&D+i for the "Development of a new methodology for managing work flows" (Technological Innovation) and "Development of new models and methodologies for maximising a thermal solar power plant" (R&D) projects.

Challenges for 2012



Improve internal dissemination of R&D+i in the company by holding exposure and technical days.



Start of collaboration with the IBDIM (Polish Road and Bridge Research Institute).



Internationalisation of Dragados' R&D+i through participation in reFINE (Research for Future Infrastructures in Europe), an ECTP (European Construction Technology Platform) initiative to promote European research into transport infrastructures with financing through the European Union programmes, as well as through active participation in 7th Framework Programme R&D and the launching of R&D projects in developing countries.



Introduction of "blueFM" (quality seal for the development and application of sustainable concepts for clients). To offer engineering services for energy-efficient construction and driving the expansion of transmission networks, mainly in Germany.



Completion of the implementation of a document management system, the basis for the company's knowledge management system. Increase in the applicability of R&D+i project results through their dissemination to the companies departments.

Initiatives developed

Main areas of work	Percentage of total
R&D+i management system	6%
Formal strategy in R&D+i	3%
Definition main lines of action in R&D+i	41%
Research	41%
Others	9%



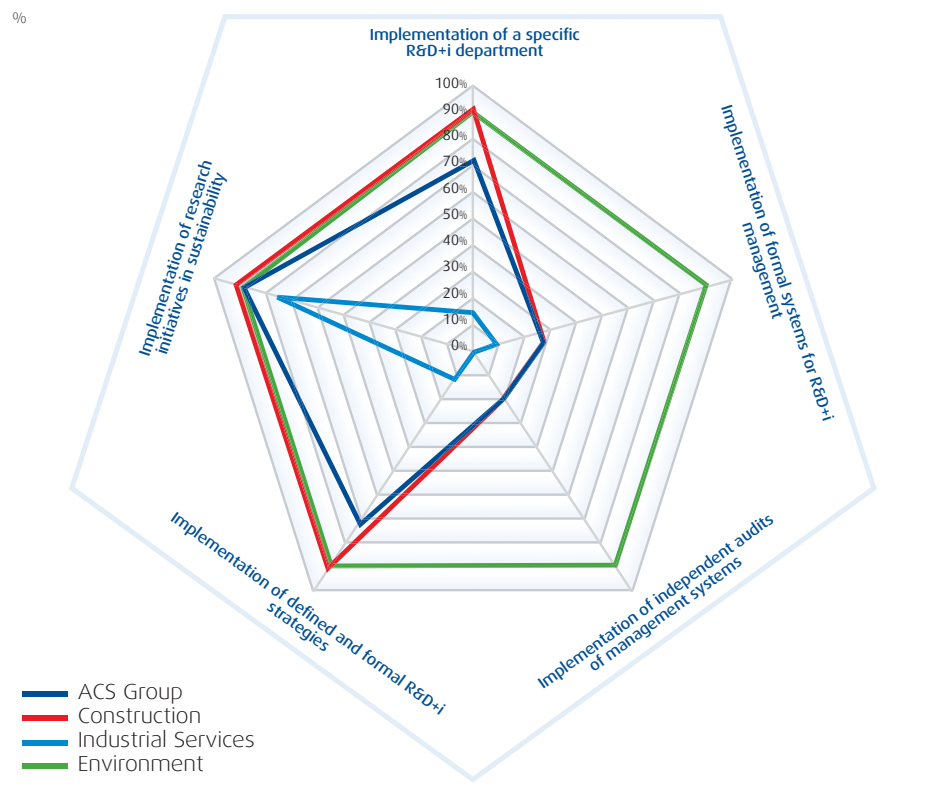
6.1.1 Strategic Priorities

The ACS Group is an organisation which is continually evolving, adapting to the needs of its clients and demands from society. The diversification process through which the ACS Group is passing during these years has led it to undertake a wide range of activities which approach innovation and development in a different but determined manner. Through this commitment to technological development, the ACS Group responds to the growing demand for improvements in processes, technological progress and quality of service from its clients and from society.

Its involvement in research, development and innovation are clear in its increased investment and the R&D+i efforts that the ACS Group makes year after year. This effort leads to tangible improvements in productivity, quality, client satisfaction, occupational safety, the obtaining of new and better materials and products and the design of more efficient production processes and systems, among others.



The adoption of the main R&D+i parameters in the ACS Group is summarised in the following graph¹⁹:



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.

¹⁹ The data referring to the ACS Groups included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data is expressed in terms of percentage of total Group sales in 2011.

6. Commitment to Technological Development

The ACS Group's largest companies have management of technology, which is usually the Technological Development Committee, which leads the development of research activities in each company. The existence of this management or committee was reported by companies representing 73.7% of ACS Group sales in 2011.

R&D management takes place through a system which, in the largest companies and in general, follows the guidelines in the UNE 166002:2006 standard and is audited by independent specialists. There is a formal management system in companies representing 26.7% of Group sales. Furthermore, independent audits are carried out in companies representing 16.8% of sales.

This management system serves the general research strategy of each of the companies

which, whatever their specific features, share the following lines of action:

- Development of strategic lines of research individualised by company.
- Strategic collaboration with external organisations.
- Growing and responsible investment in order to promote research and generate patents and operational techniques constantly and efficiently.

There is a defined and formal strategy for R&D+i in companies representing 70.7% of ACS Group sales.

Each Group company's strategic decisions on the execution of R&D projects seek to maximise the positive impact of ACS's





technical and technological progress. The companies have analysis and discrimination procedures to decide which projects to undertake.

At December 2011, the ACS Group had 231 projects in progress and had registered 10 patents in the year.

Furthermore, collaboration with external organisations is crucial for the success of the projects tackled. Hence during 2011 ACS Group companies collaborated with 134 research and technological centres and with 137 universities, as well as will 14 other diverse centres, institutes or institutions related to R&D+i. These prestigious research institutions, both domestic and international, complement the ACS Group's own research capabilities.

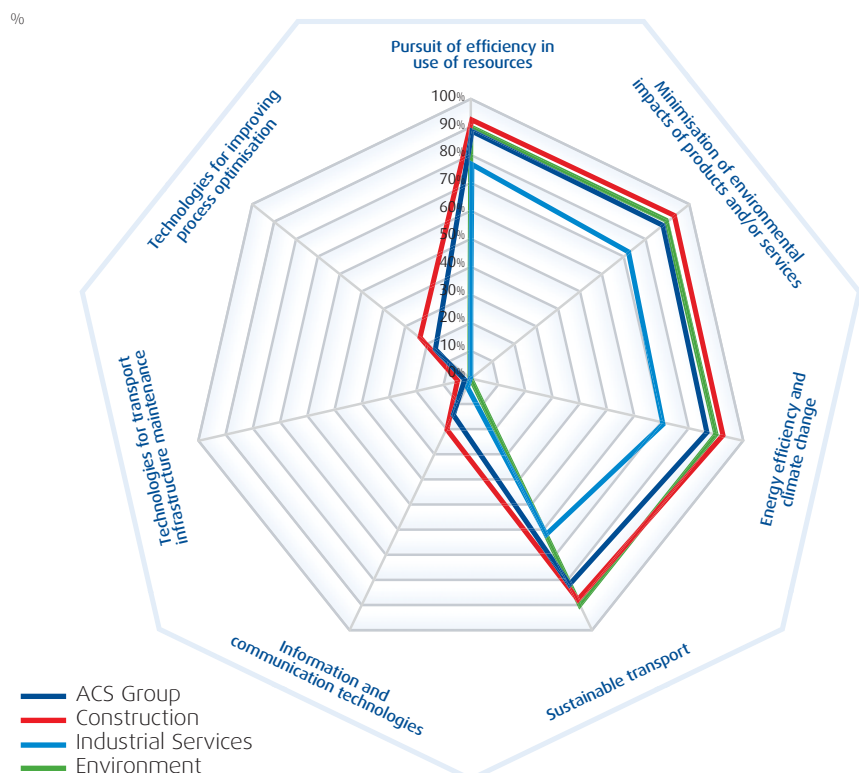
The ACS Group invested a total of €55.89 million in research, development and

innovation in 2011, which represents an increase of around 19.5% relative to 2010. In 2011, the Group received €6.45 million in subsidies for R&D+i, 27.7% less than in 2010.

The ACS Group's activities as regards R&D+i also represent substantial support to the promotion of sustainability. The large number of projects which have the aim of increasing efficiency in the use of resources, minimising the impact of the services provided to clients and carrying out eco-design activities should be highlighted. At least one of these activities is carried out in companies representing 88.7% of ACS Group sales.



Main areas for development of research in sustainability



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.

6. Commitment to Technological Development

6.2 Construction

The majority of the ACS Group's Construction companies²⁰ have a system for management of research, development and innovation, specifically 11 of them, representing 27.1% of ACS Group sales in this area. Generally, these management systems are implemented around the UNE 166002:2006 standard.

Although decentralised, management is coordinated by Dragados' departments and, on the other hand, independently in Hochtief's companies. To meet the objectives set by their respective lead companies, the ACS Group's construction companies had 112 projects in progress at the end of 2011, managed by the different R&D+i managements. ACS's Construction companies invested €32.34 million in R&D+i during the financial year, nearly 49.7% more than that spent in 2010. Eliminating the effect of Hochtief, the increase is 11.7%.

In their R&D+i activities, the ACS Group's construction companies collaborated with a

total of 174 research institutions, including 82 research and technological centres, 88 universities and another 4 institutions promoting innovation or research of differing natures.

Outstanding among the main research areas reported are:

- Research and development of tools for maintenance of railway infrastructures based on Computational Intelligence technology. (Vías)
- Online global platform for the prevention of occupational risks with integration of new technologies. (FPS)

²⁰ The data referring to the ACS Groups' Construction companies included in this section were calculated by analysing the information supplied by the different companies in this area of activity, weighted by level of turnover. The data is expressed in terms of percentage of total Construction area sales.





DRAGADOS

CLIOMAR PROJECT: Evaluation of meteo-oceanographic climate on the evolution of the behaviour of maritime works

The CLIOMAR project is jointly financed by the CDTI. DRAGADOS is the coordinator of the project in which other companies, the Environmental Hydraulics Institutes of the University of Cantabria (IH Cantabria) and the Polytechnic University of Valencia.

The cooperation of Coruña's Port Authority should be highlighted, which supports the project with its installations as well as providing relevant information for it.

CLIOMAR tackles the influence of the maritime climate acting on the behaviour of mound breakwaters based on innovative systems of observation and by means of the use of numerical and physical modelling, in which the effects of the wind, among others, are taken into account.

CLIOMAR deepens scientific and technical knowledge on certain aspects, such as the influence of the process of placing blocks and the porosity of the revetment on run-up and overtopping phenomena, as well as on the hydraulic stability of mound breakwaters in the short and long term.

The achievement of many of these objectives is being made possible due to the tools and products generated in the SAYOM (System for aiding in planning, construction and operation of maritime works) project carried out recently by DRAGADOS, with the collaboration of IH Cantabria and the International Centre for Numerical Methods in Engineering (CIMNE).

As in this latter project, CLIOMAR serves in the works for the New Port Facilities at Punta Langosteira (La Coruña), currently being executed by a joint venture of which DRAGADOS is a member, as the first location on which the new tools developed are to be applied.

One of CLIOMAR's fundamental parts has been the acquisition and installation of a video monitoring system on the crown wall of the breakwater itself. This system is made up of six cameras and a channel for small overtoppings, apart from the computers, control panels, wiring, lightning conductors, etc. The cameras are installed on three posts (two at 9 metres in height and a central one 25 metres high) which act as support structures.

The installation is completed by a system of four weather stations distributed around the environs of the work to be able to appropriately calibrate the high resolution numerical wind model developed in the project. Data recorded by a buoy anchored at the foot of the breakwater, acquired by the joint venture executing the works, is also employed.

The project has an initial part for characterising the acting dynamics, focusing especially on the influence of the wind on the local generation of swell in the proximity of the works. A specific high-resolution model has been developed for this, which enables the wind affected by the land orography to be characterised, which has very different characteristics to those at sea, where it is not affected by any obstacles.

Better definition of the local generation of swell around the coast has been obtained using this tool, permitting better characterisation of the actions affecting the breakwater and the prediction system itself developed in SAYOM and implemented in the works (PATO system – Early prediction of swell).

Once this objective was achieved, the following consisted of analysis of the evolution of breakwater behaviour, both in construction phases and in the final phase, against successive storms.

6. Commitment to Technological Development

This translates into the study of three specific phenomena:

- Evolution of the movement of the 150 tonne blocks of the main revetment.
- Run-up.
- Overtopping of the crown wall.

It was necessary to develop two independent logging systems for this:

- One submerged, to determine the position of the blocks underwater, consisting of the installation of a system specifically designed for the project, basically made up of two multi-beam echo sounders and a high frequency side-scan sonar.
- One above water, to determine both the position of the blocks above the sheet of water and run-up and overtopping phenomena. This is made up of the aforementioned cameras and computers. The movement of the blocks is registered by means of a system for comparison and referencing of corrected images, while both run-up and overtopping are analysed using an innovative system for interpretation of images by means of an optical flow system.

By means of trials on a physical model, the hydraulic and structural behaviour of the breakwater in its different construction phases were studied in parallel, taking the initial porosity of the main block revetment as a descriptive variable based on the adoption of different placement meshes.

The wind was implemented in some of the trials, so that it was possible to establish a new formulation for overtopping taking its influence into account.

Finally, the breakwater's functional behaviour was studied, by numerical modelling at both model and prototype scale and including wind action. In this way an extensive library of cases was established which can be of use to confirm and improve the aforementioned formulation, as well as to establish some conclusions and recommendations generally applicable to other mound breakwaters.

Outstanding as CLIOMAR project innovations are:

- The implementation of high resolution wind modelling in systems for characterising and predicting swell.
- The use of integrated systems for monitoring and interpretation of images of both above water and submerged elements to evaluate the effects of run-up, overtopping and block movement in a mound breakwater.
- The implementation of the wind in numerical models for swell-structure interaction.
- The establishing of formulations, conclusions and recommendations on the design and execution of mound breakwaters.

Although these developments are being implemented at Punta Langosteira, it is intended to be able to make the conclusions general to other cases provided that the necessary means are available.



Energy Management: Simply efficient



Hochtief's Energy Management Unit focuses on the energy efficiency segment.

With a workforce of 300 people in Germany, the company is a leader in energy management and the provision of energy services. Its prospects for growth are good.

Using a wide range of energy models, Hochtief Energy Management helps its clients to reduce operating costs, execute more efficient energy systems and reduce carbon emissions.

Hochtief is capable of achieving these objectives through the design and implementation of efficient solutions, as well as through continuing supervision of energy consumption. As a contractor, Hochtief assumes the risk of achieving a certain efficiency level. In full service contracts, also including technical and infrastructure services, Hochtief offers its clients additional services for production centres and specialised facilities.

In energy supply contracts, Hochtief optimises the clients' systems and supplies energy directly. The company guarantees a saving for clients both in their energy consumption and in their bills for their communications systems. As part of the service, all the necessary changes are made. So, in 2011, Hochtief Energy Management has saved over 115,000 tonnes of CO₂ emissions on its clients' behalf.

An example: energy supply to the Heideblume Dairy, in Germany

Hochtief Energy Management has acted as the contractor in energy services for the dairy firm Heideblume in Elsdorf-Rotenburg, Lower Saxony, for many years.

Since November 2010, when the contract was extended by 15 years, Hochtief has developed an innovative technique to reduce the company's annual CO₂ emissions by 5,000 tonnes per year.

Hochtief has made various changes, such as the construction and operation of a new central energy plant, centred on combined heat, cooling and energy production (CHCP) to supply electricity. Hochtief's experts also installed a more efficient compressed air generator and a highly advanced absorption refrigeration system to offer a very efficient chilling system for the manufacturing plant's logistics centre.

These activities have won awards. In early 2011 the project was recognised by the German Ministry of Environment with the annual cooling award for the "Climate-Friendly Use of Cooling Machinery in Food Production". The German Energy Agency also granted the project the seal for good practices in energy efficiency.



6. Commitment to Technological Development



Innovation in offshore wind power



Hochtief develops innovative solutions to support the vigorous renewable energy industry.

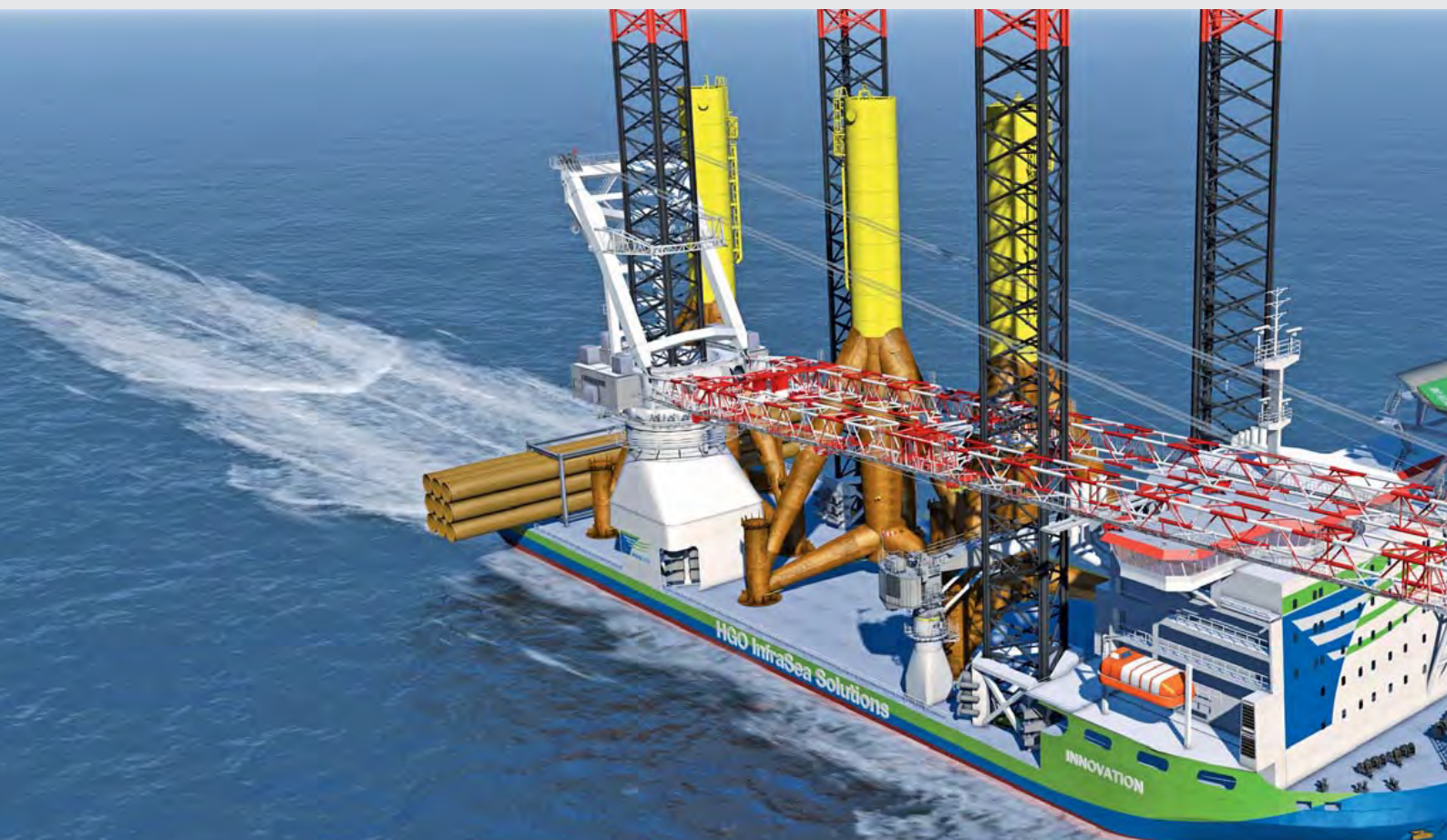
With an extensive portfolio of businesses, solutions and operating techniques, Hochtief positions itself as an important competitor in the offshore wind power sector.

A clear example is Hochtief's jack-up vessel "Innovation", to be launched in 2012. This ship, designed and built together with the strategic partner GeoSea, is 142 metres in length and can operate at depths of up to 50 metres.

At 8,000 tonnes and with a 1,500-tonne crane, the ship can carry out any kind of offshore installation or foundation operation. It is the most powerful ship in its category in the current market and its estimated lifetime is at least five years.

As well as with the "Innovation", Hochtief is also developing a ship to take care of the maintenance, installation and servicing of offshore turbines. It is due to be operating in 2013 and will make a tool available to the company which will enable it to cover the whole value chain for services to offshore wind power plants.

Offshore wind power projects require the use of highly specialised techniques making it possible to anchor the turbines to the sea bed. Furthermore, the noise impact of these techniques needs to be reduced to preserve marine flora and fauna during the installation period. To tackle these needs, Hochtief has developed a technique which, instead of driving foundations, reduces noise impacts by using a vertical drilling system which inserts the foundations in the sea bed in a less obtrusive manner.





6.3 Environment

In the ACS Group's Environment business²¹, innovation constitutes a basic principle both in management and in processes for recovery, reuse and reclamation of wastes. To carry out this task, Urbaser has its own specific R&D+i department with a formal management system certified under the UNE 166002:2006 standard and audited by an independent third party.

A Strategic Plan for R&D+i is determined annually or biannually, setting the priority lines in R&D+i for the company and framing the projects to be carried out. At 31 December 2011 there were 28 research and development projects in progress, in which €5.62 million were invested, 17.4% less than in 2010²².

As a significant part of its activity, Urbaser's R&D+i area collaborated with a total of 28 research institutions, including 5 research and technological centres, 13 universities and another 10 institutions promoting innovation or research of other types.

Outstanding among these are the Technical and Autonomous Universities of Barcelona and Madrid and Madrid's Complutense University, CIEMAT and the companies E-Intelligent, Applus and Ecoembes.

Investment in R&D+i focused on making maximum use of the energy which can be extracted from wastes, minimising dumping and reducing atmospheric emissions and odours. The R&D+i Centre for Urban Solid Waste was opened in 2011, which has unique equipment of an adequate scale for demonstration tests on anaerobic digestion, composting and odour treatment techniques.

For 2012 the objective is to complete implementation of the document management system, as the basis of the company's knowledge management system, as well as to increase the applicability of the results of R&D+i projects through their dissemination to the company's departments.

As regards R&D+i, Urbaser was guided in 2011 by the following lines of action:

- Optimisation of techniques, equipment and products for the application of plant protection products to urban woodland by endotherapy.
- Development of technologies for optimising waste management in Urbaser's R&D+i centre.
- Patent for treatment of residual sludges.
- Competitive intelligence.
- Recovery of wastes from waste to energy.
- Recovered solid fuels.
- Cleaning processes and optimisation of biogas production.
- Reduction of noise and emissions from waste collection vehicles.



²¹ The data referring to Environment included in this section were calculated by analysing the information provided by Urbaser.

²² In 2010 this business area included Clece, which invested €0.78 million. If this investment is discounted from the 2010 figure, the resulting reduction in investment is 6.5%.

6. Commitment to Technological Development

Among all these projects, the following stand out due to their depth, level of investment or importance:

ENDOTHERAPY

Optimisation of techniques, equipment and products for the application of plant protection products to urban woodland by endotherapy.

Comprehensive control of plant health is especially relevant in the management of green areas.

The technological breakthrough in this project lies in the evaluation and study of the existing endotherapy treatment techniques with the aim of designing equipment for endotherapy application suited to the local conditions in

Spain. In parallel, a solvent has been developed which improves absorption and use of the plant protection products applied, enabling application times to be reduced and treatment persistence to be improved.

By the end of the project, a plant protection product application technique which is more sustainable for the environment will have been developed and tested, which eliminates possible contaminations and problems, based on ratified results for the Iberian Peninsula's species and blights.





Development of technologies for optimising waste management in Urbaser's R&D+i centre



The clear commitment to and investment in innovation which URBASER has been promoting for decades have enabled us to position ourselves as leaders in the sector. We have also created the first R&D+i Centre to replicate critical stages in waste treatment at pilot scale with a view to resolving not only those real operating problems, but also to face up to new technological challenges. The aspiration is for this R&D+i Centre to become the Benchmark Centre for validating environmental technologies and R&D+i and it has been conceived with the idea of continuing to carry out new R&D+i projects, carrying out trials at semi-industrial scale and so operating with the pilot plant with the greatest possible flexibility. The idea is to continue collaborating as has been the case until now with prestigious Universities and Technology Centres .

The pilot plant occupies an area of 570 m², laid out in line with the treatment areas on which research is anticipated in the next three years (2011-3), which are served by a Laboratory and a Control Room:

- Pre-treatment area.
- Biomethanisation area.
- Composting area.
- Odour treatment area.
- Recovered solid fuel area.



Treatment of Residual Sludges



SOCAMEX, the Urbaser Group's water company, has presented a patent to the OEPM, the Spanish Office for Patents and Trademarks, on a new process for anaerobic digestion of waste water purification station sludges entitled: "Procedure for the Treatment of Residual Sludges".

In this way, thanks to the combination of prior hydrolysis and metal extraction, centrifuge separation and, finally, anaerobic digestion under microaerophilic conditions, optimisation is achieved in the treatment of residual sludges.

The procedure comprises the following steps:

- carrying out hydrolysis and extraction of metals from the residual sludges;
- centrifuging to separate the sobrenatant fraction, comprising metals, of the sedimented sludge; and
- submitting the sedimented sludge to anaerobic digestion under microaerophilic conditions in a complete-mix anaerobic digester to eliminate H₂S.

Specifically, increased production of biogas, improved quality of this biogas product (i.e. reduction in the amount of H₂S in the biogas produced) and a final resulting sludge which is dehydrated, free of metals and unpleasant odours are provided. Indeed, the final sludge obtained is more hygienic than those obtained by means of the procedures in the previous technique, so permitting its appropriate use in agricultural application as it greatly reduces its impact on the environment.

6. Commitment to Technological Development

6.4 Industrial Services

The ACS Group's Industrial Services area²³ carries out significant work in promoting research, development and innovation through the various R&D+i departments in several of the companies in this line of business. Companies representing 18.9% of Industrial Services' sales reported the existence of an R&D+i department or management in their structure.

Total investment of €17.93 million was allocated to the execution of the more than 91 projects managed by the different departments, 4.7% more than in 2010. These projects are carried out by virtue of a formal research and development management system, which is formally implemented in companies representing 10.3% of Industrial Services' sales.

The R&D+i areas in the various companies collaborated with a total of 83 research institutions, of which 47 were research and technology centres and 36 universities.

The R&D+i strategy of many of the companies in this area is based on an

external focus, aimed at its stakeholders, and an internal focus, aimed at process modernisation and improvement.

During 2011, the necessary initiatives were initiated to create an R&D+i department in Cobra to manage, administer and exploit the company's efforts in this area.

²³ The data referring to the ACS Groups' Industrial Services companies included in this section were calculated by analysing the information supplied by the different companies in this area of activity, weighted by level of turnover. The data is expressed in terms of percentage of total Industrial Services area sales.





GUIADE: Model for prognosis of traffic variables in a specific time frame

The development of the prognosis module was carried out based on observation of historical data, which was used as a basis to establish patterns of behaviour. From this determination of patterns, and using artificial intelligence technologies based on neural networks, the behaviour of the variables (intensity, occupation and speed) in the near future (15 minutes) is predicted based on the analysis of the data collected in real time.

To do this, work was carried out with schemes for predicting measured speed based on spatial/temporal variation, the inputs to which are the traffic measurements through the measurement points on a certain route of interest during an observation window of a few minutes, and the output from which is a prediction window for the future states measured through the same points, with a prediction time frame limited to 15 minutes.

The following are explored, in particular: (1) the free parameters of two algorithms (k closest neighbours and general regression neural network), (2) the effect of selecting a time band of practical interest in the

application; (3) the effect of including measurements of traffic intensity, occupation and density as explanatory variables; (4) the effect of smoothing the data; and (5) performance as regards speed prediction in terms of days of the week, seasons and applicability to different types of road.

Once the appropriate algorithm and architecture for estimation of average speed has been established, the comparative results on journey times are shown from two perspectives for the gold standard for comparison: (1) journey times estimated based on spatial-temporal maps for speed and by means of approximate numerical integration for these maps; (2) journey times obtained based on moving vehicles in real time with geographic location devices (virtual loops) identified in the following figure by the description TRAZA:

It can be seen that the temporal/spatial estimates corresponding to the predictive algorithm which uses corrected and interpolated speed data have a significantly lower error than the estimates based on the uncorrected data recorded by the loops.



6. Commitment to Technological Development

NOBEL (Neighbourhood Oriented Brokerage Electricity and monitoring system) Project



The NOBEL (Neighbourhood Oriented Brokerage Electricity and monitoring system) project is framed in the European projects approved under the Seventh Framework Programme, 4th ICT call. Three companies and three research institutes from Germany, Spain, Sweden and Greece participate in it.

The project objective is to achieve an energy-efficient distribution system and optimise the use

of energy in local settings – neighbourhoods – as against the global optimisation which takes place at present. This involves developing a system for the sale/purchase of electricity for redistribution and the auctioning of excess energy at off-peak times. This system is not just a prime objective of the European Union as a tool for opening the energy market, but also a source of information for adjusting the operation of local electricity networks.





The project began in February 2010 with a planned duration of 30 months and a combined effort of 245 person months. ETRA R&D's work focuses, in addition to coordination and exploitation tasks, on the development of an intelligent public lighting system, capable of governing lamps by lighting point, and collaborating with other information systems, both to extract new services – such as urban traffic information – and to provide detailed

information to the electricity operator – such as estimated consumption.



7. Commitment to the Natural Environment

7.1 The Protection of the Environment in the ACS Group

2011 Milestones

DRAGADOS

Improved sustainable management of demolition waste recovery. The target set of 68% recovery for 2011 was achieved, maintaining the progress over recent years.

Application of the Energy Efficiency Plan in the head office resulted in a 41.5% saving in natural gas and a 7.3% saving in electrical energy in 2011.

VIAS

Definition of the internal system and calculation of the Carbon Footprint associated with our business; calculation and verification of VIAS' Carbon Footprint under the UNE-ISO 14064-1:2006 Standard, with this being verified by an Accredited External Body: Lloyd's Register Quality Assurance.

HOCHTIEF AMERICAS

Turner announced that Yale University's New Haven Health Centre in Connecticut is Turner's 200th project to obtain the Green Buildings Certification Institute's LEED certification.

Leighton Holdings

Leighton's environmental framework was updated at the beginning of 2011, including hardening up the classifications of future incidents to reflect the regulatory framework and improve requirements for good governance and quality.

urbaser

Expansion of the scope of ISO 14001 certification in Urbaser.

MAESSA

Report on CO₂ emissions through the Carbon Disclosure Project.

Challenges for 2012

POL-AQUA

Extension of the lifetime of the company's environmental certificates in accordance with the standards in the ISO 14001 norm.



Obtaining of ISO 14001 certification.



Formalisation of environmental processes and programmes to obtain ISO 14001 certification.

Leighton Holdings

Prevent any serious pollution or degradation incident as a consequence of Group operations.

imesAPI

Implementation of tools to reduce CO₂ by means of energy-efficient systems.

intecsa industrial

Implement advance and monitoring reports for the projects indicating environmental compliance associated with the Environmental Objectives.

Initiatives developed

Main areas of work	Percentage of total
Emissions	16%
Biodiversity	5%
Wastes	21%
Environmental management systems.	25%
Water consumption	5%
Others	28%



7.1.1 Strategic Priorities

The ACS Group²⁴ combines its business objectives with protection of the environment and appropriate management of its stakeholders' expectations in this regard. ACS's environmental policy is intended to be a framework in which, on the one hand, the general lines to be followed (principles) are defined and, on the other hand, the particular features of each business line and each project are collected (articulation).

The principles are the ACS Group's general environmental commitments. These are sufficiently flexible as to accommodate the elements of policy and planning developed by the companies in the different business areas. In addition, these commitments need to keep within the requirements of the ISO 14001 Standard:

- Commitment to complying with the legislation.

- Commitment to preventing pollution.
- Commitment to continuous improvement.
- Commitment to transparency, communication and the training of Group employees, suppliers, clients and other stakeholders.

To be able to articulate and deploy a policy on these environmental commitments, the most significant are identified at corporate level and are compared with each company's management system and the environmental priorities for each business. For each of these common priorities, which later become common to the majority of the ACS Group, objectives are set and improvement programmes are established individually from company to company.

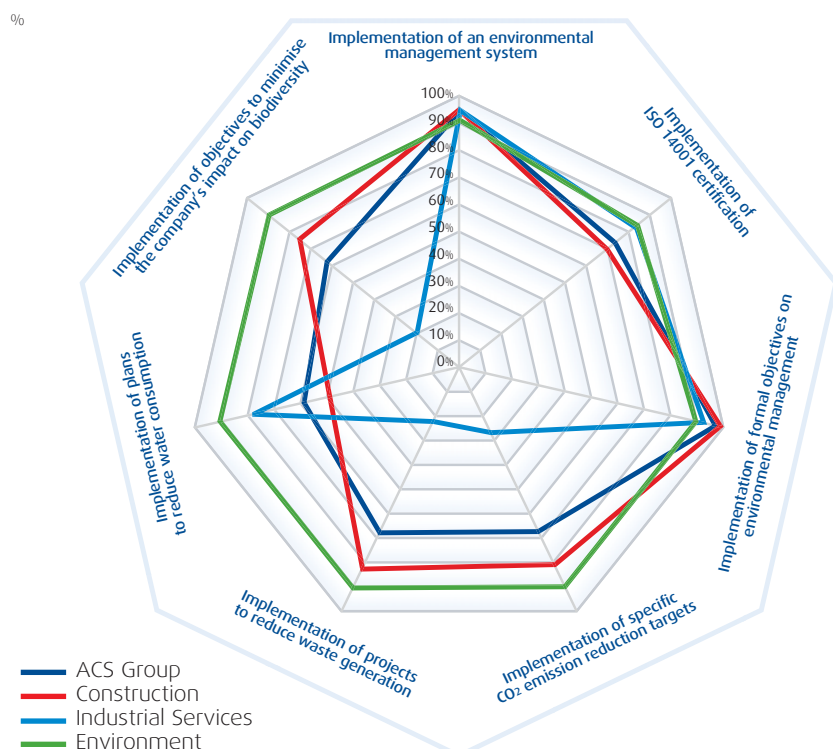
7.1.2 Management Model

The significant level of implementation of an environmental management system, present in companies representing 92.7% of Group sales, is based on the objective of seeking adoption of the

²⁴ The data referring to the ACS Groups included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by level of turnover. The data is expressed in terms of percentage of total Group sales in 2011.



The summary of the main common aspects of the ACS Group companies' management models is shown in the following map of initiatives and their level of implementation.



Level of implementation as reported by ACS Group companies and according to the level of sales of each of them.

7. Commitment to the Natural Environment

ISO 14001 standard in the majority of the Group's activities, which is already implemented in 72.6% of ACS Group sales.²⁵

The responsibility of overseeing the ACS Group's environmental performance falls to the Environmental Department in each company. In general, the following common, general and most significant characteristics were found in the ACS Group's companies' management of environmental impacts:

- They themselves, in a decentralised and autonomous manner, develop their own policies and action plans (in ACS, companies representing 97.1% of its sales define formal environmental objectives periodically and, furthermore, 23.0% reward their workers according to fulfilment of these objectives).
- They implement projects for certification and/or independent external auditing (95.0% of the ACS Group's production was audited in 2011).
- The ACS Group's companies carry out detailed monitoring of their environmental performance:

- A total of 972 environmental audits were carried out in 2011, 21.8% more than in 2010.
- Companies representing 64.8% of ACS Group sales have some kind of centralised database to collect environmental data.
- Companies with 54.1% of the ACS Group's sales have a system for collecting incidents, non-conformities or near misses related to the subject of the environment. A total of 1,601 environmental incidents occurred in 2011, which involved the origination of a total of 33 sanctioning administrative proceedings.

Specifically and operationally, the main environmental measures revolve around four key areas, on which the ACS Group's companies position themselves explicitly: **the fight against climate change, promotion of eco-efficiency, water saving and respect for biodiversity.**

Sanctions due to breaches of environmental regulations	2009	2010	2011
Number of environmental incidents	1,408.0	1,219.0	1,601.0
Number of environmental incidents with sanctioning administrative proceedings	40.0	32.0	33.0
Cost of fines due to sanctioning administrative proceedings (€)	114,232.0	196,469.7	154,600.0

7.1.3 Main Environmental Indicators

The ACS Group's main environmental indicators	2009	2010	2011
Water consumption (m ³)	6,412,181.1	6,772,361.0	5,577,931.0
Production certified under ISO 14001 (%)	69.9%	71.7%	72.6%
Direct emissions (Scope 1) (tCO ₂ eq)	1,958,109.1	1,998,929.4	1,742,344.1
Indirect emissions (Scope 2) (tCO ₂ eq)	108,612.9	108,948.8	151,738.3
Indirect emissions (Scope 3)* (tCO ₂ eq)	4,487.9	4,391.8	13,620.2
Non-hazardous waste sent for management (t)	1,115,301.0	824,735.0	1,168,706.0
Hazardous waste sent for management (t)	174,241.0	200,949.0	186,989.5

* Due to employee travel.

²⁵ Although this is not the only certification, as companies representing 30.35% of ACS Group sales reported having obtained another type of certification, many of them in addition to ISO 14001.



- The reduction in Scope 1 emissions recorded in 2011 comes basically from Urbaser's activity, as a consequence of the reduction in the amount of waste bound for dumps, which influences their methane emissions.
- The indirect Scope 3 emissions increased significantly given that the scope of measurement has increased to a larger number of ACS Group companies.

7.1.4 Climate Change

The ACS Group shares with society the growing concern over climate change, hence it has an active policy for reducing its greenhouse gas emissions in companies representing 67.1% of ACS Group sales.

According to data requested from the ACS Group's companies and the turnover accounted for in 2011, the ratio of total Scope 1 emissions to sales (Carbon Intensity) was 61 tonnes of CO₂ per million euros of turnover.

The main challenge is to understand and quantify all the ACS Group's emissions. Each company is responsible for maintaining an inventory of emissions, in which the main sources of these is identified. This permits custom action plans to be developed for each company. Companies representing 69.8% of ACS Group sales have already defined a method for measuring the carbon footprint of their activities.²⁶

The ACS Group's strategy in the fight against climate change is based on proper management of fossil fuels, on renewable energies, on energy efficiency and saving and on sustainable movement. The results expected as a consequence of active policies for containing climate change are:

- Reduction of direct emissions by means of, for example, the implementation of new production processes.
- Reduction of indirect emissions by moderating fuel consumption, for example, and promoting energy efficiency.
- Analysis of the possibility of implementing Energy Management Systems (and where appropriate in accordance with UNE-EN ISO 16001 certification).
- Training of employees, raising client awareness and monitoring of suppliers.
- The financial consequences of climate change for each company's business has begun to be measured. Indeed, companies representing 60.1% of Group sales already carry out this type of analysis.

Another key aspect lies in the promotion of the use of renewable energy or sources less intensive in carbon, as well as the use of the best technologies in the combustion of fossil fuels as two fundamental aspects to reduce CO₂ emissions.

The ACS Group has extensive experience in the development of and participation in renewable energy projects. The ACS Group participates in the operation of renewable energy plants (mainly wind and thermal solar), specifically:

- At 31/12/2011, the total wind power installed in Spain was 858.99 MW. These farms produced a total of 1,270.6 GWh during 2011²⁷.
- In turn, at 31/12/2011 the ACS Group had an installed power in Spain in thermal solar plants of 199.6 MW, which had produced a total of 503.9 GWh in 2011²⁸.

This represents a total of 1,774.5 GWh.

²⁶ Emissions inventories will not be limited solely to the ACS Group's operational scope, but will also cover the activities associated with the life cycle of its services and products. ACS is developing a database to measure the emissions from its supply chain. Once this database is sufficiently extensive, the results will be published.

²⁷ This figure comprises the electricity production which obtained the guarantee of renewable sources for electricity from the CNE. The figure does not include 73.3 GWh produced by farms under construction in 2011, which are also not included in the installed power at 31/12/2011. In addition, another 17.1 GWh were recorded which had not obtained the guarantee of renewable sources from the CNE.

²⁸ Andasol I and II, sold on 30 June 2011, were not included in the installed power. Their electricity production up until they were sold was 144.2 GWh, which likewise was not included in the reported figure for thermal solar electricity production.

7. Commitment to the Natural Environment

7.1.4.1 GHG emissions (tCO₂ equivalent)²⁹

Direct greenhouse gas emissions (Scope 1) (tCO ₂ equivalent)	2009	2010	2011
Construction	65,863.1	57,597.6	80,737.0
Industrial Services	80,439.3	125,578.0	43,173.6
Environment	1,811,806.7	1,815,753.8	1,618,433.4
Group Total	1,958,109.1	1,998,929.3	1,742,344.1

7.1.4.2 Indirect GHG emissions. Group Total (tCO₂ equivalent)

Indirect greenhouse gas emissions (tCO ₂ equivalent)	2009	2010	2011
Emissions derived from electricity consumption (Scope 2)	108,612.9	108,948.8	151,738.3
Emissions derived from employees' travel (Scope 3)	4,487.9	4,391.8	13,620.2

7.1.5 Eco-Efficiency

The ACS Group accords efficiency in resource consumption and reduction of waste generation priority, as an effective strategy in these aspects implies benefits from two angles. On the one hand, it reduces the environmental impact on the setting and, on the other, it cuts the costs needed for their purchase or treatment.

To this effect, the ACS Group strategy is based on two fundamental aspects:

- The implementation of projects to reduce waste generation, an exercise which takes place in companies representing 67.9% of ACS's sales.

- The carrying out of projects to reduce material and/or raw material consumption, which takes place already in companies representing 81.2% of ACS Group sales.

In addition, there is notable implementation of policies in relation to the application of sustainable building standards³⁰. These are applied in those cases in which the client accepts them, given that the ACS Group in the great majority of cases works for third parties in building development. These sustainable construction policies apply to the companies' main activities, representing 76.9% of ACS's sales.

²⁹ For the preparation of this report, Urbaser, the company with the greatest impact on this aspect in the ACS Group, adopted a method for calculation of emissions in which the emission factors were obtained from calculations carried out by Urbaser's personnel based on a pre-established mass balance and on the emission factors and formulas which appear in the E-PRTR methodology (European Pollutant Release and Transfer Register) in the 3rd edition of Solid Waste Management and Greenhouse Gases: A Life-Cycle Assessment of Emissions and Sinks, published by the US EPA.

The data on emissions to dumps refers to the emissions equivalent to CO₂ which the wastes deposited in the corresponding financial year will produce over a period of 26 years.

Likewise, the emissions for previous years for the Concessions area were added to the Construction area.

To calculate the emissions for the rest of ACS's areas, the IPCC's emission factors were used, which were applied to the data for activity obtained using the GHG Protocol guidelines.

³⁰ For example, systems for sustainable building certification LEED - Leadership in Energy & Environmental Design, BREEAM - BRE Environmental Assessment Method, LCC - Life Cycle Cost Results, etc.



Sustainable building standards



Hochtief, through Turner in the United States and Leighton in Australia, carries out building activities in accordance with sustainable building standards.

- Since the year 2000, almost 500 of Turner's projects have been registered as LEED and 244 have been certified. In addition, Turner has adopted many of the sustainable practices which are characteristic of these types of certification in the carrying out of its normal business.
- Leighton Properties, Leighton's company specialised in property development, uses the GBCA's – Green Building Council of Australia – Australian Green Star Methodology in carrying out its building activities.



7. Commitment to the Natural Environment

7.1.5.1 Waste Treatment

Special importance is attached to the wastes section, as the provisioning part depends predominantly on the client's needs and requests. Hence, more resources, efforts and policies are dedicated to the handling of wastes than to any other discipline in eco-efficiency.

In this respect, the ACS Group segregates, stores and appropriately manages its wastes³¹. Its management is always aimed at minimising the wastes generated, both in terms of quantity and of their hazards, on giving priority to recycling and reuse above other management options and in energy recovery as the preferred choice as against dumping.

Waste is managed in accordance with the regulations in force in each country. The facilities have the corresponding authorisations for producers of hazardous waste, which allow for their recording, inventory taking, storage and management. The non-hazardous wastes generated or managed are sent to dumps, collected by an authorised handling company, reused, recycled or recovered.

The ACS Group also generates other hazardous wastes or wastes with specific regulation which need to be treated respectively by an authorised hazardous waste handling company or Integrated Waste Management System. Hazardous waste is, in general, delivered to authorised handling companies in accordance with the legislation in force.

ACS Group's Total Generated Waste	2011
Total non-hazardous waste generated (t)	1,168,706.0
Total hazardous waste generated (t)	186,989.5

Waste treatment	2009	2010	2011
Total non-hazardous waste sent for management (t)	1,115,301.0	824,735.0	858,738.7
Total hazardous waste sent for management (t)	174,241.0	200,949.0	186,989.5

7.1.5.2 Rationalisation of Energy and Material Resource Consumption

A large portion of the natural resources consumed by the ACS Group's companies are used efficiently. To achieve this, the best available technologies are used as regards efficiency and reduction of material and energy resource consumption.

Among these items, which began to be measured as from 2011³², there are historical

data for wood purchased by the ACS Group and whether this was certified in accordance with standards for sustainable forest management. Specifically, in 2011, 20.3% of the 19,551 tonnes of wood acquired were certified, while the purchase of a total of 12,863 tonnes of wood was accounted for in 2010, of which 42.8% was certified.

³¹ Up to 2010, the ACS Group only measured the tonnage of wastes treated in its CSR report. As from 2011, we present the total waste generated and, of these, those utilised (sent for management: composting, reused, recycled or recovered). The figure for the ACS Group's Total Generated Waste does not include soil from excavations in the Construction activity, the data for which can be found in section 7.2.3 of this document.

³² Improvements to the process of collecting ACS Group information have been introduced for 2011, among which is the expansion of the requirements on consumption of sustainable materials.



ACS Group provisioning. Main items	2011
Total wood purchased (t)	19,551.0
<i>Certified wood (%)</i>	20.3%
Total steel purchased (t)	388,560.0
<i>Steel manufactured with recycled materials (%)</i>	29.7%
Total cement / concrete purchased (t)	3,048,316.0
<i>Cement / concrete which includes recycled aggregates (%)</i>	0.1%
Total aggregates purchased (t)	7,905,170.0
<i>Recycled aggregates (%)</i>	23.6%
Total glass purchased (t)	1,408.0
<i>Recycled glass (%)</i>	0.0%
Total pipes / insulation (generally PVC) purchased (t)	779.0
<i>Recycled pipes / insulation (generally PVC) purchased (%)</i>	0.0%

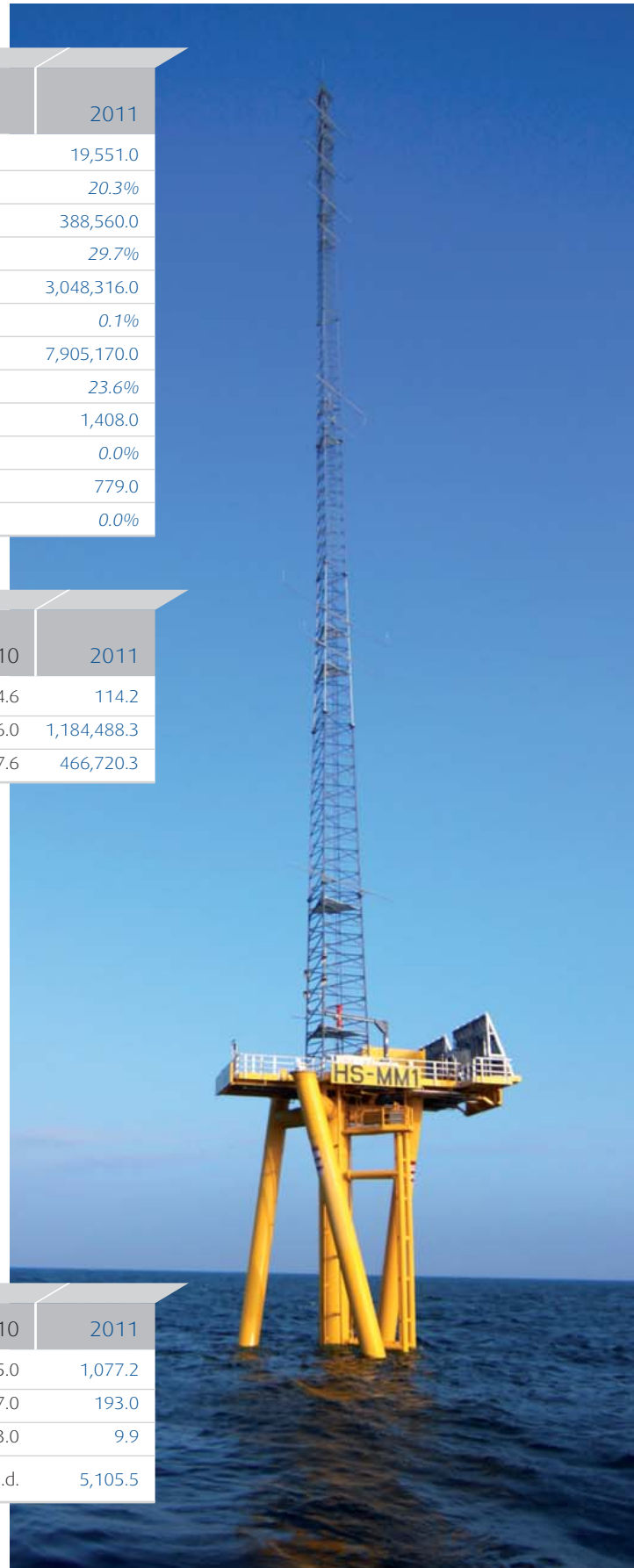
Direct and indirect energy consumption, by source	2009	2010	2011
Petrol + diesel consumed (million litres)	99.0	94.6	114.2
Natural gas consumption (m ³)	3,032,442.0	897,866.0	1,184,488.3
Electricity consumption (MWh)	389,293.6	390,497.6	466,720.3

According to reports for Group companies, 8,272.5 MWh of energy were saved in 2011 thanks to conservation and improvements in energy efficiency.

The main use of petrol and diesel in the ACS Group's companies is transport of materials, personnel, earth movement and the use of certain machinery necessary for the company's operational activities.

7.1.5.3 Other emissions

Other emissions, Group total (t)	2009	2010	2011
Emissions of Oxides of Nitrogen (NOx)	2,082.0	2,115.0	1,077.2
Emissions of Oxides of Sulphur (SOx)	433.0	447.0	193.0
Emissions of solid particles	155.0	153.0	9.9
Emissions of substances that deplete the ozone layer	n.d.	n.d.	5,105.5



7. Commitment to the Natural Environment

7.1.6 Water

The activities carried out by the ACS Group involve considerable water consumption, especially in the construction field. As such, the company recognises the need to reduce consumption of this natural resource, especially in zones where there is water stress. As far as possible, and whenever the projects' characteristics so permit, recycled water which is unfit for human use is employed.

The keys to the ACS Group's strategy for reduction of water consumption are summarised in three points:

- Implementing appropriate measurement systems (at project, company and corporate level), permitting detailed knowledge of the main sources for consumption. Companies representing 51.0% of ACS Group sales reported these data in a detailed form.
- Carrying out actions which promote reduction of water consumption or which encourage the consumption of recycled water. Companies representing 58.3% of ACS Group sales have established plans for reducing water consumption in their activities.
- Driving and developing operational policies for water management and desalination. The ACS Group currently builds and operates desalinating plants in Spain and Algeria.

The ACS Group has numerous measures aimed at reducing water consumption, such as raising employee awareness, reuse of cleaning water and the use of rainwater.

The ACS Group pays attention to improving its management and use of water, with special consideration to those works located in geographical zones with water stress. As such, ACS has been making efforts for many years in the south-east part of the Iberian Peninsula and on the Canary Islands, these being locations which have frequent water deficits. The Environmental Management System considers water stress as an additional variable in the evaluation criteria for the "water consumption" parameters, which leads to the initiation of preventive measures to optimise water consumption and the monitoring of the effectiveness of these measures.

Lastly, it is worth emphasising that the ACS Group carries out exhaustive monitoring of the quality of water drained to the natural environment. In this regard, all monitoring carried out meets legal demands, such that significant effects do not occur in the natural environment.³³

Water consumption (m ³)	2009	2010	2011
Obtained from the public mains	2,975,775.6	2,744,035.1	2,873,426.8
Obtained from other sources	3,528,357.5	4,028,325.9	2,704,504.2
Total	6,504,133.1	6,772,361.0	5,577,931.0

Total waste water discharged (m ³)	2009	2010	2011
To the public network	1,490,209.5	1,498,100.8	2,706,544.7
Discharges to the sea or rivers/lakes	6,524,886.8	6,640,831.0	1,429,681.0
Total	8,015,096.2	8,138,931.8	4,136,225.7

³³ It was not possible to verify the data relating to discharges to sea or to rivers / lakes during 2011 before publication of this report; hence these are outside the scope of the verification report.

No accidental water spills or spills to water occurred during 2011. Only a spill of 59.8 m³ of hydrocarbons was reported, which affected a work area which was subsequently restored. In 2009, four spills occurred, at a total of 5,485 m³, and in 2010, five spills at a total of 1,065 m³.



7.1.7 Biodiversity

The ACS Group's activities generate impacts on the natural environment where the works are executed. The implementation of measures to conserve the flora and fauna is one of the environmental principles applied in planning operations. These measures are based on physical protection, transplanting or transfer, as well as on respect for the life cycles of the plant and animal species affected.

The ACS Group tries to minimise the environmental effect of its activities, especially when these take place in areas of high ecological value. Companies representing 61.7% of sales have set targets for minimising the impact of their activities on biodiversity. Projects are planned with the objective of minimising their environmental impact and, as far as possible, are carried out under the methodology which causes least damage in the setting.

The ACS Group prepares environmental impact studies, which attempt to minimise the possible adverse effects of projects on the natural environment. Public participation in procedures to approve these projects is guaranteed by the national and regional legislation in each of the countries where they are carried out.

At the end of 2011, a large number of Group companies, representing 61.7% of sales, were carrying out projects located in areas of high biological value, or in their vicinity.

The company also has supervision plans which guarantee the fulfilment of the preventive measures and reduce the impact of projects and processes not subject to environmental impact assessments.

Furthermore, various initiatives or specific activities for restoration of habitats affected by the activities of various of the Group's companies were carried out during 2011³⁴.

- For all its civil engineering works, Dragados develops a Restoration Plan for the areas affected after completion of the works.
- Replanting at end of carrying out projects in Vías.
- Restoration activities in habitats of different animal species.
- Leighton is one of the world's most important mining contractors, and after completing its activity in the mines, it restores the land affected to recover the conditions of the local ecosystems.
- Urbaser carries out projects to seal and replant dumps, when necessary.

For example, control and monitoring was reported of Group companies' impact on 25 species threatened with extinction in areas influenced by Group companies' projects or activities.

In short, the ACS Group includes the commitment to conservation of biodiversity in its environmental management systems, to meet the following objectives:

- To assess the impacts of the activities on the environment.
- To research, develop and offer its clients innovations which improve environmental conditions.
- To manage the impact and minimise its consequences.

³⁴ The existence of these activities was reported by companies representing 58.3% of ACS Group sales.

7. Commitment to the Natural Environment

7.2 Construction

Construction activity can, on occasions, have a powerful impact on the environment. Although this effect is usually temporary, the ACS Group's Construction companies³⁵ attempt in various ways to identify these impacts beforehand in order to minimise or completely avoid their impact on the environment.

One of the Group's most active companies is Dragados, which positions itself as the reference company in developing environmentally friendly initiatives and policies.

The main environmental impacts of construction projects are related to consumption of water and materials and their origin, waste generation, earth movements and with effects on biodiversity.

³⁵ The data referring to the ACS Groups' Construction companies included in this section were calculated by analysing the information supplied by the different companies in this area of activity, weighted by level of turnover. The data is expressed in terms of percentage of total Construction area sales.

Level of implementation of good environmental practices as percentage of sales in the Construction area	2011
Implementation of an environmental management system	93.3%
Implementation of ISO 14001 certification	68.6%
Implementation of formal objectives in environmental management matters	99.5%
Implementation of specific objectives for reducing CO ₂ emissions	79.9%
Implementation of projects for reducing waste generation	82.5%
Implementation of plans to reduce water consumption	49.1%
Implementation of objectives to minimise the company's impact on biodiversity	75.4%





DRAGADOS

C305 Crossrail Eastern Running Tunnels

Winner of “Crossrail - Green Line Environmental Award 2011” award for its excellent environmental performance

In the C305 Crossrail Eastern Running Tunnels project, the joint venture between Dragados and Sisk (DSJV) needed to meet the company Crossrail’s demanding environmental standards, for which DSJV developed an environmental management system certified under ISO 14001 to ensure compliance with the legislation and the client’s requirements.

All the project’s construction points were complex from the environmental point of view and included impacts due to noise and nuisance to local communities.

Before starting work, a permit was needed from the local authorities, by reason of Article 61 of the Pollution Control Act. In this, DSJV worked closely with the authorities and local communities to notify the interested parties of the work in progress and so reduce claims and complaints.

The two locations from which the tunnelling machines started were alongside river courses and careful negotiations took place with the Environment Agency to obtain consent.

The environmental studies carried out included environmental monitoring of air quality, water quality and noise levels. Monitoring stations were installed at all work places and these offered real-time data, including dust and noise control levels. These data were sent to the local authority and the client, Crossrail, weekly. Ecological studies were also carried out with respect to birds, bats and reptiles, complying with United Kingdom legal requirements as regards conservation of wildlife. Various old structures and significant trees were protected and even archaeological excavations took place at some work points.

DSJV was awarded the “Crossrail - Green Line Environmental Award 2011” for its excellent environmental performance with respect to waste

management. One of the construction points had been contaminated by previous industrial activities and DSJV removed 125,000 tonnes of material and achieved a reuse and recycling rate of 98%. From this polluted spot, DSJV recycled 100% of all the wood, tyres and wastes in general. The tyres were separated out and the rubber ground for reuse in racecourses, children’s play areas and as filler for civil engineering. The recycling of wood consisted of the removal of contaminants by the subcontractors before it was turned into wood chips for reuse in the construction sector, in horticultural humus, as animal bedding or as a fuel for generating energy.

Best practices were also taken on board in terms of the energy used. The use of fossil fuels was recorded and the carbon footprint estimated, taking into account traffic movements from deliveries and from waste removal. Electronic units at each work point have built-in movement sensors to promote efficient lighting.



7. Commitment to the Natural Environment



7.2.1 Initiatives to Reduce Water Consumption

- Good environmental practices are applied to minimise consumption, especially of water.
- Reuse of machinery cleaning water in works.
- Awareness campaigns were organised with guidelines to reduce water consumption.
- Use of rainwater.

Water consumption (m ³). Construction	2009	2010	2011
Obtained from the public mains	1,342,148.8	1,088,140.3	1,384,831.4
Obtained from other sources	675,179.7	1,461,023.0	1,264,255.3
Total	2,017,328.5	2,549,163.3	2,649,086.7

7.2.2 Consumption of Materials

Construction provisioning. Main items	2011
Total wood purchased (t)	18,579.0
<i>Certified wood (%)</i>	22.5%
Total steel purchased (t)	248,683.0
<i>Steel manufactured with recycled materials (%)</i>	46.4%
Total cement / concrete purchased (t)	2,991,658.0
<i>Cement / concrete which includes recycled aggregates (%)</i>	0.1%
Total aggregates purchased (t)	7,890,311.0
<i>Recycled aggregates (%)</i>	23.7%
Total glass purchased (t)	351.0
<i>Recycled glass (%)</i>	0.0%
Total pipes / insulation (generally PVC) purchased (t)	706.0
<i>Recycled pipes / insulation (generally PVC) purchased (%)</i>	0.0%
Bitumen and asphalt (t)	546,708.0
Chemical products (t)	123.1
Concrete (t)	494,856.0
Bricks (t)	24,158.0



7.2.3 Waste Treatment

The main waste treatment methods for the Construction area's different companies are exploitation (including reuse, recycling and/or recovery) and incineration. The great majority of the remaining waste is sent to dumps. Construction wastes are analysed to separate out hazardous substances. This process results in part of the hazardous waste reported in this document, which in turn are exploited in accordance with the percentages reported.

Other treatment methods are not detailed as they are not considered material by the ACS Group.



Construction wastes. Main items	2011	Exploitation (%)	Incineration (%)
Surplus soil from excavation (t)	15,331,497.2	61.6%	n.a.
Rubble (t)	510,958.2	54.4%	n.a.
Wood (t)	39,143.7	96.1%	1.3%
Plastics (t)	5,382.0	86.5%	9.0%
Paper and Card (t)	95,342.9	99.9%	0.1%
Metals (t)	57,078.4	99.8%	n.a.
Others (t)	417,348.3	89.2%	0.0%
Total (t)	16,456,750.8	75.1%	0.1%

The remainder up to 100% is sent to dumps or other destinations.



7.2.4 Initiatives for reducing impacts on biodiversity

- Annual targets have been set for identifying sensitive areas and species and adopting prevention and protection measures.
- Protection plans are developed for native species.
- The possibility of incorporating or replacing polluting chemical products with other biodegradable products is being studied.
- Strict and rigorous compliance with environmental law.
- Carrying out of some activities with lightweight machinery.
- Activities for replanting and relocating species in similar habitats.



Impact on Biodiversity. Construction	
Implementation of objectives to minimise the company's impact on biodiversity	75.4%
Companies with projects located in areas of high biological value. % of sales	73.3%
Companies which have carried out specific restoration activities. % of sales	71.5%
Number of species threatened by the activities of Construction companies	13



7. Commitment to the Natural Environment



7.3 Environmental Services

Urbaser, the lead company in the ACS Group's Environmental Services area, applies strict environmental criteria and sets both corporate objectives and objectives by contract or project.

Level of implementation of good environmental practices in the Environmental Services Area	
Implementation of an environmental management system	89.7%
Implementation of ISO 14001 certification	82.8%
Implementation of formal objectives in environmental management matters	89.7%
Implementation of specific objectives for reducing CO ₂ emissions	89.7%
Implementation of projects for reducing waste generation	89.7%
Implementation of plans to reduce water consumption	89.7%
Implementation of objectives to minimise the company's impact on biodiversity	89.7%

The main impacts on the environment generated by the ACS Group's Environmental Services area are related to emissions of greenhouse gases produced by waste transport vehicles and the gases generated in the company's dumps and treatment plants themselves. Other significant impacts on the environment result from the lixiviates produced in the dumps and from the management of the wastes generated.

7.3.1 Emission of Greenhouse Gases

Emission of greenhouse gases (tCO ₂ equivalent) Environmental Services	2009	2010	2011
Scope 1	1,811,806.7	1,815,753.8	1,618,433.4
Scope 2	76,916.9	81,856.9	82,834.4
Scope 3	2,488.9	2,162.5	826.4

7.3.2 Total Waste Water Discharged³⁶

Total waste water discharged (m ³) Environmental Services	2009	2010	2011
To the public network	1,186,005.0	1,063,835.0	2,057,846.9
Discharges to the sea or rivers/lakes	6,453,624.0	6,605,013.0	55,153.0
Total	7,639,629.0	7,668,848.0	2,112,999.9

³⁶ It was not possible to verify the data relating to discharges to sea or to rivers / lakes during 2011 before publication of this report; hence these are outside the scope of the verification report.



7.4 Industrial Services

The Industrial Services activity mainly affects the environment through the use of materials and the generation of wastes. In this respect, the concern of managers in the environmental management departments of each of the ACS Group companies is not only focused on reducing waste, but also the appropriate treatment and recycling of that inevitably produced.

Each company in the Industrial Services area develops its own plans to improve its energy efficiency and minimise its consumption of materials and its generation of wastes.

Level of implementation of good environmental practices in the Industrial Services Area	
Implementation of an environmental management system	92.7%
Implementation of ISO 14001 certification	81.9%
Implementation of formal objectives in environmental management matters	92.7%
Implementation of specific objectives for reducing CO ₂ emissions	26.6%
Implementation of projects for reducing waste generation	22.4%
Implementation of plans to reduce water consumption	76.8%
Implementation of objectives to minimise the company's impact on biodiversity	17.2%



7. Commitment to the Natural Environment



Alphabetic Tower. Batumi - Georgia



The tower is intended to be an urban landmark transmitting the uniqueness of the Georgian people through their alphabet, a defining facet in the country's identity and character.

The tower is 130 m high by 31 m in diameter, supported on a reinforced concrete slab 4 m thick and 34 m in diameter. At the top of the tower is a single-layer glass sphere 28 m in diameter housing a revolving restaurant, several TV studios and an observatory floor with views of the city of Batumi, the Black Sea and the nearby mountains.

The name of the Alphabetic Tower owes to the fact that it has frameworks forming helical figures running the full height of the tower, and pieces are positioned on these which represent the letters of the Georgian alphabet, with a total of 33 letters on each of the two helixes. Each letter is 6 metres high and has its own lighting.

The tower was conceived of as a viewpoint and visual reference on the seafront at Batumi, the Caucasian country's leading tourist city. Led by CMD Ingenieros, the internal finishes have been applied in the panoramic restaurant and the observation floor, the two main spaces in the Alphabetic Tower, located in the glass sphere crowning the structure. This sphere is made up of triangular pieces of laminated glass mounted on steel profiles and sealed with special joints. There are LED lighting points at the edges to help delineate its profile at night.

Internally, the sphere at the top is divided into five levels, housing the spaces needed for the set of uses planned: a transfer floor where visitors leave the panoramic lifts they took at the base of the tower and enter other internal lifts; a second level where the restaurant kitchen and two TV studios are located; a third level for the panoramic restaurant, with capacity for 100 people in the dining room and 25 in the cafe/bar area; and the top two levels made up of the observation floor, at 250 square metres and with capacity for 200 people, and a room for observation of the 60-ton pendulum which balances the structures behaviour.

Thanks to its design and planned uses, the Alphabetic Tower will soon become an important tourist attraction on Batumi's promenade and a symbol of the transformation this tourist city has been experiencing over the last five years. The structure completes the transformation of the city's seafront promenade and also has a revolving deck allowing you to enjoy a full turn in which you can look out onto Batumi, the Black Sea coast and the nearby mountains.



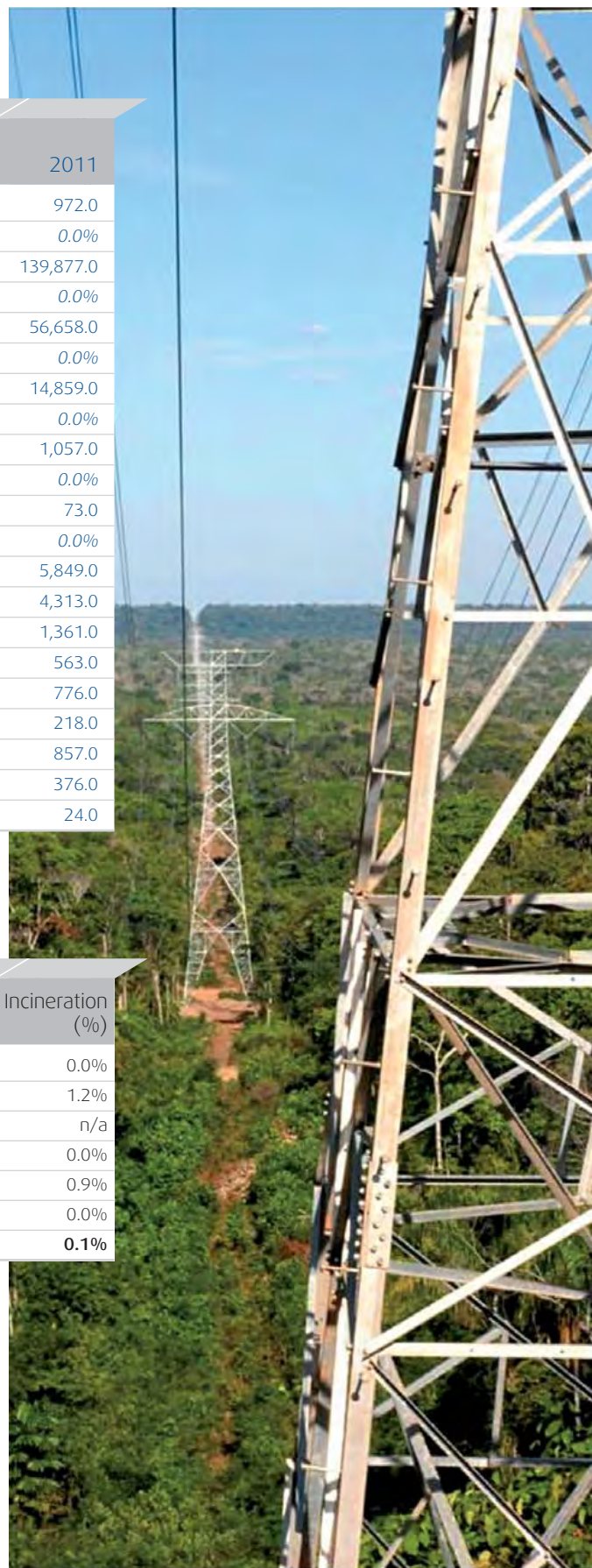
7.4.1 Consumption of Materials

Industrial Services' provisioning. Main items	2011
Total wood purchased (t)	972.0
Certified wood (%)	0.0%
Total steel purchased (t)	139,877.0
Steel manufactured with recycled materials (%)	0.0%
Total cement / concrete purchased (t)	56,658.0
Cement / concrete which includes recycled aggregates (%)	0.0%
Total aggregates purchased (t)	14,859.0
Recycled aggregates (%)	0.0%
Total glass purchased (t)	1,057.0
Recycled glass (%)	0.0%
Total pipes / insulation (generally PVC) purchased (t)	73.0
Recycled pipes / insulation (generally PVC) purchased (%)	0.0%
Cables (t)	5,849.0
Iron (t)	4,313.0
Gases (t)	1,361.0
Lights (t)	563.0
Bitumen and asphalt (t)	776.0
Aluminium (t)	218.0
Copper (t)	857.0
Electronic and electrical items (t)	376.0
Plastics (t)	24.0

7.4.2 Generation of Wastes

Industrial Services' wastes. Main items	2011	Exploitation (%)	Incineration (%)
Paper and Card (t)	502.0	89.8%	0.0%
Wood (t)	1,318.7	76.7%	1.2%
Electronic Waste (t)	17.8	59.7%	n/a
Scrap (t)	1,653.1	95.2%	0.0%
Urban Waste (t)	1,591.0	7.2%	0.9%
Others (t)	25,672.8	37.1%	0.0%
Total (t)	30,755.5	41.3%	0.1%

The remainder up to 100% is sent to dumps or other destinations.



8. Commitment to the Social Setting

8.1 The ACS Group's People

2011 Milestones³⁷

DRAGADOS USA

Creation of the new induction experience for new hires in Dragados USA.

GEOCISA

Implementation and integration into the company's organisational culture of the equality plan and dissemination of the latter.



Establishment of agreements with local and national universities to recruit well qualified candidates for posts for recent graduates and scholarship holders.

HOCHTIEF EUROPE

Increasing employee satisfaction, recruiting and promoting management talent and increasing employee connectivity in Hochtief Europe.

cobra GRUPO

Obtaining of certificates for exceptional nature and adoption of alternative measures as regards compliance with Spanish Law on Social Integration of Disabled People (LISMI) for some of Cobra's companies.

SICE
TECNOLOGIA Y GESTIÓN

Redesign of the performance assessment system for technical-administrative personnel.

Challenges for 2012

DRAGADOS

Implementation of a culture, training and development programme in Spain for workers with high potential from countries where Dragados is becoming established.

Training in "Equality Law" for all Dragados' workers.

Boosting language learning.

Implementation of a local system for Management by competences.

VIAS

Development of specific railways courses in Vías.

GRUPO ETRA

Creation of an autonomous Training Department.



Preparation of an Equality Plan.

Establishment of a protocol for expatriate treatment.

Adherence to the principles of the United Nations Global Compact.

Collaboration with bodies for inclusion of people at risk of social exclusion.

³⁷ It is important to emphasize, in relation to the data on personnel, two changes which took place in 2011 which significantly affect the data comparisons:

- On the one hand there was the deconsolidation of Clece, ACS's Integral Maintenance Company, which had 49,503 employees in 2010.
- Hochtief, the German construction company acquired by ACS in 2011, has been consolidated, contributing 75,449 employees.

Initiatives developed

Main areas of work	Percentage of total
Human Resource management policy	20%
Equality	13%
Personal development	54%
Employee satisfaction	3%
Others	10%



8.1.1 Strategic Priorities

The ACS Group's business success comes from its team. Hence the company maintains its commitment to continuously improving their skills, capabilities and level of responsibility and motivation, at the same time as it attends to working and safety conditions with the greatest dedication.

The ACS Group applies modern and efficient human resource management tools with the objective of retaining the best professionals. Companies representing 64.5% of the ACS Group's employees³⁸ state that they set formal objective for Human Resource management. Some of the fundamental principles governing the companies' corporate human resource policies are based on the following common actions:

- Attracting, retaining and motivating talented individuals.
- Promoting teamwork and quality control as tools to drive excellence as work well done.
- Acting quickly, promoting the assumption of responsibilities and minimising bureaucracy.

- Supporting and increasing training and learning.
- Innovating to improve processes, products and services.

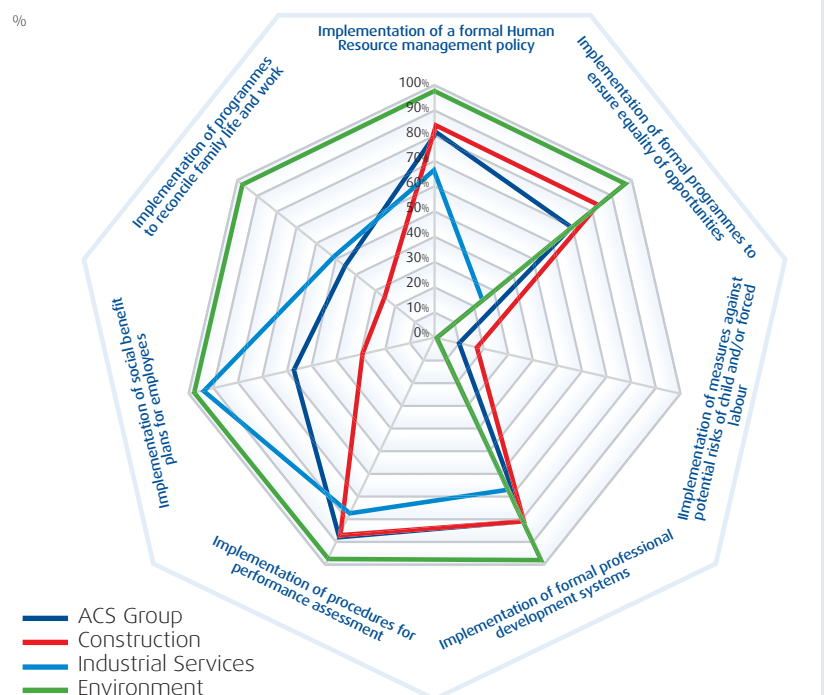
The ACS Group is an active defender of the human and labour rights recognised by various international organisations. The company promotes, respects and protects the forming of labour unions and employees' rights to freedom of association and guarantees equal opportunities and treatment, without discriminating on the basis of sex, ideology, religion or any other social or individual circumstance or condition.

Likewise, the Group promotes the professional development of its workers. With this aim, it has an employment policy which generates wealth in the zones where it operates and produces links which create positive synergies for the environment. Furthermore, it shows special interest in ensuring dignified working conditions, subject to the most advanced measures for health and safety at work. It promotes management by competences, performance assessment and management of the professional careers of its workers.

³⁸ The data referring to the ACS Groups included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by number of employees. The data is expressed in terms of percentage of total Group employees at 31 December 2011.



Strategic Priorities



Level of implementation as reported by ACS Group companies and according to the number of employees in each of them.

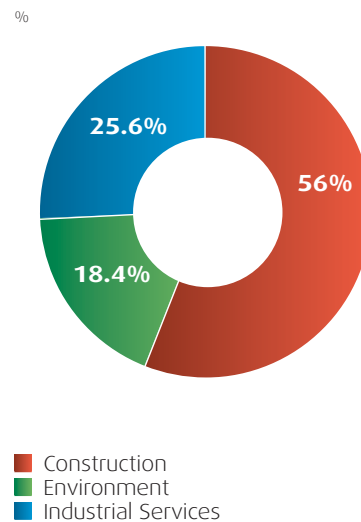
8. Commitment to the Social Setting

8.1.2 Main Figures

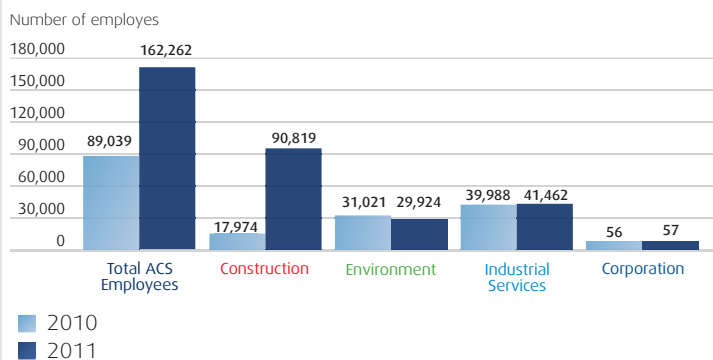
The ACS Group³⁹ employs a total of 162,262 people, of whom 55,314 are working in Spain and 106,948 abroad. Of all the employees, 24,961 people are of other nationalities than Spanish. The ACS Group has employees in more than 54 countries, in which it promotes its worker's economic and social development.

³⁹ These figures are affected by the deconsolidation of Clece and the integration of Hochtief. If Hochtief employees in 2011 are discounted, the ACS Group would have 86,813 employees. In turn, the Construction business would have 15,370 employees. It is important to highlight that Hochtief's 75,449 workers are outside Spain.

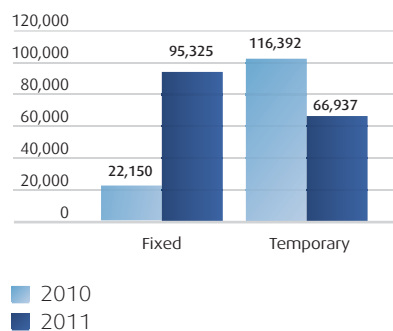
Personnel by area of activity



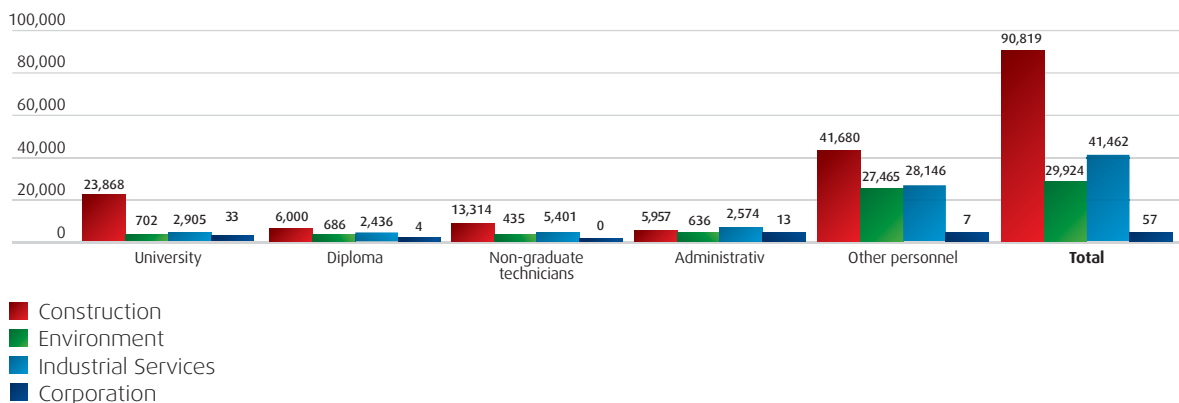
Number of employees by line of business



Types of contract



Personnel by professional category and area of activity





8.1.3 Sustainable Management of the ACS Group's People

8.1.3.1 Equality, Diversity, Integration, Rights

Equality of opportunity and lack of discrimination and respect for human rights, which are basic principles included in the Group's Code of Conduct, are also determining factors when advancing the professional and personal development of all the ACS Group's employees.

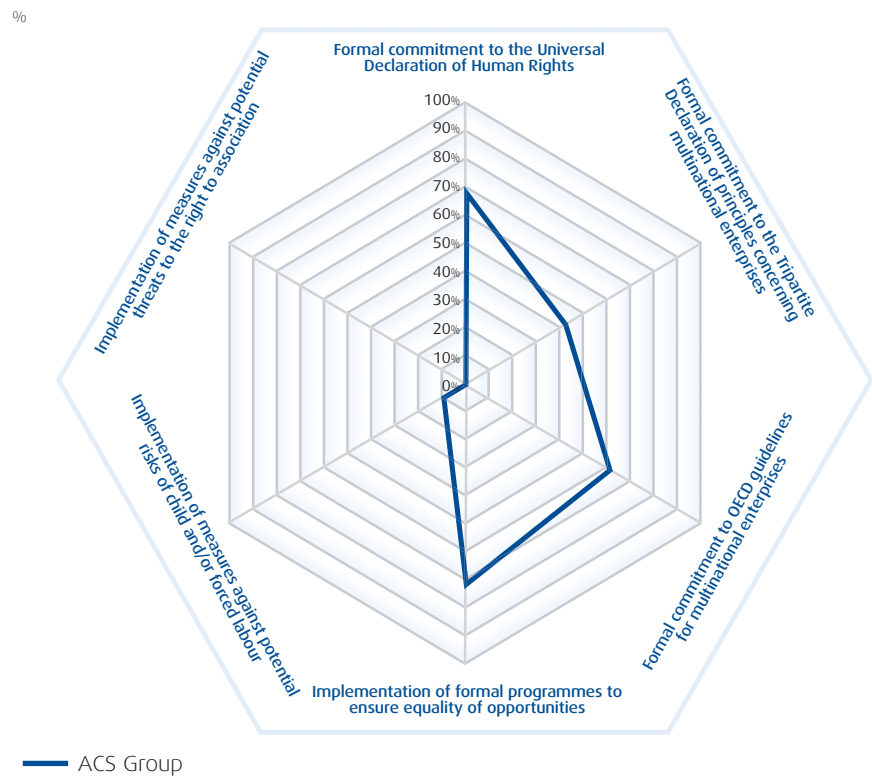
The ACS Group rejects any type of discrimination and, in particular, that due to age, sex, religion, race, sexual orientation, nationality or disability. This commitment extends to selection and

promotion processes, which are based on assessment of the person's capabilities, on the analysis of the requirements of the job post and on individual performance.

Currently, companies representing 71.0% of ACS Group employees have formal programmes to ensure equality of opportunities. These Equality Plans have adopted specific actions in companies representing 67.4% of ACS's employees, as regards selection and hiring of personnel, salary, training, working days, professional promotion, assistance, bonuses and social, health and occupational risk prevention policies, as well as in matters of gender violence.



Sustainable Management of the ACS Group's People



Level of implementation as reported by ACS Group companies and according to the number of employees in each of them.

8. Commitment to the Social Setting

The total number of women employees in the ACS Group in 2011 was 23,268 professionals, 14.3% of the total workforce.

The ACS Group also promotes the hiring of people with disabilities and offers them a working environment which enables them to develop under conditions of equality. To this effect, companies representing 59.0% of the ACS Group's employees reported the number of disabled people on their workforce⁴⁰, a figure which totalled 1,418 people. In addition, companies representing 27.6% of Group employees collaborated with Special Employment Centres in Spain for the inclusion of people with disabilities in their workforces.

In Spain, several of the ACS Group's companies also have programmes for collaboration with certain foundations to provide opportunities for entry to the labour market for socially excluded groups, such as ex-convicts, people dependent on drugs and young people with serious social problems. This is the case of companies such as Dragados and Urbaser, which work with the Integra Foundation and the Exit Foundation.

The ACS Group also understands the relevance having local roots and being sensitive to the particular nature of each place plays in the company's success. For that reason, it promotes direct hiring of local employees and managers. The number of executives from the local community rose from 566 in 2010 to 1,443 in 2011.

No incidents related to discrimination were reported through the channels the company has available.

8.1.3.2 Labour Relations

All the ACS Group's employees, including expatriate Spanish workers, are subject to the collective agreements in force applicable to the sector in which they work, as well as the regulations relating to management personnel and, in all cases, the labour legislation in the countries where they work. For example, collective agreements on matters of notice period(s) regarding organisational changes are rigorously respected.

In the field of labour relations, the ACS Group considers dialogue to be an essential element. For this reason, it holds regular meetings with union representatives for all its companies. Of Group employees, 10.0% are members of trade unions or union organisations.

Furthermore, only in companies representing 0.4% of ACS Group employees were activities detected in countries where rights of association and union representation are threatened, it being ACS Group policy to promote good labour practices and respect for the legislation in force.

8.1.3.3 Turnover and Absenteeism Rate

According to that reported in 2011, average employee turnover rate in the ACS Group was 16.4%, at 18.0% for men and 12.1% for women.

The absenteeism rate⁴¹ for Group employees in 2011 was 8,311, while in subcontractors it was 192.

⁴⁰ It is important to emphasise that Clece is not included in the 2011 report. This company was a labour intensive business and contributed a significant number of disabled people.

⁴¹ Absenteeism rate: Total number of days lost (due to absence) during the period over the total number of days worked by the group of workers during the same period times 200,000.



8.1.4 Employee remuneration and benefits

8.1.4.1 Services for Employees

Companies representing 57.7% of ACS Group employees offer their employees social benefits of a variety of natures. Worthy of note among these services, going under various names, with differing content and scope of application, are the following:

- Life and accident, travel and health insurance.
- Salary advances.
- Annual medical checks and medical care.
- Assistance for those with children with disabilities.
- Help with schooling for children and workers taking courses in official centres.
- Economic assistance for food or company canteens.
- Company bus service.
- Company Welfare programmes.
- Agreements with banks.
- Commercial discounts in affiliated establishments.
- Cultural and social activities.

With respect to retirement plans, companies representing 37.4% of employees reported the existence of retirement plans. The rest of the companies located in Spain rely on the public pension systems. In addition, some of them promote partial retirement.

Some companies located outside Spain, such as Schiavone, Pulice, Picone and Hochtief in Europe, offer retirement plans to their employees.

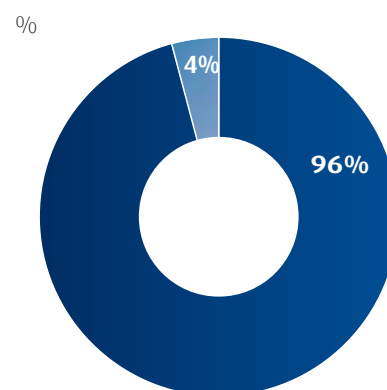
8.1.4.2 Flexibility and Reconciliation

Companies representing 45.1% of Group employees have programmes promoting balance between family life and work available to them.

The following are noteworthy among the different initiatives applied by ACS Group companies to promote balance between family life and work:

- Flexible hours. The workforce can take up the offer of flexible working time schemes, with a margin of one hour, to accommodate their periods for entering or leaving work to their personal needs.
- Reduction of the working day: there are people in ACS who have a working day without a break or a reduced day.
- Accumulation of breast-feeding periods.
- Time off or part-time working for fathers and mothers after childbirth.
- Change of work centre due to change of residence.
- Management of shift changes between workers in services.

Workforce by type of working day



- Employees with full working day
- Employees with part-time working

8. Commitment to the Social Setting

8.1.4.3 Remuneration

The remuneration model of ACS Group companies includes numerous specific details and characteristics which, in many cases, even convey competitive and operational advantages in sectors such as engineering and works management.

From among these disparate remuneration systems, in the section on commitment to people it is important to analyse whether the use of variable remuneration is common and what the main factors are which influence such remuneration, especially whether these factors are related to sustainability.

In 2011, companies representing 90.5% of Group employees reported the existence of variable remunerations in the payment plans. These remunerations are calculated in all cases based on operational and economic factors. A small part of the remuneration also depends on targets set as regards sustainability (four Group companies representing 0.8% of its employees state that they include sustainability targets in the calculation of variable remunerations).

8.1.5 Professional Development

Companies representing 82.5% of ACS Group employees offer their employees some form of professional development system.

8.1.5.1 Competences

Each ACS Group company manages its professionals' development independently, adapting this to its needs and the specific nature of its activities. Companies representing 52.9% of ACS Group employees adopt competence management models to improve personal knowledge and skills and use training as a tool to achieve ideal performance of the work.

Competence maps, prepared in ACS Group companies, are aligned with the strategy and particular features of each one. These maps, which are reviewed regularly, define the basic and specific competences of each work post which are essential for its effective performance.

8.1.5.2 Assessment and Development

The performance assessment models in ACS companies are based on the competences and parameters for each work post, as described in the management systems.

Although the companies manage the professional development of their workforces independently, they all share some common elements, namely:

- They allow the worker to talk about their job situation, express their interests and motivations, both personal and professional, their geographic flexibility, their training interests and their idea of their professional future in the company.
- They enable the company to show a receptive attitude to the information obtained from its workers, in order to be able to deal with their concerns, as far as possible, by implementing corrective actions.
- They allow decision making to be speeded up when selecting appropriate personnel for specific posts, as well as in determining professional promotion or increasing the employability of the workers.
- They enable fair and equitable metrics to be established for setting variable remuneration.

These methodologies are consolidated and functioning fully in various ACS Group companies. In fact, companies representing 85.3% of Group employees reported their use. Of these, the number of employees involved in performance assessment processes was 29,386 in 2011 reaching 18.1% of the total workforce.

One of the most significant employee motivation and satisfaction initiatives is the possibility of promotion. The ACS Group's turnover and its continued growth permit a significant number of annual promotions among employees who, due to their efforts and effectiveness, are nominated for positions of greater responsibility. In 2011, 1,332 employees were promoted.



8.1.5.3 Employee Satisfaction

Companies representing 19.5% of Group workers stated that they have formal processes for measuring employee satisfaction. Of these, those which had carried out satisfaction surveys in 2011 reported that, on average, 79.1% of employees responded that they were “satisfied” or “very satisfied”⁴².

Additionally, other types of tools have been used to assess this aspect:

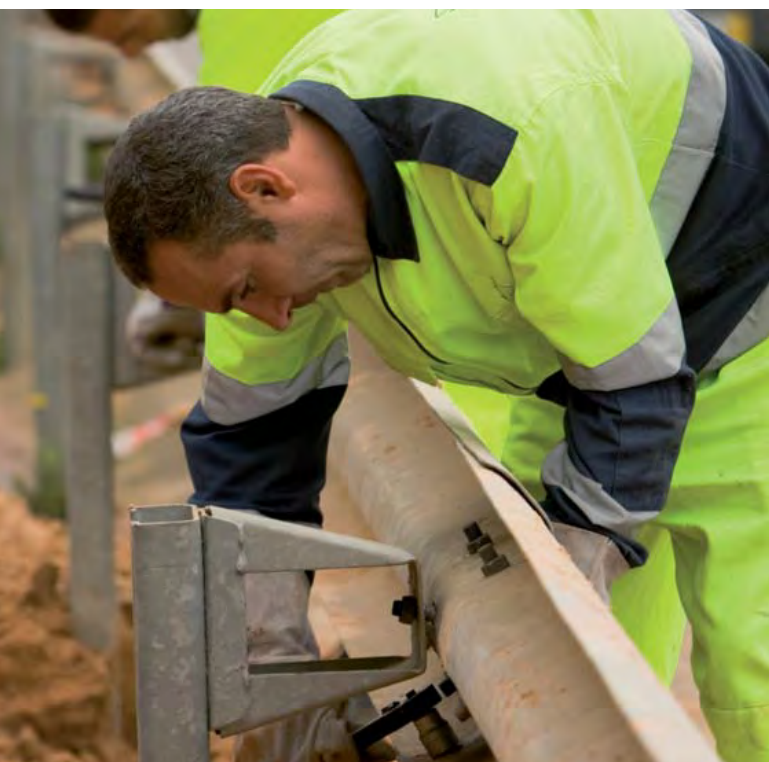
- Exit interviews carried out when employees leave voluntarily. Frequent in many ACS companies, their aim is to go into the reasons for the worker leaving the company in greater depth and into those aspects they would highlight as negative and as positive.
- Regular interviews with the employee’s supervisor. Enabling the employee’s situation to be known
- Suggestions box. Collecting the workers’ ideas, initiatives and complaints.

⁴² Surveys were carried out in 2011 in companies representing 17.5% of ACS Group employees.

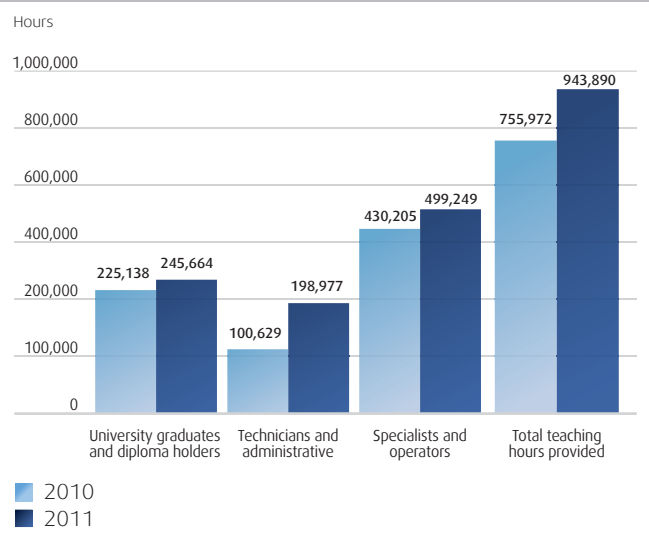
8.1.6 Training Plans

The ACS Group has programmes for continuous training and skills development, aimed at covering the employees’ training wants and needs as identified during the year and in line with the competences established in the management models. The aim of the training plans is to meet the employees’ training needs for correct execution of their work and for their personal and professional development.

The training plans for the different companies are updated regularly to suit them to the needs of each business and, in the end, of each person. Companies representing 82.5% of Group employees report the existence of tools for managing development of human capital, such as training platforms, online training (11.4% of courses given were non-attendance) or even agreements with training centres. Indeed, tools are available which are adapted to the different competence profiles to analyse training needs.



Training provided by professional category



8. Commitment to the Social Setting

Specifically, in ACS Group companies courses are given in areas related to the following aspects, among others:

- Management training.
- Technological specialisation in management and production systems.
- Knowledge of products and services provided.
- Policies on quality and the environment.
- Job safety.

Average number of training hours by professional category (*)	2009	2010	2011
Management, professionals with degrees	25.03	17.38	6.71
Technical and administrative personnel	6.48	6.00	7.02
Specialists and operators	4.6	4.2	5.1

(*) Average number of training hours = (Total hours of training per professional category) / (Total employees per professional category)

Courses given and participants	2009	2010	2011
Number of courses given	11,914	12,983	13,739
Number of participants	72,575	72,152	55,613

Training by type of content Number of courses given	2009	2010	2011
Production contents	3,717	3,909	6,621
Safety at Work contents	7,689	8,141	6,957
Environmental contents	240	247	542
Human Rights, Ethics, Integrity or Conduct contents	268	686	82

Investment in training	2009	2010	2011
Investment in training (€million)	11.40	11.50	18.61
Training per employee (€/employee)	84.58	87.66	114.71



8.2 Safety in the Workplace in the ACS Group

2011 Milestones

DRAGADOS

Reduction in the accident rate: accidents to workers fell, as did the number of days off work.

TECSA

Carrying out of safety training programmes adapted to the railway work area.

DRACE
medioambiente

Review of OHSAS 18001:2007 Certification by ENAC.

cobra
GRUPO

79.2% of offices with ZERO accidents.

GRUPOETRA

Implementation of a General Mobility and Road Safety Plan in ETRA Group companies (aimed at reducing traffic accidents in the work setting).

Challenges for 2012

DRAGADOS

Preparation of an ergonomic study on the "use of civil works machinery).

DRACE
medioambiente

Implementation of a Mobility Plan in all work centres.

HOCHTIEF
AMERICAS

Improvement to workplace safety management through better risk control and assurance.

cobra
GRUPO

Plan for International Integration of the Risk Prevention Service.

Linking of variable remuneration for executives to accident rate results. .

Dragados Offshore

Reduction of 20% in accident rate indices.

Initiatives developed

Main areas of work	Percentage of total
Health and Safety at work management systems	37%
Assessment of occupational and health risks	20%
Risk prevention plans	16%
Others	27%



8. Commitment to the Social Setting

8.2.1 Strategic Priorities

The prevention of occupational risks⁴³ is one of the strategic pillars of all ACS Group companies. Each of these companies and the Group in general maintain the commitment to reach the most demanding standards in this area and so become a reference in health and safety protection, not only for its own employees, but also for its suppliers, contractors and collaborating companies.

The main challenge lies in designing and implementing, in all its operating fields, a risk prevention service which meets expectations. Furthermore, the company considers it

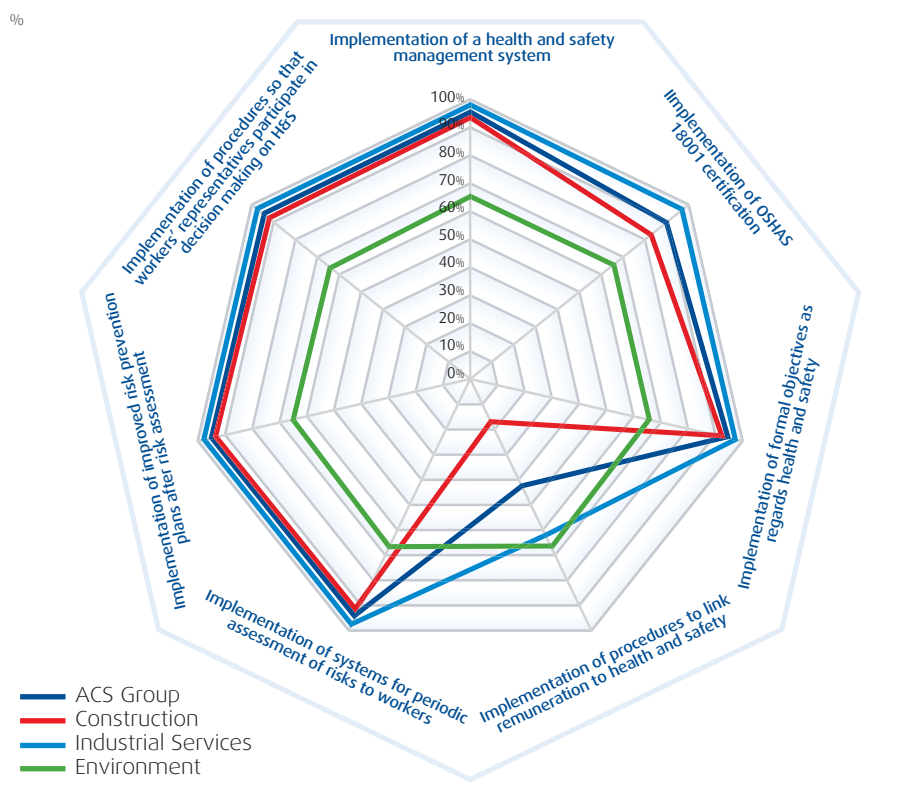
fundamental to reinforce its commitment to a risk prevention culture and to optimise resources.

Thanks to the individual commitment of all its employees and the involvement of suppliers, contractors and collaborating companies, the ACS Group continues to advance in the construction of the desired risk prevention culture, approaching its ultimate objective of achieving an accident rate of zero.

⁴³ The data referring to the ACS Group included in this section were calculated by analysing the information supplied by the Group's different companies, weighted by number of employees. The data is expressed in terms of percentage of total Group employees at 31 December 2011.

The concepts of prevention of occupational risks and health and safety at work are used indistinctly.

Strategic priorities of ACS Group companies



Level of implementation as reported by ACS Group companies and according to the number of employees in each of them.





8.2.2 Management Model

The ACS Group's risk prevention policy complies with the various Occupational Health and Safety regulations which govern the area in the countries where it operates, at the same time as promoting integration of occupational risks into the company strategy by means of advanced practices, training and information.

Despite the fact that they operate independently, the great majority of the Group's companies share common principles in the management of their employees' health and safety. These principles are the following:

- Compliance with current legislation on occupational risk prevention and other requirements voluntarily observed.
- Integration of occupational risk prevention into the set of initiatives and at all levels, implemented through correct planning and its putting into practice.
- Adoption of all those measures necessary to ensure the protection and well-being of employees.
- Achieving continuous improvement of the system by means of appropriate training and information as regards risk prevention.
- Qualification of staff and application of technological innovations.

8.2.2.1 Systems

Group companies representing 95.3% of its employees report that they have a health and safety system, which deals with the implementation of the policy and of the action plans developed in accordance with the priorities identified. In general, all the ACS Group's companies share a series of characteristics in risk prevention management:

- Implementation of systems for management of health and safety risk prevention, developed according to the OHSAS 18001 reference standard. This policy was reported by companies representing 89.3% of Group employees.

- The existence of internally and/or externally audited systems (90.4% of Group employees).
- Definition of objectives and planning of preventive actions in the framework of the policy and particular nature of each company, an aspect which affects 94.9% of the Group's employees.

8.2.2.2 Health and Safety Policies

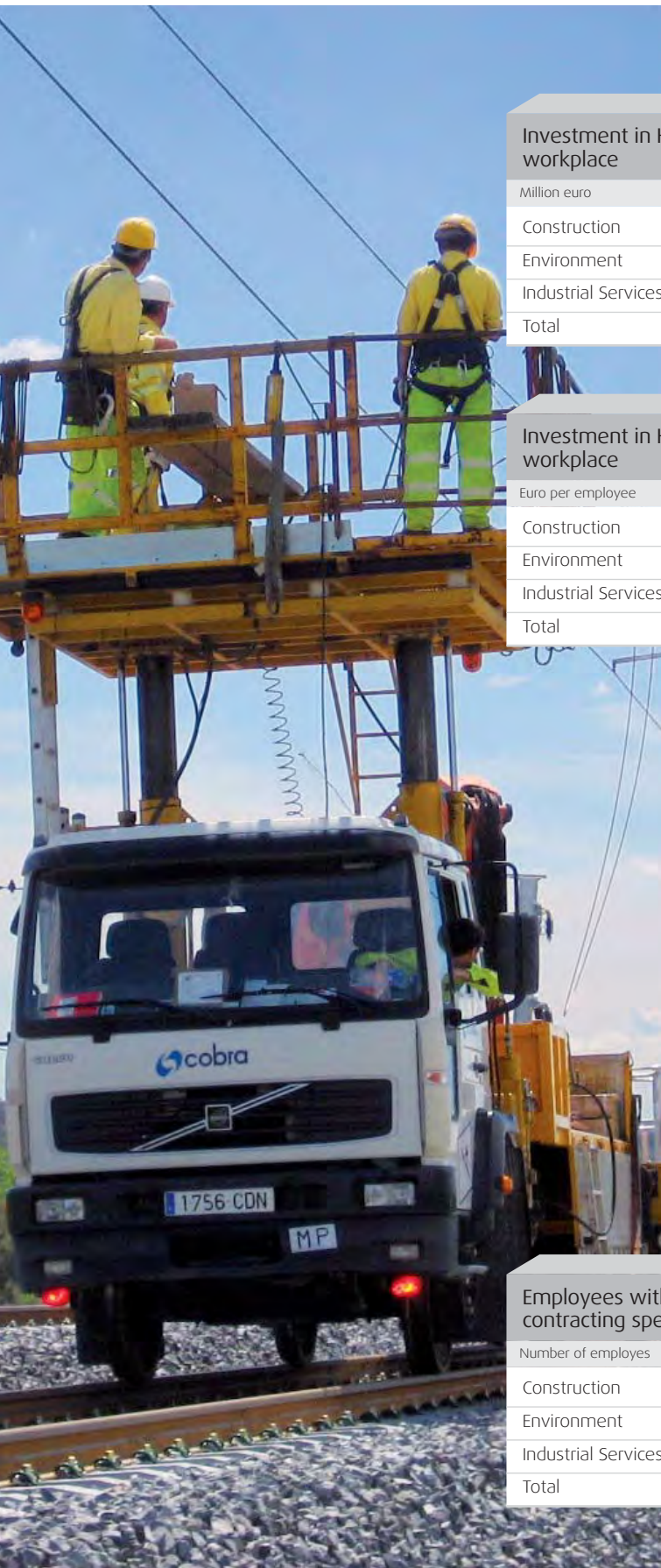
In line with the risk prevention policy, and within these Group companies' management systems, these are the main common characteristics:

- There are systems for regular assessment of the risks to which workers are exposed in companies representing 95.1% of ACS Group employees
- Risk prevention plans are defined with take in the improvements detected in these assessment procedures (95.3% of Group employees)
- Systems which could have resulted in an incident are identified and recorded (analysis of near misses) in companies representing 91.2% of ACS's employees.
- Workers' and managers' remuneration are referenced to fulfilment of formal targets as regards health and safety in 42.7% of the ACS Group.
- There are integrated computerised in companies representing 71.9% of Group employees used to monitor data related to employee and subcontractor health and safety.

The supervision and optimisation of these systems involves setting and monitoring objectives, which are generally annual, approved by senior management and transferred to the company's various levels to be fulfilled.



8. Commitment to the Social Setting



8.2.2.3 Investment

Investment in Health and Safety in the workplace	2009	2010	2011
Million euro			
Construction	13.4	11.2	8.3
Environment	4.1	5.8	6.1
Industrial Services	15.9	17.4	12.2
Total	33.4	34.4	26.6

Investment in Health and Safety in the workplace	2009	2010	2011
Euro per employee			
Construction	673.5	621.5	91.5
Environment	51.9	72.5	203.5
Industrial Services	416.8	435.1	293.9
Total	244.0	248.5	163.9

8.2.2.4 Risk Prevention Plans

The Risk Prevention Plans prepared in the Group companies include the conclusions from the regular risk assessments and guidelines for action are laid down for achieving the objectives set. Likewise, in many of the Group's companies, specific assessments are carried out for activities and centres, leading to Specific Risk Prevention Plans.

Along these lines, certain groups of workers are given special consideration, who, due to their occupation, are at high risk of contracting specific diseases.

Employees with occupations with risks of contracting specific diseases	2009	2010	2011
Number of employees			
Construction	73	60	558
Environment	400	1,568	1,789
Industrial Services	929	816	666
Total	1,402	2,444	3,013



8.2.2.5 Participation of Workers' Representatives

The consolidation of a risk prevention culture in the Group requires the participation of all the employees and, especially, of the workers representatives, given that they are the communication channel between the workers and the company management. Representatives of 94.9% of the Group's workers take decisions in the health and safety field

In Spain, this participation takes place, basically, through risk prevention representatives and, where applicable, the occupational risk prevention committees. Companies or work centres with 50 workers or more have a Health and Safety Committee set up. These Committees are the peer and professional body for participation dedicated to regular and periodic consultation on company actions as regards risk prevention.

The committees are made up of risk prevention representatives, on the one hand and, on the other hand by the employer and/or his or her representatives in an equal number to the prevention representatives. These committees hold quarterly meetings, for which minutes are taken on the matters discussed and the decisions taken. These minutes must be written within the period of one month after the meeting and be presented to the parties for their consultation and comments.

8.2.2.6 Training and Information

Training and information are fundamental to the development of the ACS Group's risk prevention policy and are the most effective medium for sensitising the company's people to health and safety. Companies representing 95.3% of ACS Group workers offer safety training.

Number of hours training given as regards Health and Safety	2011
Construction	202,392
Environment	153,433
Industrial Services	277,001
Total	632,826

8.2.2.7 Other initiatives related to health and safety

Several common characteristics which are worthy of highlighting were found in the study of the Group's different companies:

- Companies representing 95.3% of the workers have developed measures to guarantee the safety of third parties when they visit the companies' facilities.
- It should be highlighted that, as a general guideline and for companies which contract security personnel, it is the contracted company which is responsible for providing the corresponding training to ensure the appropriate actions of its employees. In some cases, this training includes specific content on human rights. If any Group company contracts a company which does not meet this requirement, the inclusion is suggested of this human rights training in the recycling courses they carry out with their personnel periodically.
- Companies representing 89.1% of the workers offer programmes and benefits related to health to their employees.

The ACS Group collaborates with organisations specialised in matters of health, safety and risk prevention and actively participates in the main



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conferences, congresses and forums organised domestically and internationally. This is a way of offering its experience and updating itself on the latest trends and best practices. The main organisations of which ACS Group companies are part, either as members of their health and safety commissions or committees or by participating through some kind of collaboration are:

- SEOPAN
- OSHA (U.S.A.)
- ASELIP
- TECNIBERIA
- ASETA
- FESVIAL
- AIDICO
- AETESS
- ASSE (U.S.A.)
- FLC
- Fundación Prevención de Riesgos Laborales
- ADEMI
- ACLUNAGA
- Fundación Laboral de la Construcción
- National Association of OHS Services (Polonia)
- NATIONAL SAFETY COUNCIL (U.S.A.)
- AENOR
- AGC (U.S.A.)
- Fundación Mapfre
- ADOSH (U.S.A.)

8.2.3 Accident Rate

The ACS Group carries out detailed measurement of the main accident rate indices.

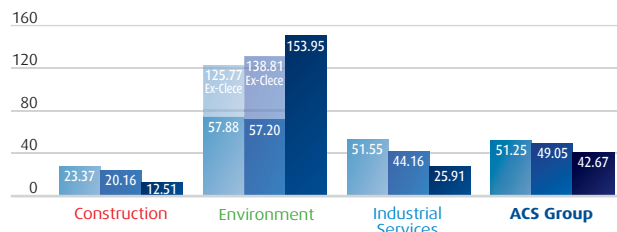
Faithful to its commitment to achieve its final objective of an accident rate of zero, ACS will continue to prepare specific plans for activities with the greatest risk and most severe accident indices, which consider improvement actions in the management of this area, not only internally, but also among its business partners.

⁴⁴ In the graphs for this section, data is included in Environment for Clece for 2009 and 2010, but not for 2011, as the company has been consolidated as an asset prepared for sale. If Clece is discounted for 2009 and 2010, the Environment accident rate indices would be:
 Frequency rate: 2009 = 125.77; 2010 = 138.81
 Severity rate: 2009 = 1.55; 2010 = 1.87
 Incidence rate: 2009 = 104.04; 2010 = 98.67
 TOE: 2009 = 0.02; 2010 = 0.05

8.2.3.1 Employee accident rate indices⁴⁴

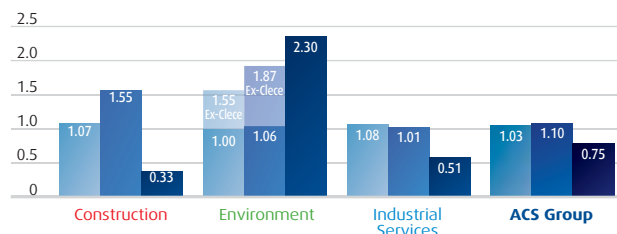
Frequency rate

Number of accidents that occurred during the working day for every million hours worked



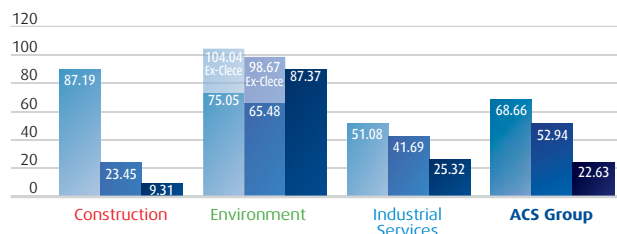
Severity rate - Employees

Number of working days lost due to accidents per thousand hours worked



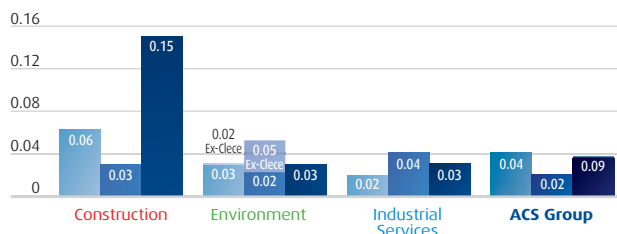
Incident rate

Number of accidents with sick leave per thousand workers



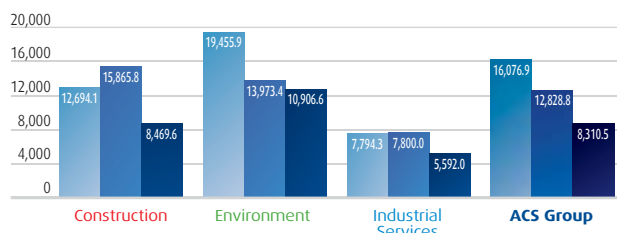
Professional disease rate

Total number of cases of occupational diseases over the total hours worked times 200,000



Absenteeism rate

Total number of days lost (due to absence) during the period over the total number of days worked by the group of workers during the same period times 200,000

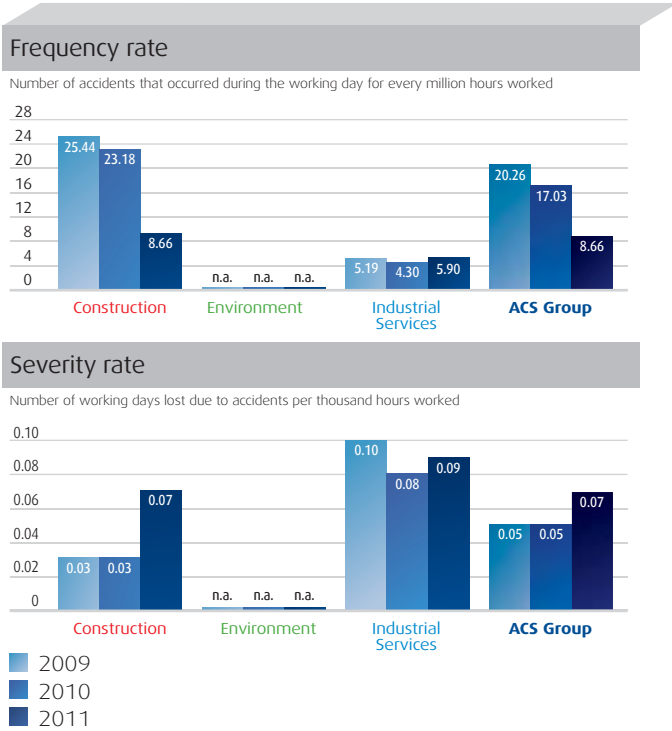


■ 2009
 ■ 2010
 ■ 2011



8.2.3.2 Accident Indicators for Subcontractors

The spreading of the risk prevention culture among suppliers, contractors and collaborating companies is another of the Group's basic lines of action in this subject. Details on the control and management efforts in this area are included in this document in the Suppliers section.



8. Commitment to the Social Setting

8.3 Social Action in the ACS Group

2011 Milestones

The ACS Foundation celebrated ten years of commitment (2001 – 2011). During this time it has carried out numerous acts of support and patronage in the areas of action where it operates unselfishly.

Outstanding this year are the accessible opening of the Santa María de las Huelgas Monastery in Burgos and the Santa Clara Royal Convent in Tordesillas, Valladolid.

Challenges for 2012

Carrying out of the Yuste Monastery accessibility project with the Spanish National Heritage and the Spanish Royal Board on Disability

Participation in the CONAMA (Spanish National Environment Conference)

The ACS Group channels its social action through the ACS Foundation, the formal social action policy of which is stated in its foundation charters and which is guided by several principles for action:

- Philanthropic action by means of donations and contributions to specialised institutions.
- Actions in seven areas of work: accessibility, assistance to development, environment, cultural and educational promotion, dissemination and restoration of Spanish national heritage, collaboration with scientific institutions and sponsorship and patronage of philanthropic institutions, universities, technical schools and other learning centres.
- Selection of projects which provide the greatest social benefit - carried out with prestigious bodies, leaders in their field - and of great general interest.
- Setting up of mixed monitoring committees, between donor and beneficiary, to monitor the execution of significant projects.

Annually, the ACS Foundation prepares its Action Plan, in which it explains in detail the activities planned for the following year. This report shows the most significant projects with the investment allocated for each area of action.

The ACS Foundation invested €3.847 million on 2011, 12.6% more than 2010, representing 95.5% of its budget for 2011.

A budget increase of 5% has been approved for 2012, with respect to 2011, to €4.2 million.

8.3.1 Impact and Monitoring of Social Actions

Before each philanthropic project is carried out, the ACS Foundation identifies the social impact it may have. For example, before carrying out the accessibility project for the El Escorial Monastery in 2010, or the projects at Las Huelgas and Tordesillas in 2011, and as a preliminary measure to gauge their benefit to society, the number of complaints recorded due to problems with accessibility to the monument was analysed, as well as the number of visits annually people with disabilities have been able to make on guided visits after the ACS Foundation's action, and their level of satisfaction.

Once the projects have been completed, the ACS Foundation carries out monitoring of the social benefit generated and continuance of investment actions is defined for the most successful initiatives.⁴⁵

⁴⁵ €400,000 has been invested in improving the specified monuments. €200,000 in the case of the 2010 El Escorial Monastery project and €200,000 in the two projects carried out in 2011



8.3.2 Activities in 2011

Improved physical accessibility in the Santa María la Real de Las Huelgas Monastery (Burgos)

Santa María la Real de Las Huelgas is one of the monasteries of Cistercian nuns of San Bernardo. It was founded in 1189 by King Alfonso VIII of Castile to become a burial place for the royal family and where he himself wished to be buried alongside his wife.

The project carried out and the works and technical aids installed were made possible in the framework of the agreement signed between Spanish National Heritage, the Royal Board on Disability and the ACS Foundation which allowed the project and works to be brought to fruition to make 100% of the guided tour available to people with reduced mobility, 823 years after it was built.

The church building, which follows the Cistercian model with three elongated naves, plus the crossing nave, which in this case has a separating wall

from the rest of the church due to its condition as a monastery, the Cloister of San Fernando, the Museum of Medieval Fabrics, the burial places of the Kings and Queens of Castile, among the many other treasures the monastery contains, can now be visited following the same routes as other visitors. This was achieved by modifying the current tourist circuit, which permitted the execution of the improvements which facilitate the visit for everyone with minimal impact.

As in the El Escorial Monastery, the nature of the heritage resource was fully respected and this shows the compatibility between architectural heritage monuments and accessibility. The execution has an important effect as a demonstration, which is another of the objectives the Agreement has brought, with the opening up of this monastery and the other two royal National Heritage sites.



8. Commitment to the Social Setting

Improved physical accessibility in the Royal Convent of Santa Clara in Tordesillas (Valladolid)

The Royal Convent of Santa Clara in Tordesillas is an old Mudejar palace started around 1340 by Alfonso XI and completed by his son, Pedro I. The latter donated it in his will to his daughter, the infanta Beatriz, ordering her to convert the palace into a nunnery for the nuns of the order of Santa Clara, hence it was necessary to adapt it to the new monastic needs. Hence the current nunnery is a mixture of styles from the 14th and 18th and even the 12th and 13 centuries.

By virtue of the collaboration agreement between Spanish National Heritage, the Royal Board on Disability and the ACS Foundation, which had already executed works in the El Escorial Monastery to provide access to over 95% of it, the accessibility project and the implementation of the technical aids necessary were carried out during 2011, making 100% of it accessible to people with reduced mobility.

The main premise was for the tour route for people with any kind of motor disability to be, mainly, the same as the currently existing guided route.

Although not applicable, the precepts in the existing legislation as regards accessibility at Spanish autonomous region and national levels were observed, making accessibility compatible with maintaining the convent's nature as a heritage resource.

Action was carried out at 20 points where existing architectural barriers were removed. In some cases the intervention was limited to small wooden ramps, although there was one more exceptional intervention, where three ramps were spanned using a large stone ramp and staircase combination and a lift was installed making the tour possible at the different heights of the guided tour route.





8.3.3 The ACS Foundation Celebrates 10 Years

The ACS Foundation was created in October 2001 with the aim of integrating the ACS Group's sponsorship and patronage, defining company policy in this area and responding to society's new demands as regards the company's social function.

To meet these objectives, the Foundation has carried out a series of programmes and activities through institutions with the greatest prestige in each field. This makes it possible to effectively fulfil the statutory mandate relating to the development and carrying out of programmes and activities related to science, training, education, teaching, research and technological dissemination.

The ACS Foundation has rightly been recognised for its work in relation to the promotion, conservation and restoration of Spanish cultural and artistic heritage, collaborating in improving awareness of these. In addition to promoting numerous forums for debate on Heritage restoration techniques, it has documented, through the publishing of the three volumes of the collection "The Art of Restoration", 135 restoration works of highly diverse types carried out by the Founder, which find great demand in Spain and internationally due to the descriptive process for each work and the techniques applied in each case. It has also collaborated with other institutions on publications aimed at informing on Heritage, especially in the "Encyclopaedia of the Romanesque".

Outstanding as regards the environment is its sponsorship of the Spanish national environment conferences (CONAMA) to demonstrate the ACS Group's contribution to sustainable development, its efforts in R&D+i, in the renewable energies area, its investments in the area, the contribution to city management and its position with relation to climate change.

"Environmental Management: experience through the ACS Group" has been published. Throughout its life, the Foundation has maintained strong support for training activities linked to the environment, especially as regards Solid Wastes and Renewable Energies.

As a private Foundation, it was a pioneer in concerning itself with the problems of disabled people, making it possible to train architects, engineers and other professionals in the subjects of accessibility and global design, in order to remove barriers in building, town planning and transport. Especially significant are the accessible openings of the El Escorial Monastery, the Royal Monastery of Las Huelgas and the Royal Convent of Santa Clara at Tordesillas through the agreement with Spanish National Heritage, the Royal Board on Disability. These works act as benchmarks on how accessibility can be made compatible with maintaining the nature of heritage resources.

To stimulate local councils in their efforts to remove barriers to help disabled people, the ACS Foundation created prizes for the best municipal solutions in this regard, which later came to be called the "Queen Sofia Awards for Universal Accessibility" and were expanded two years ago the Latin American local councils with the collaboration of AECID.

A wide variety of cultural and artistic activities have been promoted and carried out, supporting the work carried out by the main Spanish museums and other Spanish institutions in other expressions included in the concept of cultural.



8. Commitment to the Social Setting

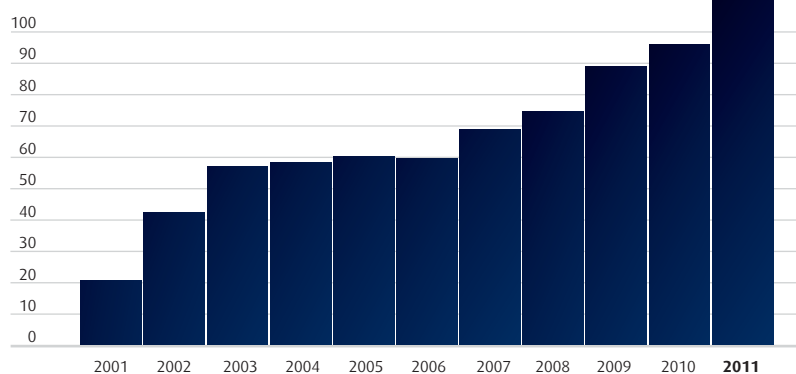


Over the last few years, as a result of the dynamics of society's demands, the application of resources in the area of medical and technological research has intensified considerably, and collaboration has been provided in the area of technical cooperation in developing training activities in Spanish centres in Latin America, with the provision of assistance to diverse social projects in Africa and Latin America.

Training has always been an activity which has involved the majority of its support to other institutions, foundations and universities to fulfil their own ends, providing these are compatible with the ACS Foundation's.

The Foundation has received constant support from the ACS Group, both in relation to the economic resources provided, which have multiplied 5.5 times in the decade, and due to the participation of specialised people from Group companies in all the activities where the Foundation has needed them to carry out its activities.

Operating capital variation of the ACS Foundation 2001-2011





9. Awards, Recognitions, Memberships

- The ACS Group has been recognised for its work in the field of sustainability by being included in the Dow Jones Sustainability Index for 2011 and 2012.
- The ACS Group is a signatory to the United Nations Global Compact.
- ACS is a world leader in the development of infrastructure concessions, according to Public Works Financing magazine.
- ACS is the ninth largest company in the world by sales figures, according to the ENR magazine ranking published in August 2011.
- ACS is among the ten best-known and most respected companies in Spain, according to the Metroscopia barometer published on 26/12/2011 by the newspaper El País.
- ACS is Spain's most valuable infrastructures company, according to the ranking published in the newspaper El Economista on 29/11/2011.
- ACS is the 450th largest company in the world by turnover, according to the ranking in the magazine Fortune for 2011.
- The ACS Group's Chairman, Florentino Pérez, was distinguished with the Grand Cross of the Order of the Second of May, awarded by the Autonomous Region of Madrid.



10. Principles for the Preparation of the Report

For the ACS Group, the preparation of this Corporate Responsibility Report implies the formalisation of a policy focused on understanding the main dilemmas and challenges faced by the infrastructure development and energy sector and society as a whole.

The report considers all the ACS Group's activities as a global operator, in all the countries where it is present. To this effect, the information published includes the operations carried out in the Environment, Construction, Industrial Services and Concessions areas.

The ACS Group has developed tools for the collection and consolidation of both quantitative and qualitative information on sustainability to align the management of all the companies with the ACS Group's strategic priorities. This tool has increased its scope considerably.

The information gathered in this report refers, basically, to the 2011 financial year. It also includes information from previous years, depending on its relevance and availability, to enable the readers to be able to form a more complete opinion on the company's development. The quantitative indicators present the ACS Group's evolution in 2011 and, generally, the two previous years.

The report was prepared following the G3 guidelines from the Global Reporting Initiative (GRI). In this manner, all issues of relevance to the Company's stakeholders were taken into account. The data and headings explained in

this report apply to the Group's companies in accordance with that reported in terms of percentage of total sales. Those cases where the scope is other than 100% are specified clearly in the text and tables.

With respect to the levels of application defined by the GRI, the ACS Group has given this report an A+ rating. Accordingly, the principles and recommendations of the G3 guidelines were applied and each chapter details both the organisation's profile and its management approach. Additionally, all performance indicators considered to be of principal importance are contained in this report.



The ACS Group has applied the following GRI G3 principles for defining the contents and guaranteeing the quality of the information included in this report:

Principle of materiality

The ACS Group has developed management tools to facilitate operational control of sustainability management and its integration into the businesses. The contents of this tool are aligned with GRI requirements, to the request for information from the selective sustainability stock market indices and by institutional investors and ratings agencies which take matters related to sustainability into account.

Context of sustainability

The objective of this report is to express the actions of the ACS Group in each of the three sustainability areas: economic, social and environmental. Throughout this report, information is supplied in relation to the context of each of these.

Exhaustiveness

In the preparation process, the coverage and scope of this report was clearly defined, giving priority to information considered to be material and including all significant events that took place in 2011, without omitting information of relevance to our stakeholders. The coverage of the report was determined in parallel with its content.

In the case that there were changes in the chapters with respect to coverage, these have been indicated.

Additionally, the relevant issues, the indicators included herein and the matters covered by the 2011 Corporate Responsibility Report offer an overview of the significant impacts in the economic, social and environmental fields.

Comparability

As far as possible, the information included in this report has been organised in such a manner that the stakeholders may interpret the changes undergone by the ACS Group with respect to previous years.

Balance

This report includes both positive and negative aspects, in order to present an unbiased image and to enable stakeholders to reasonably assess the Company's actions.

Accuracy and clarity

This report contains numerous tables, graphs and diagrams, the purpose of which is to make the report easier to understand. The information included in the report is meant to be clear and accurate in order to be able to assess the ACS Group's actions. Additionally, as far as possible, the use of technical terms whose meaning may be unknown to stakeholders has been avoided.

Reporting frequency

The ACS Group has the commitment to report its corporate responsibility actions annually. This report relates to the Group's actions in 2011 in the economic, social and environmental fields.

Reliability

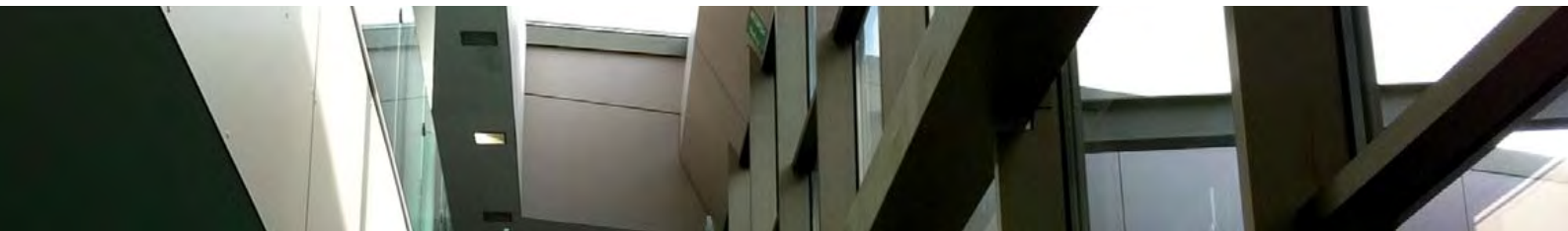
The reliability of the information included in this 2011 Corporate Responsibility report was checked by KPMG, the firm responsible for its verification.

11. Scope of the Data

Clients	Scope (over total ACS Group Sales)
Number of client satisfaction surveys carried out	50.89%
Percentage of client responses of "satisfied" or "very satisfied" over the total number of surveys carried out (%)	27.37%
Number of complaints received from clients	31.16%
Number of complaints dealt with	28.90%
Number of complaints resolved satisfactorily	27.07%
Make an estimate of the percentage of client claims / complaints referring to problems related to confidentiality	41.22%
Total value of significant fines resulting from breaches of rules relating to the organisations supply of services (€million)	42.07%

Quality	Scope (over total ACS Group Sales)
Percentage of sales from activities certified under the ISO 9001 standard (%)	93.15%
Investments made in quality improvements (€million)	53.46%
Number of quality audits carried out	82.56%
Make an estimate of the percentage of your company's projects which have been audited for quality in the last year	65.98%
Total number of incidents involving failure to comply with regulations in terms of quality which have resulted in warnings or fines	64.17%

Suppliers	Scope (over total ACS Group Sales)
Number of suppliers and subcontractors contracted in the indicated period	95.27%
Estimate of the percentage of contracts which include criteria on human rights or which are subject to analysis in this respect (%)	71.04%
Estimate of the percentage of contracts rejected or those on which conditions have been imposed as a consequence of failures to comply in environmental, quality, human rights or ethics and professionalism areas	71.04%
Number of suppliers and subcontractors which have been audited by your company by means of internal auditing processes	27.40%
Number of suppliers and subcontractors which have been audited in external auditing processes (by means of a third party)	40.14%
Number of suppliers from the local community	95.27%
Percentage of certified wood purchased (t)	16.83%
Total wood purchased (t)	26.35%
Steel manufactured with recycled materials (t)	15.08%
Total steel purchased (t)	27.71%
Cement / concrete including recycled aggregates purchased (t)	15.46%
Total cement / concrete purchased (t)	27.71%
Recycled aggregates purchased (t)	15.70%
Total aggregates purchased (t)	18.25%
Recycled glass purchased (t)	14.84%
Total glass purchased (t)	17.46%
Recycled pipes / insulation (generally PVC) purchased (t)	14.84%
Total pipes / insulation (generally PVC) purchased (t)	18.64%



R&D+i	Scope (over total ACS Group Sales)
Investment in R&D+i (€million)	62.67%
Number of R&D+i projects in progress at 31 December	62.67%
Estimate the number of patents registered in the year	62.41%
R&D+i subsidies received (€million)	62.67%
Number of research/technology centres with which your company collaborates	62.90%
Number of universities with which your company collaborates	62.35%
Others	22.43%

Environment	Scope (over total ACS Group Sales)
Group production under environmental certification (ISO 14001) (%)	97.06%
Number of environmental audits carried out in your company	66.10%
Number of environmental incidents which occurred in 2011	66.10%
Number of environmental incidents with sanctioning administrative proceedings in 2011	66.10%
Total value of fines due to sanctioning administrative proceedings (€million)	66.10%
Number of significant accidental spills	65.87%
Significant accidental spills (m ³)	63.80%
Total water consumption (m ³)	50.95%
Consumption of water from the public mains (m ³)	50.95%
Consumption of water from other sources (m ³)	43.55%
Waste water discharged (m ³)	42.57%
Discharges of waste water to the public sewers (m ³)	42.57%
Discharges of waste water to the sea/rivers/lakes (m ³)	42.57%
Hazardous waste generated (t)	64.57%
Composting, reuse, recycling, recovery (exploitation) (%)	48.81%
Dumping or other destinations (%)	50.95%
Non-hazardous waste generated (t)	64.68%
Composting, reuse, recycling, recovery (exploitation) (%)	64.57%
Dumping or other destinations (%)	64.20%
Petrol consumed (million litres)	50.26%
Diesel consumed (million litres)	50.26%
Petrol + diesel consumed (million litres)	50.95%
Natural gas consumption (m ³)	50.95%
Electricity consumption (MWh)	50.95%
Energy savings due to conservation and efficiency improvements (MWh)	37.25%
Direct emissions of greenhouse gases not associated with the use of fuels (Scope 1 process emissions) (t CO ₂ equivalent)	39.25%
Indirect emissions (Scope 3): Business journeys total km travelled on short-haul flights (< 500 km)	50.26%
Indirect emissions (Scope 3): Business journeys Flights: total km travelled on medium-haul flights (500 km < X < 1,600 km)	48.11%

11. Scope of the Data

Environment	Scope (over total ACS Group Sales)
Indirect emissions (Scope 3): Business journeys Flights: total km travelled on long-haul flights (> 1,600 km)	50.26%
Other indirect emissions (Scope 3): Business journeys Total km travelled in private vehicles for business purposes	47.99%
Other indirect emissions (Scope 3): Business journeys Total km travelled by train	50.26%
Other indirect emissions (Scope 3): Business journeys Total km travelled by boat	41.93%
Other indirect greenhouse gas emissions (Scope 3) Others (t CO ₂ equivalent)	39.51%
Emissions of Oxides of Nitrogen (NO _x) (t)	31.05%
Emissions of Oxides of Sulphur (SO _x) (t)	31.05%
Emissions of solid particles (t)	31.05%
Other gases (t)	31.05%
Emissions of substances that deplete the ozone layer (t)	31.47%

Human Resources	Scope (over total number of employees)
Number of employees with part-time working days	59.03%
Number of employees of nationality different to that of your company's head office	59.03%
Number of senior managers from the local community	59.03%
Number of incidents which occurred due to discrimination	59.03%
Number of employees affiliated to a trade union organisation	49.53%
Training given by professional category (hours): University graduates	59.03%
Training given by professional category (hours): Diploma holders	59.03%
Training given by professional category (hours): Non-graduate line personnel	59.03%
Training given by professional category (hours): Clerical personnel	59.03%
Training given by professional category (hours): Other staff	59.03%
Training given: Total number of teaching hours	59.03%
Total number of courses given	59.03%
Number of attendance courses	59.03%
Number of non-attendance courses	59.03%
Number of courses given with Production content	59.03%
Number of courses given with Safety at work content	59.03%
Number of courses given with Environmental content	59.03%
Number of courses given with Human Rights, Ethics, Integrity or Conduct content	59.03%
Total number of participants in training activities in the year	59.03%
Investment in training (€ million)	59.03%
Number of employees subject to performance assessment processes	59.03%
Number of employees promoted during the year	59.03%



Human Resources	Scope (over total number of employees)
Make an estimate of the percentage of university graduates affected by a formal competence management system in your company	57.41%
Make an estimate of the percentage of diploma holders affected by a formal competence management system in your company	57.41%
Number of people hired during the year	91.21%
Total staff turnover (%)	91.21%
Turnover of men (%)	91.21%
Turnover of women (%)	91.21%
Total number of days lost (due to absenteeism) (employees)	59.03%
Total number of days worked by employees of your company	59.03%
Total number of days lost (due to absenteeism) (contractors)	32.02%
Total number of days worked by subcontractors contracted by your company	42.99%
If a working environment survey has been carried out in your company during the current year, report the percentage of "satisfied" or "very satisfied" responses from employees over the total number of surveys (%)	17.46%
Number of disabled people	59.03%

Health and Safety	Scope (over total number of employees)
Investment in health and safety in the workplace (€million)	58.40%
Total number of hours worked by employees of your company	63.15%
Total number of hours worked by contractors	38.99%
Total number of accidents suffered by the company's own employees	95.34%
Total number of accidents suffered (by contractors)	39.56%
Total number of working days lost by own employees	95.34%
Total number of working days lost (by contractors)	35.84%
Total number of accidents with employee time off	95.34%
Total number of accidents time off (contractors)	39.56%
Total number of cases of occupational diseases (own employees)	56.08%
Total number of cases of occupational diseases (contractors)	31.35%
Number of hours of training in occupational health and safety received by your company's employees during the year	95.34%
Total number of employees with occupations with risks of contracting specific diseases	54.51%

12. Verification Report



KPMG Asesores S.L.
Edificio Torre Europa
Paseo de la Castellana, 95
28046 Madrid

Independent Assurance Report to the Management of Actividades de Construcción y Servicios, S.A.

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

We performed a limited assurance review on the non-financial information contained in Actividades de Construcción y Servicios, S.A. (hereinafter ACS) Corporate Responsibility Report for the year ended 31 December 2011 (hereinafter “the Report”).

ACS management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 3.1 (G3.1) of the Global Reporting Initiative as described in section 10 of the Report, entitled “Principles for the Preparation of the Report”. This section details the self-declared application level, which has been confirmed by Global Reporting Initiative. Management is also responsible for the information and assertions contained within the Report; for determining its objectives in respect of the selection and presentation of sustainable development performance; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement and to issue, based on the work performed, an independent report. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board and also in accordance with the guidance set out by the Accountants Institute of Spain (*Instituto de Censores Jurados de Cuentas de España*). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement and that we comply with the independence requirements included in the International Ethics Standards Board for Accountants Code of Ethics which outlines detailed requirements regarding integrity, objectivity, confidentiality and professional qualifications and conduct.

A limited assurance engagement on a sustainability report consists of making inquiries to Management, primarily to the persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures, as appropriate through the following procedures:

- Interviews with relevant ACS staff concerning the application of sustainability strategy and policies.
- Interviews with relevant ACS staff responsible for providing the information contained in the Report.
- Visit to a waste treatment facility and a work site selected based on a risk analysis considering quantitative and qualitative criteria.
- Analysing the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of ACS.

KPMG Asesores S.L., a limited liability Spanish company, is a subsidiary of KPMG Europe LLP and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative (“KPMG International”), a Swiss entity.

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2

- Verifying that the financial information reflected in the Report was taken from the annual accounts of ACS, which were audited by independent third parties.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore also the level of assurance provided. Also, this report should not be considered an audit report.

Our multidisciplinary team included specialists in social, environmental and economic business performance.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the data included in the Corporate Responsibility Report of Actividades de Construcción y Servicios, S.A. for the year ended 31 December 2011 have not been reliably obtained, that the information has not been fairly presented, or that significant discrepancies or omissions exist, nor that the Report is not prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines (G3.1) of the Global Reporting Initiative as described in section 10 of the Report, entitled Principles for the Preparation of the Report .

Under separate cover, we will provide ACS management with an internal report outlining our complete findings and areas for improvement.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

7 May 2012

13. GRI Index



Statement GRI Application Level Check

GRI hereby states that **Grupo ACS** has presented its report "Corporate Social Responsibility Report" to GRI's Report Services which have concluded that the report fulfills the requirement of Application Level A+.

GRI Application Levels communicate the extent to which the content of the G3.1 Guidelines has been used in the submitted sustainability reporting. The Check confirms that the required set and number of disclosures for that Application Level have been addressed in the reporting and that the GRI Content Index demonstrates a valid representation of the required disclosures, as described in the GRI G3.1 Guidelines.

Application Levels do not provide an opinion on the sustainability performance of the reporter nor the quality of the information in the report.

Amsterdam, February 28th 2012

A handwritten signature in blue ink, appearing to read "Nelmara Arbex", is written over a faint, large watermark of the GRI logo in the background.

Nelmara Arbex
Deputy Chief Executive
Global Reporting Initiative



The "+" has been added to this Application Level because **Grupo ACS** has submitted (part of) this report for external assurance. GRI accepts the reporter's own criteria for choosing the relevant assurance provider.

The Global Reporting Initiative (GRI) is a network-based organization that has pioneered the development of the world's most widely used sustainability reporting framework and is committed to its continuous improvement and application worldwide. The GRI Guidelines set out the principles and indicators that organizations can use to measure and report their economic, environmental, and social performance. www.globalreporting.org

Disclaimer: Where the relevant sustainability reporting includes external links, including to audio visual material, this statement only concerns material submitted to GRI at the time of the Check on February 21st 2012. GRI explicitly excludes the statement being applied to any later changes to such material.



14. We Would Like to Know your Opinion

As you have been able to read from the previous pages of this report, at the ACS Group we understand corporate responsibility as a commitment which determines the Company's relationship with the environment and with each of its stakeholders. This Corporate Responsibility Report aims to include the main milestones and programmes carried out by the ACS Group aimed at improving relationships with its different stakeholders.

The ACS Group considers the assumption of corporate responsibility principles to be a continual improvement process, in which it is crucial to rely on the opinion of the different stakeholders. Hence, we would be grateful to receive any opinion you may have on this report at:

ACS GROUP

Avda. Pío XII, 102

Madrid 28036, Spain

Phone. +34 91 343 92 39

E-mail: info@grupoacs.com



For further information, see the webpage,

www.grupoacs.com

Disclaimer:

The original version of this document in Spanish stands as the factual and signed version of Grupo ACS Corporate Social Responsibility report. In the case of any difference between both documents, the Spanish version is the correct one.



15. Main performance indicators

Profile

Strategy and analysis

Chapter/Response

- 1.1 Statement from the organisation's most senior decision-maker about the relevance of sustainability for the organisation and its strategy.

Chapter 1

Organisational profile

Chapter/Response

- 2.1 Name of the organisation.
- 2.2 Main brands, products, and/or services.
- 2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.
- 2.4 Location of organisation's headquarters.
- 2.5 Number of countries where the organisation operates and names of countries with either major operations or operations specifically relevant to the sustainability issues covered in the report.
- 2.6 Nature of ownership and legal form.
- 2.7 Markets served (including geographic breakdown, sectors served, and types of clients/beneficiaries).
- 2.8 Scale of the reporting organisation.
- 2.9 Significant changes during the period covered by the report regarding size, structure, or ownership of the organisation.
- 2.10 Awards and distinctions received during the reporting period.

2.1.1

2.2

2.2

2.1.1

2.1.2

2.3.1

2.1.2; 4.3.2

2.1.2

2.2; 2.3.1

Chapter 9

Report parameters

Chapter/Response

- 3.1 Period covered by the information in the report (e.g. financial year, calendar year).
- 3.2 Date of most recent previous report (if any).
- 3.3 Reporting cycle (annual, biennial, etc).
- 3.4 Point of contact for questions regarding the report or its contents.

2.1.2

Year 2010

Annual

Infogrupoacs@grupoacs.com

- 3.5 Process for defining report content.

2.2; 24.1; 10

The company has not prepared a specific materiality study, but it has carried out an internal exercise involving all the businesses, considering the priority subjects for ACS which are aligned with GRI requirements. The request for information has been improved and expanded not only to satisfy GRI questions, but also for selective stock market indices in sustainability and institutional investors and ratings agencies which take matters related to sustainability into account.

- 3.6 Report coverage (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).

11

- 3.7 State any limitations to the scope or coverage of the report.

11

Governance, commitments and stakeholder

Chapter/Response

- 4.1 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.
- 4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and if so, his or her function in the management of the organisation and the reasons justifying this).
- 4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent or non-executive members.
- 4.4 Mechanisms for shareholders and employees to provide recommendations or suggestions to the highest governance body.
- 4.14 List of stakeholder groups engaged by the organisation.
- 4.15 List of stakeholders engaged by the organisation.

2.3.2

2.3.2.1

2.3.2.1

5.2.2

5.3.1

2.4.1

2.4.1

For a detailed information about main performance indicators table of the GRI index, please consult the ACS Group webpage: http://www.grupoacs.com/ficheros_editor/File/05_responsabilidad_corporativa/acs_index_gri.pdf



Disclosures on Management Approach: Performance Indicators (DMAs)

Disclosure on management approach EC	Chapter/Response
Economic performance	4.1
Market presence	2.1.2
Indirect economic impacts	4.1
Disclosure on management approach EN	Chapter/Response
Materials	7.1.5.2
Energy	7.1.5.2
Water	7.1.6
Biodiversity	7.1.7
Emissions, effluents and waste	7.1.5.1
Degradation, pollution and soil recovery	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.
Products and services	4.4
Compliance	7.1.2
Transport	7.1.3
Overall	7.1.1
Disclosure on management approach LA	Chapter/Response
Employment	8.1.1; 8.1.2
Company/worker relations	8.1.1; 8.1.2
Occupational health and safety	8.2.1; 8.2.2; 8.2.3
Training and assessment	8.1.6
Diversity and equality of opportunities	8.1.3
Equality of remuneration for women and men	All information related to salaries is considered confidential. Salaries on hiring are a key aspect in operations and are treated as a competitive advantage.
Disclosure on management approach HR	Chapter/Response
Investment and procurement practices	4.5.2
Non-discrimination	8.1.3.1
Freedom of association and collective bargaining	4.5.2.2; 8.1.1
Child labour	4.5.2.2; 8.1.1
Forced labour	4.5.2.2; 8.1.1
Security practices	8.2.2.7
Indigenous rights	5.2; 5.2.2
Assessment	4.4.2.3; 4.5.2.1
Remediation	4.5.2.2; 5.2.2
Disclosure on management approach SO	Chapter/Response
Community	7.1.7; 8.3.1
Corruption	5.2.2
Public policy	2.4.2
Anti-competitive behaviour	2.4.2
Compliance	4.3.2.2; 4.3.2.3; 7.1.2
Disclosure on management approach PR	Chapter/Response
Client health and safety	4.4.2.4

15. Main performance indicators



Performance indicator

Economic		Chapter/Response
Economic performance		
EC1	Direct economic value generated and distributed, including revenues, operating costs, employee remuneration, donations and other community investments, retained earnings and payments to capital providers and governments.	4.1; 8.3
EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change and other sustainability matters.	7.1.4
EC3	Coverage of the organisation's social benefit plan obligations.	8.1.4.1
EC4	Significant financial assistance received from governments.	Included in the Economic/Financial report, note referring to "Subsidies"
Market presence		
EC6	Policy, practices, and proportion of spending with locally-based suppliers at significant operation locations.	4.5.2.1
EC7	Procedures for local hiring and proportion of senior management and all direct employees, contractors and subcontractors hired from the local community at significant operation locations.	8.1.2; 8.1.3.1
Indirect economic impacts		
EC8	"Development and impact of investments in infrastructure and services provided primarily for public benefit through commercial, in-kind, or pro bono commitments".	2.4.2; 8.3
Environmental		Chapter/Response
Materials		
EN1	Materials used by weight, value or volume.	7.1.5.2; 7.2.2; 7.4.1
EN2	Percentage of materials used that are recovered materials.	7.1.5.2; 7.2.2; 7.4.1
Energy		
EN3	Direct energy consumption by primary energy source.	7.1.4; 7.1.5.2
EN4	Indirect energy consumption by primary source.	7.1.5.2
CRE1	Energy intensity in buildings.	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.
EN5	Energy saved due to conservation and efficiency improvements.	7.1.5.2
EN6	Initiatives to provide energy-efficient or renewable energy based products and services and reductions in energy consumption as a result of these initiatives.	7.1.4; 7.1.5.2
Water		
EN8	Total water intake by source.	7.1.6; 7.2.1
CRE2	Intensity of water consumption in buildings.	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.
Biodiversity		
EN11	Description of lands adjacent to or located within protected natural spaces or unprotected areas of high biodiversity. Indicate the location and the size of the lands owned, rented or managed with high value for biodiversity in zones outside of protected areas.	7.1.7; 7.2.4
EN12	Description of the most significant impacts of activities, products, and services on biodiversity in protected natural areas and unprotected areas of high biodiversity value in zones outside protected areas.	7.1.7; 7.2.4
EN13	Protected or restored habitats	7.1.7

For a detailed information about main performance indicators table of the GRI index, please consult the ACS Group webpage: http://www.grupoacs.com/ficheros_editor/File/05_responsabilidad_corporativa/acs_index_gri.pdf



Performance indicator

Emissions, effluents and waste

EN16	Total direct and indirect greenhouse gas emissions by weight.	7.1.4.1; 7.1.4.2
EN17	Other indirect greenhouse gas emissions by weight.	7.1.4.2
CRE3	Intensity of greenhouse gas emissions from buildings.	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.
CRE4	Intensity of greenhouse gas emissions from newly constructed buildings and urban replanning activities.	7.1.4.1
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	7.1.4
EN19	Emissions of ozone-depleting substances by weight.	7.1.5.3
EN20	NOx, SOx and other significant emissions to atmosphere by type and weight.	7.1.5.3
EN21	Total water waste discharges by nature and destination.	7.1.6; 7.3.2 It was not possible to verify the data relating to discharges to sea or to rivers / lakes during 2011 before publication of this report; hence these are outside the scope of the verification report.
EN22	Total weight of waste managed, by type and treatment method.	7.1.5.1; 7.2.3
EN23	Total number and volume of the most significant accidental spills.	7.1.6

Degradation, pollution and soil recovery

CRE5	Soils and other assets recovered and needing to be recovered for the use of the existing soil or that laid down according to the legal regulations	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.
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Products and services

EN26	Initiatives to improve efficiency and mitigate environmental impacts of products and services and extent of impact mitigation.	7.1.5; 7.1.6; 7.2.3
EN27	Percentage of products sold and their packaging materials that are recovered at the end of their useful life, by product category.	Not applicable

Compliance

EN28	Cost of significant fines and total number of non-monetary sanctions for non-compliance with environmental regulations.	7.1.2
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Social: Labour

Chapter/Response

Employment

LA1	Total workforce by employment type, employment contract, and region and gender.	8.1.2
LA2	Total number and rate of new hires and turnover by age group, gender and region.	8.1.3.3
LA15	Levels of re-joining work and of retention after maternity or paternity leave, by gender.	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.

Company/worker

LA4	Percentage of employees covered by collective bargaining.	8.1.3.2
LA5	Minimum notice period(s) regarding significant operational changes, including whether these are specified in collective agreements.	8.1.3.2

15. Main performance indicators

Performance indicator

Occupational health and safety

LA7	Rates of absenteeism, occupational diseases, lost days and number of work-related fatalities by region and gender.	8.2.3
CRE6	Percentage of the organisation's operations verified in accordance with an internationally recognised health and safety management system.	8.2.2.1
LA8	Education, training, counselling, prevention, and risk-control programmes applying to workforce members, their families, or community members in relation to serious illnesses.	8.2.2.7

Training and education

LA10	Average hours of training per year per employee by gender and employee category.	8.1.6
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Diversity and equality of opportunities

LA13	Composition of governance bodies and workforce by category of employee, gender, age group, minority group membership, and other indicators of diversity.	8.1.3.1
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Equality of remuneration for women and men

LA14	Relationship between basic salaries for men with respect to those for women, by professional category.	All information related to salaries is considered confidential. Salaries on hiring are a key aspect in operations and are treated as a competitive advantage.
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Social: Human rights

Chapter/Response

Diversity and equality of opportunities

HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	4.5.2.1
HR2	Percentage of significant suppliers and contractors and other commercial partners that have undergone screening on human rights and actions taken as a consequence.	4.5.2
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights relevant to their activities, including the percentage of employees trained.	8.1.6

Non-discrimination

HR4	Total number of discrimination incidents and actions taken.	8.1.3.1
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Freedom of association and collective bargaining

HR5	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or be at significant risk and actions taken to support these rights.	4.5.2.2; 8.1.1
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Child labour

HR6	Operations and significant suppliers identified as having significant risk for incidents of child labour and measures taken to contribute to the elimination of child labour	4.5.2.2; 8.1.1
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Forced labour

HR7	Operations and significant suppliers identified as having significant risk for incidents of forced labour and measures to contribute to the elimination of forced or compulsory labour.	4.5.2.2; 8.1.1
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Assessment

HR10	Percentage and total number of operations which have been subject to reviews or assessments of impacts as regards human rights.	4.4.2.3; 4.5.2.1
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For a detailed information about main performance indicators table of the GRI index, please consult the ACS Group webpage: http://www.grupoacs.com/ficheros_editor/File/05_responsabilidad_corporativa/acs_index_gri.pdf



Performance indicator		
Corrective measures		
HR11	Number of complaints related to human rights which have been presented, dealt with and resolved by means of formal conciliation mechanisms.	4.5.2.2; 5.2.2
Social: Society		Chapter/Response
Community		
SO1	Percentage of operations where development programmes, impact assessments and participation of the local community have been implemented.	7.1.7; 8.3.1
SO9	Operations with significant possible or real negative impacts on local communities.	7.1.7; 8.3.1
SO10	Measures for prevention and mitigation implemented in operations with significant possible or real negative impacts on local communities.	7.1.7; 8.3.1
CRE7	Number of people who have been displaced and/or relocated voluntarily and involuntarily, broken down by project.	ACS's systems do not currently measure this indicator. A system will be developed for this task in the future.
Corruption		
SO2	Percentage and total number of business units analysed for risks related to corruption.	100%
SO3	Percentage of employees trained in the organisation's anti-corruption policies and procedures.	5.2.2; 8.1.6
SO4	Actions taken in response to incidents of corruption.	5.2.2
Public policy		
SO5	Public policy positions and participation in public policy development and lobbying.	2.4.2
SO6	Total value of financial and in-kind contributions to political parties or related institutions by country.	2.4.2
Compliance		
SO8	Monetary value of significant sanctions fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	4.3.2.2; 7.1.2
Social: Product Responsibility		Chapter/Response
Client health and safety		
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvements, their impacts on client health and safety and percentage of significant product and service categories subject to such assessment procedures.	4.4.2.4
Product and service labelling		
PR3	Types of product and service information required by procedures in force and regulations and percentage of significant products and services subject to such information requirements.	n/a
CRE8	Type and number of certifications, classifications and labelling systems as regards sustainability for new constructions, management, occupation and reconstruction.	4.4.1; 7.1.2; 7.2
Marketing communications		
PR6	Programmes for adherence to laws, standards and voluntary codes related to marketing communications, including advertising, other promotional activities and sponsorship.	n/a
Compliance		
PR9	Cost of significant fines resulting from non-compliance with regulations in relation to the supply and use of the organisation's products and services.	4.3.2.2