

HUMAN RIGHTS



PHOTO: The Juntos Sumamos Project in India with the Vicente Ferrer Foundation.

As a company joined to the United Nations Global Compact since 2002, Ferrovial considers that the principles therein are a basis for its engagement worldwide and undertakes to guarantee that Human Rights are respected throughout the organization and across its supply chain.

RESPECT, SUPPORT AND PROMOTE

Ferrovial has implemented a number of measures and procedures in the area of Human Rights. In 2014, the Human Rights Policy was approved. Enforcing compliance is the responsibility of Senior Management. This policy is consistent with the Code of Business Ethics, the principles of the United Nations Global Compact, the Universal Decla-

ration of Human Rights, the Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the International Labor Organization (ILO) Declaration on Multinational Enterprises. In addition to the company's listing on the top sustainability indices such as the Dow Jones Sustainability Index and FTSE4Good, this policy affirms the company's commitment to carry out activities according to strict corporate responsibility criteria.

By investigating the incidents included in the Complaints Box, Ferrovial aims to ensure compliance and respect for Human Rights across the whole value chain in all the countries where it operates.

With the aim of identifying, preventing, mitigating and responding to the risks associated with Human Rights, Ferrovial carries out a due diligence process in its main activities. It is supported by an integrated system of corporate risk management, Ferrovial Risk Management, which detects any Human Rights violations.

The social and environmental impact on communities affected by infrastructure projects in sensitive contexts is analyzed. First, an initial previous assessment is carried out on social aspects, and then contingency plans are designed proposing measures to mitigate and/or offset the impact.

An example of this way of acting is the extension of the Carrera 80 highway in Medellín (Colombia). The prior analysis of the social, cultural and economic situation in the region of La Iguaná in the department of Antioquia, led to measures being taken to ensure that the infrastructure was a lever for social improvement. Approximately 1,600 families were thus relocated to neighboring areas. This project promoted the regeneration of one of the most degraded areas in Medellín in addition to creating over 1,250 jobs to boost the local economy.

In May 2016, Ferrovial acquired the Australian services provider Broadspectrum, which at that time held two contracts with the Australian Department of Immigration and Border Protection to provide maintenance services, social support and security to asylum seekers and refugees at the Regional Processing Centers (RPCs) located in Nauru and in the province of Manus in Papua Nueva Guinea. These contracts created some controversy given the criticism of Australia's immigration policy by different entities and organizations, who allege that the RPCs violate Human Rights.

Broadspectrum neither manages nor runs the RPCs, as its role is limited to rendering certain services to the centers together with thirteen other companies. Given their characteristics and elevated quality standards, the services have a positive impact on asylum seekers and refugees. They include catering, social services, security, logistics, transport, cleaning and asset management. Broadspectrum has a solid governance and information system, and

keeps a record and investigates all incidents. The company also reports matters of critical importance to local governments and the Australian Immigration Department.

On completing the acquisition, Ferrovial announced that the two contracts were not strategic activities and would thus not form part of the Broadpectrum portfolio in the future. As a result, the company will not participate in the tender process to renew the service contract and conclude its collaboration when the contracts expire in October 2017. Meanwhile, the company will use all its resources to improve the life of asylum seekers and refugees. Their care and welfare is essential to the company's processes, decisions and actions.

REJECTION OF ANY TYPE OF DISCRIMINATION

Ferrovial rejects discrimination of any sort for reasons of age, race, gender, religion, disability, political ideology, sexual orientation or social origin, and has the necessary procedures in place to take action where necessary.

In 2015, the company updated the Procedure for Prevention of Workplace, Sexual and/or Gender-Based Harassment, which guarantees the right to handle all such matters and the persons involved in the utmost privacy and confidentiality. In the same year, the labor unions subscribed to the 2nd Equality Plan, whose goal is based on guaranteeing the principle of equality of treatment and opportunity between men and women.

This plan includes Ferrovial's commitment against gender violence, materialized in an internal engagement protocol, published in 2016, which sets out guidelines for promoting

the protection of female employees who could be the victims of violence of this sort.

In this regard, Ferrovial has adhered to the project Companies for a Society Free of Gender Violence promoted by the Ministry of Health, Social Services and Equality since 2013. This project raises awareness in communities regarding equality and respect for fundamental rights with a view to promoting a society free of gender violence. Ferrovial's commitment includes the implementation of awareness raising actions under this initiative, as well as actions to bring people who have suffered from maltreatment into the labor market; one of them is in the form of collaboration with the Integra Foundation.

In each country where it is present Ferrovial guarantees workers' rights, such as the right to strike, freedom of association and the right to collective bargaining by appointed workers' representatives and labor unions. Ferrovial employees are protected by collective labor regulations in the different countries and 74% of the workforce is covered by collective labor agreements.

PROMOTION AND DISSEMINATION OF HUMAN RIGHTS

Ferrovial promotes respect for Human Rights in the societies and communities where it operates, and also fosters a respectful and decent working environment for all related people through training and awareness-raising in this regard.

All the training courses in the Code of Business Ethics at executive and management levels include a module on human rights. 1,912 employees took the course, with an accumulated total of 11,697 hours since 2010. Following the 2014 Code of Business Ethics update, a new training program is being developed with a broader scope.

Ferrovial capitalizes on its involvement in international forums and training programs to raise awareness of the need for the private sector to play a role in the protection of human rights. These efforts resulted in Ferrovial election as Secretary of the Executive Committee of Forética and voting member on the Executive Committee of the Global Compact Network and Seres Foundation.

A FRIENDLIER ETHICS CHANNEL

Ferrovial updated its ethics channel in 2016 to improve its accessibility and usability. In addition to the company's Code of Business Ethics and other self-regulating policies, this channel is one of the essential components for guaranteeing ethical conduct with integrity in corporate engagements, assuring confidentiality and anonymity for the matters addressed therein.

The channel is based on a web- and corporate intranet-based digital mailbox and supplemented by a P.O. Box.



MILESTONES

FERROVIAL IS A MEMBER OF THE PRIVATE SECTOR ADVISORY GROUP OF THE UN SUSTAINABLE DEVELOPMENT GOALS FUND.

PUBLICATION IN 2016 OF A NEW PROTOCOL FOR ACTION AGAINST GENDER VIOLENCE.

20.19 STRATEGIC CR PLAN

Continue strengthening the current systems that ensure respect for Human Rights in the company and across its value chain