



corporate social responsibility

committed to our responsibility



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Cleaning and gardening service in Valencia





preparation of the corporate social responsibility report

Preparation of the Corporate Social Responsibility Report

This is the third consecutive year that the FCC Group has published information regarding its corporate social responsibility activities, to describe the economic, social and environmental context and impact of its business activity to its internal and external stakeholders.

Just as the market, society and their respective information requirements have evolved, so has FCC. The Group understands that there is an increasing need for information that goes beyond financial statements. As part of its commitment to respond to stakeholder expectations, new instruments have been incorporated into the company's practices to provide additional information.

The 2007 corporate social responsibility report presents the internal and external circumstances faced by the Group and how these can affect results. The report also enables readers to evaluate business results in the context in which the entity carries out its operations and to see whether the strategies adopted contribute to a more sustainable scenario. Preparation of information on corporate social responsibility is a continuous challenge and process of improvement.

During the period covered by this report the Group has made progress adapting its information gathering and management systems, including new corporate social responsibility indicators when considered necessary. The objective is to extend the scope and improve the quality of the information published. The report has once again been verified externally, with an independent opinion from KPMG. As a result of all these initiatives, the 2007 Corporate Social Responsibility Report is a more mature document than that of the preceding year.

The FCC Group has opted to prepare this report following the recommendations of the Global Reporting Initiative G3 Guidelines



Principles for defining the contents

The present Corporate Social Responsibility Report includes the significant sustainability activities carried out by the FCC Group in all its operations and subsidiaries during 2007.

In geographical terms, the scope of the operations includes almost fifty countries, detailed in Chapter IV "Attracting and retaining talent".

The economic, social and environmental indicators contained in this report have been structured to reflect the progress of FCC's six strategic lines of corporate social responsibility, as established in its Master Plan.

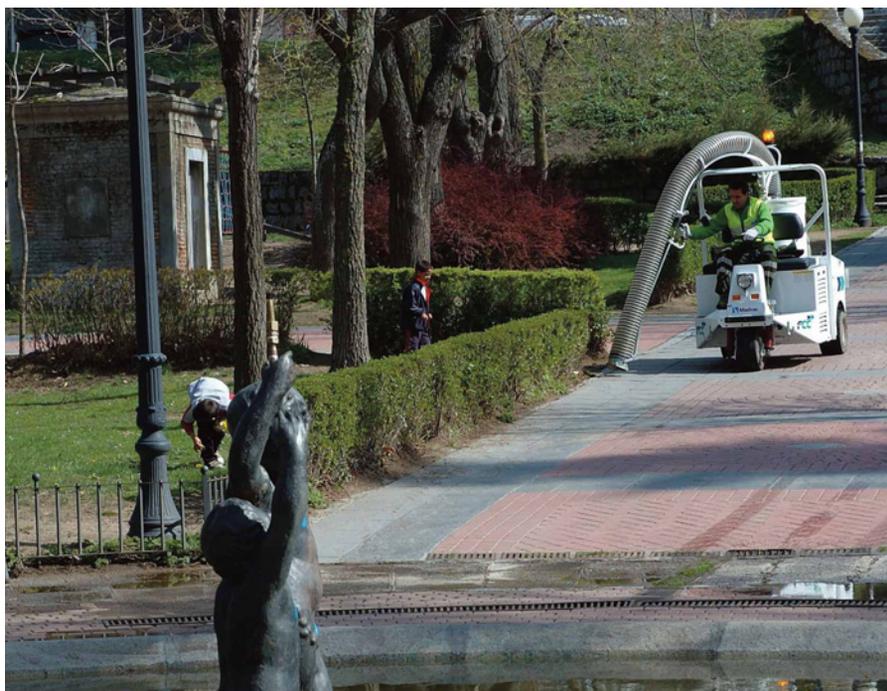
Like the previous editions, the 2007 report has been prepared following Global Reporting Initiative directives, in this case the G3 version and the AA1000 standard to determine materiality and the commitments acquired through the United Nations Global Compact. The four principles for defining the contents have been applied to guarantee a balanced and fair source of information on FCC's performance.

Materiality

For the third consecutive year the FCC Group has carried out a materiality study, based on the AA1000 accountability standard, with the aim of identifying the most relevant issues for both stakeholders and the company itself. This study is based on identifying material issues, bearing in mind the related maturity and risk analysed from different perspectives:

Self-rating of the report on the G3 scale

	2002 IA	C	C+	B	B+	A	A+
Compulsory							
Self-declared							√
Optional							
Verified by third parties							√
Verified by the GRI							√

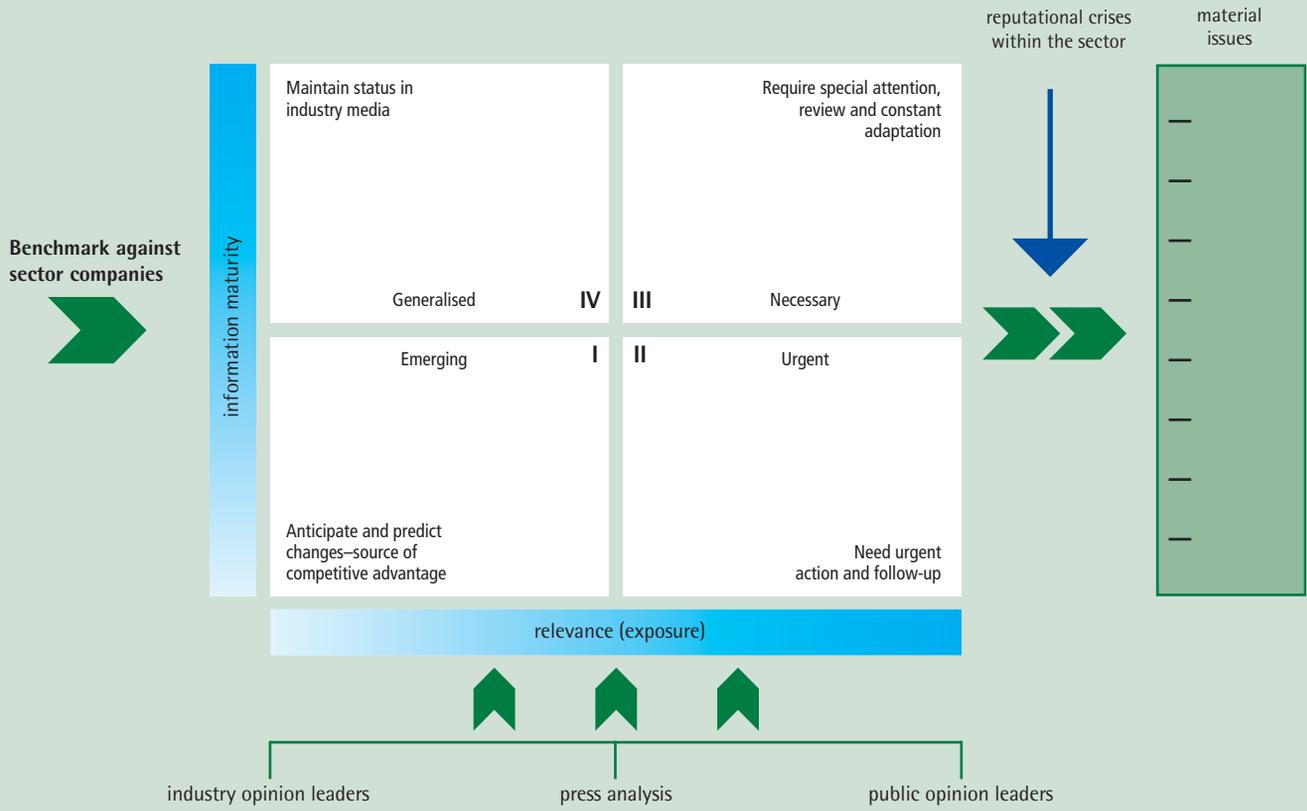


- The key issues from the sectors in which the FCC Group operates: construction, cement, services and real estate, according to socially-responsible investors and references from sector competitors.
- Stakeholder expectations reflected in the media.
- Challenges and emerging issues with regard to sector and internet-based opinion leaders.
- Reputational risks and the FCC Group's susceptibility to these risks.

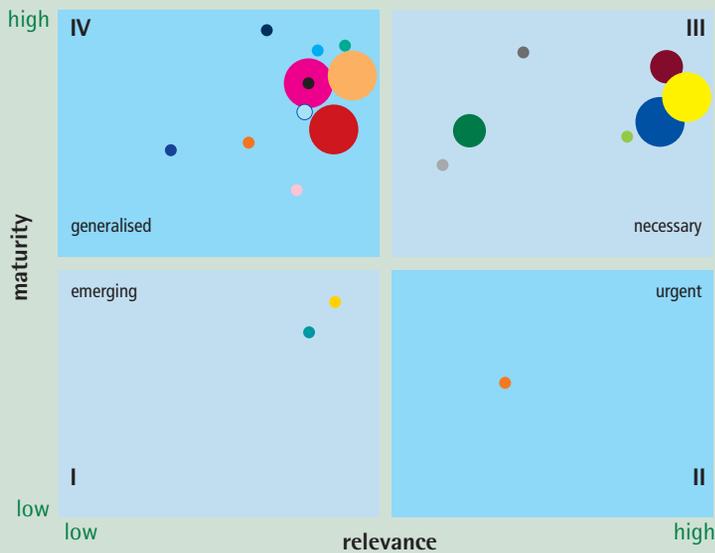
The most significant material issues for the FCC Group are detailed by sector in the sections of this report entitled "Creation of responsible value through corporate activity" and "The values that identify us as a company". The material issues arising from the study are included in the attached map.



Materiality analysis



Material issues for the FCC Group



Relevance is estimated based on attention from the external public

Stakeholder involvement

FCC takes into consideration the expectations of its stakeholders, identified through the materiality analyses described and the channels of communication established by the Group companies in their strategic and operating management of relations with respective stakeholders. The investor relations office has also been involved in the preparation of this report and a number of studies on FCC's 2006 Corporate Social Responsibility Report, published by civil associations, have been reviewed.

Context of sustainability

FCC's relationship with sustainability is expressed in the Group's vision. This report presents the economic, environmental and social results achieved by FCC. Information is provided on the extent to which these results are indicative of the future, supplementing data with comments on the management approach for each of the aforementioned aspects, as well as specifying the resources, actions and relationships established by the entity.

Comprehensiveness

The report covers all of the Group's significant business activities, material issues and relevant indicators, for stakeholders to assess the organisation's economic, environmental and social performance during the year.



Considerations for limiting scope of coverage

Establishing the overall scope of this report has been a real challenge for FCC. We are a diversified group which includes a number of newly acquired companies every year, and we operate in almost fifty countries.

We have set out to meet the expectations of readers who have given us their opinion on the 2006 Corporate Social Responsibility Report, showing their interest in knowing the Group's global impact in terms of corporate social responsibility.

This diversification inevitably leads to differences in the stage of development of corporate social responsibility management systems between already established companies and those which recently joined the Group. As a result, the extent of an indicator is occasionally limited by the information available, duly noted in the text.

As explained later in this report, FCC is developing a programme called Galileo to integrate acquisitions made in recent years into the Group's business culture. Once finished, this project will give a broader scope to FCC's future socially responsible reporting.

Prior to completion of this report FCC introduced its "Horizonte" tool which has been designed to integrate all the Group's social responsibility data. Consequently, the scope of future consolidated information will be greater. Details of this tool are given later in this report.

This report includes the main social responsibility activities carried out by FCC as a Group. Details of the activities carried out by the different developed business areas are given in their individual CSR or sustainability reports.



Principles for defining the quality of disclosed information



The report has been prepared in accordance with the principles established in the G3 for quality of information. The FCC Group aims to prepare corporate social responsibility reports that present a balanced, comparable, accurate, regular, clear and reliable view of the Group's economic, social and environmental performance.

Balance

The report does not present subjective information, it reflects positive and negative aspects, recognising when results have not met expectations or there have been unexpected negative impacts.

Comparison

Quantitative indicators for which historical data are available have been included in the report to present comparable information

with previous years. As GRI guidelines have been applied in preparing this report and the preceding edition, indicators are comparable because items are the same.

Accuracy

The quantitative and qualitative information provided includes sufficient detail to meet stakeholders' expectations. The system of preparation for quantitative and qualitative data is duly documented and supervised by personnel responsible for writing the report.

Regularity

This is the third consecutive year that FCC has published its Corporate social responsibility Annual Report in addition to the statutory annual accounts. This is in response to the new information requirements of the market and society.

Clarity

The quantitative and qualitative information provided meets stakeholders' expectations in terms of clarity. The report has been prepared considering a broad readership, avoiding technical jargon and including case examples.

Reliability

FCC's 2007 Corporate Social Responsibility Report has been examined by KPMG in accordance with international standard ISAE 3000.



corporate social responsibility in the FCC Group

In 2007, the leaders of the corporate social responsibility culture in FCC have concentrated on implementing the 2007-2008 Corporate Responsibility Master Plan. Senior management has strengthened processes to reinforce corporate identity, vision and values, whereas the company's governing body has focused on aligning the development of new CR management and corporate integrity tools with the objective of complying with legislation and standards applicable to the Group. Progress has been made in commitments in this respect

**Mission
statement, Vision
and Values** of
the FCC Group
defined in 2007

The FCC Group
Code of Ethics
prepared in 2007

Compliance with **85%**
of recommendations
of the Unified Code for
Good Governance for
listed companies





Vision and values of the FCC Group

In recent years the company has undergone an intense process of growth, internationalisation and diversification, whereby companies from different cultures and backgrounds have been integrated into the Group. The 2006 Corporate Social Responsibility report expressed the company's desire to move forward in the design of tools to strengthen the Group's culture on the basis of shared commitment to ethics and integrity. The goal is to promote the creation of a common framework that should be understood and respected by everyone comprising the FCC Group.



An ethical approach to understanding and developing business is a determining factor in FCC Group culture

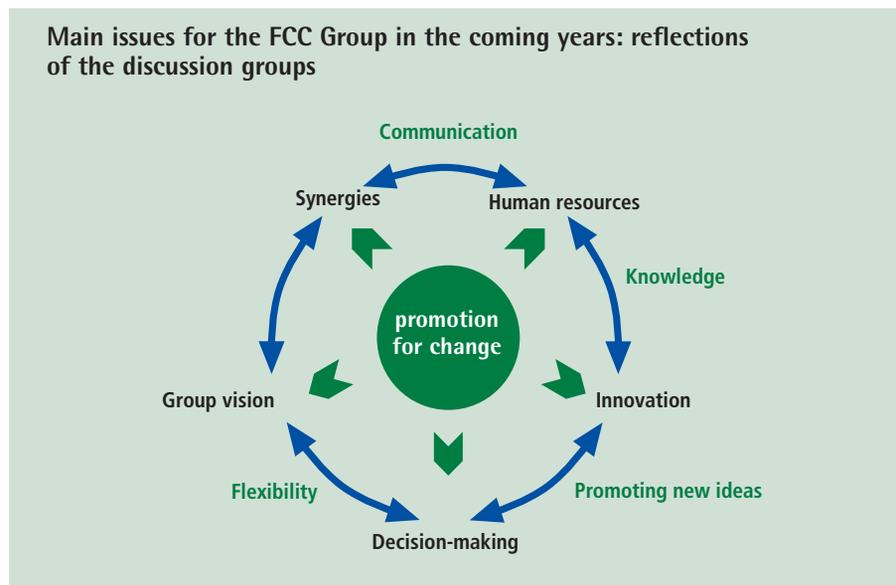
To this end a process of reflection and internal and external consultation was embarked upon to define the Group's mission statement, vision and values as a foundation for the FCC Group's Code of Ethics.

This process began with two discussion groups involving Group management and the different areas of activity. Both groups reflected on the goals of the company for the coming years, its strengths and weaknesses and the competencies that set the FCC Group apart from its competitors.



The FCC Group has defined its mission statement, vision, values and Code of Ethics

The work groups provided a platform to agree common goals, as well as areas for improvement and enhancement.





San Lorenzo del Escorial

The process for preparing the mission statement, vision, values and Code of Ethics also included online consultations, with participation from Group management and employees from the different areas of activity related to corporate social responsibility. This study provided an insight into the participants' views on the current situation of the company, its distinguishing values and the ethical climate of the organisation. Discussion also focused on the future expectations of management personnel and their opinions on the performance and competencies that they feel should be developed by the FCC Group over the coming years.

The process also included consultations with the Group's most significant stakeholders and areas of activity to gain an insight into how the challenges of integrity and corporate social responsibility faced by the company and the sectors in which it operates are seen from outside.

The mission statement, vision and values of the FCC Group were defined on the basis of this work.

Mission statement

"We create value for society and our shareholders by designing, building and managing infrastructures and services that contribute to the well-being of individuals in an efficient, sustainable and safe manner"

Vision

"Our goal is to be an international standard bearer in the design and provision of solutions aimed at the well-being of citizens, development of society and sustainable development."

"We strive to be a diversified and integrated Group committed to its employees and admired for its capacity to create value and innovate to meet new social requirements."

Values

- Commitment
- Efficiency
- Excellence
- Innovation
- Integrity
- Responsibility
- Teamwork

These values are shared by all individuals forming part of the FCC Group

Corporate social responsibility strategy

Board of directors responsible for the CSR policy

In accordance with article 8.3 of the regulation governing the board of directors of Fomento de Construcciones y Contratas, S.A. (hereinafter, the company or FCC), the Board of Directors is responsible for approving the general policies and strategies of the company and, in particular, for defining the company's corporate social responsibility policy.

In line with its vision and mission statement as a socially responsible company, FCC considers corporate social responsibility a fundamental part of its strategic plan and pursues sustainable development as an essential element for its correct functioning. FCC ensures compatibility between economic development of the company, social commitments and respect for the environment, thus meeting present needs without compromising future requirements.

Consequently, the board of directors approved the 2007-2008 Corporate social responsibility Master Plan, the objectives of which are set out later in this report.

Basic CSR action principles of the FCC Group

The FCC Group adopts an ethical approach to its business activities, guaranteeing respect for its stakeholder relationships and acting in a responsible and sustainable manner to generate wealth and ensure the well-being of the company.

Consequently, the corporate social responsibility strategy serves to streamline, strengthen and improve the FCC Group's commitment to its stakeholders, as well as the communities and markets where it operates and the environment in general.

FCC's contribution to sustainable development is embodied in the following principles:

- Integrated management of FCC's corporate social responsibility policy by its corporate social responsibility management team, which supports the different committees formed for this purpose at Group and business area level. CSR management presents a two-year Corporate Social Responsibility Master Plan for approval by the board of directors.
- Comply in all cases with prevailing legislation in the countries where FCC operates, adopting international regulations and directives in those countries where legislation does not exist or is inadequate in this respect.
- Promote transparency and free market regulations, rejecting all unfair business practices that restrict free competition, as well as bribery and corruption, and any other actions intended to obtain unfair business advantage.
- Focus actions on creating optimal value for the company and its stakeholders by applying corporate values and ensuring transparent processes.
- Actively participate in internal and external social initiatives and projects relating to corporate volunteer work, as well as cultural and socio-economic development, education, sports and any other area that promotes human development, fosters social cohesion and benefits underprivileged groups.
- Promote the application of best corporate governance practices, based on business transparency and mutual trust between shareholders and investors.
- Create consultation dynamics with FCC Group stakeholders to gain insight into their expectations and to consider their contributions and recommendations on the Group's initiatives and information.
- Consolidate the commitment to protecting the environment for all FCC Group production activities, through a policy that covers the prevention and control of industrial pollution by applying the principle of continuous improvement, encouraging sustainable use of resources, protecting biodiversity and promoting awareness and implementation of this culture.
- Appropriately manage the use of natural resources and the handling of waste, effluents and emissions produced in the course of business activity, considering at all times the prevailing legislation and regulations in each country where FCC operates.
- Guarantee respect for human rights in all areas of FCC Group activity, including freedom of association and the right to collective bargaining, and support initiatives to prevent forced labour and eradicate child labour and any other possible form of discrimination.
- Promote the professional development of FCC Group employees to enable them to perform their functions under appropriate health and safety conditions, enjoying equal treatment and opportunities, equality and respect for diversity, while promoting a balance between work and personal life.
- Provide information on socially responsible policies applied by the Group and the business areas through reports published on an annual or biennial basis.

Principles of the Global Compact	FCC Group commitments and actions
1. Support and respect the protection of internationally-recognised fundamental human rights within the Group's area of influence.	Section 20, chapter 5 of the Group's General Regulations Manual requires strict compliance with prevailing state, regional and local legislation, as well as internal operating regulations and, in their absence, observance of ethical conduct principles. The position of FCC and its investee companies is embodied in these ethical regulations and principles.
2. Ensure that Group companies are not accessories to the violation of human rights.	The FCC Group is obliged to effectively comply with this principle as a result of its adherence to the Global Compact.
3. Support freedom of association and the effective recognition of the right to collective bargaining.	The FCC Group respects the freedom of association of its employees and guarantees their right to be represented by trade unions in representative and negotiation bodies for the Group's different sectors of activities, companies and work centres. As mentioned in this report, FCC employees in Spain are covered by general collective bargaining by sector of activity and in accordance with the workers' statute. In 2007, 52.17% of employees were covered by collective bargaining of the company or work centre. (More information in chapter VII)
4. Support the eradication of all forms of forced labour and work carried out under duress.	FCC considers any form of discrimination or coercion to be unacceptable. Behaviours contravening these principles would be subject to disciplinary measures. The company has established clear directives regarding working hours, safety in the workplace and employee remuneration. These directives are set out in the General Regulations Manual in section 20 on personnel, chapter 10 and 50 on working hours, chapter 60 on recruitment of personnel, chapter 5 on fixing and reviewing remunerations. (More information in chapter VII)
5. Support the eradication of child labour.	FCC respects national and European legislation prohibiting the employment of children under the age of 16. However, the Group is aware that child labour is still a problem that must be tackled in certain contexts, and also recognises that the socio-economic situations of some of its employees have deprived them of the right to education. Consequently, FCC promotes initiatives to develop basic skills it deems necessary. The Group also publicly supports the importance of child education and, therefore, encourages sustainability knowledge and awareness amongst children as part of its relationship with the community. (More information in chapter VIII)
6. Support the abolition of discrimination in the workplace.	The principle of non-discrimination is governed by article 28 of Law 62/2003 on measures for the application of the principle of equal treatment. The company deems any form of discrimination or coercion to be unacceptable. Behaviours that contravene these principles would be subject to disciplinary measures. The company promotes equal opportunities in access to employment and promotion, selecting and promoting its employees based on their qualifications, abilities and skills. The principle of equal opportunities is implicitly provided for in the Group's activity and sector agreements. FCC is committed to the incorporation of persons with disabilities into its workforce. The Group's senior management is promoting its equal opportunities policy through initiatives in collaboration with Adecco, a human resources company which, through its Foundation, supports the integration of underprivileged groups into the labour market. This initiative complies with the Spanish Law on the Social Integration of Disabled People (LISMI). FCC also values the opportunities provided by the wealth of diversity in the societies in which it operates (over 50 countries) and, therefore, has implemented initiatives to promote internal cultural diversity. (More information in chapter VIII)
7. Maintain a preventative approach that favours the environment.	FCC strictly complies with criteria and requirements foreseen in legislation in the countries where it operates, and has implemented standardised formal environmental management systems, including wide-scope risk identification action plans, and the provision of resources, employee training and performance of audits. FCC also develops internal environmental development programmes. The environment is a company-wide concern and initiatives in this field are systematically undertaken in each FCC area. The Group has established two strategic objectives in its corporate social responsibility Master Plan: the fight against climate change and eco-efficiency, as well as corporate and area plans to move forward in step with the challenges posed by sustainability for future generations. FCC also gives priority to suppliers that display good environmental conduct and have established environmental policies and systems. (More information in chapters IV and VI)



Principles of the Global Compact	FCC Group commitments and actions
8. Promote initiatives that encourage greater environmental responsibility.	The company develops eco-efficient and responsible consumption campaigns amongst its customers, consumers and the community in the immediate surroundings of the company. FCC supports and participates in educational projects in association with non-governmental associations, exercising social leadership in favour of environmental responsibility. The Group also promotes internal environmental responsibility, and the 2007-2008 Corporate social responsibility Master Plan has established "Green Centre" plans, which would promote the eco-efficient management of the respective corporate headquarters of the FCC Group. (More information in chapters IV and VI)
9. Favour the development and roll-out of technologies that respect the environment.	The FCC Group's environmental corporate social responsibility strategy is based on the use of eco-efficient technologies and processes and alternative energy sources. FCC companies develop initiatives for the use of renewable energy sources to boost energy efficiency, recycle waste and minimise the impacts of these activities on the environment. FCC also invests in R+D+I and encourages research collaboration projects for the development of advanced eco-efficient technologies. (More information in chapters IV and VI)
10. Fight against all forms of corruption, including extortion and bribery.	Integrity is a key value for the Group. Following the example of the company and the community, FCC employees act responsibly and with integrity, considering at all times the present and future consequences of their daily actions. Section 20, chapter 5 of the Group's general regulations establishes strict compliance with prevailing legislation in this respect. This basic principle was reinforced by the Code of Ethics in 2007. As a result of this principle, FCC complies with Law 30 of 30 October 2007 on Public Administration Contracts relating to crimes such as forgery, infringement of industrial property rights, bribery, embezzlement of public funds, influence peddling, negotiations prohibited for civil servants, disclosure of confidential information, and insider trading against the tax authorities, and crimes or serious infractions relating to market discipline. These considerations also apply to associations with third parties, especially joint ventures and economic interest groupings due to their legal characteristics. (More information in this chapter in section "FCC Basic Action Principles")

FCC Corporate Social Responsibility Management Structure

FCC Corporate Social Responsibility Management

This management team reports to the general secretary of the FCC Group, one of its three executive directors, responsible for the coordination and promotion of the company's socially responsible management and good corporate governance.

The functions include:

- Preparing the biennial FCC Corporate social responsibility Master Plan and regularly monitoring its compliance.
- Coordinating the FCC Corporate social responsibility Committee, offering support to carry out its functions and

outlining the common strategic policies for the committees of all Group business divisions.

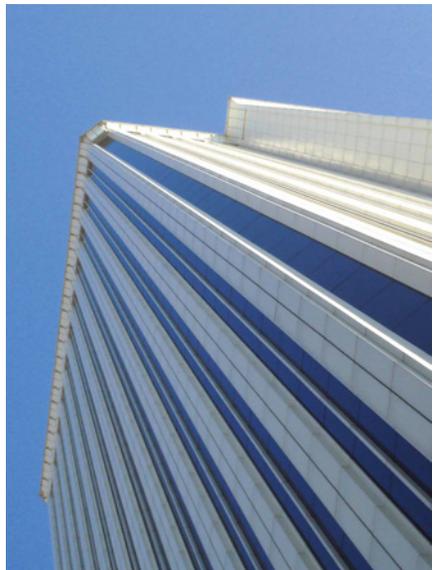
- Integrating the new international acquisitions of FCC into the socially responsible culture of the Group and the objectives of the 2007-2008 CSR Master Plan.
- Representing FCC in forums, discussion groups and other organisations in the field of corporate social responsibility.
- Preparing the compulsory Annual Corporate Governance Report for submission to the Spanish National Securities Market Commission, and monitoring good corporate governance recommendations.

- Recording information on directors and persons privy to confidential information and collaborating with the general secretary in the adaptation to internal FCC regulations and compliance with internal codes of conduct. Member of the Code of Ethics Monitoring Committee and responsible for the preparation and minutes of the committee's meetings.
- Preparing the annual FCC Group Corporate Social Responsibility Report.
- Designing and implementing corporate social responsibility plans, and supervising of area plans.
- Managing FCC participation in national and international sustainability indexes (Dow Jones Sustainability Indexes, FTSE4Good IBEX).
- Preparing the Group's progress report on its adhesion to the United Nations Global Compact.
- Keeping the corporate social responsibility link on the FCC website up-to-date.

FCC Corporate Social Responsibility Committee

Formed by representatives of all Group divisions and corporate departments including legal advisory, internal audit, communications, corporate image, human resources, shareholder and investor relations, information security and information systems and technology. The main functions of this committee are monitoring the CSR Master Plan, the exchange of experiences to improve knowledge of the Group and the identification and evaluation of reputational risks.

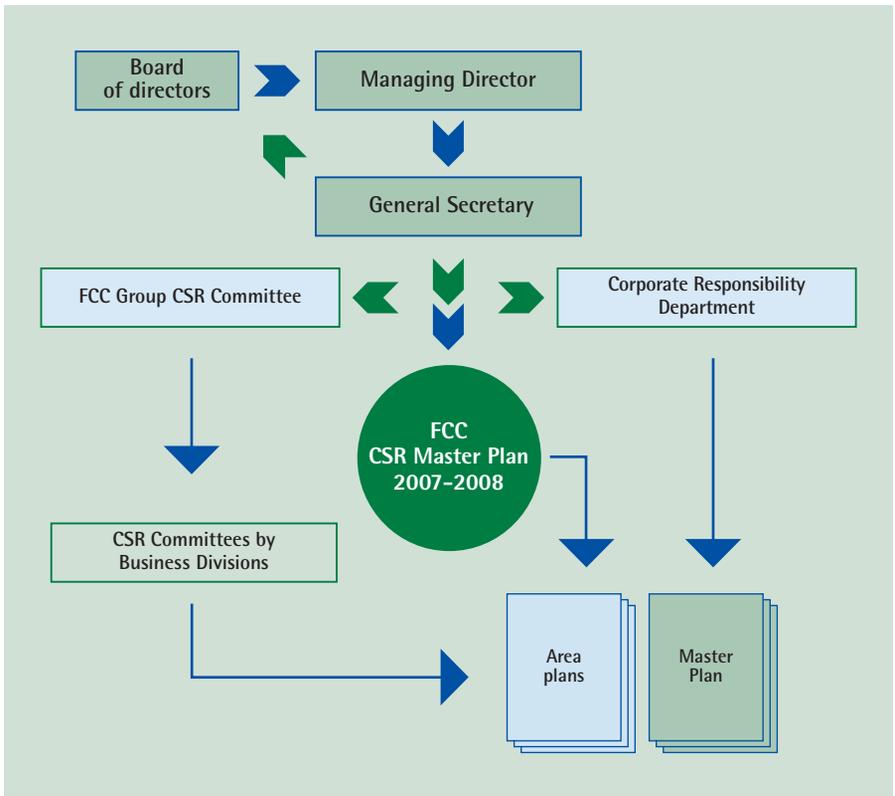
In 2007 PER-gestora Inmobiliaria, owner of the emblematic Picasso Tower, was incorporated into the FCC Corporate Social Responsibility Committee



Corporate social responsibility and sustainability committees by business divisions

The main function of these committees is to coordinate corporate social responsibility for their respective divisions and implement corporate social responsibility area plans. These committees are also responsible for preparing the business division's Corporate Social Responsibility Report.

PER-gestora and Realia formed corporate social responsibility and sustainability Committees in 2007





FCC Corporate Social Responsibility Master Plan (2007-2008)

The FCC Group's board of directors has made it a priority to create a corporate culture based on the company's 100-year tradition, in line with the Group's clear vocation to serve the community

The 2007-2008 FCC Corporate Social Responsibility Master Plan was approved in 2007 to promote a common corporate social responsibility action framework. This plan includes the CSR policy defined

by the Group, as well as initiatives and tasks crucial for its application.

The following table details the specific corporate social responsibility initiatives, as well as their progress and compliance.

	2007-2008 Master Plan Objectives	Progress 2007
Corporate plans	1. Integrity	
	a. Develop a Code of Ethics and conduct to be applied by all business areas of the Group, their employees and customers.	The management committee approved the preparation of a Code of Ethics for the FCC Group. This code was prepared in 2007 for subsequent approval by the Group's board of directors in the first half of 2008.
	b. Establish a procedure and channel to monitor the code of conduct through, inter alia, consultations and a facility to confidentially report infractions.	During the last quarter of 2007, the internal communication channel was opened to all FCC employees, permitting them to report infractions and recommendations concerning financial and accounting issues to the Audit and Control Committee. The monitoring committee supervises compliance with the code of conduct and the ethical channel.
	c. Extend compliance with CSR policies to the Group's suppliers.	The Code of Ethics and conduct includes its roll-out amongst suppliers.
	2. Talent	
	a. Promote the professional development of FCC employees.	FCC's strategic plan (Plan 10) considers the professional development of employees.
	b. Promote cultural diversity and equal opportunities.	The FCC Group is in the process of applying the Spanish Gender Equality Law.
	c. Establish collaboration agreements with Spanish universities to boost the organisation's image amongst potential future employees.	FCC has established a dialogue platform with Spanish universities, such as the Rey Juan Carlos University in Madrid and the polytechnic universities of Madrid, Valencia and Barcelona.
	3. Recognition	
	a. Actively participate in different corporate social responsibility forums at national level.	FCC has joined the Sustainability Excellence Club and collaborates with the Soria 21 Forum. As a signatory of the Global Compact, FCC is also a member of the Spanish Global Compact Association (ASEPAM), as well as participating in CSR programmes with the Spanish Confederation of Business Organisations (CEOE), Ibero-American General Secretariat (SEGIB), Carolina Foundation and Business Institute of Madrid.
	b. Prepare an annual Group Corporate Social Responsibility Report, and promote the preparation of independent reports by the different business divisions.	The 2007 CSR Report is the third Group report published by FCC. The majority of business areas published CSR reports in 2006, followed by Realia and Versia in 2007. The only areas that have not yet prepared specific reports are Picasso Tower and Proactiva Medio Ambiente.
	4. Dialogue and cooperation	
a. Establish a communication plan in collaboration with FCC Communication management which defines the information to be shared and the channels of communication to be considered.	FCC's socially responsible commitments are published regularly on the corporate website, intranet, and in its bimonthly newsletter. Certain areas such as Aqualia or FCC Construcción have specific corporate social responsibility newsletters.	

	2007–2008 Master Plan Objectives	Progress 2007
Corporate plans	4. Dialogue and cooperation (continuation)	
	a. Identify FCC stakeholders and establish dialogue platforms to gain insight into expectations and needs.	FCC has identified its stakeholders and is aware of expectations through its "Dialogues Gdl" platform.
	b. Establish a social action plan in collaboration with the Sponsorship committee, and encourage employees to participate in corporate volunteer work through FCC collaboration plans with entities in the tertiary sector.	FCC has created a foundation to channel socially responsible activities, mainly aimed at the most underprivileged members of society.
	c. Develop a social volunteer plan for FCC workers in collaboration with human resources management.	Following the pilot scheme introduced in the cement division in 2006, the FCC Group has implemented a corporate volunteer programme, giving employees of FCC and its subsidiaries and investee companies, as well as family members, and friends, the chance to take part in volunteer programmes. In the initial stage FCC, who will cover the expenses incurred such as insurance, transport and training, will align the programme's objectives with those of the Esther Koplowitz Foundation.
	5. CSR training	
	a. Roll-out of the Corporate Social Responsibility Master Plan.	The Master Plan has been made known through the Group's internal channels of communication, and all centres in Madrid and Valencia have been informed of the Plan through specific on-site talks.
	b. Establish a CSR technical training plan for the representatives of the divisions forming the FCC Corporate Social Responsibility Committee.	In June 2007, a corporate CSR day was held in Picasso Tower to raise awareness and exchange experiences on this matter. The event was attended by management and representatives of all Group business areas, as well as corporate management personnel with competencies in the field of CSR within FCC.
	c. Establish a plan to roll-out best corporate social responsibility practices within the Group.	External training was also provided, which is detailed in the training section of this report. Initiatives such as the CSR Master Plan, adhesion to the Global Compact, ethical framework for businesses, green centre activities, etc., are reported through the Group's intranet, website and bimonthly newsletters to Group employees.
	6. Crisis management	
	a. Design a system to manage and assess reputational risks.	This objective forms part of the 2008-2010 strategic plan (Plan 10).
b. Prepare a reputational crisis manual.	This objective forms part of the 2008-2010 strategic plan (Plan 10).	
7. Green centre "corporate headquarters "		
a. Identify the environmental impacts of the work centre.	"Corporate headquarters Green centre" plan: waste, emissions, water and energy consumption, etc.	
b. Establish measures to reduce consumption of natural resources and waste generated.	"Corporate Headquarters Green Centre" plan: presence detectors, automatic push buttons, etc.	
c. Establish waste management systems that encourage the segregation and recycling of materials.	"Corporate Headquarters Green Centre" plan: waste management protocol (containers, certified waste management company, monitoring indicators).	



	2007-2008 Master Plan Objectives	Progress 2007
Corporate plans	8. Roll-out of the csr policy	
	a. Present the Master Plan.	See point 5.
	b. Keep FCC employees informed of action plans and defined goals achieved through the corporate website, email and notice board, etc.	See point 5.



	2007-2008 Master Plan Objectives	Progress 2007
Plans by area	1. Reinforcing security	
	a. Align health and safety action plans implemented in the different Group divisions.	The majority of FCC Group areas of activity belong to the Joint Prevention Service and, therefore, share health and safety strategies and objectives. One of the goals of the Group's Strategic Plan is total integration by 2010.
	b. Develop a system to manage accidents and incidents, and work-related illnesses.	In 2007, the Group began implementing a new IT tool, "Prevista," for use by the prevention service technicians.
	2. Fight against climate change	
	a. Design a protocol to measure the different GHG gas emission sources.	The different business areas have implemented initiatives including indicators to measure emissions, bulb inventories, etc. FCCCo and CPV have signed the Bali declaration on climate change, and CPV has assumed commitments relating to best practices and reduction objectives within the framework of the agreement signed with the WBCSD.

	2007-2008 Master Plan Objectives	Progress 2007
Plans by area	2. Fight against climate change (continuation)	
	b. Develop specific action plans with specific goals for the divisions.	Each business area has designed action plans based on the impact of its activities. These plans generally include policies aimed at investment in eco-efficiency, energy saving, raising employee awareness, renewal of fleets, application of sustainable construction policies and energy efficiency. CPV also participates in the Spanish Carbon Fund.
	c. Promote the use of renewable energy and technologies that maximise energy output.	Waste treatment plants are beginning to use alternative fuels. FCCCo's R+D+I area contributes to the Arfrisol project based on bioclimatic architecture and solar cooling. CPV encourages the use of alternative fuels derived from waste, especially biomass, and the installation of solar panels in work centres is also encouraged.
	3. Eco-efficiency	
	a. Develop and implement plans to reduce energy and water consumption and waste generated.	Each area has introduced best practices, measures to minimise consumption, and waste management and reduction within their environmental management systems. Aqualia has defined an efficient demand management plan (Proaqua) for all the services it operates.
	b. Raise awareness of labour personnel on efficient use of natural resources.	The Group area training plans include environmental awareness courses. A best environmental practices manual has also been prepared. FCCCo publishes a bimonthly environmental report, which won the Garrigues-Expansión- CIIS award in 2007.
	4. Green Centre	
	a. Identify the environmental impacts of the work centres.	This process is carried out on a yearly basis at all certified centres. FCC Medio Ambiente has created an ecological office, a move which is currently being implemented by other areas.
	b. Establish measures to reduce consumption of natural resources and waste generation.	See preceding point.
	c. Establish waste management systems that encourage the segregation and recycling of materials.	See point a.
	5. Dialogue and cooperation	
	a. Identify stakeholders of the division and its main representatives.	All areas have identified their stakeholders and main representatives, which are published in their respective CSR reports.
	b. Exchange significant information with stakeholders, and gain first-hand insight into their expectations and information requirements.	There are different stakeholder communication channels, such as meetings, websites, satisfaction surveys, complaints and claims systems, customer service offices, participation in forums, etc.

FCC Good Governance Model. Adaptation to the Unified Code of Good Governance (Spanish National Securities Market Commission). Risk management

FCC's commitment to adopting the best good governance practices can be clearly seen in the Group's extensive 2007 annual corporate governance report, which forms part of FCC's Annual Report and is available on the company website.

In addition to complying with prevailing legislation, FCC has voluntarily implemented the recommendations of the Unified Code of Good Governance for listed companies (Spanish National Securities Market Commission) to deal with the concerns of the company and our shareholders. As a result, FCC has achieved a greater level of transparency, safety and quality for our maximum governing body.

All reports prepared (IAGC, Corporate Social Responsibility Report) are presented to the shareholders at their annual general meeting for approval or for information purposes, together with any other reports prepared by the company's governing bodies.

In 2007 FCC adapted its internal corporate governance regulations to the Unified Code of Good Governance for listed companies approved by the Spanish National Securities Market Commission. Further details are included in the FCC Annual Corporate Governance Report.

As a result, the current situation is as follows:

Situation prior to adaptation to the code	Situation subsequent to adaptation to the code
Compliance with 10 recommendations.	Compliance with 49 recommendations.
Partial compliance with 17 recommendations.	Partial compliance with three recommendations.
Non-compliance with 31 recommendations.	Non-compliance with six recommendations.



General meeting of shareholders 2007

FCC also updated its internal code of conduct, which was approved by the board of directors of the company at their annual general meeting held on 31 October 2007 following the introduction of Royal Decree 1333 of 11 November 2005, which revised the Securities Market Law 24 of 28 July 1988, governing market abuse, and as a result of Law 6 of 12 April 2007 which reformed the aforementioned Securities Market Law, for the amendment of legislation on takeover bids and transparency of issuers and other development legislation (Royal Decree 1362 of 19 October 2007).

FCC governance structure

At 31 December 2007 the board of directors is formed by 21 directors, of which three occupy executive positions within the company, and three are independent external directors. The position of chairman is different to that of chief executive and managing director.

The number of female board members (five) is once again high compared to other Ibex 35 companies.

The board of directors organises its work through plenary sessions or committee meetings. According to the annual evaluation report approved at the board meeting on 31 January 2008, nine plenary sessions took place in 2007 with a high level of attendance and director participation.

The activities of the board are organised around four committees: Strategy Committee, Executive Committee, Audit and Control Committee and Appointments and Remuneration Committee. The functions and competencies of the board of directors are governed by the FCC regulation of the board of directors.

The Appointments and Remuneration Committee should receive prior notification of appointments of board members and senior management. This Committee is responsible for assessing the competencies, knowledge and experience required by potential candidates.

The board of directors receives fixed remuneration which is not target or performance related. Details are as follows:

Type of board members	Number of board members	Company remuneration (thousands of euros)	Group remuneration (thousands of euros)
Executive Directors	3	3,700	630
Nominee Directors	15	1,199	684
Independent directors	3	337	54
Total members	21	5,236	1,368

The regulation of the board of directors (art. 25) establishes procedures to resolve potential conflicts of interest.

Shareholders and investors may submit recommendations, suggestions and complaints to the Stock Market and Investor Relations department, which reports to the Group's General Finance Management.

Risk management at FCC: reputational and environmental risks

The company recognises that the identification and management of tangible and intangible risks inherent to the operations of a Group such as FCC, is a strategic factor. The Annual Corporate Governance Report (point D) included in this annual report provides details of risks identified and control measures.

The FCC Audit and Control Committee is responsible for analysing risk management and control policies (article 41.3d of the regulation of the board of directors) as part of this strategy and to comply with the Unified Code of Good Governance of the Spanish National Securities Market Commission

FCC is also a member of the Spanish Risk Management Association (AGERS), represented by its insurance director, who is also the current Chairman.

AGERS is a non-profit organisation which was formed in April 1984 to promote, investigate and develop risk management in Spain.

AGERS receives support from over 200 of the most significant entities operating in Spain, including prestigious companies and their risk managers, brokers, agents and insurance companies, as well as consultancy companies and valuation and loss adjustment companies. AGERS is also a member of the Federation of European Risk Management Associations (FERMA), the International Federation of Risk and Insurance Management Associations (IFRIMA), and the Latin American Risk and Insurance Management Association (ALARYS).

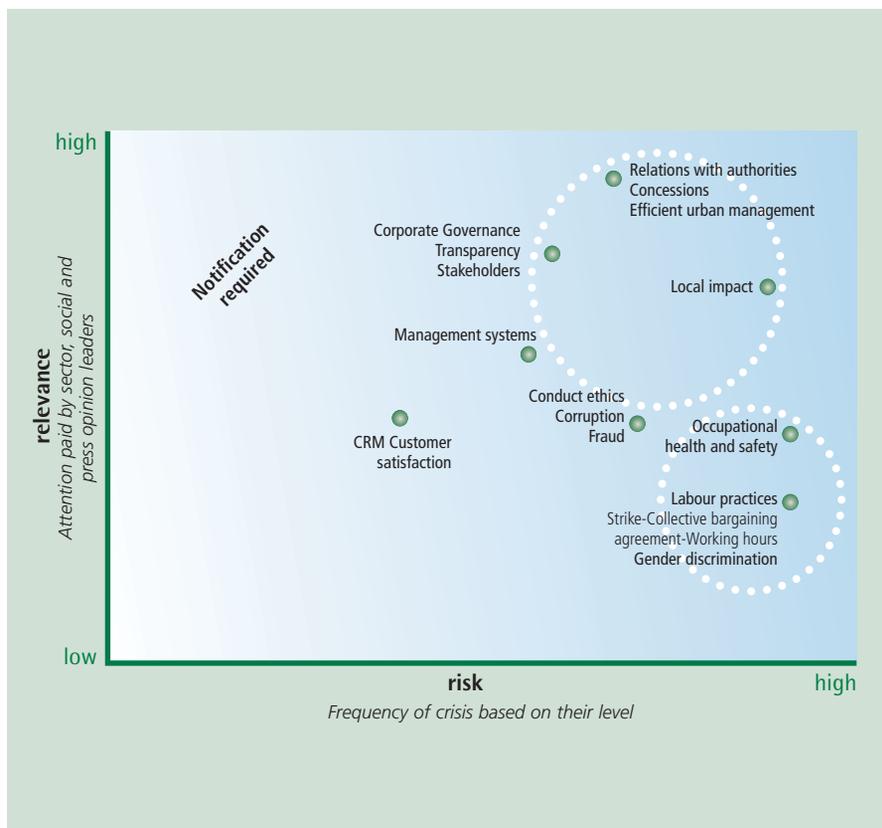
AGERS carries out many activities, including an annual conference, which in 2007 was held under the title "Integral risk management: a business strategy requirement" and was attended by a large number of representatives from the world of business and insurance. The 2008 conference, entitled "Risk management in times of financial turmoil", will take place in Madrid.



Reputational risk management

In 2007, the FCC Group performed a study of its reputational risks as part of its analysis of material issues. Based on AA1000 accountability methodology and the concept of reputational crises defined by the Institute of Crisis Management, FCC has analysed events that generate significant press coverage, which in turn have a negative knock-on effect on concurrent stakeholders. To assess the severity of the events that provoke reputational crises, these have been segmented into three levels based on the extent of their impact. FCC has also analysed levels of vulnerability (crisis precedents and level of risk) and public awareness (level of attention paid by sector, social and press thought leaders) to focus management in crisis situations. As a result of this analysis, critical reputational issues have taken on new importance during meetings with stakeholders, including NGOs and trade

unions, as well as in the promotion of new management tools, such as the creation of a Code of Ethical conduct and channel. The information selected for this report also focuses on issues with greater reputational risk. With regard to local impact, the Group's non-financial indicator information systems include a breakdown of information by region and continent, further details of which are included in the present Corporate Responsibility Report. This report sets out FCC's main management approaches, analyses, improvement plans, performance indicators, investments in training for continuous improvement and best practices in the fields of labour practices, gender equality and occupational health and safety practices. FCC plans to develop a reputational risk management plan in 2008 in compliance with the provisions of the 2007-2008 CSR Master Plan.



Environmental management risks

In 2007, the Group held a meeting dedicated solely to climate change, which was attended by the General Secretary and Executive Director of the FCC Group, all members of the CSR Committee, heads of environmental management of each area and external experts. During the meeting participants discussed the risks posed by climate change for each of the four FCC Group areas, analysing regulatory, physical and general issues, as well as the financial and business impacts of the risks identified. Each area presented its risk management tools and the business opportunities brought on by climate change.

In 2007, the FCC Group also renewed an environmental risk insurance policy valued at Euros 60,000,000.

**Tools to ensure FCC's integrity:
Code of Ethical conduct and Internal
Communication Channel**

Code of Ethical Conduct

This Code was prepared considering the corporate risk management recommendations of the COSO framework, and compliance is compulsory for all FCC Group employees.

The Code of Ethical Conduct entails the main potential situations and circumstances faced by FCC Group employees

The Code of Ethical Conduct constitutes a tool to guide employees' actions regarding social order, environmental and ethical issues that are of particular importance for the Group and its employees.

The guidelines set out by the code of conduct are divided into four main sections:

- Basic principles of conduct.
- Relationships with and between employees.
- Internal control and fraud prevention.
- Commitment to the market, the company and the community.

FCC Group Code of Ethical conduct guidelines

Basic principles of conduct

These principles establish that all Group employees should carry out their activities in accordance with prevailing legislation, human rights and civil liberties in line with internationally accepted legislation and practices.

Relationships with and between employees

These principles include employees' commitments to fostering a culture of respect in the workplace based on equal opportunities, abolition of discrimination and the promotion of professional development. This section also includes commitments and expected conduct relating to occupational health and safety, teamwork, cooperation between employees and dedication.

Internal control and fraud prevention

These guidelines refer to the conduct expected from FCC Group employees on issues related to handling information, the use and protection of assets, corruption, bribery and money laundering.

Commitment to the market, company and the community

This section includes commitments relating to the conduct of the FCC Group and its employees on issues such as free competition, conflicts of interest, neutral policy making, customer and supplier relations and social commitment.

The FCC Group's Code of Ethical conduct sets out the procedures company employees may use to confidentially report infractions against the code, in good faith and without fear of reprisals as required by best practices in this area.

The Code of Ethical conduct is monitored by the Internal Code of Conduct Monitoring Committee and is publicly available on the FCC Group website <http://www.fcc.es>

Internal communication channel

The FCC Group Audit and Control Committee of the FCC Group manages a specific process for reporting potentially serious anomalies, particularly those relating to financial or accounting matters, and for suggesting possible improvements to the internal control system, procedures and accounting practices. This process meets the requirements established in article 41.3 of the regulations of the Board of Directors and follows recommendation 50.d of the Unified Code of Good Corporate Governance of the CNMV (Spanish Securities Market Commission).

Employees can submit confidential notifications concerning the above-mentioned points, in good faith and without fear of reprisals, to the Audit and Control Committee representative, by means of the following:

- An html page on the corporate intranet: internal communication channel.
- Postal mail, addressed to the corresponding PO box and clearly marked Personal-Confidential.

Complaints received	Queries received
0	1

Case study: Horizonte

Project Horizonte is a solution that provides the FCC Group with a common information system, allowing it to standardise and harmonise CSR data, while making it easily available to all the different stakeholders.

Situation

From an organisational perspective, FCC comprises a wide group of companies, and is principally characterised by its diversification into different business sectors. This diversity, combined with the FCC Group's international status, makes management and compilation of the information required in CSR reports highly complex.

FCC has published its annual Corporate Social Responsibility Report since 2005, with many other areas of the Group also publishing their own individual reports.

Objective

The company's expansion, coupled with new demands from the market and stakeholders, required the implementation of an information system which would enable the Group to achieve the following main objectives:

- Facilitate the gathering of information at source through a tool which can be easily accessed from any country in the world and can be internationally configured.
- Provide CSR departments with a common system to structure their own reports and integrate them into the Annual Group CSR Report so that information need only be entered and validated on one occasion.



- Speed up information contribution processes and activate automatic consolidation at the different levels at which data is included, for those indicators where this is possible.
- Implement a flexible solution which can be easily adapted to the increasingly demanding reporting requirements of the different indices and of the stakeholders themselves.

Solution

The FCC Group's Corporate social responsibility management implemented this corporate tool in 2007 to provide all areas of the Group with an information system by which to monitor and compile data on a number of indicators for the preparation of FCC's Annual CSR Report,

and to act as a link to the preparation of reports for each of its areas in the near future.

Horizonte is a shared tool for the contribution, validation and consolidation of data on the FCC Group's CR reports, facilitating the proactive monitoring of objectives through the scorecards, reports and alerts that it generates.

From a technological perspective, the only requirement for using the tool is access to a web browser. The tool may also be accessed by all users from the FCC Group's corporate intranet, or, if necessary, via the internet.



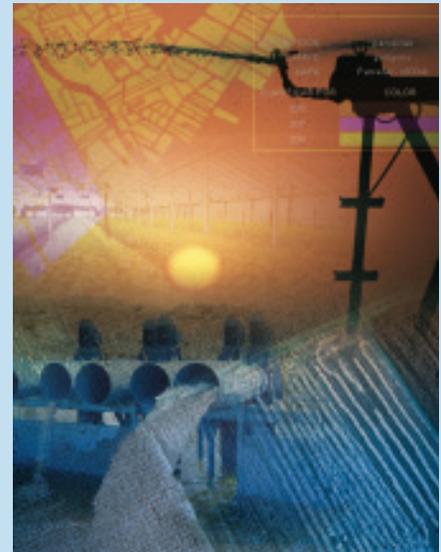
Benefits

The main benefits derived from the implementation of "Horizonte" can be summarised as follows:

- Consistency of corporate indicators throughout all business areas
- Flexible data management, from the contribution and local validation and administration of data in the different business areas, to the design and preparation of scorecards and reports to facilitate monitoring and decision-making.



- Increased information accuracy, security and availability.
- Use of campaigns to gather information: this allows for the definition of perimeters such as organisational and geographical scope, the indicators involved and the frequency with which they should be measured, while also enabling regular monitoring of the most critical indicators.
- International integration, not only in terms of language or currency variations, but also by managing each region's specific measurement units.
- The possibility of customising the tool to the future requirements of the CSR departments of the different companies, improving speed and capacity in the integration of new business and companies.
- A user-friendly tool which can be operated from any device or terminal with a web browser.





creating responsible value

The FCC Group makes a significant contribution to the economic and social development of the markets and societies in which it operates. Over the last hundred years we have shown our ability to sustain growth and renew our vision, maintaining the hallmark of excellence and guarantee of quality by which we are known

<p>euros 13,880,633 thousand in net sales in 2007</p>	<p>46.4% growth in net sales in 2007</p>	<p>euros 267 thousand paid in dividends</p>
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Creation of responsible value in our business activity

The FCC Group generates wealth responsibly, operating in sectors that are critical to the social and economic development and quality of life of many countries, contributing a century's worth of experience in managing human resources and value-creating materials. One decisive factor that has placed us at the forefront of the market is our

ability to anticipate, detect and integrate the keys to change and growth in our markets. Sustainability is a source of crucial challenges, which our Group faces both globally and individually in each of our sectors of activity.

The FCC Group



In recent years, leading public services and public works construction companies (particularly European firms) have experienced rapid growth outside their traditional areas of operation. These companies need to strike a balance between their local roots, their capacity to optimise cross-border synergies and economies of scale. The large number of focal points represents new organisational challenges, and the main sustainability issues faced by this corporate growth are global communication within the value of new international opportunities, strengthening of business capacities within new market contexts and the ability to overcome possible cultural barriers, introducing reconciliation processes which allow the Group to unite around a common culture and set of objectives.

One of the greatest challenges faced by the FCC Group is to consolidate a growing, more diverse organisation in line with the corporate social responsibility criteria which define how the organisation's culture is managed, the people who form the Group and its relationship with society. Projects which reinforce the culture, values and conduct we expect from our Group serve to advance the integration of all the companies acquired and incorporated in our recent expansion. Sharing values and standards of conduct enhances our capacity for growth, not only from an economic perspective, but also by creating intangible value reflected in an atmosphere of trust in which talent can flourish and benefits may be reaped from the synergies we expect to create.



Cement



2007 was the third year of the law regulating greenhouse gas emission rights trading in Spain, which has become a strategic path towards sustainability for the cement industry. We followed the progress of the Bali summit, which has paved the way towards a post-Kyoto protocol. Cementos Portland Valderrivas has consolidated its support for the opportunities offered at national and international level in the battle against climate change in a market where the demand for cement is growing. This is reflected in the increase of our Group's tools for managing carbon dioxide emissions and the greater use of alternative fuels in our production installations, favouring the gradual replacement of fossil fuels.

Combating the most serious environmental threat to the planet is at the core of our corporate strategy. Our response is based on proactively monitoring the development of regulatory frameworks, evaluating state-of-the-art mechanisms for reducing emissions and implementing plans and programs to reduce the impact of our activity and demonstrate our commitment to fighting climate change.

Construction



Growth in the construction sector in 2007 has been uneven, with the rise in international activity converging with the foreseeable deceleration of the Spanish sector. The year also marked a shift in focus for the industry, with greater emphasis on public works and infrastructure development. FCC Construcción has consolidated its reputation both in this sector and international markets, proactively monitoring and evaluating regulatory developments, such as sustainable construction standards and the new Government Procurement Act, best formulas for public-private collaboration, and infrastructure design based on sustainable development principles. In doing so, we have reinforced our adherence to the environmental and social criteria which allow us to address the risks and impacts of our actions from a broader perspective.

Perhaps the greatest social challenge for the construction sector is ensuring the safety of its own personnel and contractors' employees, a particularly sensitive issue in Spain where the national rate of work-related accidents remains above the UE-15 average. FCC Construcción has reinforced its commitment to providing risk prevention training to promote health and safety in the workplace. We have also extended the scope of our OHSAS certification, and participated proactively in the development of sectoral measures, incorporating the recommendations of SEOPAN (Spanish Association of Construction Companies) and the Ministry of Work and Social Affairs. FCC Construcción recognises that safety is an attitude accompanied by consistent conduct. Consequently, we have increased training in risk prevention, healthy habits, stress management and other factors with a proven impact on work safety. We have also raised awareness through campaigns, and highlighted the role of works safety managers and the influence of informal leaders, who are employees committed to the safety of their fellow workers.

We have built metro networks in India, tunnels and motorways in Austria, bridges over the Danube, hospitals in Spain, residential areas in Slovakia, shopping centres, university campuses, offices, and sports installations, etc. Through these and other projects FCC advances development and promotes well-being. The key to our success is the know-how we have demonstrated throughout our many years of experience and the works we have effectively and responsibly completed. Our main priority is the safety of the people who make each new project possible, and accident prevention is therefore a key concern. We never resign ourselves to the fact that not all factors can be 100% controlled, and do not limit ourselves to establishing standards, we strive to promote safe and responsible conduct.



Women's refuge, Gijón, Asturias

Real Estate



In 2007 residential real estate development and equity management witnessed a decline in demand, with a reduction in the relative weight of new private housing offset by an increase in that of other segments, such as subsidised, rented, and renovated housing, as well as the non-residential business. Realia carries out projects in different segments with extensive social demand, creating wealth and employment by managing its activity in an efficient and profitable manner. Despite the downturn in the sector, real estate development and equity management continue to represent a significant area of activity and wealth creation. Market conditions and growing public scrutiny call for sustainable business development based on profitability, growth, quality, technological innovation and awareness of demand, with properties that improve our customers' quality of life while respecting the surrounding environment.

The decisions made during our urbanisation, architectural design, construction, material selection and user information processes have far-reaching environmental and social implications. Realia takes these issues into account, incorporating them into its processes to achieve savings in energy and water consumption and ensure the health and well-being of people using our buildings.

FCC participates in the development of sustainable construction, an area of emerging demand. We have evolved a two-tiered approach: firstly, we give special consideration to the environmental criteria relevant to our activity; secondly, we collaborate with the external framework which defines sustainable construction, participating in sectoral work groups with the different players forming the real estate development and equity management value chain.



Housing in Fuenlabrada, Madrid



Services



Industrial development generates both economic and social benefits, but can also lead to the deterioration of ecosystems if production activities are not adequately managed. The quality of the environment is closely linked to health and well being and management models for economic activity must therefore consider the optimal parameters for a healthy environment. Urban growth presents new challenges to city administrators and operators, particularly with respect to the quality and organisation of services to provide for the intense activity in city life. FCC Medio Ambiente responds to new demands in water, sewage and waste management and transport networks, etc. In this regard, eco-efficiency is perhaps the greatest challenge faced by the Group.

Our eco-efficiency approach is founded on innovation and progressive improvement in the implementation of the management solutions we offer. Adherence to ever-evolving regulatory standards, the development and incorporation of new technologies and management models to achieve maximum efficiency and savings, and the minimisation of environmental impact are at the heart of our business strategy. Unquestionably, though, it is the use of ecological technologies that will allow us to apply environmental best practices in our operations and attain the best results in savings, efficiency and the use of renewable energies.

Urban solid waste collection. Side-loading collection vehicles, Barcelona



Bicycle pick-up points. Pamplona, Navarra



Road sweeper service, Valladolid.

Positioning of the FCC brand. FCC's ascent in Merco empresas and Merco personas.

The FCC brand is fully consolidated on the Spanish and international markets as a century-old company committed to the quality of its products and services. In recent years the Group's financial results have grown considerably, and operations have been undertaken in a large number of countries.

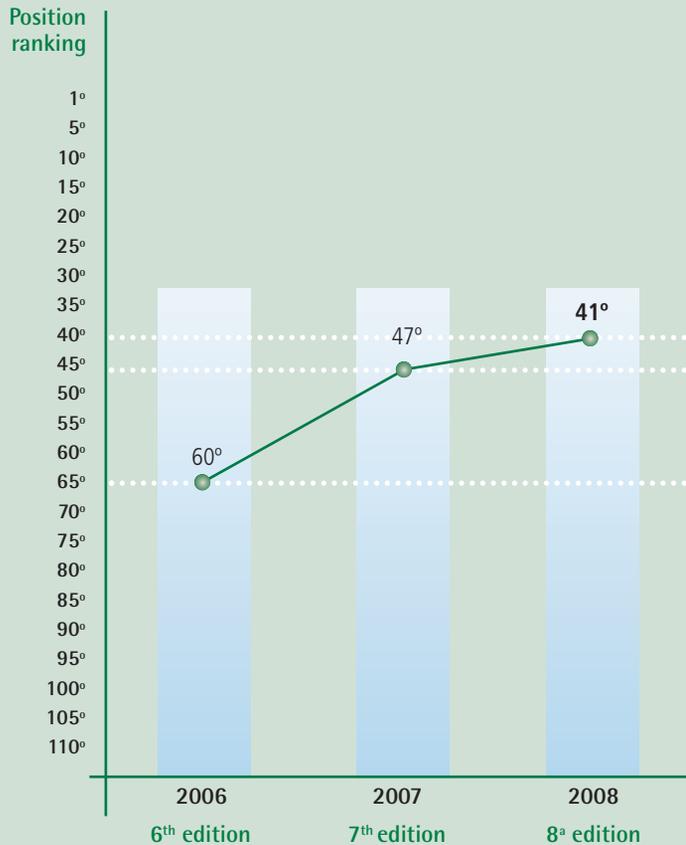
Brand reputation is an intangible yet strategically crucial area for all companies. This concern is addressed by Merco Empresas, which publishes the main ranking of the 100 companies with the best reputations, based on a study involving over 1,500 people, including chief executives, financial analysts, NGOs, trade unions, consumer organisations and opinion leaders.

FCC is also perceived as one of the best employers in Spain. The Group, which employs approximately 100,000 personnel, is increasingly valued as a company that strives to attract and retain talent. This perception is also reflected in the Merco personas ranking of the 100 best employers in Spain, which places particular emphasis on working conditions, work-life balance and internal reputation.



The three latest editions of this survey reflect the progress of FCC as a company, and especially that of its leader Esther Koplowitz, who has moved up 45 places.

FCC's position in the Top 100



FCC's position in Merco personas



FCC's new socially responsible logo

At FCC we can be proud of our history. We have recently become honorary members of the select club of companies that have celebrated more than one hundred anniversaries, over the course of which we have maintained a fresh outlook, adapting and evolving with the societies in which we are present.

Our values, culture, and ability to create positive attitudes set us apart from companies which fell by the wayside while we prospered.

The FCC Group is aware of the value of the organisation's culture, and we are therefore committed to projects which reinforce the Company's image, underlining our distinguishing attributes, capacities and aspirations.

We have continued to create and distribute value, making a significant contribution towards providing the countries and communities in which we operate with infrastructures, buildings, and environmental services that are both efficient and respectful of the surrounding societies and environment. FCC is a major driver

of direct and indirect wealth creation, generating profits for its shareholders, creating employment either directly or through suppliers and contractors, investing in R+D+I, paying taxes, and designing voluntary social initiatives to benefit the societies and communities in which we are present.

In 2007 the FCC Group designed a new logo to express its position and activity with respect to corporate social responsibility. The logo chosen, which symbolises excellence, is an emblem that reflects the character and vision of FCC, our Group's seal of quality.

The colours chosen for the logo can be readily identified with both the company itself and with corporate social responsibility issues and activities. The logo incorporates blue and green, which are corporate colours associated with water, ecological initiatives and paper recycling; yellow, associated with the recycling of containers and packaging; and grey, which is internally identified with corporate governance.



Economic value generated and distributed by FCC: assistance received

The economic value distributed is up Euros 4,379 million, representing a 49% increase compared to 2006

Economic value generated			
	2007	2006	2005
Income (thousands of euros)			
Turnover of products and services	13,880,633	9,480,928	7,089,787
Total economic value generated	13,880,633	9,480,928	7,089,787
Economic value retained			
	2007	2006	2005
Economic value retained (thousands of euros)			
Economic value generated	13,880,633	9,480,928	7,089,787
Economic value distributed	13,283,289	8,903,405	6,685,323
Total economic value retained	597,344	577,523	404,464
Economic value distributed			
	2007	2006	2005
Materials consumed and other external expenses (thousands of euros)			
Materials consumed (suppliers of materials and services)	6,352,253	4,512,844	3,277,051
Other external expenses	2,588,603	1,512,614	1,069,045
Total	8,940,856	6,025,458	4,346,096
Salaries and remuneration (thousands of euros)			
Wages and salaries	3,093,509	2,180,050	1,863,615
Total	3,093,509	2,180,050	1,863,615
Payments to providers of capital (thousands of euros)			
Dividends payable to shareholders	384,454	210,736	177,572
Interest payable on loans	515,254	209,139	80,881
Total	899,708	419,875	258,453
Payments to governments (thousands of euros)			
Taxes			
Income taxes	349,216	278,022	217,159
Total	349,216	278,022	217,159
Total economic value distributed (thousands of euros)	13,283,289	8,903,405	6,685,323



Significant financial assistance received from governments

The shareholder structure of the FCC Group does not include any Spanish public entities. However, certain subsidiaries of Aqualia, engaged in the management of the integral water cycle, are part-owned by city councils, which ensure the correct management of the service.

Aqualia currently owns 98.67% of the share capital of the Czech company SmVak Rep, and the remaining interest is owned by local shareholders, including various corporations. Nevertheless, the region's water supply was managed by the former State authority (SmVak) until 1992, and subsequent to privatisation the shareholder structure comprised towns and communities in the region.

Similarly, some subsidiaries of FCC Ámbito are partly owned by public companies or autonomous bodies (Recilec, Aragersa and Atramed).

Grants received from governments

- Aqualia Spain: Euros 5,981,856.
- Aqualia industrial: Euros 36,902.
- Aqualia infraestructuras: euros 830,919.
- FCC Construcción: Euros 693,584.36 in respect of rebates for training.
- Cementos Portland Valderrivas: Euros 486,351.

R+D subsidies

- Aqualia industrial: Euros 384,600.
- FCC Construcción: Euros 807,859 859 in outright grants, in addition to interest-free loans of Euros 3,960,201.
- Medio Ambiente España: Euros 100,100.
- Mobiliario Urbano España: Euros 110,445.7.

Value for FCC shareholders

The rising trend in the stock exchange yield in 2007 was curbed by the sub-prime crisis, which affected all international markets. The US credit crunch has resulted in heavy losses for financial entities on both sides of the Atlantic, leading to downward revisions of world growth forecasts.

FCC's share quotation at year end was Euros 51.40 per share, with a loss for the year of 33.4%.

The dividend on account of 2006 paid out on 8 January 2007 was Euros 1.00 gross per share, totalling

over Euros 130 million, which is 30.5% higher than the amount distributed in January 2006. On 9 July a supplementary dividend of Euros 137 million was distributed, representing Euros 1.05 gross per share. In total FCC has distributed dividends of Euros 2.05 per share from profits for 2006, which is 27.0% higher than the dividend distributed from profits for the prior year and represents a payout ratio of 50%.



The value of quality: customers and users

FCC has very different customers, ranging from corporate clients of Cementos Portland Valderrivas to public administrations and private customers of FCC Medio Ambiente and FCC Construcción or the individual customers of Realia. FCC provides services to millions of people, receiving FCC assistance in their homes, districts, towns, airports, companies, and so on.

Quality and customer service are key to the value FCC contributes to its customers and the general public. Most FCC Group companies have quality certifications (ISO 9001), some companies being pioneers in their sectors with innovative customer service policies.

Customer satisfaction once again achieved positive overall results in 2007, and this year customer satisfaction surveys were also distributed by the Group's international companies, such as SmVak.

FCC has customer service offices for its core activities, such as Aqualia's services site, which offers corporate website and a virtual office called aqualiaOnline. In 2007 this website received more than 294,000 hits.

FCC's commitment to quality and customer service training for its employees is demonstrated by 13,400 hours of training given to almost 1,200 participants during the year.



Customers have created value for FCC through turnover, which grew 46.4% to Euros 13,880.6 million

Customer satisfaction surveys show a positive overall perception of FCC

In Spain FCC has invested 13,400 hours in quality and customer service training for its employees



All programmes for adherence to laws or quality standards and information on products and/or services, comply with prevailing legislation and internal operational regulations in all areas and subsidiaries. Quality control of services and products goes far beyond minimum requirements and is structured through management systems and the most renowned international quality standards, the ISO 9001.

In 2007, new voluntary quality assurance measures were put in place. Aqualia Spain has implemented a marketing and communication management procedure within the framework of the company's quality control system (ISO 9001 certified). This plan includes a system to monitor activity in each region on a quarterly basis and activity at headquarters on an annual basis. Cemusa Spain is a member of the Spanish advertising self-regulation organisation (Autocontrol de la Publicidad), the Spanish association of foreign advertising agencies (AEPE), the association of Spanish advertising media (AMPE) and the European federation of foreign advertising agencies (FEPE). Cemusa United States is also a member of the Outdoor advertising association of America, Traffic audit bureau and Association of Hispanic Advertising Agencies.

Business area	ISO 9001
Realia	X
Aqualia (including SmVaK)	X
Ámbito	X
ASA	X
Aparcamientos	X
Cementos Portland Valderrivas, S.A.	X
FCC Construcción	X
Medio Ambiente	X
Proactiva	Equivalent

FCC and its suppliers – a reciprocal commitment

FCC's supplier policy is based on compliance with the prevailing regulations and legislation in each sector. The Group realises how important it is to build good relationships with suppliers and foster mutual trust, guaranteeing the transparency and mechanisms required to instil innovation and sustainability, adequately assessing its commitment and effort to comply with quality, health and safety and environmental obligations.

In order to strengthen our commitment to extending our quality, environmental and health and safety policies to our suppliers and contractors, they are provided with specific documentation on environmental management and health and safety and all specifications are also stipulated in our contracts.

Local suppliers are particularly important to the Company because local purchases are considered a responsible way to procure supplies due to the contribution they make to the local economy. For example, the same types of local suppliers from the Czech Republic were used following Aqualia's acquisition of SmVak. Certain events have also been held with local suppliers, such as unveiling the new corporate brand image to the media and participation in various trade fairs (Poland and the Czech Republic).

This line of action is consistent with FCC's policy of "global management with a local focus", whereby the Company strives to provide all kinds of solutions to its activities and to tailor them to each contract. Consequently, business models should be adapted to countries where the Company operates and local suppliers have more knowledge and experience in these matters.

The FCC Group's code of ethics considers contractors, suppliers, and collaborators as crucial to meeting growth and development objectives.

The Group has undertaken to put its principles into practice in relationships with collaborators, to work actively to transfer values and principles and to encourage and reward collaboration that meets advanced social, environmental and ethical standards.

All FCC Group employees involved in selection of contractors, suppliers and third parties must act impartially and objectively, applying transparent criteria adhering to applicable internal regulations.

The FCC Group promotes and informs its contractors and suppliers of the contents and principles of this code of ethics, particularly those which explicitly refer to the Group's relationship with its collaborators.



Purchases from local suppliers

Company	%	Value (Euros)	Type of goods/services
Services			
Cemusa	90.12	58,163,733.00	Street furniture, consumer goods, replacements and civil works.
Logística	56.43	194,658.12	Road transport services.
Conservación y sistemas	98.09	40,200,000.00	Miscellaneous services and materials.
Transporte de viajeros	100.00	3,166,662.00	Maintenance, spare parts and energy.
FCC Ámbito	3.27	202,000.00	Plastic drums, metal drums with spring closure and bigbags.
Aqualia Infraestructuras	46.63	nd	Civil works.
Medio ambiente	40.00	nd	Miscellaneous services and materials.
Construction			
FCC Construcción			Corrugated steel, metal structures, electrical installations, outside carpentry, walls, plumbing, heating installations, cement, ceramic brickwork, steel reinforcement, land excavation, lifts, concrete, manual labour, concrete structures and masonry.
Spain	61.54	600,434,000.00	
Alpine Austria	100.00	441,637,266.98	
Real Estate			
Torre Picasso	100.00	10,368,674.00	Maintenance services and construction materials.

Only data available at the close of this report has been included. Further information can be found in the reports for each specific business area.

Case study: Project Galileo

The project aims to integrate FCC's new international acquisitions into the Group's socially-responsible culture



Project Galileo dates back to the FCC Group's 2002-2004 Strategic Plan, the main aim of which was to increase profitability in key FCC sectors (services, construction and cement) through companies acquired outside of Spain. The five companies comprising Project Galileo were acquired at the end of 2005 and in 2006. These European companies which operate across Eastern and Central Europe were particularly noteworthy because of their strong historical growth, geographical expansion, and leadership in the economic sector in which they operate.

The following companies have been analysed to date:

- **ASA Abfall Services**, was acquired in November 2005. ASA is engaged in integral waste management services, operates in various countries across Central and Eastern Europe and is the leading company in the sector in its home country of Austria.
- **SmVaK**, was acquired in April 2006. This is the third largest water treatment and management company in the Czech market and operates in several European countries.
- **Waste Recycling Group (WRG)**, was acquired in July 2006. WRG specialises in integral waste management and operates only in the United Kingdom, where it leads the sector.
- **Alpine** was also acquired in July 2006 (80.7% of share capital). This Austrian construction company operates in more than 20 countries across Europe and Asia.
- **Aeroporti di Roma Handling (ADRH)**, a baggage handling company at Rome airport, which became part of FCC Company Flightcare.

The diversity of these companies' structures, geographical scopes, financial sectors of activity, cultural differences and business maturity demonstrated the need for an ordered and structured process to bring the subsidiaries into line with the new parent company. In such a varied and fragmented environment, lack of cohesion would not only carry reputational and business risks but would also prevent achievement of the ultimate goal of the strategic plan; growth and profitability through synergies with the acquired companies.

Consequently, in April 2007 Project Galileo was launched in collaboration with PricewaterhouseCoopers to implement a rapid and efficient process to coordinate the companies, therefore achieving maximum convergence with the FCC Group and guaranteeing successful synergies. The project aimed to review whether the minimum requirements of the post-integration process were adhered to and to fully capitalise on the companies acquired, assimilating their know-how in countries where they were market leaders to maintain and boost growth.

Although cohesion processes following an acquisition need to cover all the operational and corporate areas of the companies involved, Project Galileo focused on three areas: legal advisory, corporate social responsibility and external and internal communication. Work is largely based on reviews of operations in each of the areas described through meetings with teams from the companies acquired, and these reviews are then compared to the situation at FCC to identify key differences. An action plan and coordination mechanisms are subsequently set in motion to achieve cohesion and to make full use of best practices in both companies.

This working method not only helped gain extensive knowledge and an insight into the activity and human capital of the organisations acquired, but also allowed significant risks and areas for improvement to be detected at all management levels. The project would not have been possible without the valuable support and participation of the working groups during reviews of operations and methods of convergence.

The work undertaken covers the following CSR areas:

- Strategic CSR approach: analyses to what extent the Company's mission statement and vision concur with corporate social responsibility issues, whether there is a CSR department or where CSR is placed within the organisation.
- Good governance and governing bodies: risk and internal audit committees, corporate governance structure, number of meetings.
- Human resources management: employee satisfaction surveys, career aspirations, 360° evaluation processes, rotation and training.
- Human rights, ethics and corruption: includes information on the percentage of trade union representation, adherence to international human rights agreements or standards, confidentiality policies for complaints made about corruption and other issues.
- Health and safety in the workplace: monitoring and reduction of work-related accidents, specialised management systems and other measures to improve the quality of work and employee safety.
- Change management: review of the procedures employed during structural and organisational change.
- Diversity/equal opportunities: percentages of employees from minority or underprivileged groups, employee ratios by gender and other indicators and measures to increase diversity and guarantee equal opportunities.
- Management of natural resources and respect for the environment: production review to improve efficiency and reduce emissions and consumption.
- Business partners: analysis of the Company's relations with subcontractors, suppliers, customers and authorities to ensure that they meet the Company's requirements for quality and responsibility.
- Community relationships: initiatives to encourage dialogue and collaboration with local communities.
- Reporting and communication.





towards a low carbon economy

Through its commitment to CSR, the FCC Group promotes progress across its business areas towards a shared Company goal of *a low carbon economy*

Five projects CDM registered by FCC in 2007	14.21% reduction in CPV's CO ₂ emissions since 1990	89% of the 2012 CPV CO ₂ emissions reduction target met in 2007
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The 2007-2008 Corporate social responsibility Master Plan establishes FCC's strategic objective to "assume, perform and publicize its role in the fight against climate change". During the first year of this plan, FCC has worked hard to transform the approaches of the different areas into progress for the Group as a whole.

We have shared the analysis of the risks and opportunities posed by climate change to FCC's activities, as well as strategies and experiences in managing the risks identified and converting

opportunities into success. In this way we have built a solid common analytical approach that has been updated with post-Kyoto 2012 developments and the initiatives of the recent Bali conference.

As a Company, we are fully aware of the situation, and can accurately identify the sources of our emissions, our strong points and the areas where we need to make improvements. FCC has made progress in the use of technologies to maximise energy efficiency and renewable energy sources.

At the end of 2007 we are in an excellent position to set specific Group objectives on climate change. The work carried out as a Group contributes towards meeting the commitments laid down in the Corporate social responsibility Master Plan, as well as meeting our stakeholders' expectations, including financial analysts and those responsible for international sustainability indexes.

FCC Construcción and Cementos Portland Valderrivas have signed up to the United Nations' Bali Declaration on international solutions to the problem of climate change

FCC'S commitment to combating climate change

The FCC Group accepts its responsibility to meet the challenges posed by climate change. Although part of the Group's activities are focused on contributing to improving quality of life by creating processes that minimise the Company's impact on society and the environment, there is no doubt that many of the processes inherent to FCC's activities have a detrimental effect on the environment and contribute towards climate change.

FCC Construcción and Cementos Portland Valderrivas Sign Up to the Bali Declaration

FCC Construcción and Cementos Portland Valderrivas together with 138 other companies, 13 of which are Spanish, have signed up to the Bali Climate Change Declaration to promote international solutions to climate change following the United Nations Climate Change Conference held in Bali, Indonesia in December 2007.

This unprecedented initiative has led the world business community to call for the following:

- A binding United Nations legal framework within which to fight climate change.
- Objective emissions reductions based on scientific findings.
- Greater effort by industrialised nations.
- An agreement amongst world leaders on a road map to assure effective implementation in 2012, the year the Kyoto Protocol expires.

In order to continue improving the Group's environmental performance, FCC created an environmental work group with the objective of learning and exchanging experiences in the Group's different areas, identifying synergies and detecting new possible areas of improvement in environmental management in order to set new goals.

FCC Environmental work group

The first session of the FCC environmental work group focused on greenhouse gas emissions, climate change and sustainable construction, with the ultimate goal of establishing firm Group commitments in the fight against climate change, as well as exchanging experiences and creating synergies across the business areas.

Over the course of the day, those responsible for environmental issues in each of the FCC business divisions presented various projects planned or underway, with a clear focus on minimising the impact of greenhouse gas emissions. Several risks identified by the divisions relating to climate change were also discussed, including:

- Climate conditions that may cause difficulties or increase construction costs.
- Rise in fuel prices.
- Post-Kyoto uncertainty on emission rights allocations.
- Legislation based on the Spanish Climate Change and Clean Energy Strategy (EECCCEL).

Based on the conclusions reached at the 1st environmental work group, a series of short and medium-term initiatives were drawn up to strengthen the Group's environmental criteria in areas identified as showing room for improvement, the most significant of which were the following:

- Approval of the FCC Group environmental policy. Most business areas have had specific environmental measures in place for some time.
- Standardisation of the criteria used to measure and assess CO₂ emissions.

- Establishment of specific, quantified targets for reducing CO₂ emissions at a Group level and the corresponding action plans in each of the business areas. To date, the emissions reduction target has been set at Group level, but has yet to be quantified.

- Incorporation of specific climate change criteria in the R+D+I project selection process.

- Promotion of a Group code of conduct aimed at suppliers and contractors, including issues relating to the control and minimisation of the environmental impact linked to climate change.



Managing climate change risk

The company has analysed the main climate change risks it faces, identifying possible opportunities for improvement in the activities it carries out.

Climate change risks and opportunities for the FCC Group

Cement

Aside from the risks and opportunities already managed by CPV, the biggest climate change risk for the cement division at the end of 2007 concerns post-Kyoto uncertainties. Depending on the line taken by regulators after 2012 on greenhouse gas emission allowances, investment in emission reduction projects could be more or less profitable.

Real Estate

Climate change has potential financial and business implications for the real estate industry. Faced with the risks of climate change, industry-wide agreement to pursue the advantages of sustainable building is needed. Eco-efficient investments and solutions face various obstacles on the market, the most significant being the price of property.

Realia takes a proactive approach to managing the risks and obstacles posed by climate change. The Company contributes to the development of knowledge and to meeting demand for sustainable building projects through its participation in industry forums and work groups, taking a responsible and positive approach to climate change.

Market opportunities are approaching with media attention to climate change, growing public awareness and legislation that promotes and favours investment in clean technology solutions.

Waste management

The climate change risks faced by this area are few in number, as waste management does not depend on water consumption nor does it directly generate GHG emissions. Furthermore, hazardous and urban waste treatment plants are excluded from carbon trading schemes.

Nevertheless, the effects of climate change may be felt during periods of increased rainfall that may cause excess leachate production in landfills and greater rain/industrial run-off at waste treatment plants.

The Waste Recycling Group (WRG) is engaged in urban waste management, and a significant part of its income is generated by landfill waste disposal. The Company's fiscal policy and business strategy are geared towards alternatives in waste management involving lower potential GHG emissions, and WRG is accelerating the process of reducing the amount of waste sent to landfill in favour of recycling. The Company is also involved in the construction and management of incineration plants, which are under increasing pressure from NGOs regarding authorised GHG emissions control.

The challenge of climate change also presents opportunities for waste management activities. Increased awareness of the problem has meant that society as a whole has become more conscious of the need to adequately manage waste, including that which produces environmentally damaging gases. FCC Ámbito has one of the most extensive networks of facilities for treating industrial waste in Spain, including waste containing substances that deplete the ozone layer and contribute towards the greenhouse effect, such as fridges, aerosols etc. The Company also owns installations that manufacture fuel derived from waste, which is used in cement factories as an alternative to fossil fuels.

Water management

The forecast droughts brought about by climate change could cause the following problems for water management activities:

- ❑ Lower levels of activity due to the sale of water.
- ❑ Higher costs for raw water collection.
- ❑ Need for greater investment in mechanisms to deal with drought periods.
- ❑ The need to redefine the relationship between investment requirements and the recovery of associated costs.

Possible commercial opportunities may also arise:

- ❑ Construction and management of desalination plants.
- ❑ Investments in hydrological infrastructure (maintenance to improve pipeline efficiency).
- ❑ Investments in irrigation efficiency.

Construction

The effects of climate change will also require a number of modifications to the construction industry:

- ❑ The need to adapt construction models to meet the demanding requirements of the Kyoto protocol.
- ❑ Higher prices for certain construction materials as a result of climate change policy.
- ❑ Design of new products and solutions to adapt buildings to more extreme climate conditions, as well as ensuring that they are more sustainable and resource efficient (e.g. systems that use energy more efficiently).
- ❑ Construction of extreme weather adaptation measures (dike and dam strengthening, port infrastructure, repair of weather damage, etc.).

With regards to the opportunities created by climate change, the Group has the possibility of taking part in schemes such as the Verified Emissions Reductions (VER) emissions trading scheme, as well as developing projects that can be exported and that allow for anticipating upcoming legislation and other obligations. It is also possible to roll-out initiatives within nationwide policies that are beneficial, both in terms of image and corporate social responsibility as well as through the financial benefits gained through certified emissions reductions.



Logistics services

The Company's entire logistic services take place in warehouses located on industrial estates where flood risk due to torrential rain, is high. A possible hike in fuel prices is another risk which must be taken into account.

Street furniture

Climate change (higher temperatures, increased rainfall and especially stronger winds) could directly affect Cemusa's activity, the installation of street furniture, with greater demands at the design stage and the need for more resilient furniture. It will also be necessary to make technological adaptations to products to minimise their contribution to climate change, for example, using solar panels, energy efficient lighting or through sustainable mobility. Developing new products that meet these requirements calls for investment in R+D+I.

The growing tendency of town councils to limit access of private vehicles and promote use of public transport in an attempt to reduce emissions provides opportunities to increase our visibility through street furniture advertising.

ITV

Taking into account that Technical Vehicle Inspections (ITV) cover vehicle gas emissions, a possible climate change opportunity could be an increase in the frequency of these checks, which would in turn raise the volume of activity, although growth cannot be currently quantified.



Managing reductions in our CO₂ emissions

The FCC Group is engaged in activities which produce a sufficiently large amount of greenhouse gas emissions as to warrant special mention in this chapter. This is the case for the cements division, the only Group activity included within the emission rights allocation procedure.

Greenhouse gas emissions are generated by construction activities through the use of machinery, as well as transport activities (logistics, industrial and urban waste collection and road cleaning) and the depositing of waste in landfill sites, which also need to be controlled.

In addition to reducing emissions generated by FCC's processes and services, the Group also employs waste management as a means to increase its contribution to minimising greenhouse gas emissions.

Main lines of action employed by the FCC Group to reduce CO₂ emissions

- ▣ Gradual implementation of climate change risk management into the FCC business strategy.
- ▣ Fine tuning of processes aimed at reducing emissions.
- ▣ Advances in the use of technologies which make the most of energy and maximise renewable energy resources.
- ▣ Implementation of clean development mechanism (CDM) projects.

Construction

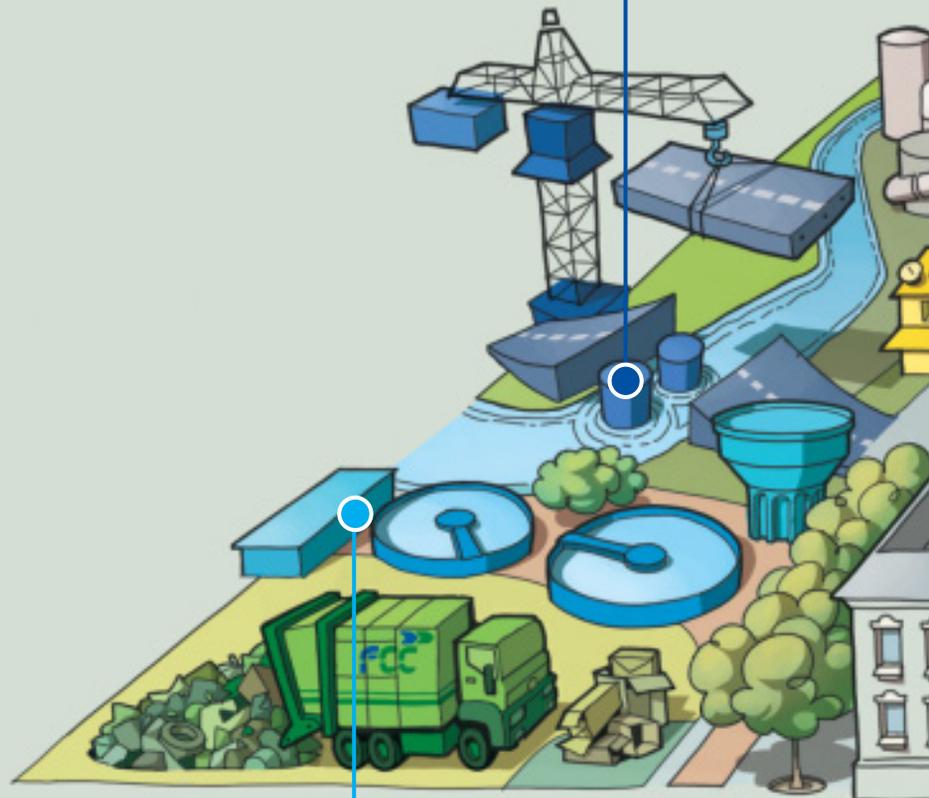
35,901 Tm of direct CO₂eq emissions from land excavation

Activities that produce emissions

- Fuel consumption by machinery and material transportation

The fight against climate change

- R+D+I. Arfrisol bioclimatic architecture project
- Soil lime stabilisation
- Sustainable construction work groups



Water management

46,119 Tm of direct CO₂eq emissions

Activities that produce emissions

- Consumption of fuel and electrical energy in buildings

The fight against climate change

- 72% of sludge generated by wastewater treatment plants is used in the agricultural sector
- 8,740,969 kWh of electrical energy produced with the biogas generated by wastewater treatment plants

Cement

12,308,497 Tm of direct CO₂eq emissions

Activities that produce emissions

- Fuel consumption by furnaces and transportation
- Decalcification of raw materials

The fight against climate change

- Two CDM projects
- Use of waste as raw materials and alternative fuels
- Consumption of decarbonised raw materials
- Processes with high energy efficiency
- Participation in the Spanish Carbon Fund

Real Estate

52 Tm of direct CO₂eq emissions

Activities that produce emissions

- Consumption of fuel and electrical energy in buildings

The fight against climate change

- Energy efficiency in buildings
- Bioclimatic architecture development



Environmental services

7,557,713 Tm of direct CO₂eq emissions

Activities that produce emissions

- Breakdown of organic materials in landfills
- Cleaning vehicles and waste transportation
- Combustion installations in waste treatment plants

The fight against climate change

- Capture of landfill biogas(8,362,141 GJ by WRG)
- Recycling and recovery of biodegradable waste
- Seven CDM projects

Other services

117,587 Tm of direct CO₂eq emissions

Activities that produce emissions

- Transport vehicles
- Electricity consumption by street furniture, warehouses and luggage transfer equipment used for handling services
- Fuel consumption in warehouses

The fight against climate change

- Episol Project: electrical vehicle
- Replacement of fleets of vehicles and machinery
- Redesign of warehouse to increase natural light
- Participation in sustainable transport development

Reduction of CO₂ emissions

The FCC Group's greenhouse gas emissions are detailed below.

Organisation	Direct GHG emissions, KgCO ₂ emitted (kg CO ₂ eq)	Indirect GHG emissions related to the generation of electrical, heat or steam energy acquired from external sources (Tm CO ₂ eq)
Cements	12,308,497,000.00	
Construction	35,900,970.00 ⁽¹⁾	1,333.85 ⁽²⁾
Real Estate	52,000.00	2,183.00
Services (FCC Ámbito)	670,494.00	
Services (Aqualia)	46,118,876.70	159,389,697.96
Services (FCC Medio Ambiente Spain, WRG)	7,510,923,140.00	37,753.74
Services (Versia)	117,587,123.94	24,410.70

(1) Emissions generated by land excavation by FCC Construcción.

(2) emissions generated by electrical energy consumed in FCC Construcción offices.

* No data available for Proactiva Medio Ambiente, ASA, international construction and SmVak.



CO₂ Management at Cementos Portland Valderrivas

Cementos Portland Valderrivas is working to anticipate greenhouse gas emission requirements for its cement production activities, and in this regard has prepared emissions inventories since 2000.

The cements division is the only Group activity included within the procedure for allocating emission rights

Cementos Portland Valderrivas has had emissions inventories since 2000

CO₂ released into the atmosphere during the cement manufacturing process has two origins:

- 60% of the total originates from the decarbonisation process, whereby limestone (CaCO₃, which is used as the main material in the process) is converted into lime (CaO) and carbon dioxide (CO₂). The scope for action to reduce these emissions is minimal.
- The remaining 40% is produced during the combustion required to reach the high temperatures necessary to activate the chemical reaction that forms clinker. Consequently, these emissions are directly proportional to specific fuel consumption and to the relationship between the carbon content and the fuel's calorific power.

Cementos Portland Valderrivas' strategy for controlling and reducing CO₂ emissions, in line with the "Fight against climate change" plan contained within the FCC master plan, is based on the following:

1. Improved energy efficiency through the manufacture of clinker in more efficient furnaces, with a lower specific consumption per tonne of clinker produced.
2. Increased use of materials which include lime (CaO) in their composition, to help reduce CO₂ emissions in the clinkerisation process.
3. Promotion of the use of alternative fuels deriving from wastes which would otherwise end up in landfills, especially biomass.

In 2007 two CDM projects which use husks as biomass were registered in San Luis (Argentina) and Minas (Uruguay). Allocation is expected following the verification of 79,400 CERs, which started in December 2007

Cementos Portland Valderrivas has set the objective of reducing its CO₂ emissions per tonne of cement manufactured by 16% by 2012 compared to 1990 figures

4. Improved use of additions in the manufacture of cements, whereby the level of clinker per tonne manufactured is minimised, whilst maintaining product quality.
5. Participation as a Group in the Spanish carbon fund, to which we have contributed Euros 2.5 million.
6. Participation in the emission rights market by supporting clean development mechanisms (CDM).

This climate change strategy is the best way to continue our progress in reducing CO₂ greenhouse gas emissions per manufactured unit, through the use of decarbonised raw materials and alternative biomass-based fuels.

Cementos Portland Valderrivas has set the objective of reducing its CO₂ emissions per tonne of cement manufactured by 16% by 2012 compared to 1990 figures.

CO₂ emissions (kg/Tm of cement)

	1990	2006	2007
Tunisia	708	708	729
Argentina	638	546	594
Uruguay	900	691	668
USA	976	848	819
Spain	767	665	659
Total Cementos Portland Valderrivas	790	678	678
% reduction compared to 1990		14.18%	14.21%

Cementos Portland Valderrivas has recorded a 14.21% reduction in its CO₂ emissions per tonne of manufactured cement in 2007, compared to 1990 figures



The progressive use of alternative fuels and improvements in production systems has led to a more competitive position for the Group, which is prepared for the introduction of stricter criteria announced for future allocation of greenhouse gas emission rights.

Direct CO₂ emissions in Spain over the last five years, broken down by factory and expressed as the weighted average in kg of CO₂ per tonne of clinker produced, are as follows:

Values for 2003 and 2004 were obtained by applying the World Business Council for Sustainable Development (WBCSD) monitoring system. In 2005, 2006 and 2007, figures reflect data verified in line with the prevailing "Specific regulation for the verification of reports and information on greenhouse gases (GHG) of the installations affected by the national allocation plan", and monitoring was carried out to ensure compliance with the authorisations for GHG emissions applicable in the autonomous communities in which the installations are located.

Direct CO₂ emissions in Spain (Kg/Tm of clinker)

Plants	2003	2004	2005	2006	2007
Álcala de Guadaíra	909.6	896.1	838.3	848.4	849.4
El Alto grey clinker	893.0	878.0	856.0	843.5	820.9
El Alto white clinker	1,190.0	1,139.0	1,075.0	1,1102.5	1,046.1
Hontaria	859.4	903.8	835.5	834.0	824.3
Olazagutía	918.8	905.1	878.0	855.7	872.0
Mataporquera	824.3	813.4	856.9	850.7	854.6
Lemona				766.2	751.4
Vallcarca					872.7
Monjos					862.5

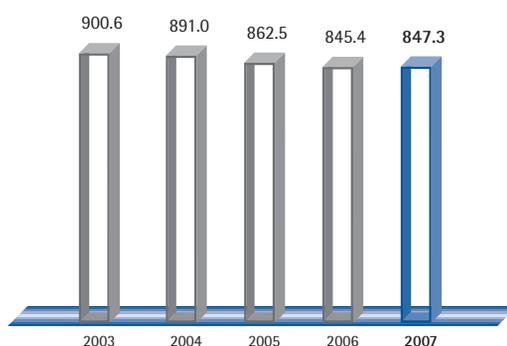
Direct CO₂ emissions for the USA and other countries in 2007 were as follows:

Direct CO₂ emissions in the USA (Kg/Tm of clinker)

Plants	2007
Harleyville	815.2
Bath	1,118.3
Thomaston	852.1

CO₂ Emissions in Spain (kg/Tm of clinker)

Weighted average



Direct CO₂ emissions in other countries (Kg/Tm of clinker)

Plants	2007
Enfidha (Tunisia)	862.4
San Luis (Argentina)	819.2
Olavarría (Argentina)	734.0
Minas (Uruguay)	846.5

The following table shows absolute CO₂ values broken down by country and expressed in tonnes, obtained using the World Business Council for Sustainable Development (WBCSD) calculation method.

CO₂ emissions in 2007 (Tm)

Countries	2007
Spain	7,667,563
USA	1,740,102
Tunisia	1,388,149
Argentina	1,186,544
Uruguay	326,139
Total	12,308,497

Indirect emissions are those which result from Group activities but are generated by sources which come under the control of other organisations. The table below shows indirect emissions generated by the transport of raw materials in the Group's cement factories in Spain.

Indirect CO₂ emissions in 2007 (Tm)

Plants	2007
Álcala de Guadaíra	4,553
El Alto grey cement	4,446
El Alto white cement	1,412
Hontoria	3,781
Olazagutía	1,969
Mataporquera	2,451
Lemona	1,508
Vallarca	2,367
Monjos	3,328
Total	25,814

Participation in the Cement Sustainability Initiative (CSI)

The objective of improving the management and reduction of CO₂ emissions has continued through work carried out as a member of the Cement Sustainability Initiative (CSI). This is one of the largest sustainability programmes undertaken by an industrial sector, and was implemented in 2000 with 10 of the leading cement companies in the world. Cementos Portland Valderrivas is a participant in the number one working group, which tackles the issue of environmental protection, and is currently developing a project to define a system to integrate the collection and processing of CO₂ emissions data throughout the world, including not only information on members but on the entire cement industry as a whole.

Emission rights allocated to Cementos Portland Valderrivas

In 2007 the Cementos Portland Valderrivas Group was granted free emission rights equivalent to 7,779 thousand tonnes, in line with the Spanish national allocation plan approved for the 2005-2007 period. This allocation relates to the following Group companies: Cementos Portland Valderrivas, S.A., Cementos Alfa, S.A., Lemona Industrial, S.A. and Uniland Cementera, S.A.

In 2007, emission rights consumption by Cementos Portland Valderrivas totalled 7,583 thousand tonnes.

Cementos Portland Valderrivas has joined fundación entorno -the spanish business council for sustainable development- in the fight against climate change

This relationship reflects the company's strong commitment to the Fundación Entorno-BCSD España in leading the way in the environmental and sustainable development fields.

The objective of the collaboration agreement is to carry out joint activities in the areas of sustainable development and corporate social responsibility, allowing the company to consolidate its leading position in sustainable development by implementing information, awareness, training, demonstration and research activities.

By virtue of this agreement, the cements division will take part in the "Energy and climate change: sustainable construction" and "The role of businesses in society" working groups, comprised of leading Spanish companies which aim to jointly tackle the challenges associated with sustainable development.

The initiative is part of the framework of international working groups organised by the World Business Council for Sustainable Development (WBCSD), a leading international body which includes over 180 companies and of which the Fundación Entorno-BCSD España is the Spanish partner.



Involvement in the programme will allow the company to work through an international institution alongside other companies, dealing with issues as complex and important as climate change and sustainability in construction.

The division has already collaborated in the Foundation's "Energy and climate change" working group through its publication "eCO₂nomía".

Lines of action for the reduction of CO₂ emissions in the construction industry

The FCC Construcción division's commitment to combat climate change is channelled mainly through involvement in working groups that encourage a definition of the impact on the construction sector. In this spirit FCC Construcción participates in the Fundación Entorno's climate change and energy group, which aims to discuss, research, exchange ideas and act to encourage companies to tackle the main challenges and dilemmas presented by climate change.

FCC Construcción's main lines of action for reducing CO₂ emissions are as follows:

- Application of the best available techniques for reducing energy consumption.
- Use of alternative renewable energies.
- R+D+i: Arfrisol, a project based on bioclimatic architecture.
- Management of the works life cycle.
- Regulatory adaptation: technical building code, construction and demolition waste regulation, environmental responsibility law, noise legislation (DB-HR and regulation).

- Measurement of the main figures on transport fuels and subsequent energy consumption, and calculation of emissions avoided.
- Setting of indirect emission reduction targets.
- Carbon fixing measurements: neutralisation of the pH levels of tunnel waste through injection of CO₂ and formation of H₂CO₃.
- Transport reduction: optimisation of land movement via soil lime stabilisation.

Lines of action for the management of GHG emissions in FCC's urban waste activity

Service vehicles and landfills are the main sources of emissions for this kind of activity. As these are non-point emissions, the strategy to fight against climate change must be specifically designed with this in mind.

The division's waste management lines of action are not the same for every company, and vary in accordance with the type of waste managed and the

extent to which climate change policies have been implemented.

The main waste management lines of action are:

- The selection of protocols to measure greenhouse gas emissions.
- The use of technology to capture greenhouse gases and minimise their impact.
- The reduction of biodegradable waste sent to landfills and an increase in recycling and re-use of this waste, thus reducing emissions generated by the degradation of organic materials.

The management of landfill emissions is complicated because not only are non-point emissions involved, but there is also an absence of any reliable and proven specific measurement protocols for this kind of activity (which would allow for the development of quantified emission reduction action plans). The gas emitted is mostly methane, a greenhouse gas that has 21 times more global warming potential than CO₂.





Selection of emission measurement protocols

WRG has published a report containing its proposal for evaluating the global impact of its carbon emissions. Although the Company's activities have a positive impact on society they also emit CO₂, and it is important that this effect be studied and reduced as much as possible.

The quantification model proposed by WRG includes the following important factors:

- The Group's gross CO₂ emissions.
- Discounting of CO₂ released from waste materials during the natural cycle.
- Carbon emissions which are avoided through the generation of electricity from waste.
- Calculation of the amount of CO₂ trapped when materials are deposited in the landfill.

In 2007 FCC Medio Ambiente requested a study from the environmental department of CIEMAT (Energy, Environment and Technology Research Centre) to identify the most suitable model for quantifying CO₂ emissions from the company's landfills.

Following research into the company's requirements and the characteristics of the biodegradable waste deposited in FCC landfills in Spain, the calculation model proposed by the IPCC (Intergovernmental Panel on Climate Change) was chosen. The study led to the implementation of a validated tool with strong scientific support, allowing the organisation to reach its objectives in the fight against climate change.



WRG captures and analyses GHG emissions from its landfills

WRG has signed contracts to supply electricity generation companies with gas captured from its landfills for subsequent use as biofuels in energy generation, which is subsequently sold as renewable energy.

Another renewable energy is also obtained from the Allington incineration plant, where waste is used as fuel in safe, efficient thermal processes from which steam, heat and electricity are obtained.

It is important to note that in none of the above-mentioned cases does WRG profit from the sale of emission rights, although waste value recovery makes a significant contribution to the challenge of sustainability.

Lines of action for managing GHG emissions in FCC's industrial waste activity

FCC Àmbito has no significant own sources of greenhouse gas emissions -in fact, this company's activity actually encourages the reduction of emission sources, such as industrial waste.

Particularly noteworthy actions undertaken by the company to minimise the impact of greenhouse gas emissions include the development of alternative fuels produced from waste and the optimisation of resources used by waste treatment systems.

Lines of action for CO₂ management in real estate activity

The two activities carried out by this division, equity management and real estate development, also generate CO₂ emissions, although they are considered insignificant within the context of the FCC Group's overall activity.

The lines of action defined by Realia concerning CO₂ reduction commitments are as follows:

- The optimisation of energy resources in buildings.
- Participation in sector forums and initiatives focusing on sustainable construction (in the case of real estate development).
- Sustainable construction by anticipating the entry into force of legislation in this field, as was the case with Realia and the technical building code.

Aqualia's lines of action for CO₂ management

Aqualia's main lines of action to tackle the issue of CO₂ emissions management are as follows:

- Identification and integration of indicators related to emissions and energy consumption into the division's global system.

- Commitment to renewable energies, mainly for installations with high consumption levels such as desalination plants, through collaboration with research centres, the construction of own installations and agreements with third parties.

Versia's lines of action for CO₂ management

Having analysed the activities in which this multi-service group is engaged, Versia has identified three activities with CO₂ emission impacts: rail/tram passenger transport, logistics services (mainly warehousing) and airport handling services.

The main lines of action for emissions reduction include all those related to the modernisation of equipment and the incorporation of replacement equipment with lower energy consumption. In terms of warehousing, the roofs on the company's industrial bays have been replaced to encourage the use of natural light.



Tram. Barcelona

Energy efficiency and the use of renewable energies

One of FCC's main lines of actions to minimise the impact of its greenhouse gas emissions, is to employ technologies that optimise energy and promote the use of renewable energies.

FCC's 2007-2008 Master Plan includes energy efficiency, the use of renewable energies and a reduction in consumption of natural resources as objectives to be met by the Group's two environmental area plans: "The fight against climate change" and "Eco-efficiency"

Área de negocio	Direct energy consumption	Observations
Cement	52,110,000.00 GJ	From non-renewable sources
Construction	1,030,620.81 GJ	99% petrol, diesel and fuel oil
Real Estate	56,565.85 GJ	39% natural gas and 61% diesel
Services	7,130,412.99 GJ	74% diesel, 23% natural gas, 3% others. Using waste managed in its own installations, WRG has generated and sold 8,362,141 GJ of energy in 2007.
Corporate division	889.61 GJ	Diesel

* No data available on Proactiva Medio Ambiente, ASA and international construction.



Electrical energy consumption by FCC in 2007 is as follows:

Business area	Electricity consumption	Observations
Cement	7,230,218 GJ	62% Spain, 22% Argentina, Uruguay and Tunisia, 15% USA
Construction ⁽¹⁾	38,097 GJ	
Real Estate	11,847,594.75 GJ	
Services	1,881,159.48 GJ	
Corporate division	10,755.9 GJ	

(1) Data on consumption by site offices

* No data available on Proactiva Medio Ambiente, ASA and international construction.

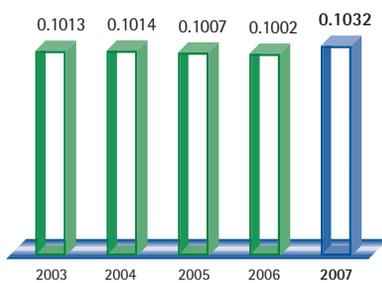
Energy management in the cement division

The cement division has the processes which consume the most energy within the FCC Group. The following charts show how specific electrical and calorific energy consumption by the cements division in Spain, the USA and other countries (Argentina, Uruguay and Tunisia) has developed over recent years:

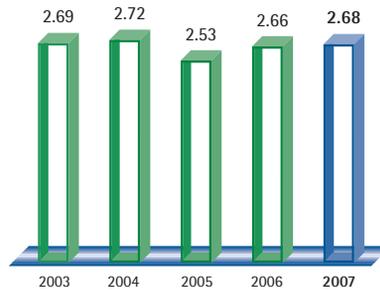


Olavarría plant, Argentina

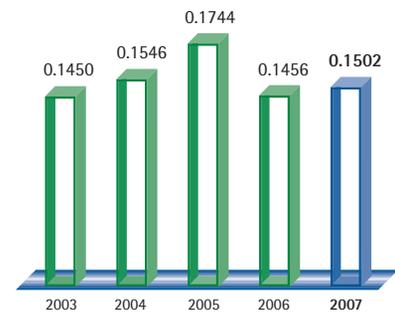
Specific electrical energy consumption in Spain
(MWh/Tm of cement)



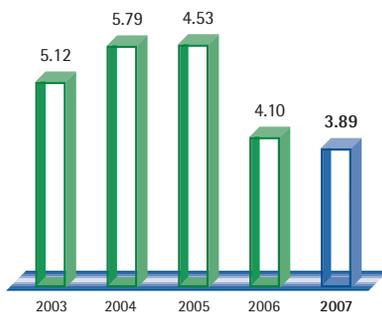
Specific calorific energy consumption in Spain
(Gj/Tm of cement)



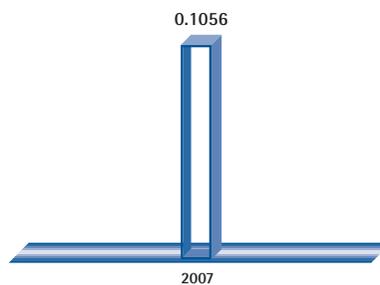
Specific electrical energy consumption in the USA
(MWh/Tm of cement)



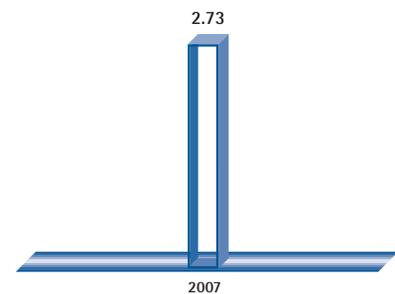
Specific calorific energy consumption in the USA
(Gj/Tm of cement)



Specific electrical energy consumption in other countries
(MWh/Tm of cement)



Specific calorific energy consumption in the other countries
(Gj/Tm of cement)



In 2007 Cementos Portland Valderrivas was awarded certification for the energy management system implemented in its plant at El Alto, Madrid, thereby becoming the first Spanish company to incorporate this system into its quality and environmental management systems.

Implicit in energy consumption are environmental aspects such as contaminating atmospheric emissions, the consumption of natural resources and waste generation, as well as significant financial costs. It is precisely these matters which make the search for energy efficiency a key objective for this business area.

In compliance with UNE Standard 216301, the energy management system is based on the collection of data on energy, legal requirements, objectives, goals and programmes, the delegation of functions, training, corrective and preventative measures and internal and external audits.

This system, which is accredited by AENOR and supported by the Ministry of Tourism, Trade and Commerce, is based on continuous improvement and is a mechanism to encourage energy efficiency throughout the entire manufacturing process, thus saving energy and reducing greenhouse gas emissions.

The path followed to obtain certification for the El Alto plant's energy management system will be implemented in other installations owned by this FCC subsidiary, making it a pioneer in this kind of sustainability work.

The El Alto plant, located in the town of Morata de Tajuña, is considered one of the most efficient cement plants in Europe, with an annual production capacity in excess of three million tonnes.

Use of alternative fuels by Cementos Portland Valderrivas

In order to reduce the consumption of non-renewable fossil fuels and to efficiently and safely handle waste, Cementos Portland Valderrivas has made a firm commitment to diversify its energy sources through the use of alternative fuels.

Waste is currently recycled in the Bath, Harleyville, Thomaston, Hontoria,

Lemona and Mataporquera plants, and tests are also being carried out in the Alcalá de Guadaíra and Vallcarca plants.

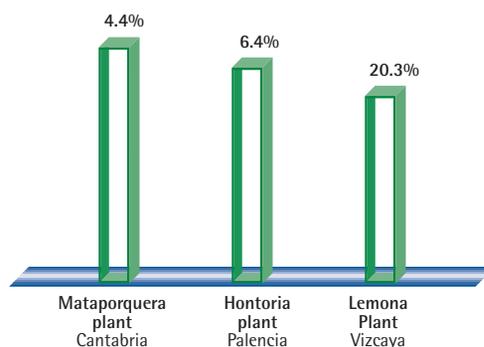
The following tables show the replacement rates for the Lemona (Vizcaya), Mataporquera (Cantabria) and Hontoria (Palencia) plants in Spain and the Harleyville (South Carolina) and Bath (Pennsylvania) plants in the USA.

Fuel replacement in Spain in 2007	% energy	Tonnes recycled
Hontoria plant	6.4	7,311
Lemona plant	20.3	25,671
Mataporquera plant	4.4	4,165



Hontoria plant. Palencia

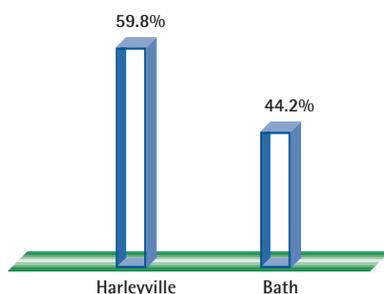
Fuel replacement. Year 2007 (% energy)



In total, 32,982 tonnes of waste have been recycled in Spain.

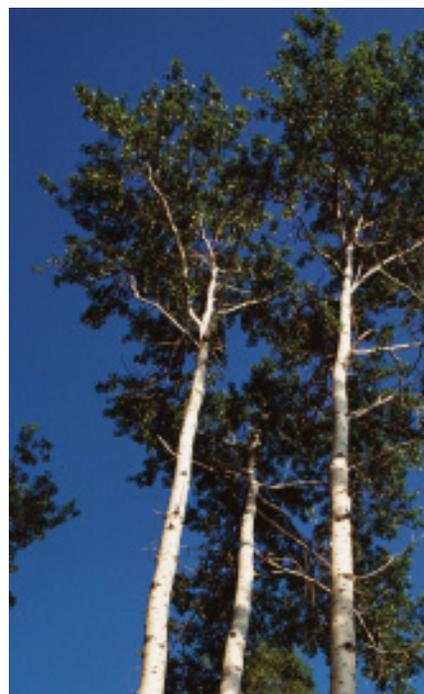
Energy recycling in the USA	% fuel replacement				
	2003	2004	2005	2006	2007
Harleyville	51,7%	50,4%	36,6%	58,5%	59,8%
Bath	43,6%	43,8%	43,2%	38,3%	44,2%
Thomaston	8,0%	7,0%	8,5%	7,0%	0,0%

Fuel replacement in the USA Year 2007 (% energy)



119,789 m³ of liquid waste and 20,230 tonnes of solid waste have been recycled in the USA.

In both Spain and the USA alternative fuels are produced from the treatment of waste, namely meat meal in the Hontoria plant and used tyres, wood waste and sliced plastics in the Lemona plant.



Use of biomass as a fuel in waste treatment plants

FCC Medio Ambiente's leachate treatment plants currently operating within the Barbanza environmental complex, and the Cartagena plant in Murcia, have led to significant environmental achievements reducing the impact from liquid waste (as contaminated water is treated on-site with zero effluents), as well as minimising atmospheric emissions.

The use of residual biomass (olive stones) as a fuel allows CO₂ emissions to be reduced, as other more contaminating fossil fuels are not being used. In 2007 alone, almost 900 tonnes of this fuel were used.

Generation of eco-fuels through waste recycling

As part of its activity, FCC Ámbito has two installations which produce fuel from waste for use in the industrial sector:

The Tedes plant has started to sell an "eco-fuel" produced using its hydrocarbon centrifugation and recycling treatment line, from the recoverable hydrocarbons present in waste. This type of waste is first subjected to a coarse grinding process to remove the majority of the sludge it contains, before being refined in vertical centrifuges where the water and sludge percentages required by the customer are achieved. When the resulting eco-fuel meets the specifications, it is then stored in the plant until it is sold.

Clean development mechanism projects



The Recitermia plant produces a blended fuel from waste with high calorific content, which is used in cement plant furnaces as a replacement to fossil fuels.

The clean development mechanism (CDM) is one of the three flexibility mechanisms included in the Kyoto Protocol, whereby an investor country can financially and technically invest in a host country by carrying out a project that generates carbon credits (each of which is equivalent to one tonne of non-emitted carbon dioxide).

FCC currently uses these kinds of projects to contribute to its climate change commitments through its business divisions, Cementos Portland Valderrivas, the FCC cements division and Proactiva Medio Ambiente, which is engaged in waste and water management in Latin America.

In 2007 two CDM projects which use husks as biomass were registered by Cementos Portland Valderrivas in San Luis (Argentina) and Minas (Uruguay). Allocation is expected following the verification of 79,400 CERs (emission reduction certificates) which started in December 2007.

Proactiva is carrying out a further seven CDM projects on the American continent, all at different stages of development:

- Doña Juana Project in Colombia. Registered with the Executive Committee of the United Nations Framework Convention on Climate Change (UNFCCC).
- Mérida Project in México. Registered with the Executive Committee of the UNFCCC.
- Fachinal Project in Argentina. Registered with the Executive Committee of the UNFCCC.
- Tijuquinhos Project in Brazil. Request for registration submitted to the Executive Committee of the UNFCCC.
- Presidente Project in Colombia. Design document currently being drafted.
- La Yesca Project in Chile. Design document currently being drafted.
- Tlalnepantla Project in México. Design document currently being drafted.



Landfill in México

Case study: "Biogas capture and flaring plant at the fachinal landfill (Argentina)": CDM project for the generation of carbon credits, recorded with the UN

Project stages and objectives

This is a joint public-private initiative whereby the investment of private funds generates a return for the regional government. The venture involves improving operational management by implementing a clean development mechanism (CDM) project which allows carbon credits to be sold.

In the second stage of the project the generated funds are invested in a sustainable development project, such as a programme to take full advantage of the heat generated by biogas combustion to power a wood dryer.

Estimated investment totals US\$ one million, and the project will generate approximately 300,000 carbon credits over ten years.

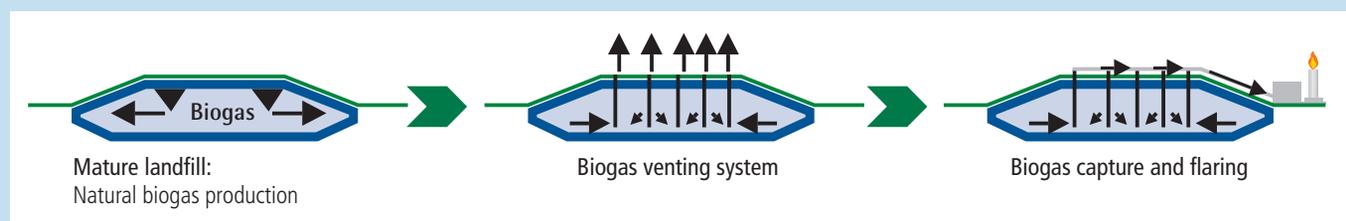
Description of the system

The system comprises four interlinked sub-systems:

- Capture sub-system (wells, heads and accessories).
- Suction and pipe sub-system (tubing, accessories, turbines and condensers).
- Measurement and analysis sub-system (equipment to measure and analyse gas entering and leaving the flare).
- Flaring sub-system (flare, accessories and automated parts).

Expected results

- Reduction in CH₄ atmospheric emissions, contributing to mitigating climate change. 1 tonne of CH₄ = 21 tonnes of CO₂.
- Better quality of surrounding air.
- Improved operational and environmental landfill management.
- Promotion of new sustainable development projects.
- Generation of direct and indirect employment.
- New CDM projects.
- Technological income vector for the province.

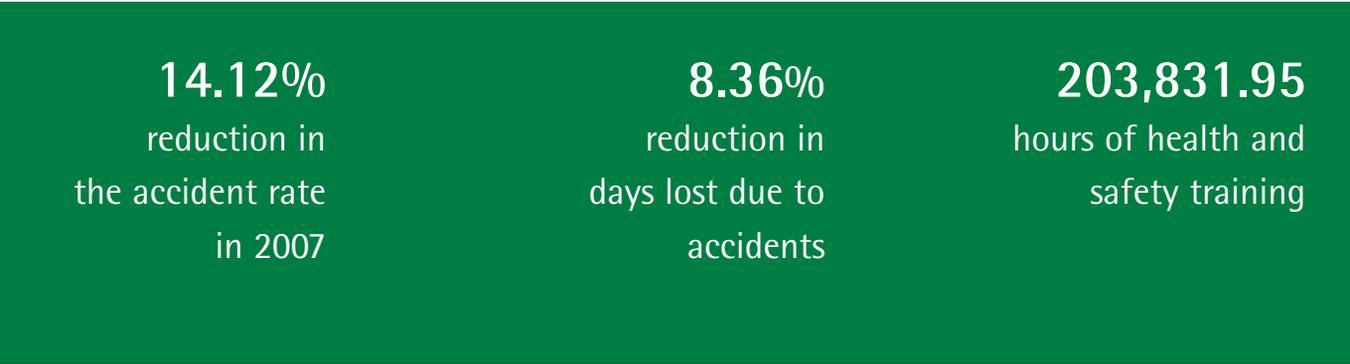


Year	Estimated emissions reduction (CO ₂ eq tonnes)	
2007	4 months	6,858
2008	12 months	24,020
2009	12 months	27,356
2010	12 months	30,602
2011	12 months	33,776
2012	12 months	36,892
2013	12 months	39,967
2014	12 months	43,015
2015	12 months	46,048
2016	12 months	49,079
2017	8 months	34,747
Total (CO₂eq tonnes)		372,361



safety, our responsibility

The FCC Group takes a comprehensive approach to safety, responsible management of which extends from the workplaces of our employees and contractors to our surroundings, for customers, users and local communities



Health and safety

At the FCC Group we strive to be a model company in terms of the health and safety of our employees, contractors and the surroundings in which we carry out our activities.

Against a background of growth in international business, in 2007 the goals of comprehensive management in terms of health and safety have been directed toward harmonising information and criteria for action in the group companies, with particular attention to new members, extending the number of employees within the Joint Prevention Service and to update the Group's certifications.

The FCC Group
comprehensively
manages prevention
as part of the integral
management of
professional risks

Improving the workplace and healthy and safe services has been promoted by a number of priorities for the year:

- Update and evaluate the scope of certifications in the Group. The certification map is a tangible asset for FCC, as it gives management backing through consistent and shared safety contents.
- Strengthen the system of information on occupational health and safety, through the development of an IT tool that enables health and safety performance indicators to be monitored throughout the group and in real time.
- Continue promoting training in occupational risk prevention from all social angles. This emphasis is to comply with FCC responsibilities in occupational risk prevention and subsidiary responsibilities, acquired voluntarily, with contractors.

The results in the main health and safety indicators endorse the efforts made.

FCC builds a sound prevention culture through the involvement of employers on respective committees and training, as well as the Group's participation in public and sector-based initiatives, forums for study and analysis of occupational accidents and other health and safety risks, their causes and the tools for consolidating improvements in this area. In Spain, the Spanish Health and Safety at Work Strategy (2007-2012) was ratified at the plenary session of the National Commission for Health and Safety at Work on 28 June 2007. FCC is committed to this framework for promoting a common goal.



Urban solid waste collection. Barcelona

Managing healthy and safe workplaces

The gradual implementation of a health and safety management system, based on the OHSAS 18.000 standard, enables a policy and targets to be developed and implemented that go beyond established legal requirements. As an overall goal in the implementation of the system is the support and promotion of good practices in health and safety at work balanced with socioeconomic requirements.

The commitment at all levels and functions of the organisation and particularly senior management have led to a permanent reduction in the number of accidents and in accident rates.

The specific medium-term goals of the health and safety management system are:

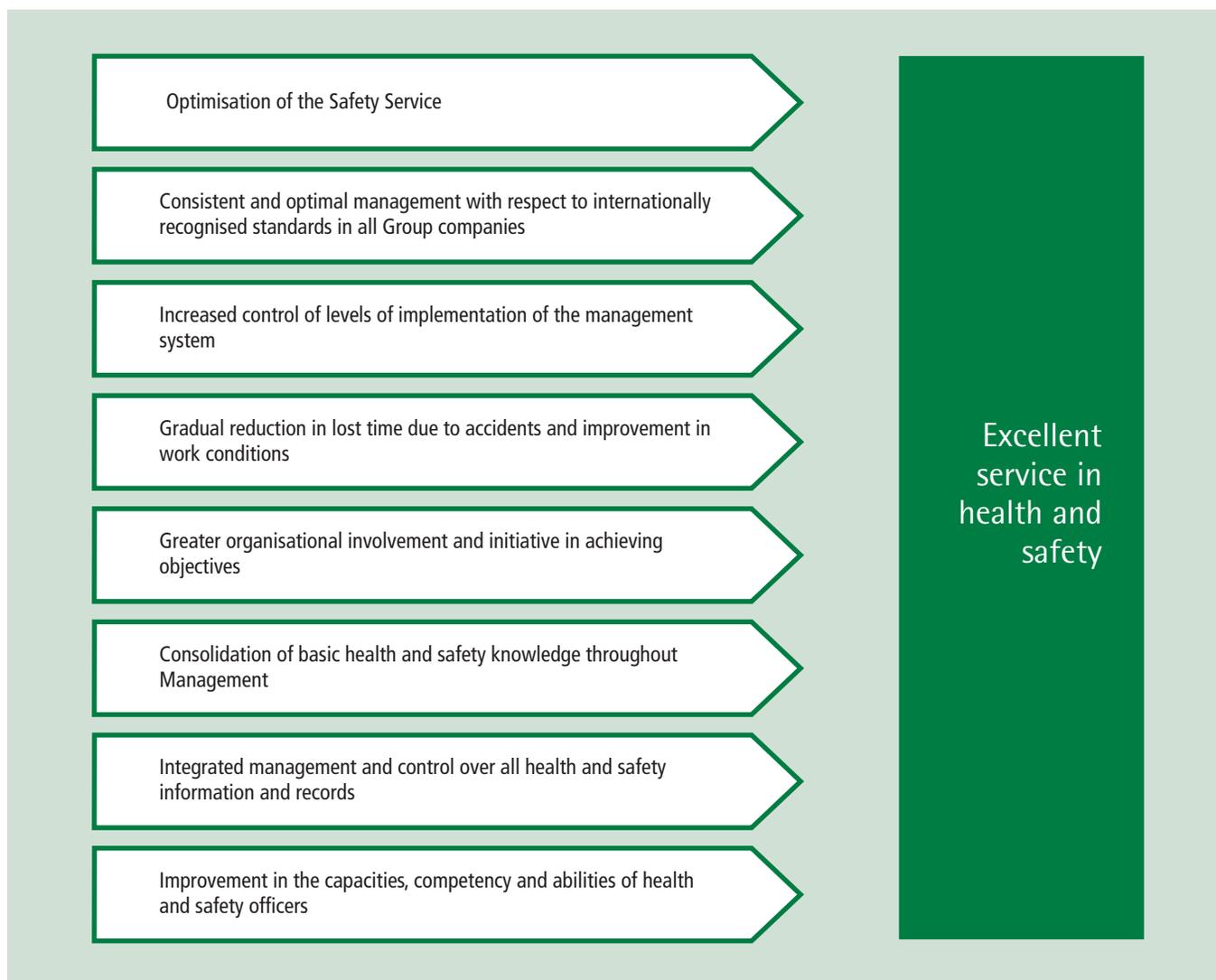
- Reduce the accident frequency rate by 15% for all business areas between 2008 and 2010 "Zero Accidents" objective.
- Decrease the number and duration of days lost due to accidents in the workplace by 8% each year between 2008 and 2010.
- Project the image of a Group dedicated to accident prevention.

- Ensure that the companies in Spain which make up the consolidated Group adhere to the Joint Prevention Service, through OHSAS certification.

- Guarantee optimum standardised management for all Group companies in line with internationally-recognised standards. Design of a single Prevention Service.

- Analysis of the situation of all companies with an international scope, and design of specific management systems.

- Implementation of the Prevista management tool.



The joint prevention service

Within the health and safety organisational model, the Joint Prevention Service is generally formed by:

- The **Safety at Work Department** with a general coordinator in each division overseeing various safety coordinators distributed according to geographical region and operation and safety officers assigned to the different areas, branches and companies. This system has been consolidated in all areas to gradually set up teams formed by the safety coordinator and one or more safety officers for each of these organisational units.

- The **Occupational Medicine Department**, which includes the Medical Service, provides medical assistance to the Group's companies and branches, with a total of 14 centres and 39 professionals (doctors and nurses) distributed geographically, with ongoing communication and coordination with the Safety at Work Department.

There were 298 health and safety officers working in the FCC Group at the end of 2007, which is eleven more than the previous year reflecting an increase of 3.8%. Of the total, 168 are engaged exclusively in occupational health and safety.



**The Occupational
Medicine Department
has 298 officers,
11 more than the
previous year. Of these,
168 are dedicated
exclusively
to occupational
health and safety**

The entire structure of the Safety Service, from the Safety Department to the safety coordinators and officers to the medical services in the corresponding area, recommends, develops and oversees measures aimed at implementing and improving the occupational health and safety management system in each division, defines initiatives for improving employees' health and safety and coordinates with the External Prevention Service on issues of ergonomics and industrial hygiene.

The **Safety at Work Department** is engaged in the following specific and ongoing activities:

- Design initiatives for adapting the regulatory framework and directing and optimising preventive resources.
- Preparation and review of the manual for the occupational health and safety management system.
- Internal health and safety audits.
- Management and coordination of external statutory audits, and for certification of the management system.
- Advising companies included in the Safety Service.
- Integration and preparation of statistical data on accident rates.
- Coordination and monitoring of state-assisted External Prevention Services activities.
- Relations with official health and safety organisations.

Health and safety officers and coordinators attend to each of the branches, areas or companies within

each division to encourage application of the procedures contained in the management system at each work centre, essentially carrying out:

- Risk evaluations.
- Preventive activity planning.
- Monitoring and supervision of the conditions of workplaces and facilities.
- Emergency plans.
- Information and training activities.
- Workplace accident investigations.

The occupational Health and Safety Management system is updated to achieve a more specific and appropriate distribution of technical responsibilities between health and safety coordinators and officers.

In 2007 Aqualia's health and safety management system was modified, and the health and safety officers in this area now Manage all Health and Safety specialties instead of collaborating with an External Service as has been the case to date.

The current structure offers more assurance that health and safety will be sufficiently integrated into the different production levels of the organisation.

Due to the change in management, the existing risk evaluation model has been reviewed in the management system.

The Joint Prevention Service covers 50,871 workers, 53% of the staff. This reduction, compared to the 63.4% of staff covered in 2006, is due to the new companies incorporated. FCC's rapid organic growth in the last 3 years has required a process for harmonising basic working standards, as explained in chapter III, "Responsibly creating value".

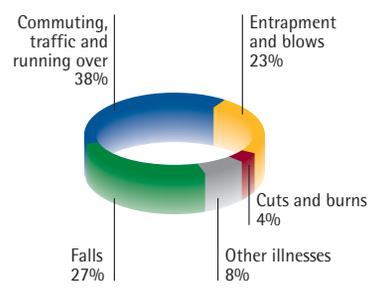
Monitoring occupational health and safety

In 2007 the accident rate in the FCC Group was 44.84, down 14.12% on 2006 and 17.30% compared to 2005. This indicator was reduced for the eleventh consecutive year in 2007. The services division is notable for its 14.55% reduction compared to 2006. The total reduction in days lost under the scope of the JPS in Spain was 647 (including Construcción and investee companies).

70.16% of companies within the Joint Prevention Service have been audited and OHSAS certified

The accident rate was down 14.12% on 2006. FCC has reduced this indicator every year for ten years

Serious incidents in the FCC Group 2007. Year 2007



FCC Group incidents in 2007	2004	2005	2006	2007
Own staff	54	37	53	52
Contractors	26	30	48	60
Total	80	67	101	112
Incidents=serious accidents and fatalities				
Accident rate	57.34	54.22	52.21	44.84
Lost time injuries per million hours worked per year				

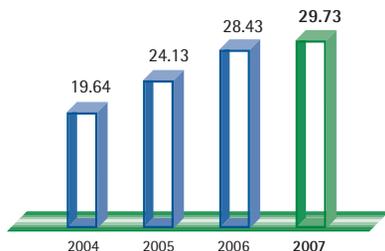
Note: National scope (companies adhered to the JPS)

Key occupational health and safety indicators, by area

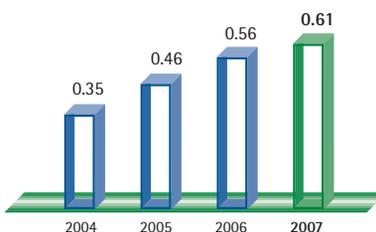
Note: National scope (companies adhered to the JPS)

FCC Construcción + Subcontrato. Spain

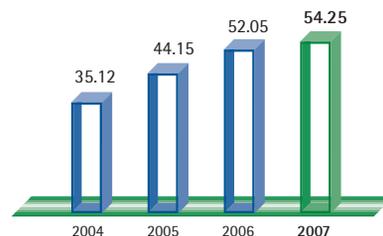
Lost time injury frequency



Severity index

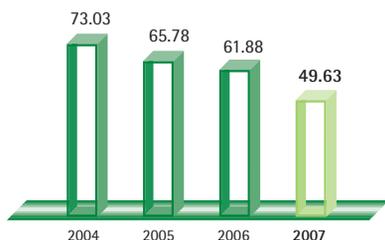


Incident rate

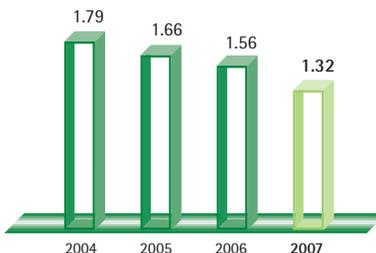


FCC Medio Ambiente. Spain

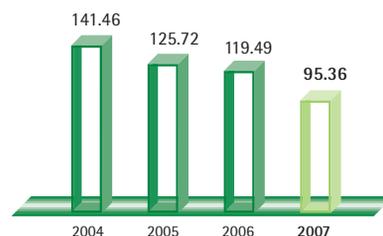
Lost time injury frequency



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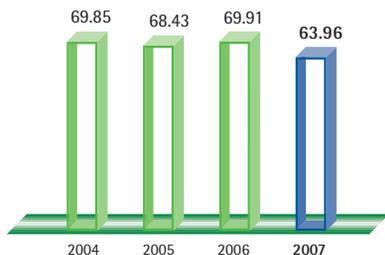


Incident rate

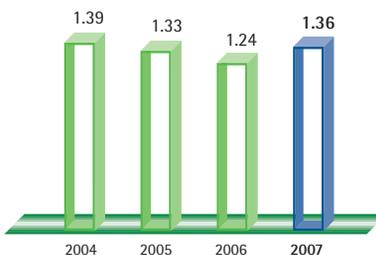


FCC Versia. Spain

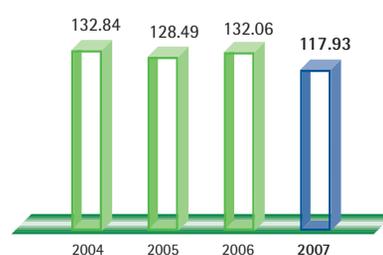
Lost time injury frequency



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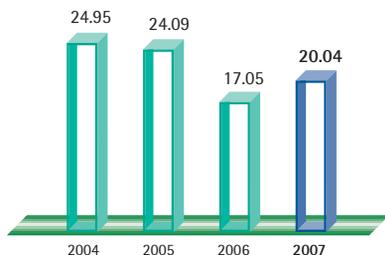
Incident rate



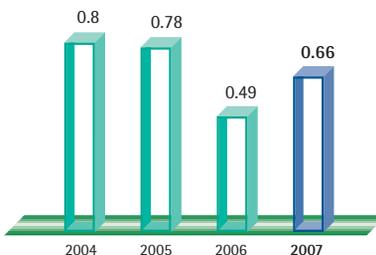
Note: 2007 data for Versia included transport data, which was not included in prior years.

Aqualia. Spain

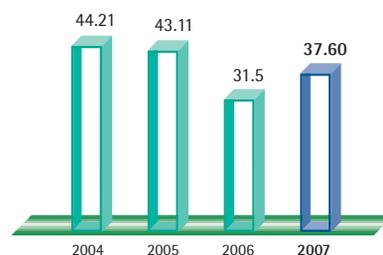
Lost time injury frequency



Severity index



Incident rate

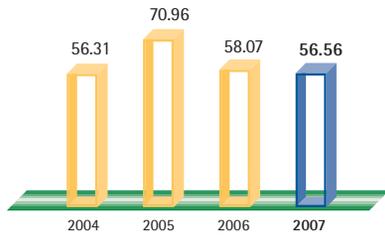


Note: Does not include SEARSA or SEAFSA.

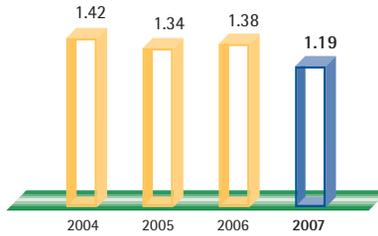


FCC Ámbito

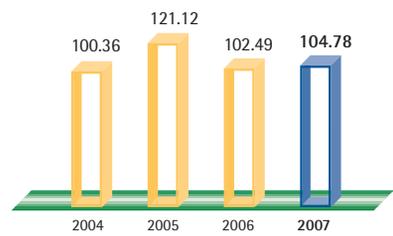
Lost time injury frequency



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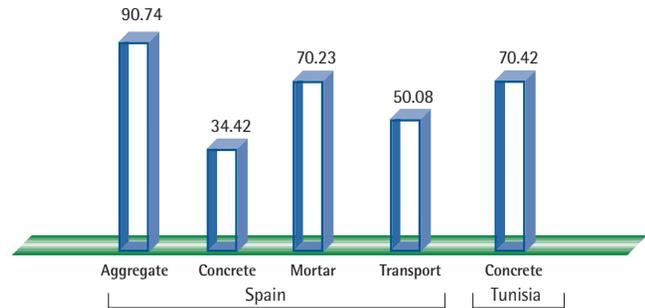
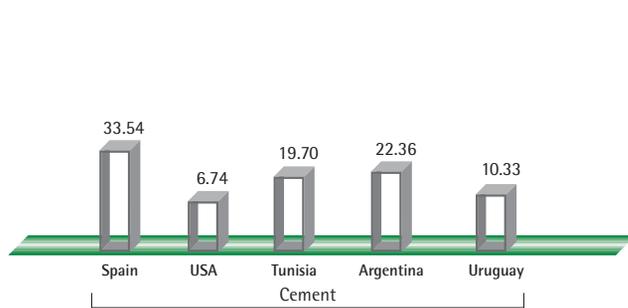


Incident rate

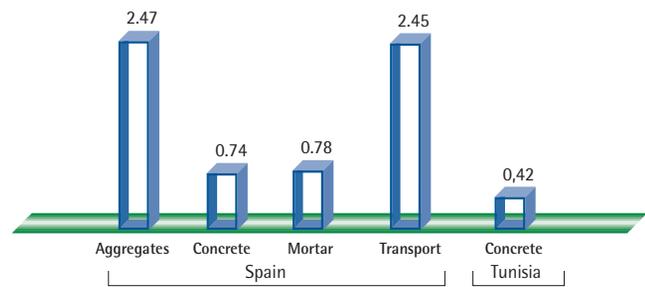
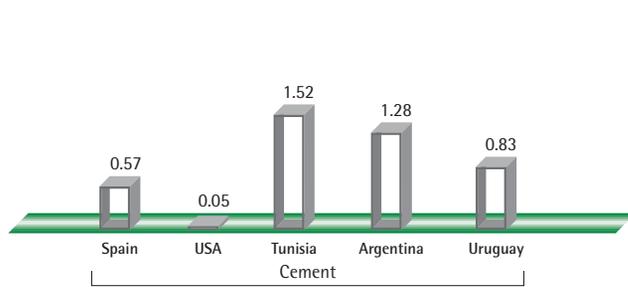


Cementos Portland Valderrivas

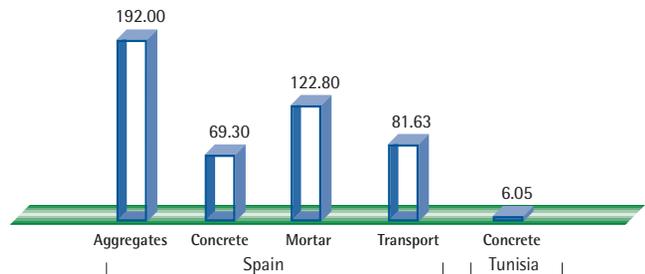
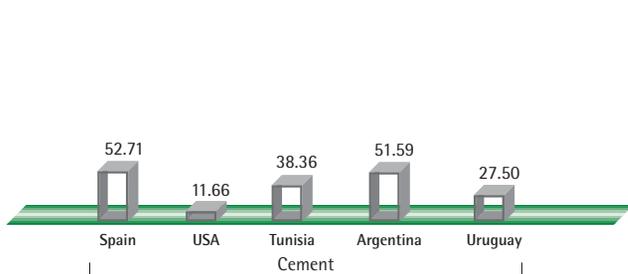
Lost time injury frequency



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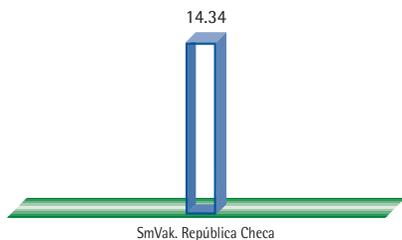


Incident rate

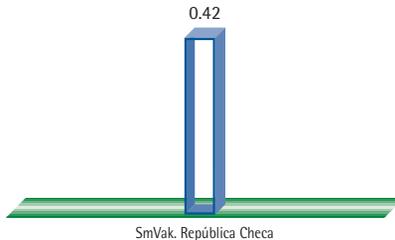


Aqualia. International

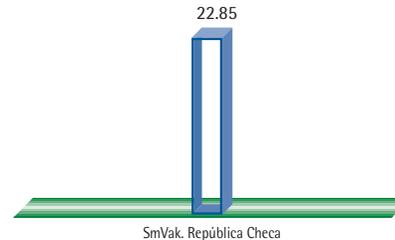
Lost time injury frequency



Severity index

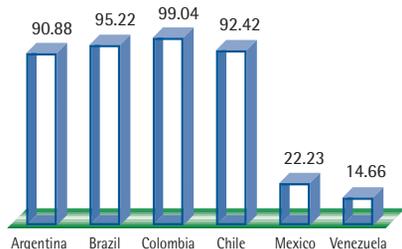


Incident rate

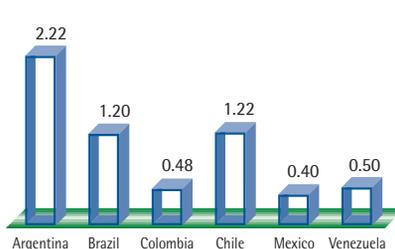


Proactiva Medio Ambiente (International)

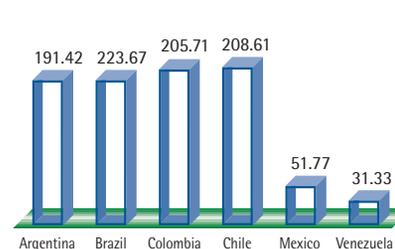
Lost time injury frequency



Severity index

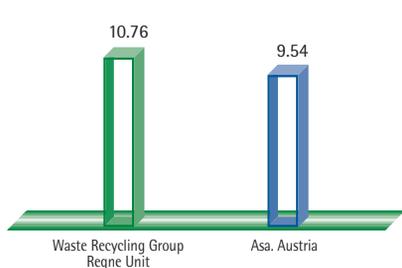


Incident rate

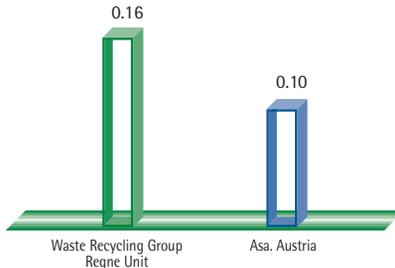


Medio Ambiente. Internacional (WRG y ASA)

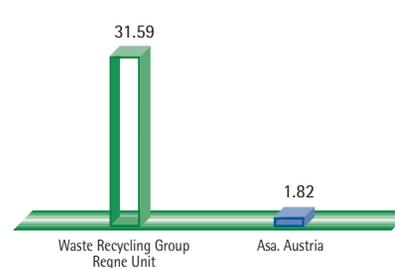
Lost time injury frequency



Severity index

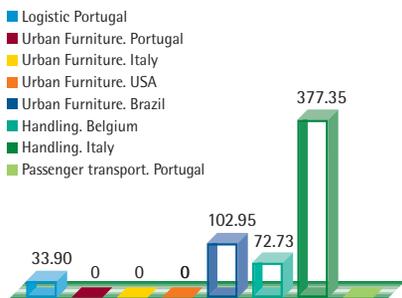


Incident rate

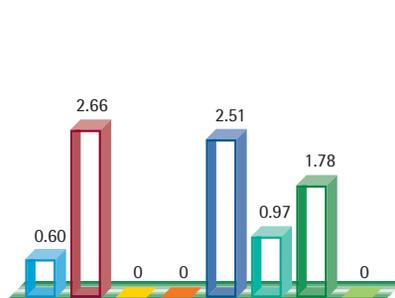


Versia. Internacional

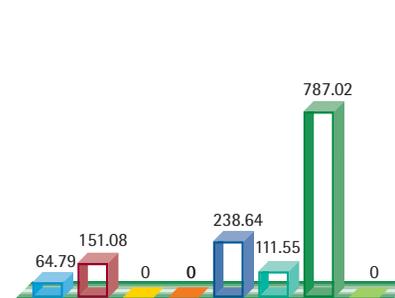
Lost time injury frequency



Severity index



Incident rate



Note: No data available on ITV Argentina.

The illnesses and accidents in 2007 reflect an improvement in the accident rate, with a 8.36% reduction in days lost due to accidents, and a slight increase in illnesses, with a 2.41% rise in days lost due to illness.

FCC Group	2004	2005	2006	2007
Absenteeism (sick and accident leave)	26,635	31,968	34,487	35,830
Accidents (employees on accident leave per accident)*	4,439	4,594	4,846	4,201
Workforce impact				
Days lost due to accidents	109,303	114,195	117,100	107,311
Days lost due to illness	792,412	918,201	1,029,205	1,054,060

* Excludes commuting and third party accidents.

Note: Scope (companies adhered to the JPS).

Health and safety culture

For FCC management, it is essential to communicate the importance of health and safety in our activities to our workers, contractors and stakeholders. Our ongoing efforts include participation in forums, awareness campaigns and continuous training of employees and contractors.

Health and safety training for employees and contractors

In accordance with Company regulations and requirements, our staff and subcontractors receive basic health and safety information and specific training depending on their field of activity.

In 2007, the number of people trained in health and safety was 33,816. Training hours totalled 203,831.95, with an average duration of 6.03 hours

Health and safety training, by area

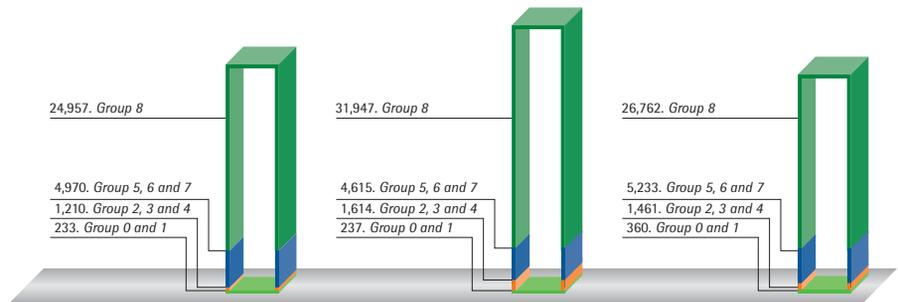
	Total trainees	Total training hours	Total training initiatives
Medio Ambiente	16,596	53,582.17	743
Ámbito	1,049	4,676.00	105
Aqualia	4,699	28,132.25	15
Versia	9,181	84,745.37	192
Construction	802	17,633.16	83
Cement	1,225	9,271.00	72
Real Estate	na	na	na
Corporate areas	264	5,792.00	18

Note: National scope. Real estate data is not available, as it was only included in 2007.



80% of the investment in health and safety is directed at operators and junior operators (group 8). 14% of the health and safety training expense is for technical and administrative assistants (groups 5, 6 and 7). Higher groups account for 6% of the total training expense

Health and safety training by professional category



The FCC Group is committed to ongoing improvement in occupational health and safety. The efficiency of the various management systems implemented for health and safety, quality and the environment is continuously evaluated and improvements made in consequent reviews of those systems. The health and safety management system was reviewed in various areas including FCC Medio Ambiente and Aqualia in 2007.

Public commitment to promoting health and safety

The FCC Group publicly promotes health and safety, as demonstrated by its active involvement in various associations.

The FCC Medical Service continues to develop alcohol and drug rehabilitation programmes. Smokers are helped to quit and general advice on addictions (gambling etc.) is available. These schemes extend to employee's direct family members.

The Oficemen, Anefa and Anefhop associations have lobbied for changes in regulations for the cement/concrete/aggregates sector.

FCC's work through the Aespla, the Spanish Association of Occupational Health and Safety Services, is also notable:

Internal Aespla Association work

The following issues were addressed at the Association meeting held in June 2007:

- ❑ Current Spanish occupational health and safety strategy (2007-2011).
- ❑ Current situation of occupational medicine within the health and safety framework.
- ❑ European agreements between businesses and unions: work-related stress and harassment in the workplace.

Presentations: The Technical Advisory department gave an account of the presentation made by the Work and Social Security Inspectorate's Health and Safety Department on the new list of work-related illnesses and the role of the Work Inspectorate. This presentation took place at the event organised by Fraternidad Muprespa in January 2007.

Documents: Documentation prepared by Technical Advisory:

- ❑ Instructions for coordinating business activities in the presence of External Prevention Service personnel.
- ❑ Technical assessment of the Spanish occupational health and safety strategy (2007-2012).
- ❑ Conclusions from the Laboralia-Aespla-Prevevida virtual forum of occupational health and safety experts.

External work by the Association

Working groups: with regard to the Spanish occupational health and safety strategy (2007-2012), the association has set up working groups to address certain measures included in the Action Plan:

- ❑ Within objective 2 for improving the efficiency and quality of the safety system, with particular emphasis on entities specialised in safety:
 - Action 2.1 with measures to give companies incentives to boost their own resources.
 - Action 2.2 with measures to ensure that joint prevention services are efficient and transparent.
 - Actions 2.3 and 2.4 on the criteria for the effectiveness and quality that could be required in external prevention services and audit and training entities.
 - Action 2.6 on preparing measures for monitoring health and the occupational medicine specialty.
- ❑ Within objective 3 for promoting the involvement of business leaders and workers in improving occupational health and safety, actions 3.3 and 3.4 for regulatory measures enacting those established for objective 3, related with company decisions as to how health and safety is organised.
- ❑ Within objective 5 for optimising occupational health and safety information and research, action 5.1.B. for revising the criteria applicable for reporting and registering work-related illnesses and accidents.

Documents submitted for the Association's consultation

- ❑ Draft of the basic and general guidelines for monitoring employees' health.
- ❑ Framework protocol collaboration project between the General Council of the Judiciary, State Prosecution Service, Ministry of Work and Social Affairs and the Ministry of the Interior for efficient and rapid investigation of crimes against workers and execution of respective sentences.
- ❑ The document from the National Institute of Safety and Hygiene at Work (INSHT) entitled: "Managing the risks of chemical agent exposure".

Forums

The association has participated in the following forums:

- ❑ Forum of health and safety experts organised jointly by Laboralia-Aespla-Prevevida.
- ❑ Sicur Organising Committee.
- ❑ A project by the Observatorio de Salud Laboral initiative, entitled "Application of quality criteria to health and safety services in Spain."

Events

The most significant events in 2007 were:

- ❑ International Occupational Safety Day, held at the Aguas Andinas facilities in Santiago de Chile in May, at which our association's interest in the project was demonstrated.
- ❑ IX Euro-American Conference on "risk and work" in Salamanca in November, in the debate on "the future of health and safety officer training."
- ❑ In April a conference was held on new regulations on work-related illnesses (RD 1299/2006 and Order TAS/1/2007) at the Fraternidad Muprespa hospital in Madrid.



Case studies

Proactiva Medio Ambiente backs the first Latin American Sanitation Conference and the Millennium Goals

Latinosan is the first high-level conference on sanitation in Latin America. This event, sponsored by Proactiva Medio Ambiente, the FCC Group specialised in integral water and waste management in Latin America, was between 12 and 16 November in Cali, Columbia, and organised by the Universidad del Valle and World Bank. 900 delegates took part from 40 countries, 22 official delegations, multilateral bodies and local NGOs.

The forum analysed the sanitation situation in Latin America.

One of the objectives of the forum was to adopt a Ministerial Declaration for 2008, declared the International Year of Sanitation by the United Nations. Sanitation is also one of the Millennium Development Goals.

Bringing these services to vulnerable populations means contributing to the health and well-being of millions of men, women and children in Latin America and, above all, helping indigenous communities and those who live in remote and poor areas.

Proactiva thereby reinforces its responsible commitment to Latin America, the region where it operates.

Target 10 of the seventh Millennium Development Goal (MDG) is to "halve by 2015 the proportion of people without sustainable access to safe drinking water and basic sanitation"



Instalaciones fachinal y entorno. Argentina

Cotecnica Chacao promotes health and safety training programmes

Cotecnica Chacao, a company from the Proactiva Medio Ambiente Venezuela group, through Central Health and Safety and assisted by the Human Resources Department, carried out major training programmes for its workers in 2007, to improve health and safety management and promote a culture of safety in the workplace. Specialists from

the Environment and Health and Safety Institute (IPCA), belonging to the Chacao municipality, offered workshops on handling fire extinguishers, forming emergency teams, evacuation and adverse events plans, and first aid. This relationship between the IPCA and Cotecnica Chacao has enhanced the personal, professional and technical skills of the company's workers.

Employees and workers have also received training in: corporate self-protection, safe handling and use of chemical products and introduction to industrial safety. These initiatives leave no doubt as to the dedication of Proactiva Medio Ambiente companies to safe and healthy working conditions.

“Prevista” management software: improvement in Health and Safety services

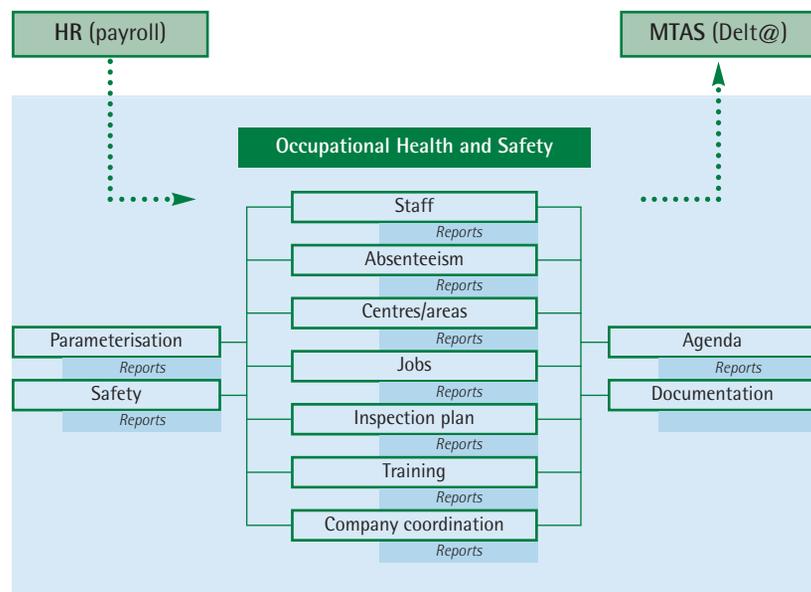
In 2007 the Company started to implement a new management tool for use by health and safety officers. The application has been developed internally with the collaboration of technicians from the Services department in the Versia division.

The software optimises management of staff-related processes (personal data, categories, training, work assignment, activity etc.) and those associated with, for example, monitoring health, evaluating risks, accident rates and preventive maintenance. The tool reinforces control over subcontracted companies and monitors the maintenance and review of their services. It also enables documentation to be generated on evaluations of risk, by jobs and centres, and the information necessary to monitor incidents and compliance with preventive measures adopted (maintenance, reviews, etc.).

The main improvements achieved through this management software are:

- Optimised occupational health and safety processes, helping to reduce risks by means of:
 - Anticipating risk situations.
 - Preventive plans.
 - Giving access to information to the different users involved in occupational health and safety.
- Improved productivity.
- Reduced levels of absenteeism and accident rates.
- Identifying the right people for the right jobs.

Modular architecture



FCC Medio Ambiente road safety campaign



FCC Medio Ambiente has launched a pilot road safety campaign for all its centres in Spain in collaboration with Ávila City Council and the Mapfre Foundation. The goal has been to give employees information and training regarding safe driving practices. The results were announced in December at an event attended by the mayor of Ávila. This safe driving scheme involves workers in preventing dangerous use of vehicles on public roads.

The initiative has been aimed at all employees, even those who do not usually drive the company's vehicles. Essentially an informative and educational campaign, it includes issues of road safety in the work environment.

Cementos Portland Valderrivas: good health and safety practices

For Cementos Portland Valderrivas, occupational health and safety is a priority and forms an integral part of its general management system, involving all levels of Group management and constantly present in any activity undertaken and all decisions made.

Three of our companies, Lemona Industrial, Cementos Alfa and Aripresa, have OHSAS 18001 certified occupational health and safety management systems. Our goal is for all the cement factories in Spain to become certified in the next two years.

As the first step in this process, work has started on preparing a corporate occupational health and safety manual in accordance with the OHSAS 18001 specification.

Occupational health and safety awareness campaigns and training initiatives have helped create a sound health and safety culture, ensuring that legal obligations are met and encouraging responsible workplace conduct aimed at reducing the number of accidents.

The "Canal Portland-Visión Preventiva" campaign was launched in 2004 and features videos of real-life work scenarios in cement factories and the "Portland-Dummy" character, based on a crash test dummy. This preventive initiative is open to the company through the website.

www.canalportland.com

The health and safety at work campaign at the company Hympsa, part of the cement division, has also continued. Workers are given rewards as an incentive to achieve a zero accident rate.

As a result of the work of Cementos Portland Valderrivas employees to achieve health and safety levels of excellence, one of the quarries belonging to the Group was awarded the First European Prize for Sustainable Development in the category of good health and safety practices.



Significant fines resulting from non-compliance with regulations relating to supply, information, marketing and use of products and services

In 2007 fines totalling Euros 114,530 were imposed on the Group, relating to: a consumption fine for infractions of regional and local legislation; Data Protection Agency (the company has appealed against both these fines);

infringement of the law on prevention and healthcare provision for substances which may create dependency, and due to the advertising of tobacco and alcohol products; and abusive clauses in contracts.

the eco-intelligent drive

Commitment to environmental technologies is one of the FCC Group's main strategies, focusing on the generation of synergies with environmental protection, innovation, profitability and growth opportunities within the market

We invested in environmental technology to get a head start in eco-efficiency and position ourselves at the forefront of a market which will soon reward these efforts

Eco-efficiency forms part of our corporate strategy, culture, operations and daily work

20% more water managed by Aqualia, with only a 14.2% increase in electrical energy consumption

more than **4,000,000** tonnes of industrial waste recycled and recovered

almost **200** hectares of protected areas of high biodiversity



The eco-intelligent approach has significant financial, environmental and social value, and FCC continuously strengthens its commitment to eco-efficiency and to reducing the negative impact of its operations on the environment by working to share knowledge and invest in environmental technologies and improved management.

FCC's commitment to environmental technology is based on procedures to improve the management of resources such as water supply, new clinkers and

cements obtained from eco-efficient processing, as well as waste management technology.

The Group aims to respond to growing social demand to resolve environmental problems, such as climate change, deforestation and air and water pollution. This commitment is what drives us to improve and look for new products and processes, thereby breaking the link between negative environmental impact and the Group's development.

Environmental technologies employed by the FCC Group meet three objectives:

- Satisfying growing demand for a cleaner environment;
- Reducing the environmental impact of economic growth;
- Managing the potential impact of the most demanding environmental regulations on Group activity, both in terms of risks and opportunities.

Investment in R+D+I and collaboration with technological partners have led to improvements in FCC's products and processes, reducing waste and emissions and optimising the resources and other environmental impact indicators managed by the company.

In many cases the increase in investment costs can be offset by savings generated through improved process efficiency in terms of energy use, raw materials and the workforce, as well as improving

product quality and reducing the demand for waste disposal. Nevertheless, if this is to be achieved it is crucial that efforts be made to attract as much investment as possible. In this spirit, FCC participates in sector initiatives which seek to implement frameworks to encourage advances in environmental technologies in construction, environmental services such as water and waste management, and in all the other areas in which the FCC Group operates. FCC expects the market recognition of actions and solutions geared towards increasing eco-efficiency.

The Company aims to meet its corporate social responsibility commitments, providing competitive facilities and becoming a sector leader in terms of eco-efficiency. Through this strategic commitment FCC is pre-empting a framework of more favourable market conditions arising from public policy developments in this field.

R+D+I, a tool for FCC's eco-intelligent development

Due to the wide range of activities carried out by FCC and the diversity of the sector's requirements, issues and innovative potential, the Group's R+D+I activity is performed by each of its lines of business, in most cases through specific departments created for this purpose.

The FCC Group carries out strategic R+D+I activities which, despite being coordinated by the group to a certain extent, are performed by each business area in question. FCC's objective is R+D+I that is proactive in nature, and not merely a response to problems relating to manufacturing or customer demands. The Group also ensures that the selection of its R+D+I projects is based on detailed observation of the surrounding area, with involvement from as many business areas as possible.

In certain cases R+D+I is the responsibility of the management and sustainability systems within the various areas involved, and normally includes the following activities:

- Detection of ideas for possible future projects from a variety of sources.
- Project planning and execution.
- Sourcing of financing from European programmes such as Eureka and Iberoeka, as well as national initiatives like Profit and CDTI.
- Project certification.
- Measurement of the effectiveness of activities developed.
- Publication of results.
- Representation in R+D+I organisations and commissions and participation in forums at European and international level.

The following table shows the budget earmarked for R+D+I projects in 2007, broken down by area. The figures are estimated and are lower than actual values, as some activities do



Parks and gardens cleaning service. Ávila

not record individual figures for R+D+I investment and, consequently, they have not been included in the amounts shown in this report.

Business area	Budget (€) <i>(including external financing)</i>
Construction	13,912,694*
Cement	778,000
Services	3,311,168

* 65.7% investment, 28.5% interest-free credit and 5.8% subsidies.

No data available for real estate, Waste Recycling Group, ASA and Proactiva

FCC's R+D+I objective is to strengthen creativity and the Group's uniqueness by selecting truly innovative projects. Currently, projects are chosen from the following sources:

- Records projecting technical actions (APATs).
- Customer requests.
- Training activities.
- Participation in external organisations and technological centres.
- Memos from the Managing Director.
- Technological monitoring.
- Demand and trend studies.
- Benchmarking.

The FCC Group promotes the exchange of experiences, learning and the search for intragroup synergies in the R+D+I area. This spirit was the driving force behind the R+D+I meeting organised by the Group's corporate social responsibility direction this year. All the business areas participate in this event, represented by R+D+I managers and members of the CR committee.

Innovation Promotion Award

As in previous years, in 2007 FCC Construcción recognised efforts made in the fields of innovation and creativity by presenting its Innovation Promotion Award, which pays tribute to the areas within the Company which have carried out the most relevant work during the year. The awards are presented in a ceremony held in Madrid's Torre Picasso, and are attended by both senior FCC Group management and property developers.

The 2007 Innovation Promotion Award was presented ex-aequo to:

- The study on low reflection caissons for docks and sea walls, by the technical services department.
- Platform extensions and creation of a new vestibule in Sol station on line 3 of the Madrid metro, by the transport delegation.

Special mention was also made of the work carried out by ALPINE's BPV-Betonfilterpress Blüten "Weicher Betone" (equipment to measure the segregation of fresh concrete in special foundations).



Extension of platforms and new entrance hallway for Sol station, Madrid metro line 3

2007 Innovation Promotion Award: Low reflection caissons for docks and sea walls (Global)

Caisson work is currently the most frequent type of activity carried out on maritime projects in Spain, although it is not completely straightforward. Caissons form vertical structures with high wave reflection capacity, which leads to dock problems as the resulting movement affects the boats on the surface.

This R+D+I project was carried out to provide FCC with its own technology to resolve high reflection problems, thereby meeting the true needs of the market. It included a component which was essentially experimental, and was conducted through a collaboration agreement with the Spanish centre for public works research and experimentation (CEDEX), part of the Ministry of Public Works.

The solution's innovative feature lies in its excellent capacity to reduce reflection on vertical faces over a long period of time, covering all relevant situations which may arise in ports located in Spain and all over the world.



2007 Innovation Promotion Award: Platform extensions and creation of a new vestibule in Sol metro station, Line 3 (Madrid)

This project was part of a complete overhaul of the stations located on line 3 of the Madrid metro, and mainly consisted of extending the station length from 60 to 90 metres, thereby increasing the line's capacity by 50%. Consequently, line 3 has also been able to absorb the increase in passenger numbers arising from the 8km extension of the line to Villaverde, which was also constructed by FCC.

This project's main innovation was the replacement of the methods used to support buildings through provisional bracing or structures based on predicted forces with a technical system that provides instant information on deformation, alerting project managers immediately and, most importantly, allowing any potential subsidence to be corrected using hydraulic jacks.

Innovation of the construction system used has required high levels of safety while carrying out the work, both for those working on the projects, the users of the buildings in question and passers-by. Thanks to the system employed, the metro service was only suspended on two occasions.

FCC innovation lines with environmental criteria

The main strategic lines followed by the Group in the field of innovation can be seen through the main projects undertaken by the Group in 2007:

Cement

The R+D+I work performed by the cement division is mainly based on optimising manufacturing processes and searching for raw materials with better results and a smaller impact. The most noteworthy projects underway are:

- Classification of possible raw materials and fuels, both alternative and conventional, for use in the Group's plants. 48 reports of this nature were prepared in 2007.
- Project in the United States to optimise the use of materials in the Group's new dry method process, with ambitious financial results.
- Optimisation of current products and the search for others with new values, especially in the areas of stabilisation/land solidification/contaminating waste, through the preparation of two conglomerates.
- Research into new cements to collaborate in reducing greenhouse gas emissions, with the request for two new patents.
- Manufacture of conglomerates for sludge stabilisation.

Construction

The subjects covered by the projects mainly concern the characteristics of construction materials, and their aim is to improve performance based on usage conditions and the reduction of their impact on the environment. The Group carries out both internal projects which provide solutions to specific activity-related issues and other projects with a national and European scope.

The cornerstone of R+D+I in the construction area is the Group's R+D+I management system, which is certified by UNE standard 166002.

A list of projects in this area and their main characteristics can be seen at www.fccco.es. Some of the most noteworthy are:

Project MANUBUILD, FCC Construcción: Open Building Manufacturing

This is a new concept in building production which combines value, innovation, efficiency and security. Assembly work is carried out both in the plant and on the actual work site, and the project aims to reduce production costs by 50%, execution time by 70% and accidents in the workplace by 90%. This project will be carried out between 2005 and 2009.

Project ARFRISOL., FCC Construcción: Bioclimatic architecture and solar cooling

This project has revolutionised the practice of bioclimatic architecture and the use of solar energy in buildings, with the aim of making electrical and thermal savings in cooling and heating. The planned activities include the use of photovoltaic panels to produce electrical energy in symbolic public buildings (some newly constructed and others which are being refurbished), located in five different areas with diverse weather conditions. The project will be carried out between 2005 and 2008.

Project HATCONS, FCC Construcción: Technological research and development into high performance materials

This project aims to substantially improve the structural and functional properties of materials used in underground projects. Work is carried out to design and control highly workable fibre-based concretes for use in the manufacture of bridge segments. The project incorporates certain environmental criteria, including the reuse of materials generated by excavation activity. Calendar: 2005-2008.

Project FIBRAS, FCC Construcción

Systematic use of steel fibre-reinforced concrete in resistant elements which are prefabricated on site. The possibility of using fibres made from alternative materials is also being studied. Period: 2004-2007.

**FCC Construcción's
R+D+I Management
System is certified
by UNE standard
166002**

CEMUSA, in collaboration with UPM and CSIC, aims to produce a light urban vehicle, with hybrid propulsion through two engine formats: thermal + solar panels and fuel cell + solar panels. The vehicle will also have photovoltaic energy to recharge its fuel cells



Street furniture

R+D+I projects are aimed at creating more sustainable cities, where the high levels of activity associated with urban centres co-exist with optimal conditions and quality of life for their inhabitants.

Project EPISOL. Versia, Cemusa. Electrical vehicle with fuel cell and solar energy

Social pressure to develop non-contaminating vehicles has encouraged constant progress in cleaner fuel technologies, and the fuel cell has become the way to best meet pollution prevention requirements which will soon be demanded from transportation. Nevertheless, this is still a far-off reality, and must be preceded by hybrid technologies with thermal propulsion.

In this regard Cemusa, FCC's street furniture subsidiary, along with support from the INSIA-UPM and IAI-CSIC research centres, is working towards manufacturing a light urban vehicle with a hybrid propulsion system incorporating two engine versions: in the initial stage the vehicle will employ a thermal engine and solar panels and then, in the second stage, a fuel cell and solar panels. The vehicle will use photovoltaic energy to help recharge its fuel cell.

The following considerations have been taken into account for this project:

- Approval for city driving (light micro-car, special vehicle, etc.).
- Capacity and load volume to be determined (minimum 120 kg and 1 m³).
- Minimum autonomy of 30 km when fully charged. Easy to recharge.
- Solar panels for auxiliary fuel cell recharging.

- Room for two people (the licence type still needs to be determined).
- Enclosed interior/protected from extreme weather conditions.
- Easy access to the interior and driver's seat.
- Forward drive (min. 45 km/h) and reverse.
- Base vehicle which can carry devices for various work or leisure-related applications.

Quality is our prime concern, as a solid, quality design is the backbone of any winning project. A suitable chassis must be designed that complies with all the necessary conditions but, most importantly, the end solution must be versatile. Recyclability is also an important requirement, as by 2015 all new vehicles will be legally required to have more than 85% recyclable or reusable parts.

The current safety status of light vehicles will be studied in detail, and the next steps to be taken will be planned. This is a vehicle of the future and, consequently we have to think about the requirements which will be in place by 2015, when it will be commonplace to see an EPISOL working in parks and gardens, delivering the mail or recharging itself, with a family version meeting urban mobility requirements.

Project C-CYCLES, Versia, Cemusa: Public intermodal system for sustainable mobility

C-CYCLES is a bike sharing system that makes a number of vehicles available to the general public, which can be simply and intuitively hired and monitored in real time. This mobility programme encourages travel through the city on public transport in a new, fun and healthy way.

Above all else C-CYCLES is a public service, which aims to represent a serious alternative to private motor transport, supporting traditional public transportation services with the added value of being comfortable, healthy, fun and environmentally-friendly. It also aims to be a planning instrument, with the statistics collected representing a valuable database for local government when it comes to designing involvement and strategic decisions concerning sustainable mobility.

The C-CYCLES project also represents intermodality. Offering this service outside public transport interchanges, train stations and bus route terminuses allows members of the general public to make their way into the city centre without their own vehicle, picking up a bicycle whenever they need one. The pick-up points will be a maximum of 15 minutes on foot from each other,

and the possibility to pick up the bicycle in one area and drop it off in another allows for flexible and dynamic urban mobility on various forms of transport (train, bicycle, bus etc.).

How C-CYCLES works:

A smart card, which can be used in all the cities in which the system operates, allows the holder to pick up a bicycle from any of the pick-up points in the area. The bicycle can then be returned to any point that is free, regardless of where it was first picked up.

This allows for much quicker, more flexible use: the bicycle is only ridden when truly necessary, just as with the user's own vehicle, but the atmosphere is not polluted as a result and, particularly with shorter journeys, transport is much quicker and more efficient.

Water management

AqualIndex, the Aqualia index for sustainable water management

Aqualia, FCC's water management company, has developed AqualIndex, a tool that includes a system of mathematical indicators that produce a single index, quickly and reliably detailing the company's situation and trends and allowing for easy decision-making.

The AqualIndex tool has been developed by Aqualia, and includes important features:

- It is a management tool that allows for quick, effective action to be taken.
- It is an effective tool for internally and externally communicating results and trends in management policies (transmitting complex information in a simple manner).
- It allows comparison between the different companies within the sector.

Improvements in the quality of water supplied by Aqualia in Santander

This project mainly seeks to identify the variability of water quality and how easily it can be treated, with the following specific objectives:

- Detection of possible sources of pollution, with particular focus on specific industrial pollutants and phytosanitary products used for agricultural purposes.
- Assessment of historical water quality trends in the reservoirs normally used to supply Santander, as well as possible future water capture from the Ebro dam.
- Assessment of current water quality in periods when water levels are low.
- Evaluation of potential trihalomethane formation to determine whether specific treatments are required.



The objective for the first year of the project was to adapt and improve the drinking water treatment plant (Estación de Tratamiento de Agua Potable-ETAP) by incorporating the latest scientific advances.

Development of new technologies for treating industrial wastewater

This project marks a new achievement in the purification of wastewater, and was designed to respond to problems encountered in improving the efficiency of water purification processes, without leading to excessive costs. This initiative is currently in its third year.

Anaerobic reactor

This project aims to design an efficient treatment plan whereby production costs can be assumed by the company. To achieve this, anaerobic reactors were used (with much lower operating costs than aerobic reactors), and the traditional problems associated with this technology were successfully resolved. These issues had previously prevented widespread use of this technology over physiochemical and aerobic treatments, despite the very high operating costs involved in the latter processes.

The project aims to make anaerobic reactors the industry's technology of choice, not only for sectors which produce easily-separable granular sludge, but also in the vast majority of sectors which experience sludge decanting problems, and consequently the technology will focus on the decanting of non-granular sludge.

Advanced oxidisation

Some industrial wastewater compounds which need to be controlled in line with IPPC Law 16 of 2002 are not easily biodegradable, although they may be chemically oxidised. These compounds are found in industrial wastewaters from various sectors, including the chemical

and pharmaceutical, iron and steel, energy, landfill leachates, textile, paper, waste management, oil manufacturing (with polyphenol presence), distillation, automobile, land treatment and refining sectors, and consequently traditional physiochemical and biological techniques do not provide an adequate response to the IPPC law.

AOPs (advanced oxidation processes) are new techniques which, by generating hydroxyl (OH) radicals with high oxidation potential, are capable of fully mineralising organic material. These processes had been developed at university level, but were not available for commercial purposes.



Zero effluents

Once quite strict water quality requirements had been reached, and given the problems of water shortages, it was necessary to make progress in the reuse of wastewater. To do so the Company adopted this project to bring

together secondary and tertiary treatments through a membrane bioreactor, which allows for the pre-treatment of osmosis membranes. As the fouling index of the membranes is reduced through the process, they remain unsaturated and operate much more effectively, therefore meeting water reuse requirements (mainly relating to conductivity).

Waste management

The special research lines followed by this area of FCC are related to:

- Spanish climate change and clean energy strategy.
- Renewable energy plan.
- Encouraging protection of nature and biodiversity.
- Areas detailed within the European Regional Development Fund.

Project to define environmental variables and indicators in joint solid urban waste treatment processes. FCC Medio Ambiente

The Company seeks to optimise its various SUW treatment processes (selections, tunnel composting and dry biomethanisation). This project includes the design of basic quantitative and qualitative environmental indicators obtained from mass, energy and hybrid balances for each of the processes. The data obtained is used to expand the composting recommendations guide, as well as to prepare new wet and dry biomethanisation recommendations and waste selection processes. Period: 2002-2007.

Project to optimise composting processes. Agronomic repercussions. FCC Medio Ambiente

The aim of this project is to identify the sources of heavy metals present in compost in order to apply suitable

techniques to reduce their concentration. Depending on its composition, the compost may be used for agronomic applications. Period: 2006-2009.

Project to analyse the environmental impact of vehicles based on their fuel type. FCC Medio Ambiente

In collaboration with the Universidad Politécnica de Madrid's automobile research institute, an analysis was performed on the environmental performance (emisiones de CO₂, CO, hidrocarburos, NO_x y PM₁₀) hydrocarbon, NO_x and PM₁₀ emissions) of road cleaning and waste collection and transportation vehicles, comparing different monitoring models: biodiesel and CNG + biodiesel.

Project to reduce sludge in industrial wastewater purification plants. FCC Ámbito

This project is run by FCC Ámbito in one of its industrial waste recovery and treatment plants, and aims to lower sludge quantities and toxin levels. Due to the large amount of waste sludge currently produced, the project seeks to develop a technological policy which allows the reduction, modification and reuse of excess sludge generated by water treatment plants. One possible way of reusing sludge is by obtaining active carbon, which can subsequently be used as a catalyst in processes to oxidise the chemical load of wastewaters.

Side-loading collection vehicles. FCC Medio Ambiente

Over recent years we have witnessed a considerable increase in waste collection through side-loading systems, as opposed to traditional rear-loading. This has been mainly due to two factors: a noticeable drop in the workforce due to automation of the collection system; and a lower rear overhang than with rear-loading vehicles.

Although FCC Medio Ambiente has updated and improved its existing machinery right from the time when this kind of side-loading vehicle first appeared, vehicle bodies have been significantly modernised and adapted this year, resulting in quieter equipment with improved performance.

Performance has mainly been improved by the following actions:

- The packing blade can evacuate all deposited waste before the loading arm deposits a new load, due to the use of a large hopper that is unique on the market, with over 5 m³ of capacity.
- The hydraulics of the collection vehicle have been modified to reduce the compacting cycles to just 13 seconds.

- The complete refuse container lifting cycle has been reduced to just 36 seconds.
- Modification of the container lifting arm and the containers themselves to allow for 60° rotation (for side-loading the standard rotation is 42°). This means that the container can be rapidly emptied, thus reducing the time taken and the noise levels involved.

Soundproofing has improved significantly, with modifications to both the vehicle body and the lifting arm ensuring minimum movement during unloading.

These actions have reduced by 3-4 dBA the noise made by side-loading vehicles when lifting, turning and lowering a refuse container.



Solid urban waste collection service. Side loading vehicle. Barcelona

Our main indicators

Environmental management systems

It is an undeniable fact that environmental management systems represent an excellent tool for continually improving the environmental performance of our activities. These systems encourage up-to-date knowledge on all relevant environmental aspects, control of compliance with applicable environmental legislation, operational control of activities with an environmental impact and the monitoring of the environmental objectives regularly adopted by the Company.

In 2007 we have continued with our permanent objective of widening the scope of our management systems. Specifically, we have obtained new certificates in the management systems employed by Cementos Portland Valderrivas, FCC Ámbito, FCC Medio Ambiente, Aqualia and WRG. The changing structure of the Group, mainly due to the acquisition of new companies (some of which have no management systems implemented), has complicated comparability over the years and does not allow for an overview of positive trends in the scope of certification.

Division	Scope of environmental management systems (ISO14001 or EMAS) based on turnover
Construction	65%
Cementos Portland Valderrivas	60%
Realia	underway
Versia	12.7%
FCC Medio Ambiente	77%
WRG	60.6%
FCC Ámbito	69.58%
Aqualia	35.48%

No data available for Proactiva and ASA.

Management of logistics services, mainly focusing on warehouse management, is an aspect considered material by FCC's stakeholders. The Company's operations in this field are certified with the Lógica quality seal, following external verification of the correct implementation of the best practices code prepared by the Spanish business organisation for logistics operators.

Lógica seal for FCC's logistics services

FCC has been externally certified following verification of the correct implementation of the best practices code prepared by the Spanish business organisation of logistics operators. The Lógica seal implies:

- Commitment to excellence.
- Dedication to continuous improvement.
- Active contribution to the economic and social development of the sector.

Principle number 8 of the aforementioned code states that *"the logistics operator and its customers must be aware of their commitments to the environment and society, which must be considered both within their areas of activity and externally, focusing on their possible impact.*

- Adoption of all the measures required to safeguard the environment by reducing the contaminating emissions generated by the logistics operator, thus minimising the environmental impact whether through internal or subcontracted means.
- Making waste management a practice to guarantee health and environmental quality, in collaboration with suppliers and customers.
- Establishment of emission and waste control mechanisms, training of personnel, and any other elements which contribute to defining a true environmental policy for logistics operators".

All of FCC's activities are subject to environmental regulations. In the majority of cases, authorisation must be received from local government before operations can begin, and the Group's facilities receive regular government inspections.

Considering the size of the Group and the activities it includes, sanctions imposed due to non-compliance with environmental regulations are not material. In 2007 monetary sanctions were imposed on FCC totalling Euros 36,480, representing just 0.00026 % of the Group's total turnover.

Emissions

Apart from CO₂ emissions generated by all FCC Group activities, to which the entire "Towards a low-carbon economy" chapter was dedicated, other contaminating emissions have been detected, which will be discussed in this section. The cement division is by far the area with the greatest environmental impact in terms of these atmospheric emissions (NO_x, SO₂ and particles).

Cement manufacturing is the production process within this division that generates the most emissions, arising

mainly from the handling, storage and processing of pulverulent materials. Consequently, this activity is linked to particle emissions, which have traditionally had the greatest impact, as well as the furnace burning of crude oil, which emits combustion gases (mainly nitrogen and sulphur oxides and carbon dioxide).

Emissions control is carried out by systems which continuously measure the main pollutants:

- Analysers to measure particles from channelled sources in furnaces, clinker coolers, cement mills and carbon mills.
- Multiparametric gas analysers to measure NO_x, SO₂, CO, HCl, HF and O₂ in furnaces. Annual measurements are also taken of HCl, HF, COV, benzene, PAH, heavy metals (As, Cd, Cr, Cu, Hg, Ni, Pb, Zn), PM-10, dioxins and furans, according to European Commission decision of 17 July 2000 on the preparation of a European inventory of contaminating emissions.

The prevention, control and minimising of the environmental impact of the cement division is based on the application of the Group's environmental policy. This policy is supported by each installation's management system and, in operating terms, is reflected in investment in projects to modernise and improve installations through environmental criteria. This activity promotes the application of best available techniques (BATs) in, inter alia, cement, aggregate and concrete plants, which include:



- Implementation of selective non-catalytic reduction (SNCR) installations. This technique is based on the injection of water with 25% ammonia content to improve NOx emissions from cement furnaces.
- Improvements in particle emissions by installing hose filters.

In 2007 a new precalciner was installed in the gas exchanger to increase the time that gases spend in the exchanger, reducing NOx formation and increasing sulphur oxide fixing in the clinker produced. This new equipment has significantly reduced the levels of atmospheric emissions generated.

Geographical scope Cement	Cementos Portland Valderrivas, 2007					
	SO ₂ emissions		NO _x emissions		Particle emissions	
	Indicator value	Unit	Indicator value	Unit	Indicator value	Unit
Spain cement	0.24	Kg/Tm cement	1.42	Kg/Tm cement	0.03	Kg/Tm cement
USA cement	1.28	Kg/Tm cement	1.1	Kg/Tm cement	0.10	Kg/Tm cement
Tunisia cement	0.08	Kg/Tm cement	1.51	Kg/Tm cement	0.18	Kg/Tm cement
Argentina cement	0.01	Kg/Tm cement	0.94	Kg/Tm cement	0.21	Kg/Tm cement
Uruguay cement	0.2	Kg/Tm clinker	0.84	Kg/Tm clinker	0.03	Kg/Tm clinker



Ozone layer depleting substances

Chlorofluorocarbons (CFC's), hydrofluorocarbons (HCFC's) and halons are gases which have the potential to destroy the ozone layer. Although FCC does not directly use these gases in its activities, they may be found in refrigeration equipment, fire extinguishing devices and air conditioning units currently in use and awaiting replacement. Possible leaks are negligible, and the sources of the gases are controlled through regulatory maintenance activities carried out by authorised personnel.

Through its waste management division the Group contributes to the adequate treatment of the aforementioned gases, minimising their impact on the environment. FCC Ámbito receives equipment containing these substances at the end of their useful lives, which are degasified under suitable controlled conditions, with the gases subsequently being stored in specific tanks.

Consumption of raw and auxiliary materials

The increase in demand for production and services leads to a rise in production inputs, of which the consumption of raw materials and energy are particularly relevant.

For certain Group activities, such as those carried out by the cement area, the demand for raw materials represents a significant environmental concern. In general, the course of action followed by the Group is to optimise the yield of the materials consumed and to use by-products and waste as substitutes for raw and auxiliary materials.

The industrial waste division FCC Ámbito uses industrial waste with specific chemical and physical characteristics to replace reactive materials in the stabilisation and physico-chemical treatment of hazardous waste at its installations.

Total materials consumed (tonnes)	Indicator value
Cement	744,200,569.00
Construction	8,801,006.00 (only asphalt)
Services (FCC Ámbito)	23,169.36
Services (Aqualia)	29,509.13
Services (FCC Medio Ambiente Spain, WRG)	437,016.00
Services (Versia)	58,075.56
Total	753,035,467.05

* No data available for Proactiva Medio Ambiente, ASA, international construction and real estate.

In addition to asphalt, construction activity also consumes 12,473,931 m³ of other raw materials, such as concrete, paint, solvents, releasing agents, anti-freeze, etc.

The construction division has implemented Project Reto, an initiative to obtain concrete from aggregates contained in the waste generated by tunnel boring machines and dredgers.

Consumption of materials in the cement area

Cement is the FCC Group area which consumes the largest quantity of materials, and the consumption of raw materials is an environmental issue which has been identified by the Sustainable Cement Initiative (SCI) as a key concern for the industry.



Due to increased production and the year-on-year improvement in the reporting of environmental indicators, the quantities of materials consumed by the cement division presented below reflect an appreciable increase.

The use of waste, in particular surplus aggregates to manufacture concrete, is a practice which is being progressively implemented to minimise the unnecessary consumption of resources in works

Raw materials used in the cement activity

Limestone marl	Gypsum	Kaolins
Clay	Pozzolan	Other materials such as concrete, pyrite, grinding additives, quartz, meat and bone meal, mill scale, limestone filler or paper and industrial sludge.
Sand	Ashes and slag	
Limonite	Ferrous sulphate	

Geographical areas	2006	2007
Spain. Cement, Concrete, aggregates and mortar	42,317,522 Tm	61,775,288 Tm
USA. Cement	3,372,818 Tm	3,437,223 Tm

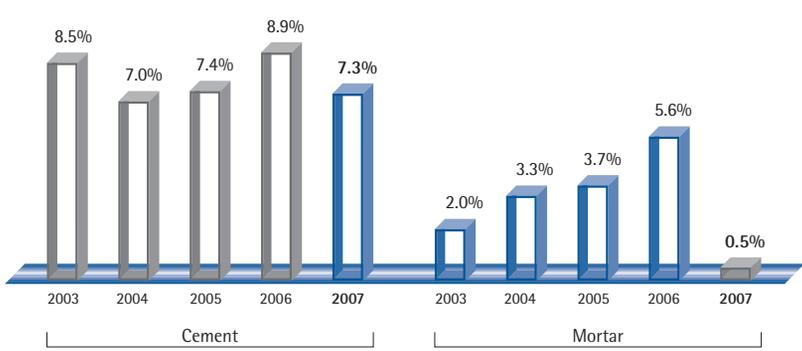
The objective of the cement area is to advance in the use of alternative raw materials, such as by-products and waste. Apart from their lack of apparent value, the disposal of these materials represents an increasingly significant problem for the community. They can, however, be recovered at the cement factories, while simultaneously avoiding their disposal in landfills or waste storage tanks.



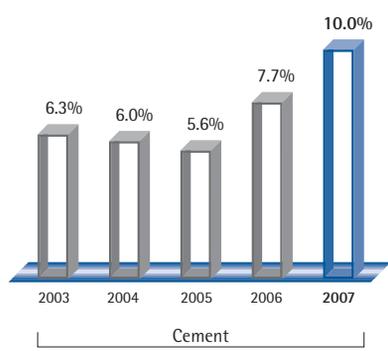
By-products used as raw materials in factories include slag, ash, ferrous sulphate, pyrite, foundry sand, fluorite, concrete, waste treatment plant furnace ash, ground gypsum and carbonate sludge.

Spain		Percentage of raw materials comprising waste				
Business unit	2003	2004	2005	2006	2007	
Cement	8.5%	7.0%	7.4%	8.9%	7.3%	
Concrete	0.4%	0.8%	0.7%	0.4%	0.3%	
Mortar	2.0%	3.3%	3.7%	5.6%	0.5%	

Replacement of raw materials with waste in Spain



Replacement of raw materials with waste in the USA



USA		Percentage of raw materials comprising waste				
Business unit	2003	2004	2005	2006	2007	
Cement	6.3%	6.0%	5.6%	7.7%	10.0%	

Water management

Water is essential to practically all the activities carried out by the FCC Group. It is a component of the products manufactured in the cement division; it is necessary for the manufacture of concrete in the construction division; it is used to

obtain steam for the plants which generate energy from waste; it is employed in the decontamination of industrial waste, and it is vital to road cleaning and garden maintenance activity.

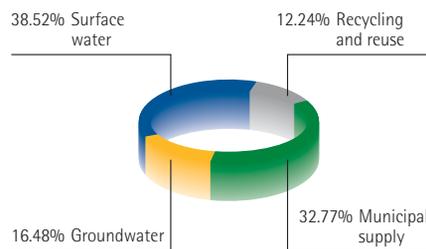
The following table presents the FCC Group's water consumption by business division. Although cement activity is that which consumes the most water, Aqualia, the FCC division responsible for comprehensive water management, is the protagonist of this section, having collected 838,017,604 m³ of water in 2007.

The FCC Group's 2007-2008 Corporate social responsibility Master Plan includes specific targets for reducing water consumption within all its divisions, as a key strategy for improving eco-efficiency. The initiatives carried out within the Group are aimed at increasing eco-efficiency in resource-consuming processes by reusing wastewater, making full use of rainwater, etc.

Business area	2007 water consumption (m ³)
Cement	13,979,628.00
Construction	8,803,178.45
Corporate Division	6,091.00
Real Estate	146,073.00
Services	3,940,526.50
Total	26,875,496.94

* No data available for Proactiva Medio Ambiente, ASA and international construction.

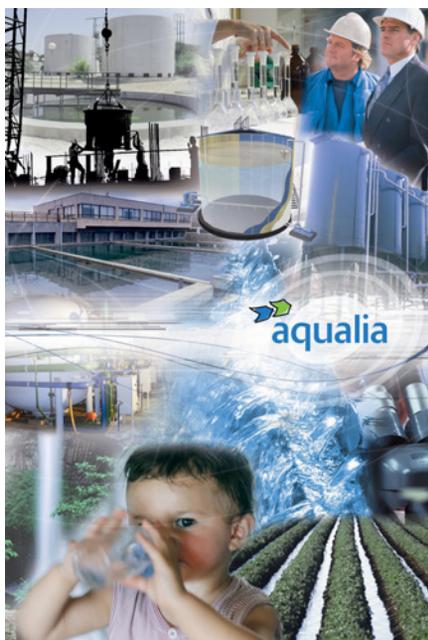
Source of the water consumed in FCC



■ The "carbon footprint" cannot be sustained for much longer. The key solutions are efficiency, a change in values, the use of renewable energies and greater public participation.

The specific courses of action that form part of Aqualia's management strategy are as follows:

- Reuse of water, and the Zero Effluents Project.
- Lower operating costs for wastewater treatment plants.
- The specific elimination of emerging contaminants.
- Energy efficiency in comprehensive water management.
- Raising public awareness regarding the use of this scarce resource.
- Implementing new sources of water collection other than continental surface waters.



Aqualia and responsible water management

Aqualia adopts a responsible approach to the sustainable management and development of scarce water resources under high demand, taking into account the following global concerns:

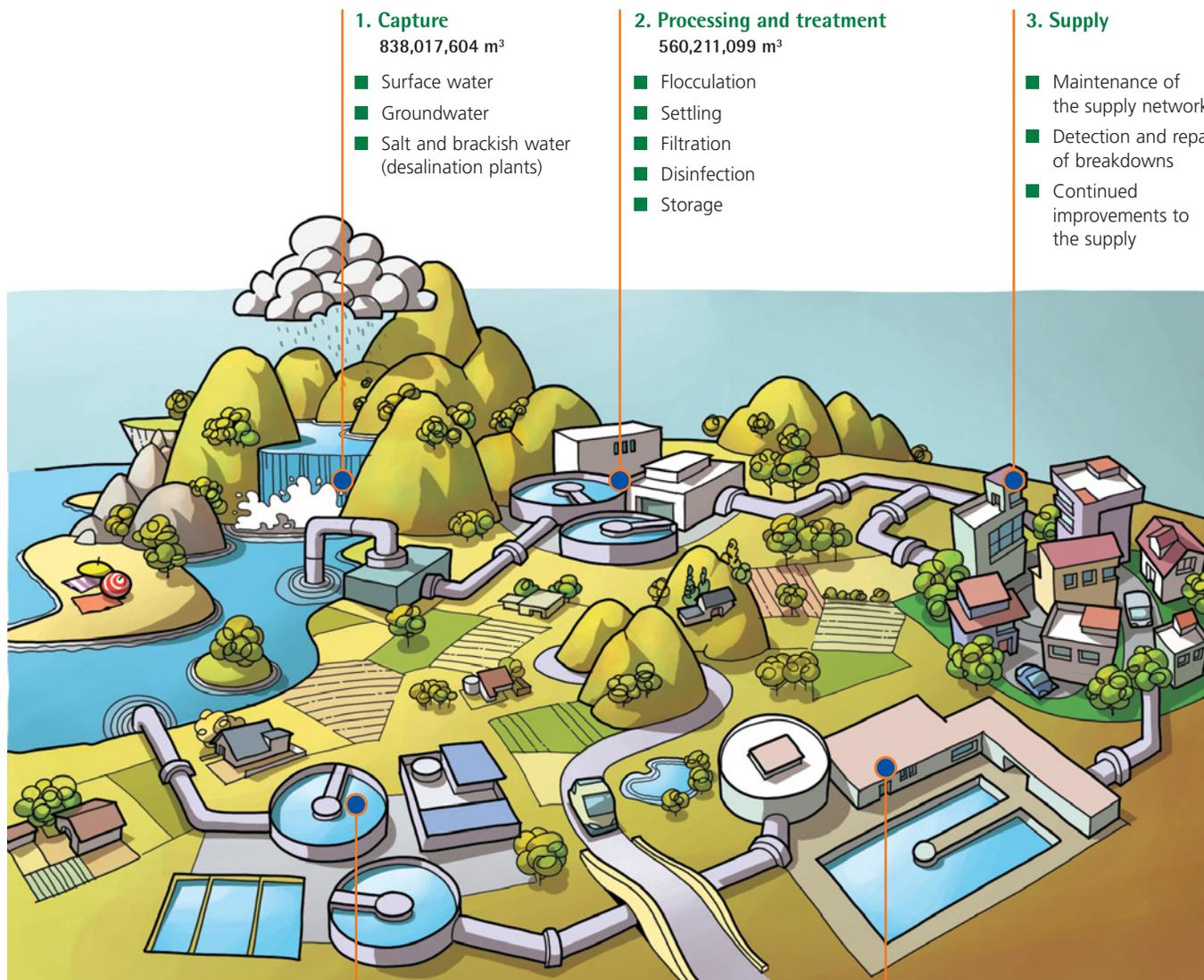
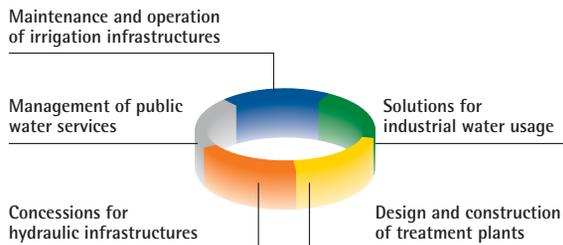
- The main threats to water sustainability are inadequate management, poor distribution and lack of investment.
- 2/3 of the world's water consumption is used, inefficiently, by the agricultural sector.
- The ever-growing demand for water, with millions of deaths caused by inadequate access to the water supply or sanitation.

In terms of sustainable and water management, Aqualia performs a dual role: managing the service that provides access to this scarce resource while alerting customers and users of their own responsibility regarding sustainable water management



Aqualia's activity is largely focused on mitigating the environmental impact of other domestic and industrial activities on water resources, and includes both the construction of infrastructures for wastewater treatment and conversion into drinking water, and the management of these infrastructures.

Aqualia lines of activity



- 1. Capture**
838,017,604 m³
- Surface water
 - Groundwater
 - Salt and brackish water (desalination plants)

- 2. Processing and treatment**
560,211,099 m³
- Flocculation
 - Settling
 - Filtration
 - Disinfection
 - Storage

- 3. Supply**
- Maintenance of the supply network
 - Detection and repair of breakdowns
 - Continued improvements to the supply

- 5. Purification**
430,216,986 m³
- Screening
 - Degritting and degreasing
 - Initial settling
 - Biological treatment
 - Clarification
 - Refining and disinfection

- 4. Sanitation**
- Wastewater re-pumping plants

As a key to correct water management, Aqualia strives daily to improve the efficiency of its processes, preventing leakages as far as possible, optimising energy consumption, reusing treated wastewater and recovering the sludge produced by the water treatment process.

Aqualia collected 838,017,604 m³ of water in 2007, 72% of which came from surface sources and 20% from groundwater. The volume of water extracted by Aqualia is determined by each municipality's demand for this resource.

Aqualia's main areas of action are aimed at:

- Improving the hydraulic yield of the system.
- Reducing losses through leaks.
- Preventing possible fraudulent activity.

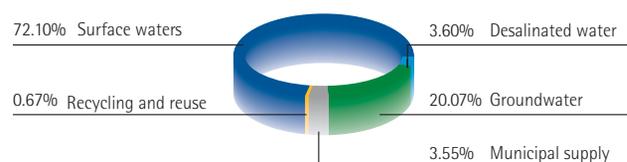
Reducing water loss

Aqualia has adopted a variety of measures to meet this objective:

- Implementation of a systematic program to search for leaks.
- Annual investments to renovate infrastructures (tanks, networks, connections, water meters, etc.).
- Digitalisation of the supply networks and implementation of the Aqualia Gisprogram.
- A remote control system which permits constant monitoring of the quality of the water supplied and the conditions of equipment and installations, thereby enabling the correction of any deficiencies detected and optimising the way in which the service is managed.

Aqualia indicators	2006	2007
Water collected (m ³)	562,275,000	838,017,604
Volume of water treated (supply)	497,954,152	560,211,099
Volume of water treated (drainage)	464,285,220	430,216,986

Water source. Aqualia



Desalination

The FCC Group's first desalination plant was built in Fuerteventura in 1992. Aqualia has maintained a policy of investing to improve its desalination plants, ensuring greater capacity, lower energy consumption and improved technology. An important aspect of these installations is the control and mitigation of the effects of brine on the surrounding sea bed. Consequently, prior to developing a plant

of this kind, Aqualia analyses the sensitivity of local marine life and identifies the most appropriate course of action.

Aqualia is in the process of building a plant in Algeria with a capacity of 200,000 m³/day. Current production at plants operated by the FCC Group totals over 500,000 m³/day.

Wastewater treatment

Aqualia's wastewater management is aimed at the purification of domestic and industrial wastewater, and also includes the treatment of rainwater, due to the high number of municipalities with single drainage networks for rainwater and sewage.

Aqualia's initiatives are mainly aimed at improving the quality and quantity of the waste treated, attempting to extend the treatment stages to achieve an ever larger volume of recycled water.

Desalination is key to Aqualia's strategic development. For over a decade Aqualia has invested in desalination plants with greater capacity, lower energy consumption and improved technology

In addition to waste, another of the outflows of the wastewater treatment installations is the sludge produced in this process. To reduce the impact of these installations as much as possible, the sludge generated is used in two different ways:

- As manure in the agricultural sector.
- By using the biogas generated in its decomposition to obtain electrical energy.



	2006	2007
Volume of water treated (m ³)	488,337,270	430,216,986
Sludge produced (Tm)	310,019	332,370
Sludge used as compost (Tm)	116,568	86,228
Sludge used for direct agricultural application (Tm)	141,998	153,011
Electrical energy produced with biogas (kWh)	11,891,321	8,740,969

Aqualia's ongoing commitment to reducing energy consumption at its installations forms part of its strategy for combating climate change.

Installations	kWh 2005	kWh 2006	kWh 2007	Variation 2006-2007
Collection	108,988,709	112,345,082	106,568,024	-5.14%
Conversion into drinking water	82,757,214	83,024,452	85,709,618	3.23%
Distribution	61,845,837	61,409,508	55,379,923	-9.82%
Sewerage	17,235,640	18,699,627	22,181,051	18.62%
Waste treatment	172,125,002	165,191,504	166,845,487	1.00%

Despite the notable increase in the volume of water managed by Aqualia in 2007, up 20% on 2006, the rise in electrical energy consumed throughout the entire cycle is only 14.2%

Waste management at the FCC Group

Land is one of the most valuable resources affected by business activity, and its occupation, contamination and loss are closely linked to waste generation, an environmental aspect with high relevance for FCC's activity.

The Group carries out activities associated with high waste production, as is the case for cement and construction, as well as

urban and industrial waste management activities, where the potential to reduce and even eliminate the environmental impact of waste in the Group's installations is also high. The main function of these installations is the selection and treatment of waste for reuse, recovery and recycling or, as a last resort, deposit in landfills under safe and healthy conditions.

Thanks to these management activities, a high percentage of waste which would have been sent to the landfill is recycled or reused, making the most of its energy value or using it as raw

materials. Using waste in this way does not have any impact on the land and, in the case of waste which produces emissions when decomposing, does not harm the atmosphere.

FCC Group waste generation indicators

	Hazardous waste generated (Tm)	Non-hazardous waste generated (Tm)	Total waste generated (Tm)
Cement	2,929.00	206,370.00	209,299.00
Construction Spain	2,352.54	29,711,637.44	29,713,989.99
Real estate	250.42	84.07	334.49
Services	108,165.25	2,328,499.00	2,436,664.25
Total	113,697.21	32,246,590.51	32,360,287.73

* No data available for Proactiva Medio Ambiente, ASA and international construction.

The management of waste generated by FCC opts for reuse, recycling and recovery over deposit in landfills, although the latter is still the most widespread option across the Group.



		Sent to landfill	Incinerated	Recycled	Reused	Used for energy recovery	Composted	Other
Cement Spain	Hazardous waste (Tm)	1,619.37		211.57				10.00
	Non-hazardous waste (Tm)	190,183.06		10,547.93				3.00
Real estate	Hazardous waste (Tm)			250.00				0.43
	Non-hazardous waste (Tm)			83.57				0.50
Services	Hazardous waste (Tm)	99,937.81	1,121.63	4,676.45	149.02	365.99		1,914.10
	Non-hazardous waste (Tm)	172,247.73	28.02	27,242.76	89,910.31	1,153,502.93	43,298.76	842,268.49
Total FCC (Tm)		463,987.97	1,149.65	43,012.27	90,059.33	1,153,868.93	43,298.76	844,196.52

* No data available for construction, Proactiva Medio Ambiente and ASA.

Waste management at Cementos Portland Valderrivas

Cementos Portland Valderrivas has adopted a selective waste collection policy, and also incorporates measures included in waste-related legislation. Group criteria involves reducing waste production, internally storing any waste

produced until it can be treated by a waste management company which ensures recycling and/or reuse options over disposal.

To ensure that waste is adequately sorted and internally managed, the Group has created intermediary storage areas which are clearly identified and equipped with

anti-spill protection. There are also final waste storage units where waste remains until it is removed for external treatment. These units, known as clean points, are fully paved and covered to prevent the possible effect of rainwater, such as undesirable mixes, cross-contamination, etc. Specifications have also been prepared for each different type of waste which are given out to the relevant operational personnel and define the various related actions and responsibilities, thereby ensuring that the waste is correctly sorted, packaged and labelled.

The company's 2007 waste reduction objectives include:

- Personnel awareness campaign to minimise waste generation.
- Development of specific departmental waste reduction programmes.

Waste management at FCC Construcción

The first basic step in adequate waste management is to identify potential waste generated in a particular project, and to estimate the quantities that will be produced. Separate areas are then established for the suitable disposal and storage of waste, thereby avoiding hazardous waste, urban waste and non-hazardous waste being mixed together. The best possible destination is sought for each type of waste, all in line with prevailing legislation.

Hazardous waste is collected in the corresponding storage area, which is suitably equipped to prevent the possibility of spillage, where it remains until it is collected by an authorised waste treatment company.

Actions undertaken by FCC Construcción to reduce waste are based on reuse, recycling, recovery and reduction at source. These actions include:

- Changes in the design of the construction system concerning the use of materials which generate hazardous waste.
- Reduction of packaging waste.
- Recovery of rubble.
- Reuse of inert waste and recoverable elements.
- Reuse of excavated vegetable-rich soil.
- Reuse of effluents and process wastewaters.
- Reduction in water and energy consumption.
- Exchange of surplus materials with other works.



Camino motorway. Section IV Navarra



The following table shows forecast waste generation for 2007, as well as the actual amounts of waste recorded at year end following the

implementation of various waste recycling and recovery measures while the project was carried out.

The recycling of land and rubble is a priority for FCC Construcción due to the high levels of waste generated and the impact of its volume and non-biodegradable nature

Reuse of construction waste, 2007	Forecast amount	Actual amount
Surplus land or rocks		
To landfill (m ³)	33,816,291	19,457,477
Used in the works (adjustment-excavation-fill) (m ³)	50,054,147	32,715,964
From other works (m ³)	1,212,696	1,472,961
Used in other works (m ³)	8,903,640	4,086,622
Obtained ex profeso (loans) (m ³)	15,909,737	6,773,695
Total excavation (m ³)	111,591,975	62,040,518
Total fill (m ³)	78,893,861	44,686,152
Clean rubble (concrete, mortar, bricks, prefabricated items, others)		
To landfill (m ³)	1,588,215	627,373
Used in the works (m ³)	9,213,301	367,740
From other works (m ³)	1,000	9,100
Used in other works (m ³)	–	9,114
Handed over for recovery (m ³)	65,485	186,134

Land recycling at FCC Construcción: the high speed train case (*Siete Aguas–Bunyol*)

Due to the length of the tunnels created for this high speed train section, in particular the Cabrera tunnel (a project carried out by FCC Construcción), a large amount of the material extracted was good quality limestone, which represented a significant volume of inert waste to be managed.

Due to the existence of suitable material and the need to acquire concrete as a raw material for the tunnel laying work, the company opted to reuse the extracted material to produce concrete and bridge sections in FCC plants. In this way no waste was generated and the material was reincorporated into the production cycle, this time as a resource, leading to subsequent environmental and financial savings. To carry out this process the company used an aggregate crushing plant which produced three sizes of aggregate depending on the quality of the concrete required, a concrete plant where the crushed aggregate was used to manufacture this product, and a bridge segment plant which produced segments to shape the tunnel as the tunnelling machine made progress along its route.

The solution adopted reduces the generation of inert waste, avoids land occupancy for landfill purposes and minimises the consumption of resources, which are instead generated on site using material which would otherwise be dumped. The on site location of aggregate crushing plants and concrete and bridge section production plants reduces the energy costs associated with acquiring raw materials.



Waste management by FCC: priority lines of action

- Reduction of the percentage of waste sent to landfill sites, with an increase in recycling and recovery.
- Raising public awareness of better waste sorting.
- Optimised management of waste generated by Group activity.

FCC Ámbito is engaged in the management of industrial waste at treatment plants, recovery plants, transfer centres, paper and cardboard selection and recycling plants and hazardous and non-hazardous waste landfills. While treating waste for its customers, and with the aim of encouraging reuse, recycling or recovery, the company also generates its own waste: sludge, leachates and other waste produced from in-plant selection. These forms of waste, along with others produced from the maintenance of machinery and vehicles, are managed in FCC Ámbito installations, except in special cases where, due to the type of waste or the distance involved, it is better for them to be treated externally.

FCC Medio Ambiente renders solid urban waste (or similar) collection and treatment services through contracts with both public and private customers. These activities require the use of collection vehicles and the implementation of industrial installation, where waste is processed, selected and recovered via biological (biomethanisation and

composting) and thermal (incineration) treatments, as well as being disposed of in landfills.

The identified sources of hazardous and non-hazardous waste are:

- Vehicle maintenance workshops (when maintenance services are not outsourced).
- Treatment plants where SUW or similar waste is selected, treated and disposed of.
- The offices and other premises where administrative and/or production staff are located.

Increased recycling and recovery

Recycling and recovery by FCC Ámbito

FCC Ámbito sorts the waste it receives from its customers and prepares them for subsequent recycling.

- 1,345,686 tonnes of paper and cardboard are recycled for return to the production cycle.
- 1,806 tonnes of glass are recovered from selective collection from cities and the industrial channel for reuse. This process also results in a corresponding saving in raw materials.
- 189,819 tonnes of plastic recovered directly from manufacturing by-products and the waste containers which arrive at our installations.
- 1,462.29 tonnes of hydrocarbons, 857,158 tonnes of scrap iron and 1,260,382 tonnes of wood, all selected, treated and prepared for recycling or reuse.

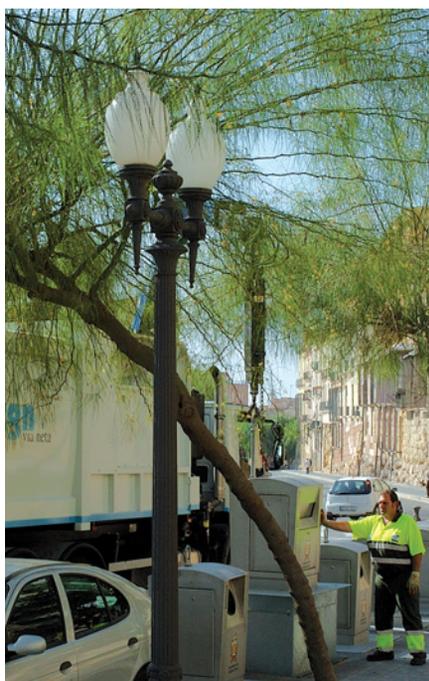


Recycling and recovery by FCC Medio Ambiente

The best steps that can be taken through these management activities to prevent the environmental impact of waste is to achieve the greatest effectiveness and efficiency possible in all its processes, with the primary objective of reducing landfill waste by encouraging recycling and recovery. An important step in reaching this goal is related to the techniques available, as is the willingness

of customers and waste service users to contribute to waste sorting. It is precisely for these reasons that the company carries out activities focused on educating and raising awareness among the general public.

FCC Medio Ambiente manages the following urban or similar waste.



FCC Medio Ambiente (Tm/year)	Collection	Treatment/disposal
2006	6,108,526	6,429,690
2007	6,218,169	6,271,416

Source of consolidated data:

T Collections: Gescón

T Treated-Disposed of: Synthesis chart (Gesplan, joint ventures; No ISO, No landfill joint ventures ISO 14001).

Incorporation of crushed pruning waste and its reuse as mulch in Viladecans and Mataró

FCC Medio Ambiente's Barcelona branch has signed an agreement with the company that carries out pruning activity in the Viladecans area, using crushed pruning waste as mulch on shrub planting areas located in the city's various parks. The preservation and maintenance contract for the green zones in Mataró, managed by FCC, also incorporates vegetable waste from pruning carried out on the city's trees. The results of the above initiatives are:

- Recycling of organic material. Incorporation of new material into the soil in the form of mulch.
- Reduction in water consumption as evaporation is minimised due to the soil covering.
- Effective weed control with a subsequent reduction in herbicide use.
- Less fuel consumption as waste is not transported to its final destination.
- Increased performance among personnel as waste is not transported to the landfill.

In 2007 this initiative has led to 210 m³ of mulch from pruning waste being used in the aforementioned contracts.



Reuse of algae waste taken from beaches in Campello (Alicante)

FCC Medio Ambiente's Levante II branch minimises waste generation when carrying out the beach clearing activities it performs in the El Campello area in Alicante. Instead of transporting the algae it removes directly to the landfill, it is used as a sand substitute in stables located in the area. This is not only a saving for the riding schools, but also has therapeutic benefits for the animals such as prevention of hoof fungi and skin diseases, as the horses suffer much less when trotting on soft surfaces, as well as avoiding possible respiratory illnesses.

In 2007 1,164 tonnes of algae were delivered to these installations, instead of being disposed of in landfill sites.

Recycling and recovery by Waste Recycling Group

The cornerstone of WRG's business is waste recycling. In 2007 this company's installations took in 11.7 million tonnes of mixed waste, from which 951,226 tonnes of rubble, bricks and soil were extracted for use as construction materials in motorways, curbs for garden areas, etc. 1,462,371 tonnes of inert waste was used as landfill-covering material, thereby helping to protect the environment, and 274,733 tonnes of vegetable waste were received and composted for subsequent sale or internal use in restoring full landfills.

Other recycled materials are glass (34,988 tonnes), paper (41,616 tonnes), wood (53,349 tonnes), metals and electrical goods (43,658 tonnes), liquid waste (288,115 tonnes) and other assorted waste (132,595 tonnes).

WRG keeps a watchful eye on techniques being developed for biodiesel extraction from recycled plastics to encourage processes which minimise the impact of waste arriving at its facilities.

20.6% of waste managed by WRG is recycled, either for internal use or external sale



Recycling installations in Wrexham: "Meta 45+" objectives

A new waste contract was signed between Wrexham Council and WRG in May 2007. The 25-year agreement will allow the Council to meet its waste recycling and composting objectives for 2010, and also represents a significant advance down the path towards fulfilling objectives set for 2020. The project includes an installation where recyclable waste is classified and prepared for sale to recycling companies, and there will also be a composting installation, a waste transfer plant and an education centre. These installations will not only allow Wrexham to meet its objectives for waste not sent to landfills, as established in UK and EU legislation, but will also represent a substantial increase in the recycling of waste produced by residents of the area.

WRG has collaborated extensively within the framework of the re3 initiative to increase the number of residents who can recycle materials in its household waste recycling centre, located in Reading. The new centre includes installations for recycling cardboard drinks cartons, a new and attractive development which tackles the complicated problem of recycling cardboard drinks packaging due to the number of different materials they contain. Drinks cartons contain an average of seven layers of cardboard, plastic and aluminium to make them suitable for packaging food products.

The results of this initiative will be seen in new installations that will increase recycling and composting capacity in Hull and East Riding (UK) by 45%. Waste that is not recycled will be converted into green energy, providing a supply equivalent to 80,000 tonnes of coal per year, and "Meta 45 +" will save 4 million tonnes of waste from landfill sites over the next 20 years.



Raising public awareness

FCC Medio Ambiente and the drive to raise public awareness

FCC Medio Ambiente Madrid is collaborating with Madrid city council on its information campaign for the launch of an eco-card for the city's special waste collection and recycling centres, or "bring sites". The council is currently running a pilot scheme in the Hortaleza, La Latina and Carabanchel areas of the city to encourage the community to use these bring sites by offering an eco-card to those making the most of the facilities. The initiative rewards responsible people who show commitment to the environment by depositing waste at the sites, awarding them eco-card points based on the type and quantity of waste they bring. Once the eco-card has been completed, it can then be exchanged for recycled goods, including soaps, diaries and bags.

FCC Medio Ambiente Galicia collects used vegetable oils for recycling as part of its eco-friendly office initiative launched in 2007. The Company has installed a 50 litre container at its head office for the collection of employees' used vegetable cooking oil, allowing them to make a positive contribution to the environment. The Company has also signed an agreement with an authorised waste disposal firm for the handling of the oil.

FCC Medio Ambiente organises the sorting and collection of waste generated at its headquarters. Through initiatives to raise employee awareness, such as placing information posters near vending machines and handing out a refuse collection protocol to cleaning staff, the

following recovery levels were reached across the regional central offices and FCC Medio Ambiente headquarters in 2007:

- Five tonnes of packaging, which marks a 124% increase on 2006.
- 40 tonnes of paper recovered for subsequent recycling, up 63% on 2006.
- 5.2 tonnes of hazardous waste collected (toners, used batteries, printer cartridges, fluorescent light tubes and spent electrical goods.).

WRG advocates raising public awareness as a way to meet its recycling commitments

WRG devotes part of its activities to offering advisory services to clients and small companies on how to best manage waste, promoting re-use and recycling and reducing reliance on landfill sites. WRG is part of the “re3” initiative,

created 25 years ago to achieve the following objectives through various means (including public awareness):

- Waste deposited in landfill sites at no more than 75% of 1995 levels by 2010, 50% of 1995 levels by 2013 and 35% of 1995 levels by 2020.
- Recycling of at least 40% of total waste by 2010.



The FCC headquarters' Green Centre



The FCC Group Corporate Responsibility Master Plan, approved by the board of directors in January 2007, includes the “Green Centre” action plan. This plan sets out FCC’s commitment to implement environmental best practices in all of the Groups offices, including headquarters in Madrid, one of the most important of the Group’s buildings. In 2007 considerable progress was made on the “green headquarters” corporate plan.

Amongst the first initiatives implemented in 2007 was the installation of presence sensors in all of the building’s 54 toilets, to avoid lights being left on for longer than necessary and therefore reduce unnecessary energy consumption.

The second area reviewed was the issue of waste generated in the building. As the building is used for administrative purposes, the main bulk of waste generated is paper and cardboard. Sorting, collaboration with waste management firms that also offer recycling and an information campaign designed to raise awareness amongst employees are just some of the measures that have been implemented through the following main initiatives:

- Identification and quantification of the waste generated in the building.
- Choosing and signing contracts with waste management firms which can regularly collect and recycle waste (paper, cardboard, toner, packaging, batteries, fluorescent light bulbs and electrical and electronic equipment).
- Provision of containers for sorting waste.
- Information campaign including brand creation, labelling and posters around the work place.
- Preparation of a written protocol, accessible to all building users via the Company intranet, that defines the waste disposal procedures to be followed as well as which departments to contact for further information or suggestions.

The protocol itself is subject to regular review to ensure that it is being correctly implemented and to assess to what extent its targets are being achieved. The waste management company authorised by the Madrid region for the collection and handling of all waste (except toners and packaging) is FCC Ámbito, a company created by the Group to manage industrial waste.

As the plan was implemented in late 2007, initial results will not be available for review until 2008. During the first quarter of 2008 initiatives designed to reduce water consumption will be implemented as part of the "Green Centre" action plan.



Biodiversity

The protection and improvement of biodiversity is a result of FCC's management of protected areas owned by the Group or under its influence, as well as projects undertaken by the Group to clean up contaminated land.

This section highlights the steps taken by FCC during 2007 to restore landscapes and protect biodiversity.

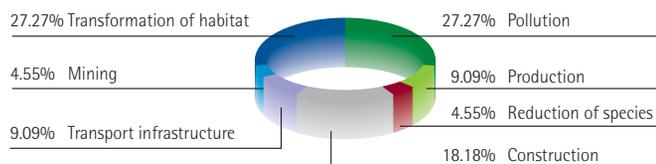
Land owned, leased or managed by FCC within or adjacent to protected areas or non-protected areas considered of special interest due to their biodiversity (m²)

Cement	913,304.00
Real Estate	587,000.00 ⁽¹⁾
Services	450,000.00
Total	1,950,386.00

(1) Land owned by Realia adjacent to a protected area in the municipality of San Roque (Cadiz).

* There is no quantification of protected land affected by construction, although 82 works on or adjacent to protected areas have been identified.

FCC actions with an impact on biodiversity



Impact of cement activity on biodiversity, and steps taken to mitigate these effects

Of all FCC activity, the greatest impact on biodiversity is caused by the cement division through quarrying, use of space and industrial processes (blasting, crushing and transport), which alter both habitats and ecosystems.

In order to minimise the environmental impact of operations, land recovery schemes are implemented to return land in so far as possible to its original state. These schemes are used both in the Company's marlstone quarries where the raw material used to make cement is extracted, as well as in the Group's aggregate quarries and gravel pits.

El Alto factory

In March 2007, the Group completed the section of the cycle path linking Arganda del Rey with Morata de Tajuña in Madrid. This 3 km-long section crosses the old Tajuña rail track and is located on land owned by Cementos Portland Valderrivas.

Lemona factory

In 2000 a restoration plan was implemented at the Monte Murguía quarry and during 2006, large landfill areas were prepared for restoration to begin. At level 130 of the quarry, due to the substrates and topsoil in place after the aforementioned process, hydroseeding and plantations were carried out on an extensive south-facing area on a slight incline.



Zudaire mini power station (Navarre)

The Cementos Portland Valderrivas mini power station in Zudaire (Navarre), Spain operates in a protected area rich in biodiversity. It is located in the nature reserve at the source of the Urederra river and in the Urbasa y Andía national park. The area of the river is insignificant compared to the total protected area because it runs in a straight line and due to the nature of the activity (electricity obtained through two generators), the potential environmental effects of the mini power station are deemed insignificant.

In the United States a total of 913,304 m² of protected wetlands are managed.

Construction: Impacts and solutions

As the majority of this division's activities are carried out on greenfield sites, the risk of environmental impact of possible spills on the land and surface or ground water could be relevant. To prevent accidental discharge or spillage during works, FCC Construcción stores hazardous substances and waste in drum pallets, and waterproofs land where machinery is maintained and handled. In 2007, 96 spillages were recorded, with a total volume of 9.4 m³.

During 2007, the construction division carried out 82 works on protected land or sites adjacent to areas considered high in biodiversity value, broken down as follows:

- Works on natural parks or protected areas: 14.
- Works affecting natural waterways on protected land: 9.
- Works affecting listed or protected vegetation: 12.

- Works affecting listed or protected animal species: 10.
- Works on land listed as relevant: 37.

The following actions have been planned and implemented to manage these possible impacts on biodiversity:

- Physical protection of wildlife.
- Relocation or adaptation of planning to life cycles.
- Relocation of nests or individual animals.

The following habitats were protected and restored by FCC Construcción in Spain during 2007:

- Habitats restored: 49.77km².
- Habitats protected: 29.89km².



Canero Viaduct. Cantábrico motorway, Querusas - Otur section



Biodiversity protection by the construction division: Initiatives at the Bahía de Cádiz Natural Park

Seville-Cadiz high-speed train line, Jerez Airport-Cadiz stretch, El Puerto de Santa María subsection

This subsection spans some 1,800 m of the Bahía de Cádiz Natural Park and 4,200 m of the surrounding area. Many birds fly through this national park and other nearby wetlands when migrating to Africa and some also choose to settle here during winter. The works also cross the path of two rivers, and consequently marine species which may be affected by the works, including fish, amphibians and mammals, represent an extremely important factor to be considered. One emblematic species of particular importance is the chameleon (*Chamaeleo chamaeleon*), found in pine forests such as Coto de la Isleta which lie in the path of the works. The chameleon is currently an endangered species, and is protected under Royal Decree 3181 of 30 December 1980.

In light of the aforementioned issues, extreme precaution was taken during land clearance to avoid compounding the situation further. Clearance time was also limited, preventing work from taking place during mating and egg-laying season (July to October). During this work great care has been taken to protect the surrounding environment, such as restricting the use of heavy machinery and increasing the use of manual methods.

The lower sections of each plant were monitored closely wherever possible as chameleons prefer to hide amongst the roots of shrubs and bushes. Around 10 chameleons were found and handed over to the park rangers, before being taken to the local wildlife recovery centre or released into other pine forests in the Bahía de Cádiz Natural Park following the centre's instructions.



FCC waste management: WRG

The environmental aspects of landfills which may have a direct impact on biodiversity are as follows:

- Emission of gases that harm vegetation.
- Pollutants discharged into water supply systems, affecting marine species or water quality.
- Particles that escape into the atmosphere, affecting the quality of the air or habitats.

The most common avoidable impact is the build-up of solid waste matter on riverbeds, caused by lack of surface water drainage or failure to properly contain solid waste. There are very few impacts that cannot be reversed, and the majority respond to mitigating measures, although a small number of operations do have a long-term impact on land and different species.

In 2007 WRG recorded five significant spills, mainly leachate and solid waste leaked by landfills. Two of these spills contaminated an adjacent river, whilst another affected a nearby lake.

Risks associated with spills may be combated through risk assessments and specific engineering design. Controlling and monitoring spills is carried out internally through daily checks that follow the internal "emergency situation prevention" procedure. If a significant spill is detected at an installation, it is reported to the Environmental Agency along with the measures taken to eradicate the possible impact. If the impact is long-term, a follow-up report is submitted to the Environmental Agency every 2 to 4 years as part of the Site Protection and Monitoring Programme (SPMP).

In 2007, WRG initiatives have been implemented across a total of 41 hectares to protect different animal species, the most noteworthy of which are badgers, great crested newts, vipers and water moles. These species were mainly transferred to other habitats so that work could be carried out. Restoring landfills has had a very positive impact on biodiversity, and restoration plans have been designed to not only improve these effects, but also to include the habitats of the identified species within the local biodiversity action plan.

In 2007, 98.2 hectares were restored in four different regions in the United Kingdom, where 36,535 trees, 1074 metres of hedge and 93 hectares of grass were planted.

FCC Ámbito and its commitment to preventing and repairing environmental impacts

The Company has industrial waste treatment plants in industrial parks and landfills located in rural areas, but never protected areas. These activities require an environmental impact assessment before they can operate, and are never authorised if they constitute a risk to protected areas.

If required by legislation, each installation must undergo an environmental impact study in accordance with the legal provisions regarding environmental impact assessment (Royal Decree 1302/1986, Royal Decree 1181/1988, Royal-Decree Law 9/2000 and Law 6/2001). This activity generates a positive impact on the environment as it allows waste created by industry to be appropriately managed, avoiding adverse environmental impacts.

None of the industrial waste management activities carried out by the company have required land restoration. The industrial waste management division also has a department engaged in land decontamination, which uses different techniques that are chosen according to the area affected, its geology or the type of pollutants, inter alia.

	2005	2006	2007
Decontaminated land – on-site treatment	70,360.00 m ³	83,110.00 m ³	54,000.00 m ³
Decontaminated land – on-site treatment	0 m ³	7,575.00 m ³	7,775.00 m ³
Land excavated and managed as waste	57,175.00 Tm	15,271.12 Tm	96,053.4 Tm
Pollutant extracted in its pure state	64.54 Tm	46.06 Tm	58.18 Tm
Polluted water extracted	42,078.00 Tm	63,761.40 Tm	39,886 Tm



Case study. "Restoration of the Medina del Campo Lakes, Valladolid"

Aqualia has contributed to the restoration of the Medina del Campo lakes, an area of high biodiversity value, through a sustainable project based on the treatment and reuse of water to improve the local habitat and ecosystem. This initiative aims to achieve a larger number of species, as well as increasing population.

Since the Company began to manage the wastewater treatment plant in the summer of 2004, various improvements have been made to installations to boost the performance of purification systems and water treatment capacity, and to reduce process times. As a result of this work, the pollution of organic matter has been gradually reduced, resulting in a considerable improvement in the quality of water of the Zapardiel river and the habitat and living conditions of fauna in the surrounding environment.

To maintain the water level of the lakes, Aqualia has installed a water catch basin

located just before the river which allows treated water to be diverted into the two lakes. Given that the increase in the number of birds is proportional to the lakes' water level, one of the wastewater treatment plant's functions is to maintain optimal water levels in both lakes through the aforementioned systems.

In recent years there has been a significant increase in the presence of birds colonising the lakes, including nesting birds such as mallards, grebes and coots, and migratory birds, mainly including species of black-winged stilt and egret. Islands suitable for nesting and artificial floating nests have been created for these species, where they are protected from predators. Aqualia has also contributed to repopulating fish species in the lakes and has carried out tunnelling work for the high voltage line around the lakes.

To provide information on the project's progress, Aqualia plans to organise open

days at the wastewater treatment plant and lakes. The company also intends to roll out an information campaign aimed at reduction at source and the correct management of oils and fats derived from domestic and industrial sources.

Aqualia will regularly report on the progress of the project and the actions carried out.



Sustainable construction

FCC has three business areas that can contribute value to sustainable construction: Real Estate, Construction and Cement. Management from each of these areas is currently carrying out different initiatives to promote and improve sustainable construction.

The FCC Group participates in the main forums and national and international initiatives to promote development in the field of sustainable construction and eco-design for building works, through the private sector and public policies

Realia developments in the real estate field

Prior to building on land deemed suitable for development, Realia performs an environmental feasibility study which considers all environmental issues and their impact. To reduce energy consumption by homes and minimise the impact of CO₂ emissions and the consumption of natural resources, different solutions are applied such as the use of renewable energy, improved insulation and development designs that encourage the use of natural lighting and adequate ventilation.

According to a Worldwatch Institute report, buildings consume 60% of resources extracted from the ground and their use in building works generates half of total waste and pollution.

Realia is aware of its responsibility in this respect and, therefore, pays special attention to ensure that the materials selected for use in its developments comply with sustainability criteria, creating safe and comfortable homes. Correct planning of the entire process also permits significant reductions and higher recycling potential for waste generated.

FCC Construcción Arfrisol project: bioclimatic design and the use of alternative energy sources in administrative buildings

FCC Construcción has continued to develop the Arfrisol project mentioned in the 2006 Corporate Social Responsibility Report, concerning bioclimatic design and the use of alternative renewable energy sources in administrative buildings. This project will be completed in 2010.

FCC Construcción is participating in the construction of the Barredo Foundation bioclimatic building in Asturias, which will use only 10-20% of conventional energy compared to traditional buildings, thus reducing CO₂ emissions.

The strategic PSE-ARFRISOL project is a unique scientific-technological initiative approved by the 2004-2007 R+D+I National Plan, subsidised by the Spanish Ministry of Education and Science and co-financed by ERDF Funds, the Energy Efficiency and Renewable Energy Network (EREN) of the Regional Council of Castilla y Leon and the Plan for Science, Technology and Innovation in Asturias. Between 2005 and 2008 Euros 602,270 has been invested in the Arfrisol project, including a subsidy of Euros 52,492 and a loan of Euros 398,999.



Housing in Almería

FCC Construcción's participation in the "Sustainable construction" publication endorsed by the Entorno Foundation



Fundación Entorno

Consejo Empresarial Español para el Desarrollo Sostenible

"We create value. Incentives for sustainable construction", is the first result of the sustainable development work group established by the Entorno-BSCD España Foundation, of which FCC Construcción is a member together with nine other companies belonging to all stages of the construction cycle (resources and equipment, planning, execution, development, construction, and use and demolition of infrastructures and buildings). This report analyses the economic, environmental and social challenges posed by construction, as well as proposing initiatives and market incentives to foster the creation of sustainable value.

The companies advocate the adoption of a three-fold approach to construction -economic, environmental and social- which should be applied to all stages of the life cycle and integrate all players involved in the value chain. The report details the challenges faced by the current sustainable development model and proposes a wide range of measures and incentives aimed at the public and private sectors, some of which already have an effect on the international construction market. The goal of these initiatives is to promote the creation of sustainable value based on the six lines of action: urban zoning, existing buildings (refurbishment), energy, use of resources and environmental impact, sustainable mobility and quality of life.

The publication also describes 13 success stories concerning the companies forming part of the sustainable construction work group, which show how the incorporation of environmental and social criteria provides a competitive advantage for businesses. The FCC Construcción case studies included are as follows: commitment to health and safety in the workplace; the integration of persons with disabilities; and the sharing of good environmental practices and the environmental management system with society through environmental reporting, an initiative which was recognised in the sustainability and corporate social responsibility category of the Garrigues-Expansión CIIS 2007 Environmental Awards.

FCC Construcción's participation in the E2B JTI European Initiative: Joint Initiative on Energy Efficient Buildings

FCC Construcción participates in the E2B JTI (Joint Technology Initiative on Energy Efficient Buildings), a European multi-sectoral initiative led by the construction sector to further the global objective of "creating, implementing and optimising buildings and districts with sufficient technical, economic and social potential to significantly reduce energy consumption and CO₂ emissions from existing and new buildings throughout the European Union."

E2B JTI is an essential initiative in the fight against climate change, which will contribute to compliance with the Kyoto and Bali objectives. FCC Construcción forms part of the core group of this initiative, which aims to speed up research into key technologies and will achieve competitive industrial development in the fields of energy efficient services and products.

Other sustainable construction work groups in which this FCC division participates include:

- ISO/TC 59/SC 17 committee and its Spanish mirror committee AEN/CTN198 on sustainability in the construction field.
- AEN/CTN 198 sub-committee – Sustainability in Construction SC2: Civil works – presided over by FCC Construcción.
- CEN/TC 350 Committee - Sustainability of Construction Works – part of the "Environmental Performance of Buildings, Building Life Cycle Description, Product Level" and "Task Group Framework" work groups.
- "Work Group ISO/TC 59/SC 17/ WG 5: Building construction / Sustainability in building construction / Civil Engineering Works". New international work group directly coordinated by FCC Construcción.



Telefónica Communications City. Las Tablas. Madrid

the people who make our project possible

FCC considers the personal development of its employees key to achieving its business objectives

Growth of the Group increases diversity while efforts towards integration generate stability

The leadership and involvement of the Group's senior management encourage a common culture based on commitment to the entity and to the success of our activities

96,000
employees-average
Group headcount
in 2007

3,572 more
jobs for 2007

9.85
hours of training
per employee

FCC's growth stems from the experience, talent and energy of its people. The Group therefore promotes the professional careers of its personnel and focuses on their personal wellbeing, while channelling and accompanying each employee's efforts to contribute to the Group's business achievements.

Our team has grown and become increasingly diverse throughout 2007. FCC now employs 96,137 people in over 50 countries.

Growing through diversification while maintaining stability requires commitment to integration. CSR and communication hold the keys to harmonisation and solid cultural, management and compliance bases.

The newly-developed intranet is increasing opportunities for personal and professional development among FCC employees. This tool has been designed as a community platform to provide information on the structure



of the organisation, the activity of each business and common areas such as internal regulations and training. It also enables the latest general information such as press releases and stock exchange trends to be posted, as well as offering a space for interactive communication.

The corporate social responsibility initiatives we have implemented are also helping to unite our large and diverse team. The progress report on commitments undertaken through the Global Compact, the green centre roll-out and the corporate integrity initiatives currently being developed are just some of the steps taken in 2007 towards our goal of sharing responsibility with the professionals who contribute their talent and efforts to ensuring the Group's continuous growth.



Attracting and retaining talent

FCC's human resources policy aims to boost an internal environment of productivity, safety, instruction, training, personal satisfaction and integration within the Company. Retaining and developing the Company's human capital is an essential task for the Group, since its people are the key to FCC's competitiveness and differentiation. These principles are based on the Universal Declaration of Human Rights, the principles of the Global Compact and the International Labour Organization, as well as OECD recommendations.

FCC aims to be considered one of the best places to work in all the sectors and countries in which it operates. The Group plans to achieve this goal by creating a range of possibilities for professional development and a working

environment that favours personal and professional evolution of the team worldwide, while also prioritising safety as a differentiating factor of the Group's working methodology.

The FCC Group's human resources policy is implemented by Human Resources and Media Department, which reports directly to the Managing Director of the Group.

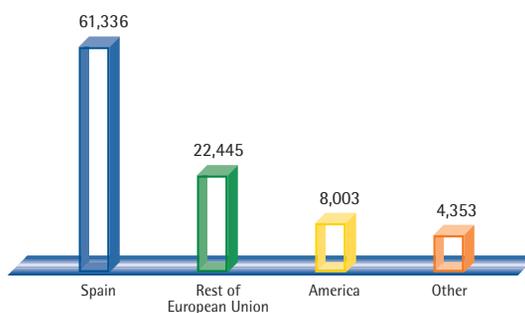
The immediate human resources challenges faced by FCC are to continue implementation of the new employee professional development plan, to complete the integration of the human resources policy and to boost initiatives for compliance with the Equal Opportunities Law.

Stable and quality employment

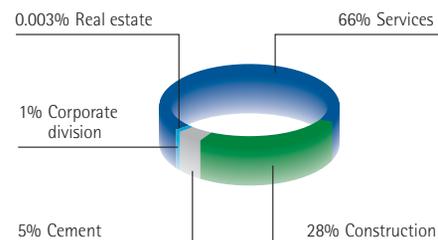
FCC represents stability and quality in the workplace. In 2007, the Group employed 96,137 people in 46 countries, with 64% of employees located in Spain. The total average headcount in 2007 amounted to 96,000 employees of increasingly diverse profiles, due to our ongoing international expansion. Men account for 79.5% of personnel and the remaining 20.5% are women.



Headcount by geographical area



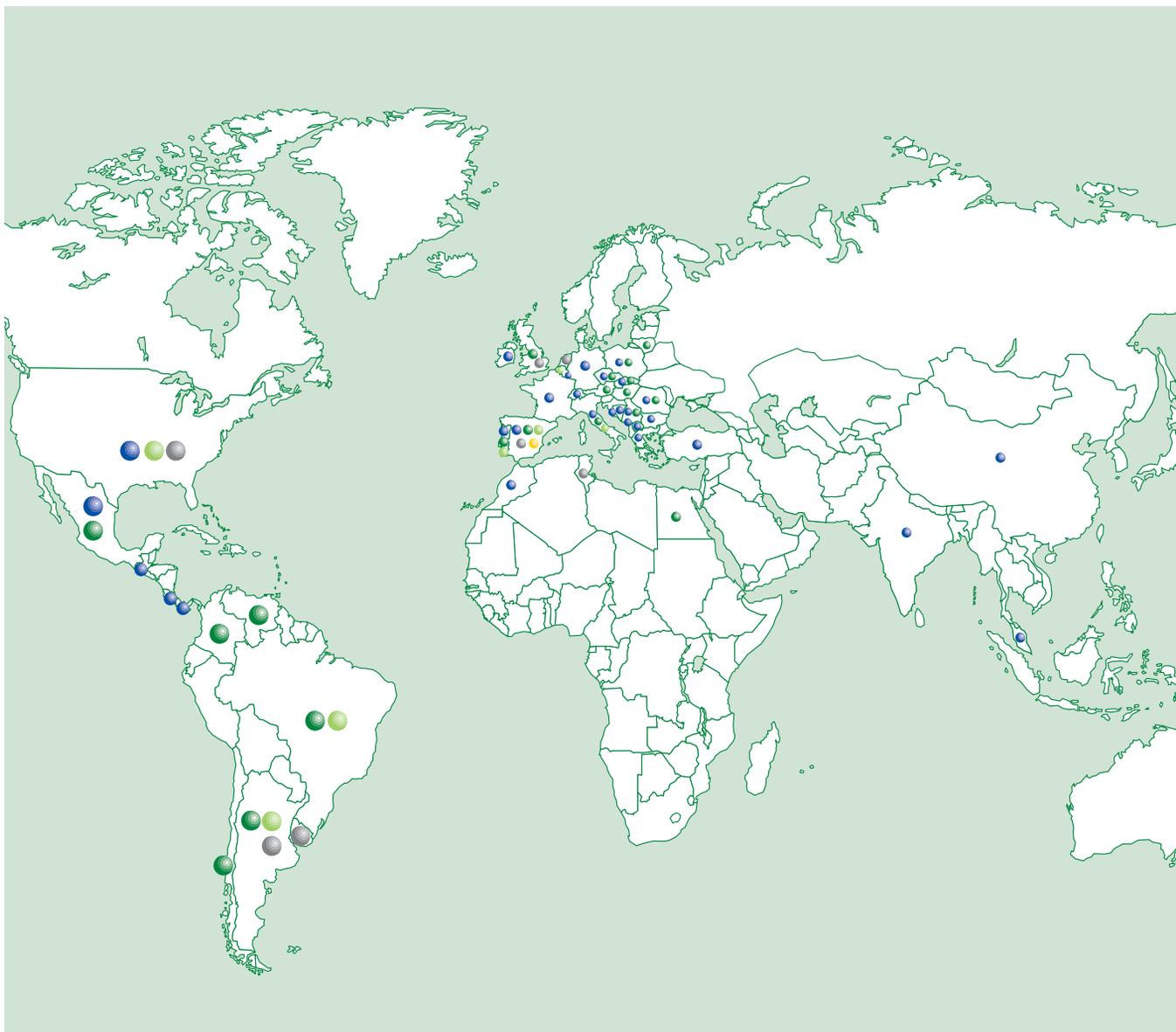
Headcount by sector of activity



Managerial and technical posts are filled by members of the local communities in which FCC operates. If no candidate with the required profile is found, other sources are used. In 2007 local recruitment accounted for 66% of all new employees, for all professional categories.

The Group created 3,572 more new jobs in 2007 compared to 2006, an increase of 3.8% based on the total annual headcount. This rise reflects the Group's organic growth, as no relevant acquisitions were made in 2007.

FCC Group job creation	2005	2006	2007
Total headcount	67,562	92,565	96,137
Annual variation %	6.23%	37%	3.8%



North America

- ● ● USA
- ● Mexico

Central America

- Costa Rica
- Guatemala
- Panama

Latin America

- ● ● Argentina
- ● Brazil
- Colombia
- Chile
- Venezuela
- Uruguay

Europe

- ● ● ● ● Spain
- Germany
- Austria
- ● Belgium
- France
- Greece
- Holland
- ● ● Italy
- Ireland
- Luxembourg
- ● ● Portugal
- UK
- Switzerland

Eastern Europe

- Bosnia
- Bulgaria
- Croatia
- Czech Republic
- Slovakia
- Hungary
- Lithuania
- Macedonia
- Montenegro
- Poland
- Romania
- Serbia

Africa

- Egypt
- Morocco
- Tunisia

Asia

- China
- India
- Singapore
- Turkey

- Construction
- Services
- Versia
- Cement
- Real Estate

Diversity and equality

The FCC Group promotes equal employment opportunities as part of its human resources policy, recruiting and promoting its employees on the basis of their qualifications, skills and abilities.

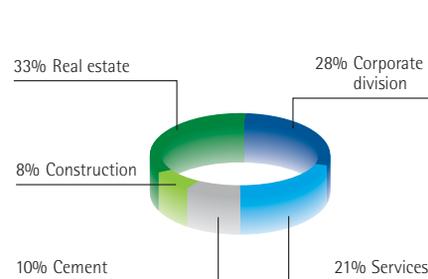
The principle of equal remuneration for men and women is implicit in FCC's collective bargaining agreements, as are objectivity and equal opportunities for promotion within the group.

2,070 promotions were made in 2007, from a total of 55,044 employees registered in the Group's payroll management system.

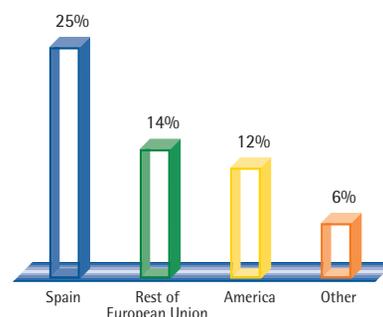
11.3% of category 1 employees, which comprise senior management and management, departmental managers, service and site managers, are women, a figure which should be considered within the context of the sector in which FCC operates.



FCC female personnel by activity sector



FCC female personnel (% of total)



Headcount by gender and category

Organisation	Indicators	2007		Total 2007
		Male	Female	
FCC	Category 1	2,796.00	357.00	3,153.00
	Category 2	5,238.00	1,731.00	6,969.00
	Category 3	11,562.00	6,526.00	18,088.00
	Category 4	56,823.00	11,104.00	67,927.00
	Total		76,419.00	19,718.00

FCC Group professional categories

- Category 1.** Includes groups 0 and 1: senior management and management; departmental managers; service and site managers.
- Category 2.** Includes groups 2, 3 and 4: university graduates; section managers; business managers; workshop managers and qualified personnel.
- Category 3.** Includes groups 5, 6 and 7: technical and administrative assistants and middle management.
- Category 4.** Includes group 8: workers and subordinates.



FCC against discrimination

FCC personnel come from a wide range of backgrounds due to globalisation of the business and evolution in the sectors in which the Group operates. As an international group, FCC must manage this diversity and maintain a working environment that is free of race, gender or religious discrimination, and of any behaviour that constitutes personal harassment. All employees should be treated fairly and with respect by their superiors, subordinates and colleagues.



In 2007 four cases of discrimination were detected: one in the Construction division and three in the Services area. These cases were duly analysed and resolved in accordance with the FCC Group protocol for the prevention of professional and sexual harassment in the workplace. This protocol is published on the corporate intranet and is freely accessible to all employees.

FCC against domestic violence

FCC supports the Spanish Ministry of Work and Social Affairs campaign undertaken by the Secretary General for Equality Policies to promote awareness of domestic violence, and encourages employment of women as a way to overcome this social problem.



On the International Day for the Elimination of Violence against Women established by the United Nations General Assembly, FCC published the logo for this campaign on its website and intranet.

The FCC Plan for disabled Family members

FCC is committed to recruiting disabled persons and has implemented the Family Plan, directed at disabled family members of employees. The plan encompasses various initiatives aimed at integrating disabled employees into the workplace, and forms part of the collaboration agreement entered into by FCC and the Adecco Foundation.

This collaboration is part of the Group's corporate social responsibility

The Family Plan benefits 137 disabled family members

policy and encompasses the organisation of information and career guidance initiatives, as well as employment programmes and itineraries for the future incorporation of disabled people into the workplace.

The project, implemented by Human Resources and Media Department, is strictly confidential, and both this area and the Adecco Foundation itself deal personally with all employee requests.

At the date of this report the plan benefits 137 people, who may be direct dependent family members (children, spouses and parents of working age) with a registered disability equal to or greater than 33%. Training initiatives have been put into place for these people, with a clear focus on developing their social skills and attitudes and helping them integrate into the workplace, as well as providing them with information, orientation and advice on how to find a job. Other initiatives have been undertaken for those people



who cannot be employed, to help with their personal development, and the Adecco Foundation offers alternative programmes and leisure activities for children, focused on developing social and relation-forming abilities.

The Foundation arranges an interview for people interested in the plan, and evaluations and diagnoses are carried out before an accompaniment plan is prepared. This plan is used to carry out the activities deemed necessary to help integrate those involved, based on their individual situation and considering the expectations and requirements of each particular family.

Collaboration towards the integration of people with disabilities into the workforce: Pilot scheme in FCC Medio Ambiente's Levante branch

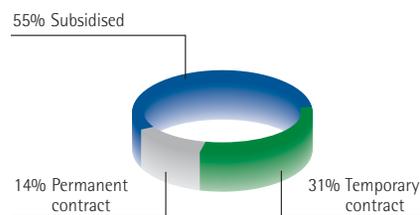
FCC's Levante branch is currently carrying out a pilot collaboration scheme to integrate people with disabilities into the workplace. The programme is based on subcontracting cleaning services from Ceepilsa, a company which is part of the Once corporation and only employs disabled personnel.

The services subcontracted are for cleaning vehicles assigned to the branch, and the programme is being implemented gradually, currently employing five employees with a disability grade of between 35% and 65%.

Employment stability

Once again this year information on the Group's workforce, broken down by contract type, shows growth in employment quality with a 16.85% rise in permanent contracts, with temporary recruitment falling by 18.5%.

Employees by contract type



FCC Group	2005	2006	2007
Permanent contracts	12,502	25,588	29,900
Temporary contracts	8,939	17,045	13,890
Subsidised*	46,121	49,932	52,347
Total	67,562	92,565	96,137

* Employees whose working relationship with FCC is based on the continuity of administrative or commercial contract for which they render services.

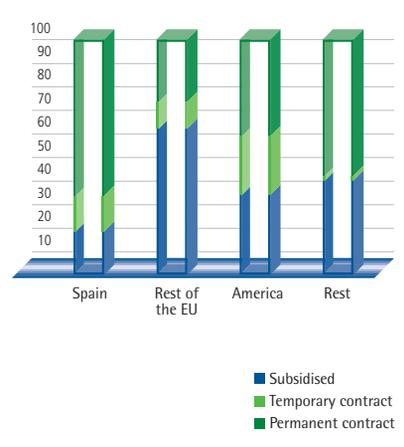


Permanent employees represent 89% of personnel in the cement division, 61% in construction and 85% of the real estate workforce. Subsidised employees are predominant in the services sector, due to the specific nature of this area of activity.

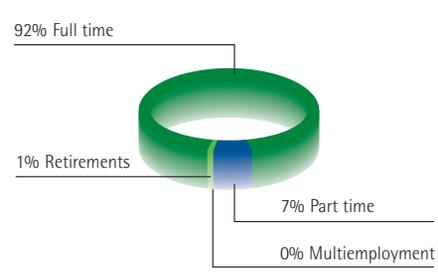
The average age of the FCC workforce in 2007 is 40.27 years, with an average length of service of 6.58 years.

88,897 of the 96,137 people employed by FCC in 2007 work full time, representing 92% of the total workforce and 7.6% up on 2006.

Contract type by geographical area



Headcount by working hours



Organisation	Full time	Part time	Multiemployment	Retirements
Cement	4,853.00	96.00	43.50	31.50
Construction	25,655.00	1,184.00	45.00	185.24
Corporate division	335.00	20.00	3.00	2.00
Real estate	270.00	5.00	–	1.00
Services	57,784.00	5,935.00	105.85	546.17
Total	88,897.00	7,240.00	197.35	765.91

Voluntary turnover in 2007 was 9,252 employees, 9.6% of the total.

In recognition of employee loyalty and collaboration, every year FCC organises an institutional event to pay tribute to all those who have been with the Group for 25 and 40 years. The event is presided

over by the Group's principal shareholder, Ms. Esther Koplowitz, as well as the Chairman and Managing Director.

Remuneration and other benefits

In 2007 group personnel expenditure on wages, salaries and other similar costs totalled Euros 3,093,509 thousand.

FCC offers its personnel a social benefits programme to improve their wellbeing and quality of life, as well as encouraging their commitment to and integration into the Group. Investment in this programme totalled Euros 1.080 million in 2007, providing medical care, disability cover and subsidised loans.



Social benefit	Total cost (millions of euros)	Cost paid by the company (%)	Cost paid by the employee (%)
Healthcare	0.630	50	50
Disability cover	0.080	100	0
Subsidised loans	0.010	20, 30 or 40	80, 70 or 60
Travel and accident insurance	0.360	100	0
Total Group FCC	1.080	N/A	N/A

These improvements have been implemented for the consolidated Group companies in Spain, and are applicable to management, technicians, administrative staff and subordinates for all areas, as well as construction area managers, who have been with the Group for at least a year and have a permanent contract. Travel and accident insurance is an improvement that has been introduced for consolidated Group companies in Spain, and is applicable to management, technicians, administrative staff and subordinates for all areas, as well as construction area managers, with a permanent contract.



In terms of the balance between work and personal life, and as required by its collective labour agreements FCC has introduced measures for maternity care that go beyond the legal requirements. These include voluntary and temporary suspension of contracts following childbirth, functional mobility enabling pregnant women to transfer to posts more suitable for their condition, a reduction in the working day for baby feeding and childcare leave. Certain flexi-time has also been introduced, allowing employees a half-hour timeframe at the start or the end of the day.

As part of its human resources policy, the FCC Group promotes fair and balanced remuneration of its employees. This remuneration model meets equality, transparency and recognition criteria, and the Group's average salary is twice as high as the minimum interprofessional salary for Spain, as well as exceeding the minimum salaries in the rest of the countries in which we operate.

Training

2006 scope: national
2007 scope: whole FCC Group

FCC invests in developing and training talent to encourage excellence in all its activities, thereby increasing satisfaction among the people employed by the Group. Ongoing professional training of Group employees is organised through annual training plans, which are prepared by the various areas in line with the requirements identified. In 2007 this

development and constant progress in the implementation of training plans resulted in a 118% increase in training investment, as well as a rise of more than 36,000 employees benefiting from a total of 890,511 hours of training.



In 2007 the
FCC Group invested
Euros 17.167 million
in training

90,438 employees
benefited from
training activities

Number of participants by professional category

	Total number of participants	Category 1	Category 2	Category 3	Category 4
Total FCC Group 2007	90,438	4,456	11,094	20,977	53,911
Total FCC Group 2006	54,042	1,642	5,470	8,823	38,107
Total FCC Group 2005	47,151	1,284	4,870	11,122	29,875

Number of participants per area of activity

	Total number of participants		Category 1		Category 2		Category 3		Category 4	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Medio Ambiente	27,098	23,919	397	218	2,038	578	2,426	1,233	22,237	21,890
Ámbito	1,571	1,930	32	79	200	337	316	447	1,023	1,067
Aqualia	8,690	6,235	1,000	554	1,209	562	1,918	795	4,563	4,324
Versia	19,979	13,762	243	108	634	443	6,857	4,246	12,245	8,965
Proactiva	13,340	n/a	730	n/a	991	n/a	3,387	n/a	8,232	n/a
Construction	12,556	4,977	1,466	364	4,118	2,838	4,214	1,049	2,758	726
Cement	6,345	2,899	439	–	1,580	–	1,511	–	2,815	–
Real estate	57	n/a	22	n/a	23	n/a	12	n/a	–	n/a
Corporate areas	802	320	127	124	301	134	336	57	38	5

Note: Environment, Aqualia, Versia, Ámbito and Proactiva comprise the Services area.

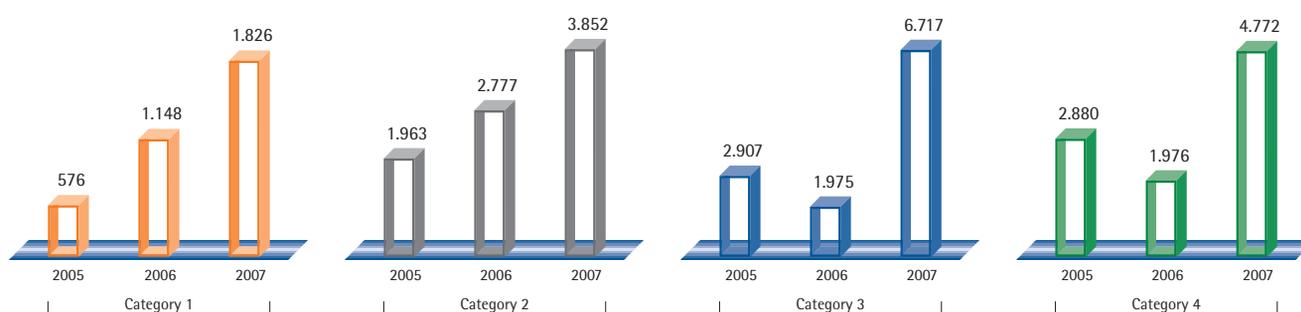
Training hours per FCC Group

	Total number of participants	Category 1	Category 2	Category 3	Category 4
Total FCC Group 2007	890,511	80,088	172,619	296,621	341,182
Total FCC Group 2006	468,523	34,674	105,353	121,341	207,154
Total FCC Group 2005	460,993	12,554	47,614	108,739	292,086

Training hours per area of activity

	Total number of training hours		Category 1		Category 2		Category 3		Category 4	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Medio Ambiente	176,975	100,172	9,999	3,948	28,637	8,054	35,903	13,824	102,435	74,344
Ámbito	9,237	17,665	488	601	1,812	6,023	2,871	4,512	4,065	6,529
Aqualia	68,377	34,762	15,780	–	12,643	–	19,037	–	20,917	–
Versia	218,049	168,892	4,661	3,200	16,196	9,436	105,535	62,250	91,656	94,000
Proactiva	125,084	n/a	8,402	n/a	13,611	n/a	38,199	n/a	64,872	n/a
Construction	193,490	99,129	23,369	8,195	68,544	55,577	63,431	22,716	38,145	12,640
Cement	75,079	33,359	12,324	5,858	21,059	11,387	22,748	10,049	18,947	6,063
Real estate	1,654	n/a	999	n/a	444	n/a	211	n/a	–	n/a
Corporate areas	22,565	14,544	4,064	5,873	9,672	6,723	8,685	1,854	144	93

Training expenses per category (thousands of euros)



Professional categories within the FCC Group

Category 1. Includes groups 0 and 1: senior management and management; departmental managers; service and site managers.

Category 2. Includes groups 2, 3 and 4: university graduates; section managers; business managers; workshop managers and qualified personnel.

Category 3. Includes groups 5, 6 and 7: technical and administrative assistants and middle management.

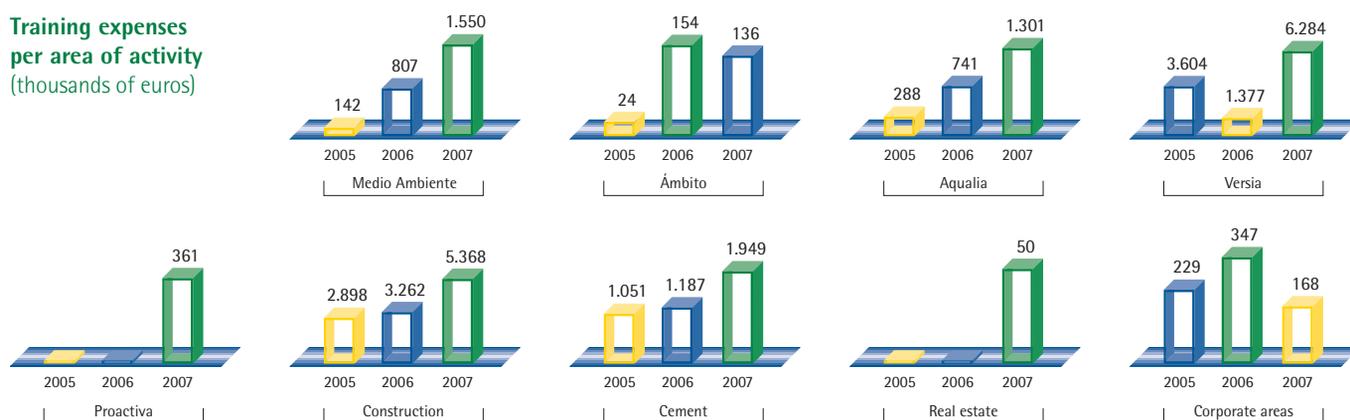
Category 4. Includes Group 8: workers and subordinates.

Investment in training increased for all professional categories in 2007, with the most significant activity focusing on reinforcing the skills of lower level employees, including technical and administrative assistants and middle management in addition to workers and subordinates

Training expenses per area of activity

	Total training expenses		Category 1		Category 2		Category 3		Category 4	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Medio Ambiente	1,549,533	806,915	121,287	66,833	464,848	89,852	295,501	139,520	667,897	510,710
Ámbito	135,730	153,911	8,136	6,361	44,769	58,974	36,202	46,916	46,623	41,660
Aqualia	1,301,419	741,346	475,475	207,615	235,592	165,318	351,797	149,352	238,555	219,060
Versia	6,283,530	1,376,816	89,578	111,928	164,662	143,727	3,544,815	409,076	2,484,475	712,085
Proactiva	361,237	n/a	48,697	n/a	52,625	n/a	96,542	n/a	163,373	n/a
Construction	5,367,868	3,262,184	652,556	286,940	2,180,220	1,878,869	1,792,874	816,432	742,218	279,942
Cement	1,949,488	1,186,688	355,586	288,247	618,962	306,950	549,563	378,697	425,376	212,794
Real estate	50,134	n/a	32,284	n/a	12,093	n/a	5,757	n/a	–	n/a
Corporate areas	167,825	347,480	42,885	179,603	77,921	133,367	43,919	34,511	3,100	–

Training expenses per area of activity (thousands of euros)



In 2007 Medio Ambiente increased investment in training by 92%, Aqualia, by 75% and Versia, by 356%, while the construction and cement areas both reported a 64.5% rise

Training by subject matter

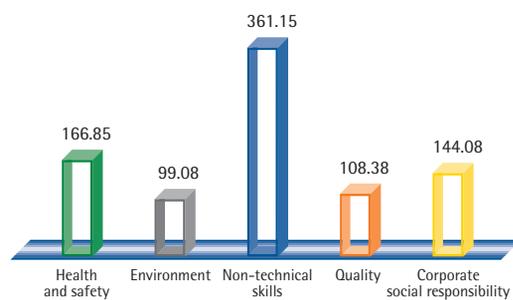
Participants

	Total number of participants		Category 1		Category 2		Category 3		Category 4	
	2007	2006	2007	2006	2007	2006	2007	2006	2007	2006
Health and safety	33,016	38,413	360	236	1,461	1,613	5,233	4,615	26,762	31,947
Environment	1,798	1,163	63	78	387	317	545	129	803	639
Non-technical skills	539	292	142	90	168	146	110	56	119	–
Quality	1,190	n/a	296	n/a	209	n/a	160	n/a	525	n/a
CSR	35	n/a	30	n/a	5	n/a	–	n/a	–	n/a

Training hours

	Total number of training hours		Number of training hours per employee		Type of training activity	
	2007	2006	2007	2006	2007	2006
Health and safety	203,831.95	234,232	6.03	6.10	Mixta	Mixta
Environment	12,359.00	7,229	6.87	6.25	Presencial	Presencial
Non-technical skills	15,186.00	5,509	28.17	18.93	Presencial	Presencial
Quality	13,400.00	n/a	11.26	n/a	Presencial	Presencial
CSR	827.00	n/a	23.63	n/a	Presencial	Presencial

Average training duration



Health and safety training

In 2007 the Group's different areas continued to strengthen their health and safety training, in response not only with the Group's responsibilities in this area, but also with those it has voluntarily assumed with its sub-contractors. Chapter 5 of this report, "Safety, our responsibility", describes the approach and most relevant initiatives and indicators concerning this issue.

Corporate social responsibility training

Training in corporate social responsibility constitutes one of the strategic components of the FCC Group's corporate social responsibility Master Plan. Action is taken within the framework of FCC's corporate training and communication program to publicise the Group's corporate social responsibility policy. These initiatives include the following:

First corporate social responsibility training day

In the first six months of 2007 the Group's Corporate Social Responsibility Management organised the first corporate meeting to offer training in corporate social responsibility and provide an opportunity for the different areas of the Group to share their experiences in this field.

The training day at the Picasso Tower was a response to the Master Plan's CSR training and communication objective to promote this area of concern effectively throughout the Organisation.

Chaired by the General Secretary of the FCC Group, the participants included managers and representatives from all the Group's business areas, as well as the Company's corporate management, all of whom are involved to some extent in the field of corporate social responsibility within FCC.

Talks and round tables

Two experts from a consultancy firm gave talks on "new corporate social responsibility challenges for the sector", "eco-efficiency" and "combating climate change", all of which are objectives of the Group's corporate social responsibility Master Plan. The talk on "Dialogue and cooperation with stakeholders" looked at best practices for cultivating good relations with stakeholders.

A round table was then organised to offer an external perspective on different CSR areas. Transparency International expounded its vision of "Ethical corporate conduct", and WWF/ADENA gave a presentation on "Environmental impacts: water management". The Fundación Laboral de la Construcción (Labour Foundation for the Construction Industry) spoke on "The importance of safety and risk prevention in the workplace," and finally, the Fundación Empresa y Sociedad considered the question of "Immigration and employment in the sector".

The event was rounded off with a group discussion where the participants were divided into work groups and invited to share their views with respect on the strengths and weaknesses of FCC's commitment to society. The conclusions of this exercise were the need to continue work on extending FCC policies to subcontracted companies, international activities and new acquisitions; to establish performance indicators within the Company that are transparent and clear to society, especially with regard to health and safety; to promote R+D+I; to encourage reporting and benchmarking between company divisions; and to establish an ethical framework and reinforce Group culture.

Employees from all the work centres in Madrid, Valencia and Barcelona were informed of FCC's corporate social responsibility policy during the company volunteer communication training days led by the Group's General Secretary.



Attracting talent: FCC'S commitment to collaboration with universities

The FCC corporate social responsibility Master Plan approved by the board of directors aims to create synergies with the main Spanish universities, enabling FCC to attract the best talent.

The Group has always had collaboration agreements with Spanish universities and education institutes which, during the period covered by this report, include support for numerous master's degrees, seminars, summer courses and university associations. These include the masters in ground mechanics and engineering, masters in tunnelling and underground works, an agreement with the ITER consortium, the first masters in hospital architecture, XVII Road Institute EFCC programme for the 2007-2008 academic

year, a summer course entitled Corporate social responsibility in Spain: situation and challenges. "Water and sustainability," Association of Friends of the Higher Technical Institute of Industrial Engineers, Association of Friends of the University of Navarre, collaboration with the Business Institute of Madrid in the development of the III advanced course in corporate social responsibility and the I Corporate Governance Forum.

The programme for dialogue and cooperation with universities established in the Company's CSR Master Plan underpins FCC's desire to maintain lasting relationships with Spanish universities. In 2007, the Group established collaboration agreements with the polytechnic

universities of Madrid and Valencia and the Universidad Rey Juan Carlos de Madrid. Aqualia has already established a cooperation agreement with this university, while Flightcare, in collaboration with Aena, has sponsored a course at the university on ground operations.

As a result of the Group's policy for attracting talent, the number of university graduates (9,685) among the Group's workforce has once again increased in 2007.

University graduates by area of activity

Organisation	University graduates
Cement	1,070
Construction	5,290
Corporate division	191
Real estate	124
Services	3,010
Total	9,685

University graduates per area of activity



Barcelona Faculty of Geography and History

Labour environment

Freedom of association

FCC respects employees' freedom of association and guarantees their right to collective bargaining through employee representatives and trade unions. In accordance with prevailing legislation in each country where the Group operates. Representatives and trade unions are authorised to negotiate collective bargaining agreements, which are then subject to negotiation in line with general principles of good faith.

The FCC Group provides notice boards for trade unions and credit hours for trade union representatives to recruit members and give information. The Group also assists in the election of employee representatives by collaborating with the persons legally entitled to call elections, and also provides areas for

elected representative units and any trade union sections they establish. The regular meetings between FCC and trade unions are a forum for constant open dialogue.

Information concerning changes in the organisation is provided as foreseen by prevailing legislation and collective bargaining agreements, and the minimum notice period for changes of this nature is four weeks.

All FCC employees in Spain are covered by general collective bargaining, based on their sector of activity and in accordance with the workers' statute. In 2007, 52.17% of employees were covered by company or work centre collective bargaining agreement.

In 2007, 77.81% of employees were legally represented by unions. The number of employees represented by unions is linked to factors not related to FCC, such as trade union election calendars. The FCC Group collaborates with unions to ensure that these processes run smoothly.

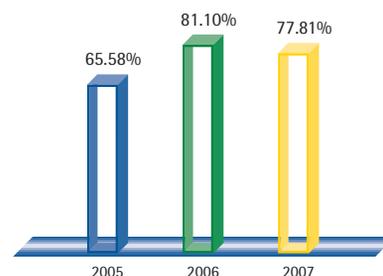
The Group provides staff representatives, management committee members and union representatives with the information they require in line with their employee representation functions, with a view to improving working conditions and employee expectations.

At the end of 2007, 340 company or work centre collective agreements were in force for FCC Group employees in Spain, covering 27,296 employees. A further 51 collective agreements are under consideration, which would affect 4,704 employees.

A total of 481 days were lost through strikes in 2007, down 84% on the figure for 2006.



% of FCC employees represented by trade unions



Internal communication

Intranet

The Group introduced its new corporate intranet, FCCnet, in 2007, which reinforced the objective of making this platform the virtual point of contact for all Group employees.



FCCnet also represents a step forward in the Group's commitment to equipping FCC with the technological tools it needs to perform its everyday activities. FCC's efforts in this respect are wide-ranging and ensure that the Group remains at the forefront of new technologies.

The lengthy implementation process for the new intranet began after an extensive collaboration project between all the corporate and business areas, with a view to bringing together the needs of internal stakeholders. The outcome of this project, led by the FCC IT systems and technologies division, is a more modern and functional design that makes the intranet more flexible and user-friendly. The innovative layout includes new sections designed for employees that also serve as a point of access to the different areas and businesses through a single technological application. This development will assist the Group in dealing with future challenges and adaptations.

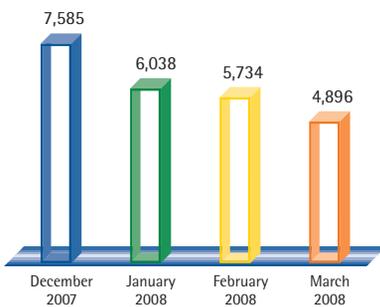
FCCnet has made a significant contribution to the roll-out of specific corporate social responsibility programmes by providing a direct collaboration channel or, on occasion, an information and communication channel for employees.

These programmes include:

- **2006 CSR report:** publication of the corporate social responsibility report.
- **FCC Group ethical framework:** notification of contents of the ethical framework.
- **Corporate Social Responsibility Master Plan:** summary of the CSR Master Plan.
- **United Nations Global Compact:** notification of FCC's adherence to the Global Compact and summary of the ten principles of this compact.
- **In action 2007:** list of the most significant initiatives and achievements in the field of corporate social responsibility in 2007.
- **Internal communication channel:** information on the internal whistleblowing process, and publication of an online form to be filled out and submitted via intranet.
- **Waste management procedure:** notification of the procedures to be followed by Group head offices earmarked to become green centres.
- **Volunteer programme:** information on the programme objectives, and publication of a pre-registration newsletter for the volunteer programme.
- **Protocol for the prevention of labour and sexual harassment** within the FCC Group.

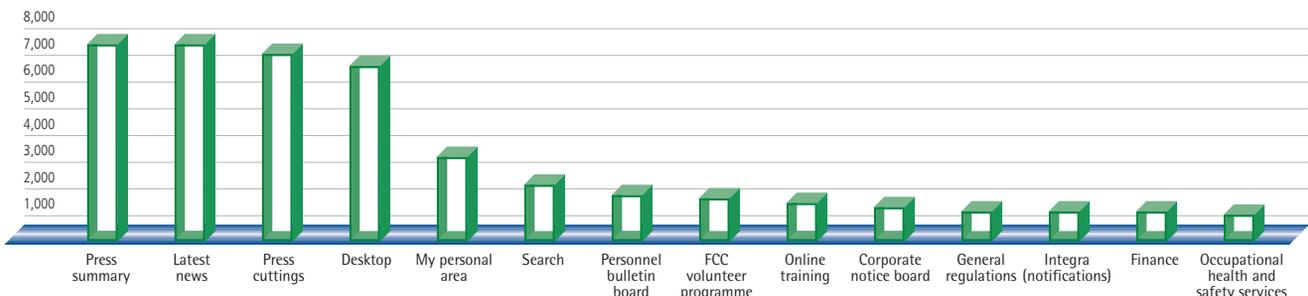
New intranet statistics

Daily hits



Areas with most hits

February 2008





we are part of the community

FCC feels part of the societies in which it is present and dedicates time, knowledge and economic resources to fulfil this aspiration and commitment

The creation of the FCC Foundation will catalyse our commitment to collaborate with local entities in the socioeconomic development of the environments in which we operate

<p>9 million euros earmarked for social action initiatives</p>	<p>30,000 references in social media</p>	<p>213 meetings with investors</p>
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Proximity to the community

The FCC Group's commitment to society received an enormous boost in 2007 through the creation of the FCC Foundation, which will catalyse our vocation to collaborate with local entities in the socioeconomic development of the environments in which we operate.

FCC's Corporate Social Responsibility Department has initiated a new means of promoting relations with its stakeholders: "Stakeholder Dialogues". To come closer to them and hear their opinions on FCC, we have held meetings with representatives of social entities specialised in areas such as CSR, non-governmental development organisations, journalists and universities.

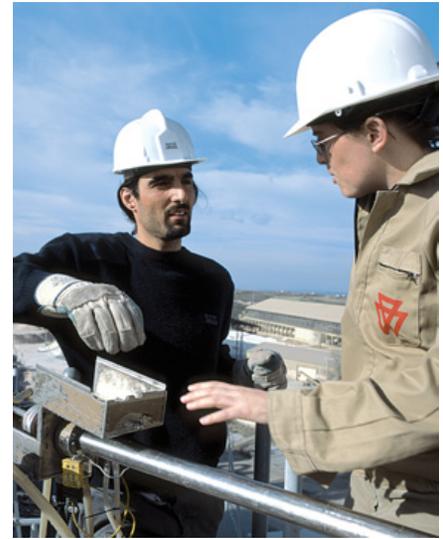
As our dialogue with the community is geared towards actively listening to the social environment and sharing our knowledge, during the period covered by this report FCC has participated in numerous forums and initiatives, including joining the Social Business Club (Club de Excelencia en Sostenibilidad) and supporting the United Nations Global Compact.

FCC and its stakeholders: dialogue and collaboration

FCC and its stakeholders: "stakeholder dialogues" platform

FCC's stakeholders

As a starting point in the preparation of its Corporate Social Responsibility Master Plan (2007-2008), as approved by the Board of Directors, the FCC Group has designed its own stakeholder structure.



FCC has launched "Stakeholder Dialogues", a relationship-building and knowledge-sharing platform between the Group and its stakeholders

"Stakeholder Dialogues" platform

To better understand the expectations of its stakeholders, FCC's Corporate Social Responsibility Department has created a knowledge-sharing platform called "Stakeholder Dialogues".

As well as providing a means of on-line communication through its website (www.fcc.es/fcc/corp/esp/rc_dg.htm), this platform has organised a number of meetings with organisations such as Ecología y Desarrollo, CSR Chair of the University of Salamanca, Actualidad Económica, Observatorio de Responsabilidad Social Corporativa (CSR monitoring group), Hermes Analysts, Karibú, Observatorio de la Responsabilidad Social de las Empresas (corporate CSR monitoring group), UGT, CCOO (Spanish trade unions), Intermon Oxfam, Club de Excelencia en Sostenibilidad (Social Business Club), Instituto de Empresa, Euromoney (UK), Media Responsable, Responsables.biz, Chandra Foundation, Adecco Foundation, etc.

Communication between FCC and its stakeholders

FCC has always relied on absolute transparency in informing both our internal and external stakeholders of our social responsibility goals and achievements.

FCC and its Communications Department

Reporting to the General Secretary, the Communications Department is responsible for relations between the Group, and all of its companies, and the media. It also deals with internal communications. Its responsibilities include the following:

- Act as spokesperson for the Group.
- Distribute press summaries and information concerning the Group on an internal level.
- Prepare the Information Bulletin, which is distributed both internally and externally.
- Develop internal communication tools.
- Draft and distribute press releases.
- Set up interviews.
- Coordinate press conferences and presentations.

- Publish technical articles and reports in the media.
- Develop communication plans for crisis situations.
- Draft the annual report.
- Update web content.

This year the department has organised five press conferences and drafted more than 100 press releases, presenting FCC in more than 30,000 social media references.

Relations between FCC and shareholders, investors and analysts

Communications and relations with shareholders, investors and analysts is an important responsibility for FCC that is undertaken through several channels. The Stock Market and Investor Relations Department provides clear, regular and complete historical information on the Company to this stakeholder group, including quarterly results and details of major acquisitions made as part of the 2005-2008 Strategic Plan. It endeavours to organise at least one meeting every six months. In 2007 six trips were made outside of Spain (USA, UK, France, Denmark, Germany and Sweden) and two trips within Spain (Barcelona and the Basque Country). A total of 213 meetings were held, 78% of which were for investors, 15% for analysts and 7% in relation to sales.

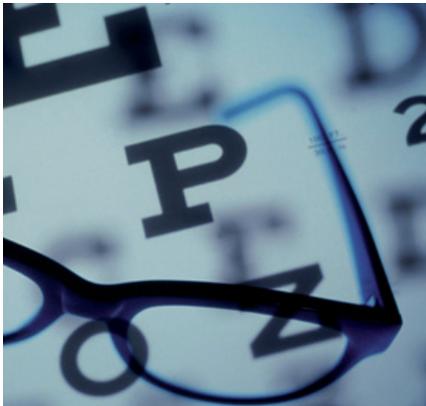


External communications channels

“Accessible” website: www.fcc.es

An average of 2,715 users visit the FCC Group website every day

More than merely complying with the requirement to have and update a website, FCC offers its stakeholders a powerful, dynamic communications tool that has been recognised by experts as one of the best websites created by Ibex 35 companies.



The FCC website is compliant with the W3C consortium's Web Accessibility Initiative (WAI), designed to help make the website accessible to people with disabilities

Visitors FCC website 2007

Average number of visitors per day 2,715



FCC Group websites

As part of its policy of informative transparency, the different FCC business areas have their own websites.

Business area	URL link	Business area	URL link	Business area	URL link
	www.fcc.es		www.aqualia-infraestructuras.es		www.megaplas.com
	www.asa-group.com		www.flightcare.es		www.rrc.pt
	www.serviciositv.es		www.fccenvironmental.com		www.obralia.com
	www.fccllogistica.com		www.fccco.es		www.myscr.com
	www.cemusa.com		www.alpine.at		www.selfhor.es
	www.smvak.cz		www.bbrpte.com		www.valderrivas.es
	www.ambitofcc.com		www.prefabricadosdelta.com		www.realiabusiness.com
	www.detren.com		www.iso-co.com		www.per-gestora.com
	www.wrg.co.uk		www.proser.es		www.espelsa.com
	www.aqualia.es				

FCC bulletin

The bimonthly FCC Bulletin has become a powerful communications medium for the different Group activities with over 12,000 copies published in Spanish and English.

In action, a WRG publication

The UK FCC Group company Waste Recycling Group (WRG) publishes "In Action", a bulletin designed for WRG customers. This dynamic publication informs WRG stakeholders of the different activities carried out by this leading UK company.

FCC Construcción bulletin

FCC Construcción publishes its own bulletin which is distributed to stakeholders via the website.



FCC bulletin
"in action" a Waste Recycling Group publication
FCC Construcción bulletin

FCC and its employees: the corporate intranet

As mentioned previously, FCC has provided its employees with a useful working tool which also informs them of the Group's social responsibility achievements: the corporate intranet.

Employee surveys

As part of the preparation of the FCC Code of Ethics and in collaboration with Merco Personas, the Group surveyed more than 400 employees to obtain their perception of FCC's mission, outlook and values and their overall level of satisfaction.

FCC's socially responsible communications

The different FCC communication channels feature a specific section with information on FCC's socially responsible commitments and activities in this area:

The FCC website incorporates a corporate social responsibility area with different sections on FCC's social responsibility activities.

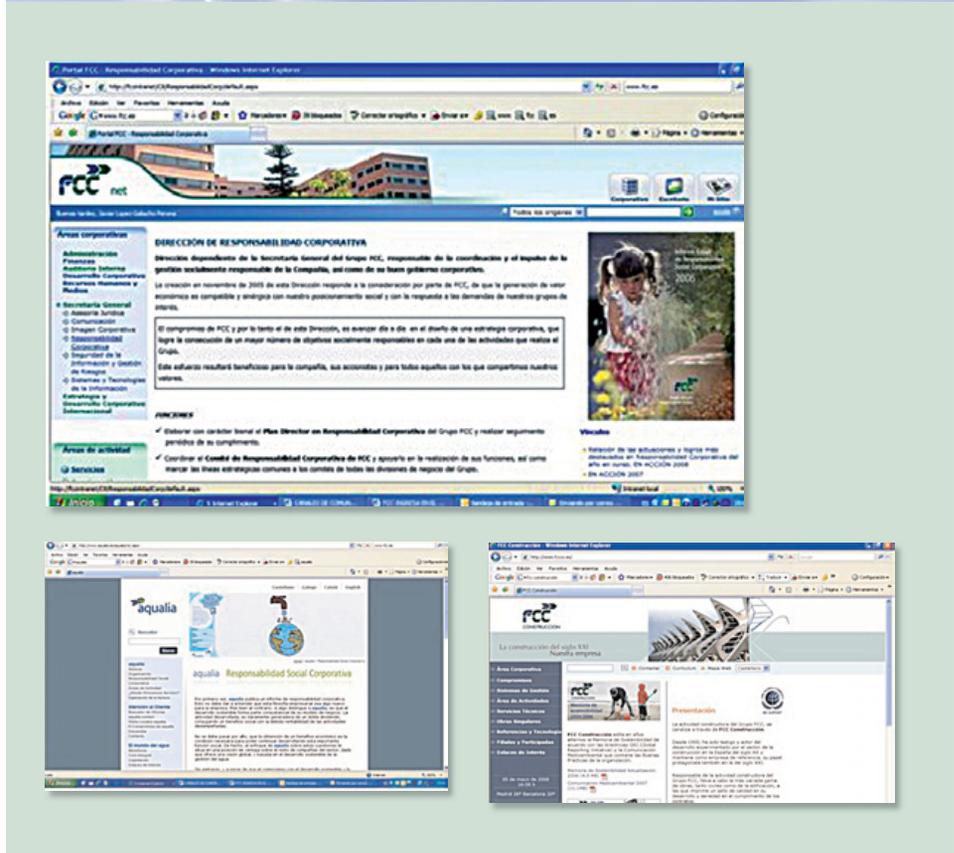
The FCC Bulletin features a section in each issue that informs of socially responsible activities carried out by FCC.



CSR in FCC net: FCC's corporate intranet features a section on the corporate social responsibility department, its functions and activities, as well as related information available to group personnel.

CSR area information

In accordance with its development plan, the different FCC areas have website sections containing information on their CSR activities. Of particular note are the areas relating to FCC Construcción and Aqualia. Stakeholders can find information on the different sites relating to CSR performance and sustainability for the different areas of the Group.



FCC and its CSR reports: an example in Europe

As part of its Corporate Social Responsibility Master Plan, the different business areas of the FCC Group have committed to regularly publishing their progress in this field. This is an innovation in Europe and is an example of FCC's commitment to sustainability and corporate social responsibility.



FCC areas and stakeholders

Cements



CEMENTOS
PORTLAND
VALDERRIVAS

www.valderrivas.es

Identified stakeholders

- Shareholders
- Customers
- Employees
- Suppliers and contractors
- Community, public entities and society
- Future generations

Description

Thirteen two-hour question and answer sessions were held in the areas of Spain in which we have significant presence. 83 Cementos Portland Valderrivas employees participated in seven of these sessions and 71 members of public entities and civil organisations in six sessions.

Cementos Portland Valderrivas held 13 in-depth sessions with internal stakeholders and representatives of public entities and civil organisations

Construction



CONSTRUCCION

www.fccco.es

Identified stakeholders

- Employees
- FCC Group
- Suppliers
- Trade unions
- Customers
- Public and political entities
- Media
- Society

Description

Website mailbox and customer satisfaction survey.

Main topics raised through these channels:

- Integration of disadvantaged groups.
- Ethics in business.
- Residents' problems.
- Deterioration of the environment.
- Fight against climate change.
- Health and safety.
- Support for public policies.
- Budget limitations.

These topics have been included in the FCC Construcción sustainability report through a guide that classifies the social concerns of stakeholders and how these are addressed by the company.

FCC Construcción has included a guide in its sustainability report that classifies the social concerns of stakeholders and how these are addressed by the company



Services



www.ambitofcc.com

Identified stakeholders

Stakeholders are considered to be all persons, entities or groups that may be affected by our activities. They are identified by the FCC ámbito Corporate Social Responsibility Committee.

Description

Specific procedures have not been defined for stakeholder participation but communication channels exist through meetings with public administration and trade unions and those established in the integrated quality and environmental system.



www.aqualia.es

www.aqualia-infraestructuras.es

Identified stakeholders

Stakeholders are related to our activity or have an effect on it.

Description

Stakeholders are included in communications, in the "Marketing Forum", in summer courses we sponsor, in congresses and sector-related conferences, and consultations concerning their specialised areas. Participation in organised events is recorded and they are asked to submit their opinion on relevant subjects of interest for inclusion in the report. We have permanent contact with the press and media in general and quarterly contact with consumers and ecologists.

Aqualia maintains quarterly contact with consumers and ecologists





www.asa-group.com

Identified stakeholders

- Investors
- Customers, suppliers and contractors, regulators
- Administration, local community
- FCC Group
- Subsidiaries
- Government and associations
- The media

Description

The main topics of interest and concerns that have arisen through consultation with stakeholders are:

- Environmental issues.
- Impacts on the community.
- Acquisition of new companies.
- Application of waste management regulations.

The frequency with which stakeholders participate is as follows:

- Investors: daily.
- FCC Group: monthly.
- Subsidiaries: monthly.
- Government and associations: annually.
- Media: daily.
- Customers: daily.
- Suppliers and contractors: daily.
- Regulators: quarterly.
- Administration: quarterly.
- Local community: annually.

As a result of these consultation sessions, ASA has implemented actions plan such as higher monitoring of dumping operations, opening of new waste separation and recycling centres, enhanced treatment and reutilisation of waste instead of dumping or incinerating it, higher number of environmental courses in schools, etc. A total of 57 community operations have been carried out in eight countries.





www.fcc.es

Identified stakeholders

- Public customers
- Suppliers
- Associations
- Private customers
- Administration
- Subcontractors
- Employees

Description

FCC Medio Ambiente carried out an analysis of expectations in matters of sustainability in collaboration with these stakeholders.

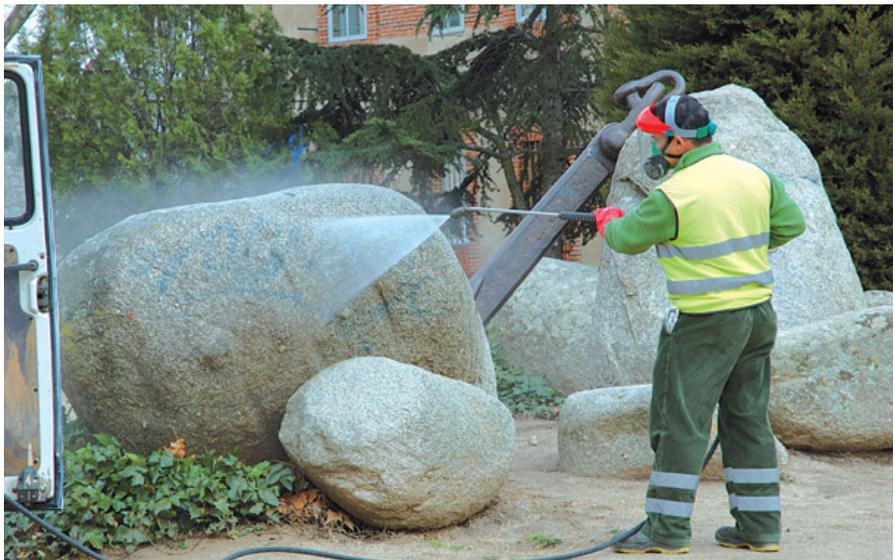
During the preparation of this report, a new survey was prepared in April 2008 to measure stakeholders' perceptions and assessment of the progress made in relation to the 2006/08 commitments included in the CSR report.

The main topics of interest and concerns that have arisen through consultation with stakeholders are:

- Quality of service.
- Costs.
- Respect for the environment.
- Safety and reliability.
- Compliance.
- Transparency.

Estos temas se han convertido en compromisos a cumplir en un plazo de dos años (2006/08).

FCC Medio Ambiente carried out an analysis of expectations in matters of sustainability in collaboration with its stakeholders. In the first quarter of 2008, stakeholders are assessing the progress made in relation to the 2006/08 commitments included in the CSR report





www.wrg.co.uk

Identified stakeholders

Description

Stakeholders are identified through a number of different processes.

In relation to the development of new installations or substantial changes in existing ones, consultation processes are established with regard to regulations. These processes include local residents, town councils, regulators, emergency services and NGOs.

Among the main stakeholders consulted proactively in relation to service compliance matters are regulatory authorities such as the EA, HSE, planning authorities and local authorities such as the EHO. Some contacts require data relating to corporate social responsibility from customers, main contractors and partners. Participation committees are also set up with community residents.

There is permanent communication with the different levels of government, including agencies such as DEFRA, responsible for new legislation and its impact on businesses.

In general, WRG establishes and identifies its stakeholders through ISO 14001 EMS follow-up meetings and those of the Risk Committee.

Procedures involving the participation of stakeholders:

- Invitations to respond to certain publications, press releases, development proposals, etc.
- Invitations to participate in meetings to assess the impacts of our installations, development proposals, etc.
- Meetings with regulators.
- Meetings with trade unions.

The main topics of interest and concerns that have arisen through consultation with stakeholders are:

- Development of the business in accordance with legal requirements (licences and permits), potential risks and impacts.
- The regulatory authorities regularly inspect installations and issue reports identifying any issues of non-compliance detected. WRG proposes action plans to rectify these matters.
- Quality of service (KPIs) and resolution of complaints.
- Carbon footprint of service provided.

In its CR report, WRG publishes the KPIs deriving from the measures agreed and discussed with Green Alliance and which reflect aspects of our business that are relevant to stakeholders and their environmental concerns. The latest development is the publication of proposals to calculate WRG's carbon footprint in response to customer concerns.

The frequency of stakeholder participation varies depending on the matters dealt with. Our centres generally participate in liaison groups on a quarterly basis. These groups include public authorities, regulators and, occasionally, customers. Regulators visit our installations monthly for meetings or inspections. There are interactive groups for employees throughout the organisation that meet on a monthly basis to discuss key topics, developments in relevant projects and specific matters of interest. Employees may pose questions to groups at both executive and local levels. WRG organises an annual employee management conference to which it invites stakeholder delegates to discuss strategic points or matters of interest. The latest conferences included presentations by key shareholders and the Instituto Profesional de Industria (Institute of Industry).

All complaints received in relation to our installations are duly analysed and dealt with and the corresponding corrective or preventive measures are taken and recorded. Examples of these measures include changes in the routes taken by waste collection vehicles and the creation of permanent information groups with representatives from the local community.

In its CR report, WRG publishes the performance indicators deriving from the measures agreed and discussed with Green Alliance and which reflect aspects of the business that are relevant to stakeholders and their environmental concerns

Versia

Versia held a conference on training, information and awareness aimed at heads of relations with stakeholders and transparency of information, who are responsible for promoting awareness among the people in their charge



Parking

Identified stakeholders	Description
<ul style="list-style-type: none"> ■ Shareholders ■ Public administration ■ Customers ■ Public in general ■ Suppliers ■ Employees 	<p>The organisation held a conference on training, information and awareness aimed at heads of stakeholder relations, where they promoted awareness among the people in their charge.</p> <p>The aim is to establish a new approach with regard to stakeholders and social and environmental responsibilities and to ensure transparency in communications with all groups who have a legitimate interest in our activities.</p>



Conservation and systems

Identified stakeholders	Description
<ul style="list-style-type: none"> ■ Customers ■ Suppliers ■ Corporate committees ■ Occupational health and safety committees 	<p>Communications channels are to be determined in 2008-2009 by meetings, seminars, etc.</p> <p>Through health and safety committees there is fluid and regular dialogue with representatives of workers in the different centres with regard to salary issues, social matters and professional wellbeing (health and safety).</p>



Handling Belgium

www.flightcare.es

Identified stakeholders	Description
<ul style="list-style-type: none"> ■ Airlines ■ Suppliers ■ Airport authorities 	<p>To meet the expectations of its stakeholders, FCC has implemented the ISO 9001 Quality Management System in Brussels airport and in the coming months will implement the ISO 14001 Environmental Management System and the OHSAS 18001 Safety Management System.</p> <p>The frequency with which stakeholders participate is as follows:</p> <ul style="list-style-type: none"> ■ Airlines: annual survey and regular meetings. ■ Suppliers: annual evaluation and control of products supplied. ■ Airport authorities: regular meetings.



Handling Spain

www.flightcare.es

Identified stakeholders

- Airlines
- Passengers
- Suppliers
- Airport authorities

Description

To meet the expectations of its stakeholders, FC has implemented the ISO 9001 Quality Management System, the ISO 14001 Environmental Management System and the OHSAS 18001 Safety Management System in its installations.

The frequency with which stakeholders participate is as follows:

- Airlines: annual survey and regular meetings.
- Passengers: in accordance with Spanish legislation, all passengers have the right to make complaints or remarks in an official Complaints Book at each airport.
- Suppliers: annual evaluation and control of products supplied.
- Airport authorities: regular meetings.

Flightcare informs passengers of their rights. In accordance with European and Spanish legislation, all passengers have the right to make complaints or remarks in an official Complaints Book at each airport



Technical vehicle inspections

www.serviciositv.es

Identified stakeholders

Those which have some form of direct or indirect relationship with the activity carried out by ITV.

Description

In development phase.



www.fcclogistica.com

Identified stakeholders

Based on our Quality System: customers and suppliers.

Description

The necessary relationship to guarantee the satisfaction of our customers with the services provided. Governed by principles of ethics and transparency.

Relations are regular. There is also a notice board on the website to post communications and send quality surveys.



www.cemusa.com

Identified stakeholders

Description

Town councils and advertising companies

Annual customer satisfaction surveys.

Complaints received.

Stakeholders participate annually.

When preparing bids, the company regularly consults stakeholders or related groups to establish communication channels that can help define proposals for services and equipment best suited to local needs, thus actively participating in the local economy.

Several surveys have been carried out with users of street furniture, including those in San Antonio (Texas, USA) and Salamanca (Spain). Cemusa regularly carries out satisfaction/ quality surveys in the town councils where their services are offered.

In the case of bicycle renting systems, Cemusa offers users and those interested in the service a website through which comments and suggestions can be channelled.

To promote its bicycle renting systems, CEMUSA offers users and people interested in the service a website through which comments and suggestions can be channelled





Industrial vehicle sales

Identified stakeholders

Customers and suppliers

Description

The main topics of interest and concerns that have arisen through consultation with stakeholders are:

- Quality.
- Environment (waste management).
- Health and safety.

Surveys are carried out annually, as are evaluations of suppliers. Customer participation is continuous through claims and commercial visits.



Transport passengers

Identified stakeholders

Three types of stakeholders have been identified:

The concessionary authority for the public service.

Town councils and other local entities whose interest and relationship with the business is daily and on-going as a result of the nature of the service contract.

The customers/users of the services, whether direct or through the different residents' associations in each city or area.

Description

Relations with all of these associations through regular meetings and communications of interest to users and/or the general public

Suppliers, through the different purchasing channels. Large investments are made in accordance with prevailing legislation concerning advertising, non-discrimination, transparency, etc. For smaller investments, preference is given to suppliers operating in the same city on the basis of price/quality/service.

The main topics of interest and concerns that have arisen through consultation with stakeholders are:

- Quality of public service.
- More regular and frequent suburban services.
- Improved quality and adaptation of suppliers to legal requirements.





Torre Picasso

www.per-gestora.com

Identified stakeholders	Description
■ Public administration.	The concerns raised by stakeholders in relation to environmental matters such as energy consumption and raw materials are reflected in the continuous investment and improvement projects carried out by Torre Picasso in recent years. These initiatives include replacement and adaptation of air conditioning systems to meet Montreal Protocol standards through the use of ecological coolants (replacing those that are not) and a continuous search for solutions aimed at reducing energy consumption, such as the installation of a cooling tower water recycling system for watering landscaped areas, etc.
■ Spanish Cancer Association.	
■ Blood donor services through the Madrid city council.	
■ Architects' association of Madrid and engineers' associations that have requested visits to the building.	
■ Visits by different official bodies.	
■ The media reporting on the building.	

Torre Picasso has studied the concerns of stakeholders in terms of the environment, energy consumption and raw materials and, to meet these concerns, has undertaken investment projects and improvements in eco-efficient equipment in the emblematic Torre Picasso



FCC, present in CSR initiatives and forums

FCC and the United Nations Global Compact



Red Pacto Mundial
España

FCC joined the United Nations Global Compact initiative last year. FCC Construcción and Cementos Portland Valderrivas were already members and have published related progress reports. The Group and FCC Construcción are also members of Asepam (Global Compact Association of Spain).

In compliance with its commitment to spread the principles of the UN Global Compact, the Group has launched information campaigns among its employees and newly acquired international companies. At the end of 2008 FCC will present its first progress report on the ten principles of the UN Global Compact.

FCC joins the Sustainability Business Club



The FCC Group has joined the Sustainability Business Club (Club De Excelencia En Sostenibilidad), which was created by a group of large companies to support sustainable growth from an economic, social and environmental perspective. The Sustainability Business Club is supported by many key

companies that are leaders in the field of CSR, sharing responsible practices to contribute to the excellence of businesses and the progress of society.

Cementos Portland Valderrivas, member of wbcSD (World Business Council for Sustainable Development)



World Business Council for
Sustainable Development

Cementos Portland Valderrivas is a member of the prestigious World Business Council for Sustainable Development (WBCSD), a leading worldwide business association that is defining an agenda of sustainable development, corporate competition and sustainable businesses.

FCC and the Entorno Foundation



Fundación Entorno

Consejo Empresarial Español para el
Desarrollo Sostenible

The FCC Group, through its construction and cement divisions, collaborates with the Entorno Foundation (Consejo Empresarial Español para el Desarrollo Sostenible (FE-BCSD España) - Spanish Business Committee for Sustainable Development). Their shared mission is to take on sustainable development challenges as a business opportunity. The Foundation has one hundred collaborators and associated companies and more than 7,000 annual beneficiaries.

Cementos Portland Valderrivas joined this initiative in 2007. It celebrated this by organising a public act at the Escuela de Ingenieros de Minas in Madrid, one of the speakers being the Member of Parliament, Ramón Jáuregui, formerly a driving force of the Congress subcommittee on corporate social responsibility and currently a member of the cabinet committee in this area.

FCC and the CEOE. Social Responsibility Commission

FCC forms part of the commission created by the CEOE (Spanish Confederation of Business Organisations) to study the current situation and future perspectives of CSR in Spain, and its

application to the business world. The commission is presided over by the General Corporate Director of Investor Relations at Cementos Portland Valderrivas.



Associations of which FCC Group companies are members

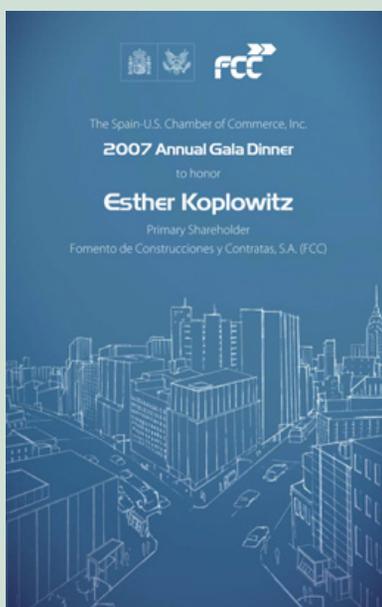
Area	Full name of the asociación	Acronym	Scope	Member company	Relevant details
Corporate	Confederación Española de Asociaciones Empresariales	CEOE	National	Fomento de Construcciones y Contratas, S.A.	
Construction	Asociación de Empresas de Obras Públicas de Ámbito Nacional	SEOPAN	National	Fomento de Construcciones y Contratas, S.A.	
Construction	Asociación de Empresas de la Construcción de Madrid	AECOM	Regional	FCC Construcción, S.A.	
Construction	Asociación de Empresas de Conservación y Explotación de Infraestructuras	ACEX	National	Mantenimiento de Infraestructuras, S.A.	
FCC Medio Ambiente	Asociación de Empresas de Limpieza Pública	ASELIP	National	Fomento de Construcciones y Contratas, S.A.	
FCC Medio Ambiente	Asociación Española de Empresas de Parques y Jardines	ASEJA	National	Fomento de Construcciones y Contratas, S.A.	
FCC Medio Ambiente	Asociación Profesional de Empresas de Limpieza	ASPEL	National	Fomento de Construcciones y Contratas, S.A.	
Construction	Asociación Española de Rótulos Luminosos y Empresas Afines	ASERLUZ	National	Megaplas, S.A.	
Construction	Asociación de Empresarios de Arganda del Rey y su Comarca	ASEARCO	National	Megaplas, S.A.	
Versia	Asociación Nacional de Empresas de Estacionamiento Regulado de Superficie	ANERE	National	Estacionamientos y Servicios, S.A.	
Versia	Asociación Empresas de Servicios de Asistencia en Tierra en Aeropuertos	ASEATA	National	Flightcare, S.A.	
Cements	Fundación Laboral Andaluza del Cemento y el Medio Ambiente	FLACEMA	Andalusia	Cementos Portland Valderrivas, S.A.	The Chairperson is a Group representative
Cements	Agrupación de Fabricantes del Cemento de Andalucía	AFCA	Andalusia	Cementos Portland Valderrivas, S.A.	
Cements	Fundación Laboral del Cemento y Medio Ambiente	CEMA	National	Cementos Portland Valderrivas, S.A.	
Cements	Agrupación de Fabricantes del Cemento de España	OFICEMEN	National	Cementos Portland Valderrivas, S.A.	
Cements	Asociación Nacional Española de Fabricantes de Hormigón Preparado	ANEFHOP	National	HYMPSA-Hormigones Uniland (Grupo CPV)	The Chairperson is a Group representative
Cements	Comité Gestión Andalucía de Fabricantes de Hormigón Preparado	ANEFHOP	Andalusia	HYMPSA	
Cements	Comité Gestión Navarra de Fabricantes de Hormigón Preparado	ANEFHOP	Navarre	HYMPSA	
Cements	Comité Gestión Madrid y Castilla-León de Fabricantes Hormigón Preparado	ANEFHOP	Regional (various)	HYMPSA	
Cements	Comité Gestión País Vasco, de Fabricantes de Hormigón Preparado	ANEFHOP	Basque Country	LEMONA (Grupo CPV)	
Cements	Comité Técnico País Vasco, Navarra y La Rioja de Fabricantes de Hormigón Preparado	ANEFHOP	Regional (various)	Grupo CPV	The Chairperson is a Group representative

Area	Full name of the asociación	Acronym	Scope	Member company	Relevant details
Cements	Comité Gestión Cataluña-Aragón de Fabricantes Hormig. Preparado	ANEFHOP	Catalonia	Hormigones Uniland	
Cements	Asociación de Fabricantes de Mortero	AFAM	National	PREBESEC	The Chairperson is a Group representative
Cements	Gremio de Áridos de Cataluña	GREMDARITS	Catalonia	Áridos Uniland	
FCC Ámbito	Asociación de Empresas Gestoras de Residuos y Recursos Especiales	ASEGRE	National	Fomento de Construcciones y Contratas, S.A.	
FCC Ámbito	Asociación de Aerosolistas de España	AEDA	National	Fomento de Construcciones y Contratas, S.A.	
FCC Ámbito	Asociación de Refrigerantes de España	ANEFRYC	National	Fomento de Construcciones y Contratas, S.A.	
FCC Ámbito	Asociación de Frigoristas de España	ASOFRIÓ	National	Fomento de Construcciones y Contratas, S.A.	
FCC Ámbito	Asociación de Industrias Tratadoras de Residuos Especiales de Cataluña	ACITRE	Catalonia	Fomento de Construcciones y Contratas, S.A.	
FCC Ámbito	Asociación de Empresas de Limpiezas Industriales Mecanizadas	ASELIME	National	Fomento de Construcciones y Contratas, S.A.	

FCC recognition

Throughout 2007 FCC has received numerous awards and recognitions for its work as a socially responsible company. We would like to take the opportunity to thank all those who have contributed to these awards and recognitions, some of which are described below.

Esther Koplowitz, Business Leader of the Year Award 2007. The Spain – U.S. Chamber of Commerce paid tribute to Esther Koplowitz, the first woman to receive this prestigious award



Esther Koplowitz was elected Business Leader of the Year by the Spain – U.S. Chamber of Commerce. The award was presented at a gala dinner at New York's Waldorf Astoria hotel attended by over 700 people. Collecting the award on behalf of Esther Koplowitz, Mr. Marcelino Oreja, Chairman of FCC at that time, highlighted her two primary interests: business and service to the community through the foundation that bears her name, which focuses on helping the needy and supporting medical research.

FCC, European leader in CSR

The prestigious British financial magazine, Euromoney, selected FCC as a pioneer in Europe in promoting and implementing corporate social responsibility within its organisation, together with other relevant European companies.

According to Euromoney, Esther Koplowitz, the chairwoman of the Strategy Committee and FCC's principal shareholder, was the driving force in the change in strategic direction of the Company, from construction to high-margin business, which has led to increased profits and share prices. The sectors of activity in which the Group operates provide challenges in the implementation of corporate social responsibility and the reduction of contaminating gases, and FCC has shown its determination in applying them to the entire group. The Company has also undertaken to provide services that produce benefits to society.



FCC, Garrigues Environmental Award

In November the minister for the environment presented the X Environmental Awards given out each year by financial newspaper Expansión and the Garrigues legal firm, in collaboration with the legal editorial group Wolters Kluwert through CISS.

In this tenth edition of the awards, FCC was recognised in the category of sustainability and corporate social responsibility in acknowledgment of its commitment to sustainable development and the initiative set in motion in 2000 to publish a biennial environmental report. This award was collected by FCC's Secretary General and Chairman of the Corporate Social Responsibility Committee.

FCC Construcción publishes this report, which describes all of the company's environmental activities, with a view to sharing its environmental management knowledge. Approximately 5,000 copies of the report are issued in Spanish, Catalan and English and are distributed among public administrations, customers, employees, commercial partners, journalists, students and the general public. The report is also available in electronic format on the FCC Construcción website. In each new publication the company strives towards progress and, in this light, the 2007 environmental report includes case studies on good practices applied to its works.

FCC received the same award in 2003 for a project presented by FCC Medio Ambiente and developed in collaboration with the University of Huelva, which defined environmental variables and indicators in solid urban waste (SUW) treatment processes.

FCC website, best among Ibox 35 companies

The FCC website has been considered best IBEX 35 website in a study carried out by the Make communications agency. The study did not take into account aesthetic factors but rather concentrated on objective parameters such as screen resolution, internal search engine, site map, value quotation, availability of different font sizes, web standards (HTML, CSS and WAI), syndication of RSS content, page weight, browsability and accessibility. The website is available in Spanish and English, and each language site contains approximately 250 pages, 300 news items, 250 FCC images, 18 bulletins issued once every two months and 320 PDF documents (regulations, reports, presentations, shareholders' meetings and results).

The FCC website is compliant with the W3C consortium's Web Accessibility Initiative (WAI), designed to help make the site accessible to people with disabilities. Browsing pages is done through the home page, with a maximum depth of three clicks, in accordance with CNMV and WAI norms.



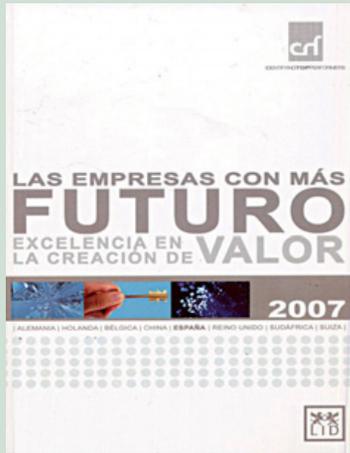
FCC, awarded for its IT upgrades

The weekly magazine Computing gave FCC the first 2007 Computing Price in the "Business Continuity" category in recognition for the Company's efforts in upgrading its technological infrastructures to obtain greater efficiency criteria in management and security and high availability of critical corporate applications.

ComputerWorld award in the Chief Information Officer (CIO) category

ComputerWorld, the prestigious magazine specializing in IT sciences, awarded the director of FCC's Information Systems and Technologies Department, its annual prize in recognition of the Company's constant efforts in innovation and its commitment to promoting information and communication technologies.

FCC, recognised as a company with a future for its strategy, quality and innovation (CRF 2007)



In times of economic growth, stakeholders want to know which companies have a solid basis with which to continue competing. This objective is the basis for the book "Companies with a future. Excellence in the creation of value" published by CRF, in which FCC is recognised for its strategy, quality and innovation.

FCC Ámbito given Eco-responsible company Award 2007

An important recognition awarded to Gemasur, part of FCC ámbito, for the third time by the Federación Andaluza de Ciencias Ambientales (Andalusian Federation of Environmental Sciences), coinciding with the II Andalusian Congress on Sustainable Development and the VI Andalusian Congress on Environmental Sciences held in Cadiz on 12, 13 and 14 April.

Aqualia elected Water Company of the Year

The award was given by Global Water Intelligence (GWI), one of the leading international magazines in the industry, for Aqualia's capacity to grow in the highly-competitive international market by exporting its very successful business model from Spain. GWI also noted the speed with which Aqualia has adapted to the new international scenario.

Customer Service Leadership of the Year Award

Aqualia, FCC's subsidiary specialised in end-to-end water management has been awarded the Customer Service Leadership of the Year Award by prestigious UK consulting firm Frost & Sullivan as part of its annual Best Practices Programme aimed at recognising corporate excellence on an international level. This award is internationally recognised by investors, users and the media.

The panel of judges valued Aqualia's strategy based on the principles of efficiency, proximity to customers and brand recognition as well as its commitment to service quality standards as reflected in water supply, facilities and water controls. The company has been awarded the ISO 9001 and ISO 14001 quality certificates and has constantly demonstrated its commitment to the environment and sustainable development.



ÖGUT Environmental Award

The Austrian Society for the Environment and Technology (ÖGUT), in its 22nd edition, awarded its annual prizes for the most outstanding sustainable projects. This year ASA won the prize in the category "Austrian Environmental Technologies for Central, Southern and Eastern Europe" for the opening of a modern and pioneering waste treatment facility at Arad (Romania), a town with a population of more than 170,000.

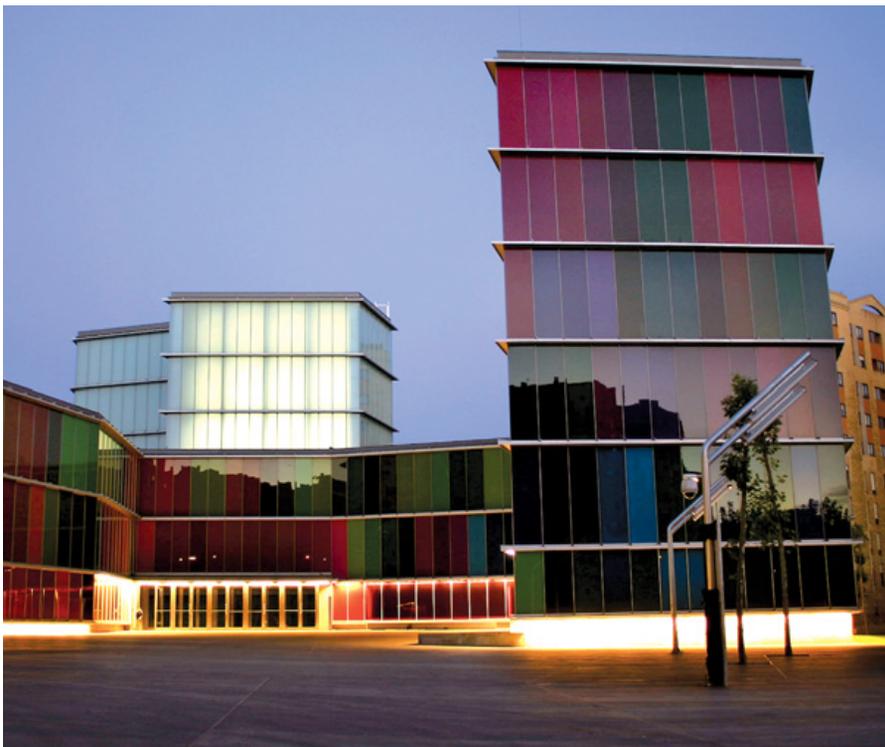
FCC wins COEC Corporate Excellence Award

The Confederación Comarcal de Empresarios de Cartagena (COEC) Corporate Excellence awards aim to single out the corporate work of companies contributing to the economic development of the entire Cartagena region. The FCC Environment branch in Cartagena-Almería was presented with this award in the social commitment category for the efforts carried out by its parks and gardens division.

The panel of judges highlighted FCC's commitment to society, which is reflected in its hiring of socially excluded people and those with physical and intellectual disabilities, who account for 20% of the gardening division workforce. This prize is a reward for the labour-integration work carried out in collaboration with Asus and Prolam, which are constantly striving to improve the quality of life of the disabled.

ISMS Forum Spain wins SIC Magazine prize

The Spanish Association for the Promotion of Information Security, ISMS Forum Spain, of which FCC is a founding member and currently presides over the association's governing body, was awarded one of the prizes given each year by SIC Magazine for creating an open associative framework for promoting the development, knowledge and culture of information security in Spain.



León Museum of Contemporary Art wins European Union award (FCC Construcción)

The European Union Prize for Contemporary Architecture -Mies Van der Rohe Award- was presented to the León Museum of Contemporary Art (Musac), designed by architects Emilio Tuñón and Luis Moreno Mansilla and built by FCC Construcción. This is the most prestigious contemporary architecture award in the European Union. MUSAC, which received the award for its conceptual, technical and construction quality, was inaugurated in April 2005 and has established itself as a benchmark artistic institution in Spain.



International Puente de Alacántara Award

The prize was awarded to the Terminal T4 project at Madrid Barajas airport by the Fundación San Benito Alacántara.

The City of Barcelona Award

Barcelona city council recognised the Illa Londres project that comprised a primary school, a nursery and apartments for young people.

The Foro Civitas Nova Award

Prize for architecture and sustainable urbanisation awarded to the Toyo Almería development project.

Annual Deal of the Year Award

The Euromoney Group elected Global Via for the San José-Caldera road concession as Deal of the Year in the Latin America category in their international magazine, Project Finance.

National Quality Prize for Public Housing

The Ministry of Housing awarded this prize to the San Jerónimo building designed by architects Francisco Javier Terrados Cepeda and Fernando Suárez Corchete and built by FCC for the Seville Municipal Housing Department. The building has 68 subsidised rental apartments.

The panel of judges highlighted the project's architectural features, which replicate the landscape of Seville's neighbourhoods, its accessibility and features ensuring the sustainability of the building.

The Qualitas Prize

The Fiat group awarded Megaplus, an FCC Construcción subsidiary with the Qualitas Prize for quality and service excellence.

Cemusa garners Art Commission of the City of New York award

The Art Commission of the City of New York, in the 25th edition of its prestigious Design Awards, has selected several urban design projects, including the Cemusa-designed city furniture.

On this occasion, Cemusa won a prize for the prototypes of its city furniture for New York, designed by Grimshaw Architects with the active collaboration of the Company's Corporate Technical Department for a project put out to tender by the City Hall for the installation and maintenance of city furniture and advertising.

La Gaceta de los Negocios award

The economic newspaper La Gaceta de los Negocios presented Realia with its "Best Real Estate Developments in Spain" award for its Hacienda del Sol development on the Costa del Sol.

FCC always committed to society

The FCC Foundation, a boost to FCC's social mission

FCC has always been committed to the development of the communities in which it operates. The Company has traditionally worked in close collaboration with numerous public and private entities in the tertiary sector due to its firm belief that it is not possible for its businesses to succeed in failing societies.

Its vision of social cooperation responds to the causes of the most underprivileged members of society, the poor, needy and disabled people. Nevertheless, FCC is equally aware that it must collaborate with other areas of society such as culture or raising awareness.

Consequently, the Group established the FCC Foundation to channel all social action, sponsorship, charity work and corporate social responsibility activities in general it wishes to conduct in the future. The Foundation will be fully up and running during 2008.

The FCC Foundations general objectives are as follows:

- Promote art, culture and education.
- Promote and develop research in any fields, as well as disseminate technology and support the information society in order to strengthen scientific knowledge.
- Encourage social equality, social support, and the integration of the most underprivileged classes, immigrants, the elderly, and individuals at risk of exclusion for physical, social or economic reasons. Improve the population's social conditions and health and promote and develop any activities that improve the quality of life for people in Spain and those countries that lack basic products and services.
- Promote, protect, restore and disseminate Spanish and foreign historical, cultural and artistic heritage.
- Protect the environment.

Cooperation: FCC's social commitment

During the period covered by this report, FCC has contributed over Euros 9 million to the social initiatives or activities outlined below. The WRG Foundation has also earmarked funds for projects to improve the quality of life for individuals, totalling Euros 18 million in 2006.

FCC supports medical research and the fight against disease

The Group has provided support to numerous groups and associations that fight disease or help to alleviate its effects, such as: the Association for Children with Cancer (AFANOC), the Spanish Association against Cancer (AECC), The Children's Oncological Association of the Madrid Autonomous Region (ASION), Riadway for Africa, the San Juan de Dios Foundation, the Apsuria Foundation, Payasoshospital, the Theodora Foundation, and the Centre for Cardiovascular Research (CNIC).

FCC collaborates with associations that support disabled groups

The FCC Group has continuously provided support to associations that work to integrate disabled people by collaborating in projects or providing funding to the following organisations: the Spanish Amiotrophic Lateral Sclerosis Association (ADELA), The El Despertar Association and the Nido Foundation, the AFIM Foundation (support, training and integration of the disabled), the APADEMA Association (Association for the Promotion and Support of Mentally-disabled Adults), the Adecco Foundation, Asprona in Albacete, the Concerto Foundation, AMIAB (Association for the Disabled in Albacete), Centre for the recovery of the physically disabled of the Institute for the Elderly and Social Services (IMSERSO)

(C.R.M.F.) in Salamanca, the Red Cross (Cruz Roja), the Federation of Associations of the Physically Disabled of the Madrid Autonomous Region (FAMMA-Cocemfe Madrid), TIRGI, CERCA, CREAMA, AUPA, Recursos Solidaris, the Engrunes Foundation, the Formació i Treball Foundation (training and employment), L'Arca del Maresme, ASCODEL (Association against Long-term Unemployment), Lasarte-Oria Town Council, Rentería Town Council, the ECOM Foundation, the Association of the Mentally Disabled of La Sabor. A collaborative agreement has also been signed with the Albacete City Council, the Castilla-La Mancha Health and Social Foundation for the Integration of the Mentally Ill into Society and the Workplace (FISLEM), FCC, S.A. and other local companies. The Group has also worked with the Catalan Department of Justice and Reus Town Council to participate in the community service programme for petty criminals.

FCC supports education and young people

The Group has also collaborated in social initiatives that support underprivileged students, funds for grants, or education in general such as: the Promete Foundation for extremely-gifted underprivileged students, Proclade Bética which works to promote child education, the European Observatory on Children's Television (OETI), the Deporte Joven Foundation, the Celta de Vigo Children's Campus, the Guardia Civil Foundation, opening the Torre Picasso building to the public during the open day for emblematic buildings in Madrid, etc.

FCC and social development. The Spanish Confederation of Business Organisations' (CEOE) Cooperation for Development Project

The Proactiva Medio Ambiente case study

As a result of the Group's commitment to improving the quality of life and social development of the communities in which it operates, it provides support to projects in this area collaborating with entities, including: the Cidob Foundation, the OCDE Forum, the Codespa Foundation, Fundación por la libertad, Mensajeros por la Paz, Action Against Hunger (ACF), Comunidad Misionera de Santiago Apóstol, Teléfono de la Esperanza, the Vicente Ferrer Foundation, the Foundation against Drug Addiction, Aldeas Infantiles SOS

de España, Ayuda en Acción, Asociación Nacional de Amigos de los Animales ANAA, Calcuta Ondoan ONG, the Pequeño Deseo Foundation, the Banc dels Aliments Foundation, Solidaridad Internacional Cooperación Internacional ONG, or the Nastic al Mon Foundation.

FCC also participates in two working groups incorporated by the Cooperation for Development Committee of the CEOE which work to represent the business community's single agreed position on international cooperation for development. These working groups are:

- Strategy for the Promotion of the Business and Economic Framework.
- Multilateral Strategy.



The Proactiva Medio Ambiente case study

The social actions aimed at benefiting the communities in which the FCC Group operates include the activities performed by Proactiva in the areas surrounding sanitary landfills and informal waste recoverers.

Proactiva manages 18 landfills in the region, several of which are located near to underprivileged areas. Consequently, a plan has been set in motion to help these communities.

PROACTIVA
MEDIO AMBIENTE



Landfill. Argentina

The Doña Juana landfill (serving the population of Bogotá and considered to be one of the largest in the world) is surrounded by several shanty towns (known as "los Mochuelos"). Consequently, part of the company's policy and contractual obligations is to implement a social cohesion plan. Measures taken include hiring workers from these shanty towns, organising educational programmes for this population on, for example, the use of computers, and running campaigns to educate women and help them integrate into the labour market. Proactiva has also opened a public library in this area and periodically organises breakfasts for the leaders of these shanty towns and the managers of the landfill to develop a policy of transparency, dialogue and proximity to the landfill's neighbours.

Informal waste recovery activities have increased significantly across Latin America and are often performed under unsafe conditions in countries such as Colombia, Argentina and Venezuela. Consequently, Proactiva has set in motion several initiatives to improve the lives of the individuals performing these activities, which is often the only source of income for many families.

At the Presidente del Valle del Cauca landfill (Cali, Colombia) and the Bonanza landfill in Caracas (Venezuela), plans have been initiated to provide support to the informal waste recoverers working at these sites. In Cali, in addition to organising the work of these recoverers into cooperatives, medical attention, vaccination programmes to prevent diseases and psychological support is provided. Recoverers are also educated to provide them with new opportunities for integration into society and help them find employment. 20 recoverers are now formally employed by Proactiva at the Valle del Cauca landfill.

A plant has been built to process waste for recycling at the Querétaro landfill in Mexico. With regards to recruitment, priority has been given to women who, in many cases, are the family breadwinners.



Landfill in Querétaro. Mexico.



FCC cares for the environment

The Group has closely collaborated with and provided considerable funding to environmental education projects, primarily through its services area (FCC Medio Ambiente, Aqualia, or Ámbito). Historically, FCC and its services area has been responsible for organising and funding drawing competitions to improve children's awareness of water use, developing agreements with universities and schools, holding open days, arranging visits for school children, arranging exhibitions, awarding prizes, etc. since it considers that environmental education is one of the fundamental areas for younger generations.

FCC and the Soria 21 Forum

This year FCC participated in the latest edition of this outstanding sustainability forum in Spain entitled "Population and Sustainable Development". FCC has also taken part in the round table on "Infrastructures, Transport, Energy, Urban Development and Water – Impact on the Population" at which Aqualia's services management director was a speaker.

FCC supports fair trade

At their head offices in Madrid, FCC and its subsidiary Cementos Portland

Valderrivas organised several events in conjunction with Intermón-Oxfam aimed at promoting awareness of fair trade. Prior to opening fair trade markets at both centres offering a wide range of fair trade products, Intermón gave a talk on this alternative trade system. Subsequently, employees were given the opportunity to purchase these products, the proceeds from which were collected by Intermón.

FCC has also installed vending machines in its head offices which dispense fair trade products such as coffee. According to Gedemasa, 210 kilos of this type of coffee have been consumed.

FCC sponsors and promotes culture

The Group believes that companies that encourage a love of culture and scientific research promote progress. During the period, FCC has sponsored events and organisations such as: the Perelada Music Festival, the Oviedo Opera - Campoamor de Oviedo Theatre Foundation, the Albacete Cultural Programme and its unique Teatro Circo (1887), the only theatre of its kind in Spain, Museo Patio Herreriano, el Palau de la Música Catalana, the Pro Real Academia Foundation, the Amigos del Museo del Prado Foundation, the Foundation of Social Studies (Fundación de Estudios



Sociológicos), the Centre for Ecological Initiatives (Centro de iniciativas ecológicas), the Cadiz Festival of South American Theatre, the Vienna Festival of Spanish Music, the CIDOB Foundation, the Prince of Asturias Foundation, the Pro Real Academia Española Foundation, the Andalusian Foundation of Cement and the Environment (Fundación Laboral Andaluza del Cemento y del Medio Ambiente), the Canary Islands Opera Festival Foundation, etc.

FCC supports local communities: the Cementos Portland case study

Although FCC acts in all areas of its business to promote the social development of the communities in which it operates, its commitment of its cement line of business is particularly noteworthy. Cementos Portland Valderrivas is especially involved in the communities in which its plants are located. It makes significant annual donations to the University of Navarra, Unicef Navarra, the Red Cross, and Festivales de Navarra, among others. It also collaborates with Euroforum (Madrid) and several local councils and chambers of commerce such as those of Morata de Tajuña, Estremera, Carabaña, Chinchón, Hontoria, Valdelaguna, Aranjuez, Alcalá de Guadaíra, Venta de Baños, Tariego, Magaz and Cevico, as well as offering support to residential homes for the elderly, retiree centres, and several education and special education associations. Several local councils have benefited from contributions of cement and concrete for certain infrastructure public works. CPV also sponsors amateur and professional sports events and teams in these communities, the most noteworthy of which is one of Spain's most successful basketball teams, Portland San Antonio de Navarra.



FCC supports world heritage: the Royal Foundation of Toledo

The Royal Foundation of Toledo is a private cultural institution, the objective of which is to conserve and revitalise the historic city of Toledo by conducting activities aimed at promoting it as a place to live, as well as protecting, researching and publicising its heritage. Its mission also includes conserving and promoting the works of the sculptor Victorio Macho. FCC achieves these objectives through urban development activities, the restoration of cultural assets, research projects, exhibitions, publications, training courses, working meetings, conferences, and special attention to the convent cloisters and its heritage.

FCC sponsors the Foundation for Financial Studies (FEF)

FCC sponsors the FEF, a financial markets study centre. The Foundation dedicates its efforts and resources to independent investigation, training and issue of opinions and is committed to working in favour of economic freedom based on transparency, efficiency and ethics.

The FEF is comprised of a substantial group of companies, such as FCC, and institutions that represent a significant part of Spanish society, and economic and financial sectors. Consequently, the FEF is one of the main thought leaders of the Spanish finance sector.

FCC supports the Spain-Latin America Cooperation Programme: the Carolina Foundation and the Ibero-American General Secretariat (SEGIB)

The FCC Group has sponsored the Carolina Foundation for some years. This Foundation was created to promote cultural relations and cooperation in the field of education and science between Spain and the countries comprising the Ibero-American Community of Nations, as well as with other countries with special historical, cultural and geographical links.

FCC actively contributes to the development of social responsibility policies in Latin American countries through participation in the Carolina Foundation Workshop on public private partnerships for the development of Latin America, such as the "Value chains" programme of the Ibero-American General Secretariat.



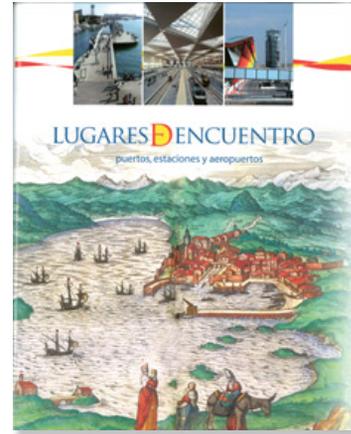
FCC and Madrid 2016

In line with its policy of sponsoring sporting activities, the Group has decided to support Madrid's bid to host the 2016 Olympic Games, making FCC the sponsor of choice.

FCC has published its new book entitled "Meeting points. Ports, stations and airports"

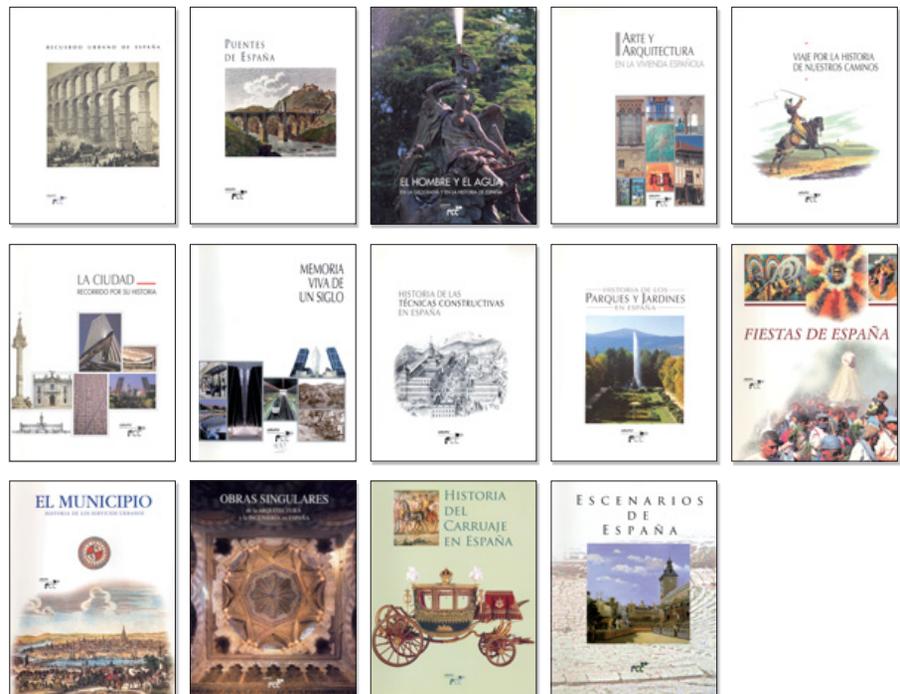
FCC has published a new book entitled "Meeting points. Ports, stations and airports," which, as in previous years, was carried out by Cinterco and coordinated by the corporate image department. Over ten renowned authors participated in this fifteenth book published by FCC, which provides historical background information on ports and meeting points in Spain, from ancient times to Roman Hispania to the present time. The book also includes a wide variety of images of ports, train stations and airports. The book was donated to the Spanish Royal Academy of Engineering.

This new book will form part of the collection of informative and scientific works published by FCC in collaboration with prominent academics, lecturers, writers, historians, architects and engineers. These works are widely consulted in universities and by academics.



FCC has donated its book entitled "Escenarios de España" to the National Museum of Theatre

Corporate social responsibility management at FCC visited the National Museum of Theatre, based in Almagro (Ciudad Real), to present a copy of its book called "Escenarios de España" which had been specially bound for the occasion. This donation falls within FCC's commitment to social responsibility and aims to increase the funds in this museum, a guardian of Spain's rich heritage in theatre. The museum sent a letter of thanks to Esther Koplowitz and Rafael Montes, FCC's current Chairman.



"FCC Volunteers". FCC announced its corporate volunteer programme

This year one of the Group's most striking corporate social responsibility projects has been the "FCC volunteers" programme presented to employees. The programme will first be brought into line with the goals of the Esther Koplowitz Foundation, which has worked tirelessly for the most underprivileged groups in Spain for many years.

The programme, unveiled in Madrid, Valencia and Barcelona, evolved from the idea of sharing the values, concerns and aspirations of the communities in which FCC operates. The project will be steered by corporate social responsibility management, in collaboration with the FCC Foundation, which will cover any expenses incurred, insurance, professional advisory services and the required training. An on-line platform will be created for this purpose to manage and promote leisure activities and socialising amongst volunteers.

Initially, volunteers will concentrate on requirements such as companionship at the homes for the elderly started up by the Esther Koplowitz Foundation in Madrid (Collado Villalba), Valencia and Barcelona. Given the significance of the Esther Koplowitz Foundation activities, it is appropriate that FCC start its corporate volunteer programme by reinforcing the Foundation's work to help the most underprivileged in society.



Home for the elderly, Barcelona



Home for the elderly, Valencia



Home for the elderly: Nuestra Casa de Collado Villalba

Case study: WREN (Waste Recycling Group Foundation)

Improving people's lives

The purpose of WREN is to ensure that the Waste Recycling Group's funds have the greatest possible impact on improving the quality of people's lives. Its policy rests on two core pillars:

- To use advisory groups in most areas to support the decision-making process and,
- to ensure that tax generated on its operational areas is recovered through grants.

WREN was founded in 1997 in order to give back part of taxpayers' money in local areas, using the invaluable experience and know-how of local people to channel funds both transparently and democratically to the most necessary areas. This initiative has given stakeholders maximum benefits in terms of community, cultural heritage, conservation, biodiversity, youth, volunteers, etc.

2006 Grants*

Community and regeneration projects

WREN donated more than £10 million to 414 projects. The main projects are as follows:

- wo playgrounds in Flintham (£49,000). An area with one of the most dangerous main roads in the UK, splitting the community in half.
- 62 hectares of playgrounds across a former mining area (coal) with an important mining museum in Pooley Country Park (£23,452).
- Canal junction for the waterways in the river Thames and river Abingdon (the main waterways in the south of England) increasing its potential as a tourist and leisure spot (£50,000).

- The first ice-rink in Burdiehouse Burn Valley, south Edinburgh (£25,000) requested by young people in this area.

Conservation projects and the environment

WREN distributed more than £1,000,000 between 65 projects.

- Conwy nature reserve (£67, 760).
- Cheshire Bluebell Biodiversity Action Plan (£18,800).
- Gibraltar Point Wildlife Trust in Skegness, on the east coast. National nature reserve spanning 1,000 acres. (£125,000).
- Wildfowl and Wetlands Trust in the Norfolk nature reserve. Construction of a two-storey building with educational purposes, incorporating a sustainable design (£50,000).

Heritage projects

WREN awarded nearly £1,000,000 to 43 projects.

- Stained-glass window at the Lincoln cathedral (£137,750). Maintenance and protection of the medieval stained-glass window (double glazing) which survived the destruction caused by Henry VIII and his reform.
- Dragon room: a trade room (cloth) during 1430. It is a unique medieval legacy and one of the most important historical buildings in Norwich and Norfolk (£50,000).
- Ripon cathedral. Restoration works on one of the oldest cathedrals in the country.
- San Asaph cathedral in Denbighshire dating back to XIII century and possibly the oldest and smallest cathedral in Great Britain. Restoration work (£35,000).



- The Stotfold windmill is located on the river Ivel in Bedford. It is famous for having the widest millstone with which to grind wheat in Great Britain and is 1000 years old. Restoration work (£25,250).

WRG awards, "Challenges in the community"

On 9 May 2006 Jim Meredith, WRG chairman, and Gwyneth Dunwoody, MP, awarded the following funds in the House of Commons:

- High Ongar village hall, Essex, £250,000.
- Weir Deals centre, Lancashire, £250,000.
- Normanton on Soar Jubilee Field Village Hall, Nottinghamshire, £200,000.
- Thorpe Hesley Holy Trinity Community Building, South Yorkshire, £175,000.
- St. Mark's Church Community Centre in Bedfordshire, £125,000.

For more information go to: www.wren.org.uk

* 2007 grants during the 2007 tax year will be audited and published during the first quarter of 2008.



committed to
our responsibility



Letter from the independent external inspector



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

Verification Report

A los lectores de este Informe

Introducción

Hemos sido requeridos por el Grupo FCC (en adelante FCC) para revisar la información relativa a las prácticas ambientales y sociales correspondientes al ejercicio 2007 contenida en su Informe de Responsabilidad Corporativa 2007(en adelante el Informe), cuya elaboración, incluida la decisión acerca de los asuntos que trata, es responsabilidad de la Dirección de FCC.

Alcance

En el Informe se describen los esfuerzos y avances realizados por FCC en la consecución de un desarrollo más sostenible. Nuestra responsabilidad ha sido la de revisar el mencionado Informe, comprobar la aplicación de la Guía de Global Reporting Initiative Versión 3 (GRI G3) de acuerdo al nivel de autodeclaración de la compañía y ofrecer a los lectores del mismo un nivel de aseguramiento limitado de acuerdo con lo establecido por la norma ISAE 3000 (International Standard for Assurance Engagements) sobre:

- Que los datos cuantitativos relativos a los indicadores GRI G3 se han obtenido de manera fiable.
- Que las informaciones de carácter cualitativo relativas a los indicadores GRI G3 se encuentran adecuadamente soportadas por documentación interna o de terceros.
- La aplicación de la Guía de GRI G3 para el nivel de aplicación A+ cuya auto declaración ha recibido la confirmación de Global Reporting Initiative.

Criterios para realizar la revisión

Hemos realizado nuestro trabajo de acuerdo con la norma ISAE 3000: *Assurance Engagements other than Audits or Reviews of Historical Financial Information*, desarrollada por International Auditing and Assurance Standards Board (IAASB). Entre otras cuestiones esta norma requiere que:

- El equipo que realiza el trabajo posea conocimientos específicos, habilidades y competencias profesionales necesarias para entender y revisar la información incluida en el Informe, y que los miembros del mismo cumplan los requerimientos del Código de Ética Profesional de la Federación Internacional de Expertos Contables (IFAC) para asegurar su independencia.
- Cuando se provea de un aseguramiento limitado de la información, que es de un nivel de profundidad menor que el aseguramiento razonable, se utilice una conclusión limitada al trabajo realizado.

En nuestra revisión se han seguido los principios y criterios de verificación de la información incluidos en la Guía de GRI G3 por ser los aplicados por FCC y cuyo entendimiento y aplicación se hallan descritos en el capítulo denominado "Proceso de elaboración del Informe de Responsabilidad Corporativa".

Trabajo realizado

Hemos revisado la fiabilidad de los datos y otras informaciones contenidas en el Informe de acuerdo con el alcance descrito, basándonos en la realización de las siguientes actividades:

- Entrevistas con los responsables de los sistemas que proveen la información incluida en el Informe.
- Revisión de los sistemas utilizados para generar, agregar y facilitar los datos.
- Análisis del alcance y presentación de la información que se ofrece.
- Revisión por muestreo de los cálculos realizados a nivel corporativo y la consistencia de los mismos.
- Revisión de que otras informaciones contenidas en el Informe se encuentran adecuadamente soportadas por documentos internos o de terceros.

Conclusiones

Basados en los trabajos descritos anteriormente, no hemos observado circunstancias que nos indiquen que los datos recogidos en el Informe no hayan sido obtenidos de manera fiable, que la información no esté presentada de manera adecuada, ni que existan desviaciones ni omisiones significativas.

KPMG ASESORES, S.L.



Julián Martín Blasco

23 de mayo de 2008

main G3 indicators of the Global Reporting Initiative

G3 Global Reporting Initiative Index + COP

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1.2. Description of key impacts, risks and opportunities.		367-369; 373-377; 389-391
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2.5. Number of countries where the organisation operates, and names of countries with major operations.		6; 459
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2.9. Significant changes, structure and ownership of the organisation.		277-282
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G3	Global Compact	Report page
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3.9. Data measurement techniques and the bases of calculations, including assumptions and estimations applied. Explain any decisions not to apply the GRI Indicator Protocols.		355
3.10. Explanation of the effect of any re-statements of information provided in earlier reports.		355
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G3	Global Compact	Report page
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EC3 Coverage of the organisation's defined benefit plan obligations.		464
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EC6 Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.		383-384
EC7 Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.		458-459



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EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	118-119
EC9	Understanding and describing significant indirect economic impacts, including the extent of impacts.	373-377

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Disclosure on management approach

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	FCC's commitment to combating climate change.	388-389
	Managing climate change risk.	389-391
	Managing reductions in our CO ₂ emissions.	392-400
	Energy efficiency and the use of renewable energies.	401-406
	The eco-intelligent drive.	422-423
	R+D+I, a tool for FCC's eco-intelligent development.	423-430
	Our main indicators.	431-443
	Increased recycling and recovery.	443-446
	Raising public awareness.	446-447
	Biodiversity.	449-453
	Sustainable construction.	454-455

Environmental performance indicators

Materials

EN1	Materials used by weight or volume.	GC8	433-435
EN2	Percentage of materials used that are recycled input materials.	GC8	433-435

Energy

EN3	Direct energy consumption by primary energy source.	GC8	401-404
EN4	Indirect energy consumption by primary source.	GC8	401-404
EN5	Energy saved due to conservation and efficiency improvements.	GC9	401-404
EN6	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives.	GC9	401-404
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EN8	Total water withdrawn.	GC8	435-438
EN9	Water sources significantly affected by withdrawal of water.		435-438
EN10	Percentage and total volume of water recycled and reused.	GC8	435-438

G3	Global Compact	Report page
Biodiversity		
EN11 Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	GC8	449-453
EN12 Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	GC8	449-453
EN13 Habitats protected or restored .		449-453
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EN20 NO, SO and other significant air emissions by type and weight.	GC8	432-433
EN21 Total water discharge by quality and destination.	GC8	438-439
EN22 Total weight of waste by type and disposal method.	GC8	439-446
EN23 Total number and volume of significant spills.	GC8	438-439
EN24 Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III and VIII, and percentage of transported waste shipped internationally.	GC8	439-446
EN25 Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharge of water and runoff.		449-453
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EN26 Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	GC8	454-455; 443-446
EN27 Percentage of products sold and their packaging materials that are reclaimed by category.	GC8	FCC does not generate products. All areas encourage reuse of materials
Compliance		
EN28 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	GC8	432
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Social

Disclosure on management approach

Society performance indicators

1. Labour practices and decent work		
The people who make our project possible.		456-457
Attracting and retaining talent.		457-459
Diversity and equality.		460-462
Employment stability.		462-463
Remuneration and other benefits.		464
Training.		465-470
Labour environment.		471
Internal communication.		472
Safety, our responsibility.		407-421
• Employment		
LA1 Total workforce by employment type, employment contract, and region.		462-463
LA2 Total number and rate of employee turnover by age group, gender, and region.		463
LA3 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.		464
• Labour/Management Relations		
LA4 Percentage of employees covered by collective bargaining agreements.	GC3	471
LA5 Minimum notice period(s) regarding significant organisational changes, including whether it is specified in collective agreements.	GC3	472
• Occupational health and safety		
LA6 Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.		407-411
LA7 Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.		415
LA8 Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.		415-416
• Training and education		
LA10 Average hours of training per year per employee by employee category.		465-469
LA11 Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		465-469
LA12 Percentage of employees receiving regular performance and career development reviews.		460-463

G3	Global Compact	Report page
<ul style="list-style-type: none"> • Diversity and equal opportunities 		
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<ul style="list-style-type: none"> • Investment and procurement practices 		
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<ul style="list-style-type: none"> • Non-discrimination 		
HR4 Total number of incidents of discrimination and actions taken.	GC1-GC6	468-469; 370
<ul style="list-style-type: none"> • Freedom of association and collective bargaining 		
HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	GC3	468-469; 471
<ul style="list-style-type: none"> • Child labour 		
HR6 Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	GC5	468-469
<ul style="list-style-type: none"> • Forced and compulsory labour 		
HR7 Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	GC4	468-469
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Health and safety culture.		415-421
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Corporate social responsibility management structure.		361-372
<ul style="list-style-type: none"> • Community 		
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G3	Global Compact	Report page
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PR3 Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.		382-383
PR4 Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by types of outcomes.		415-421
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PR7 Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by types of outcomes.		415-421
• Compliance		
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GRI certification



On 22 May 2008 this report received an A+ rating from the Global Reporting Initiative (GRI) institution.

This qualification recognises that the document has been prepared following the information principles and requirements of the "Sustainability Reporting Guidelines" in the current version at the time of publication.

For more information on GRI and the requirements for A+ see:

<http://www.globalreporting.org>>www.globalreporting.org

your opinion is important: dialogue with stakeholders

This report aims to show our stakeholders in a balanced and reasonable fashion how the company tackles the most significant challenges regarding its activities.

Any suggestions or comments regarding this report may be sent by letter to:

FCC Group
Corporate Social Responsibility Department

Federico Salmón, 13
28016 Madrid
Teléfono: +34 91 343 71 81

Or via email to:

rcorporativa@fcc.es

The current progress of FCC's Corporate Social Responsibility Master Plan can be viewed on our web page at www.fcc.es in the section entitled Corporate Responsibility. Any comments and requests can be sent via the link Diálogos GdI.



Questionnaire on this report for stakeholders

The Corporate Social Responsibility department trusts that the information contained in the third edition of the Corporate Social Responsibility report has proved useful to our stakeholders.

We would be grateful if you could give us your opinion on this report including your criticisms and suggestions.

Please indicate your mark for each of the aspects of the 2007 Corporate Social Responsibility report, bearing in mind that 1 represents "uninteresting or inappropriate" and 5 represents "very interesting or very appropriate". There is also a section for you to include any other comments or suggestions that can help us to improve the report.

Please send us the completed questionnaire via post or email.

1 Please identify yourself with one of the following groups

Shareholders	<input type="checkbox"/>	Media	<input type="checkbox"/>
Employees	<input type="checkbox"/>	Suppliers/Contractors	<input type="checkbox"/>
Companies	<input type="checkbox"/>	Public administration	<input type="checkbox"/>
NGOs	<input type="checkbox"/>	General public	<input type="checkbox"/>
Customers	<input type="checkbox"/>		

2 Quality of content

General	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
Economic	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
Social	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
Environmental	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

Comments/suggestions:

3 Length of content

General	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
Economic	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
Social	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
Environmental	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>

Comments/suggestions:

4 Clarity of expression

Language easy to understand	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
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Comments/suggestions:

5 Usefulness of information

Usefulness	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
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Comments/suggestions:

6 Presentation

Design and format	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
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Comments/suggestions:

7 Credibility of information provided

Credibility	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
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Comments/suggestions:

8 Global evaluation of the CSR 2007 Report

Global evaluation	1 <input type="checkbox"/>	2 <input type="checkbox"/>	3 <input type="checkbox"/>	4 <input type="checkbox"/>	5 <input type="checkbox"/>
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Comments/suggestions:

Our objective is to continue to develop our relationships with stakeholders and to increase transparency by publishing the relevant reports on the company, going beyond regulatory publications.

Thank you for your participation

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