Good governance within the organization ensures a responsible management based on correct identification and risk management as a critical element for strategic planning.

Aena’s Corporate Responsibility is based on:
- A comprehensive CR policy and strategy, adaptable to local contexts
- A CR Government structure led by Senior Management
- A management structure, based on the CR Working Group (or CR Committee) transversal to the entire organization.
Aena’s Good Governance and CR management

- Aena’s Good Governance
  - Supervision of Good Governance and risk management
- Aena’s Corporate Responsibility Management and its new management model
  - Strategy lines and objectives
  - Corporate Responsibility Action Plan
  - The planning process
- Interest groups: our reason for being and the spirit for socially responsible management
  - Communication: cornerstone of the framework for relations with interest groups
- Commitment to our suppliers
- Recognition for excellence in the job carried out
- Aena’s commitment to sustainable innovation
  - Strategic Partnerships
  - The Reference Center for ATM Research, Development and Innovation (CRIDA)
  - Investing in RDI is profitable
- ‘Parte de todos’ project dossier
Aena’s Good Governance

Like other Senior positions within the State Administration, Aena’s Senior Officials (members of the Board, President and CEO of the entity, Aena Aeropuertos General Manager and the Air Navigation manager) must comply with Good Governance Code (approved by Ministerial Order APU/516/2005), which ensures that their actions “are consistent with the principles of ethics and conduct, objectivity, integrity neutrality, accountability, credibility, impartiality, confidentiality, commitment to public service, transparency, exemplary, austerity, accessibility, efficiency, honesty and promotion of cultural and environmental heritage and equality between men and women”.

Internally, senior executives and middle managers endorse the “Code of Conduct for Directors and Staff Structure“, which incorporates standards of conduct for employees and recommendations related to work, people, resources and environment.

The Code of Conduct provides a means of transmission of our ethical culture and an instrument that guarantees the reinforcement of our corporate identity.
Supervision of Good Governance and risk management

The creation of the Audit Committee within the Board has given a boost to good governance. As supervisory body of the entity, this committee is responsible, among other areas of activity, for the following mandates:

- Development, maintenance, updating and dissemination of the Code of Conduct.
- Periodic review, investigation and resolution of complaints due to non-compliance.
- Awareness of business risks and setting the risk levels.
- Approval of risk management policies and review of plans, programs and risk management processes by the Board.
- Supervision of the information on risk management provided in the annual report.

The activity of the Audit Committee is reinforced by Internal Audit Department (a unit with significant independence, since it answers directly to the Presidency of the Board of Directors, and not to the Executive Directorate), which has been allocated a number of functions related to compliance, advising and consultancy, risk management, internal control system, economy, efficiency and effectiveness, information systems and dialog with external supervisors.

Among the objectives of the Internal Audit Department include:

- Strengthening Corporate Governance with verification and control actions, so as to assure transparency and ethics in all corporate actions to stakeholders, customers and other interested parties, hence ensuring compliance with current legislation. Accordingly, during 2011 the following actions have been carried out:
  > Adaptation of the internal audit regulation to the new organization as a result of the changes in the business organizational model.
  > Constant supervision of economic information relevant both to the internal and external of the organization.
  > Collaboration in the development of performance standards of the Audit Committee, established in July 2011.
- Definition of an Annual Internal Audit Plan incorporating the goals set for each year and the lines of action planned to achieve them.
ANNUAL AUDIT PLAN (2012)

OBJECTIVES

EFFECTIVENESS AND OPERATIONAL EFFICIENCY
- Profitability

RELIABILITY OF INFORMATION
- Transparency

COMPLIANCE WITH REGULATIONS
- Safety

RISK MANAGEMENT
- Prevention

LINES OF ACTION

1. RISK MANAGEMENT APPROACH
- 1. Risks arising from the PROCESS OF SEPARATION AND ADAPTATION TO THE NEW MODEL
- 2. Risks arising from the PROCESS OF INCOME GENERATION
- 3. Risks arising from the PROCESS OF MAXIMIZING THE VALUE OF ASSETS

2. ADAPTATION OF THE NEW ORGANIZATIONAL MODEL
- • Support to Aena Aeropuertos Audit Committee
- • Coordination with other external control bodies
- • Development of the company under efficiency and feasibility parameters
- • Adaptation of the Internal Audit activity to current strategic priorities

3. SUPERVISION OF INTERNAL CONTROL SYSTEMS
- • Audits of Centralized Processes
- • Audits of Regulatory Compliance
- • Review of non-current asset disposals
- • On-site audits of large airports and remote audits of small airports
- • Rotation of airport audits every three years
- • Follow-up of 2011 Incident Reports
Aena follows the “risk management” criterion, which provides an objective assurance of the effectiveness of activities regarding risk management in order to ensure:

- Improvement of the governance processes.
- Proper management of key business risks.
- Proper performance of the internal control system.
Aena’s Corporate Responsibility Management and its management model

The efforts carried out by Aena regarding Corporate Responsibility are embodied in a wide and varied range of sustainable and differentiating services which add value to business results that are subsequently returned to the company.

Since its creation, Aena has made substantial efforts in developing actions oriented towards sustainability in various aspects (environmental, social and economic). Aena’s Operational Plan for 2009 already included among its corporate goals the Development and Adoption of a CR Policy and Strategy”. In November of that year, the Board of Directors of Corporate Responsibility Policy - CR, approved and laid the foundations for addressing such actions from a global and comprehensive perspective.

**Corporate Responsibility is a path comprised of actions, values and behaviors, leading to the overall sustainability of the company**
The momentum and leadership of the President and the Executive Committee to deploy throughout the last years a CR strategy and to establish a proper organizational structure (mainly through the CR Executive Committee - created within Aena's General Management Committee and the CR Work Group - consisting of representatives from different departments), has enabled the implementation of the CR Policy and Strategy in a coordinated, effective, efficient and long-term fashion throughout the organization, which will provide the necessary framework to integrate current forces and trends, thus aligning Aena with the rest of high-level responsible Spanish companies.

Given Aena's strong public service nature, and its great impact on many diverse stakeholders, the organization endorses the concept of Corporate Responsibility (CR) in its governing and managing bodies, thus allowing a clear differentiation of these functions at a corporate level.

Based on this commitment, Aena's Corporate Responsibility actions will be carried out by means of:

- A governance structure so that coherence can be provided to all actions of the various units and companies at the group level, and to that end, it will necessary to create:
  > A CR Group Policy providing a common reference framework.
  > A CR Strategy for the whole group that will allow going from global to local.

- A management structure which allows deploying the group's CR strategy to the entire organization, so as to coordinate, agree and transversally extend strategic patterns in order to develop strategic plans, programs and actions necessary to raise corporate sustainability and reputation levels to higher rates, so that it is possible to:
  > To minimize business risks.
  > To increase sustainability or longevity of the company throughout time.

Corporate Responsibility at Aena is based on...

- A CR Policy and Strategy which are global and adaptable to a local context: “Think globally, act locally”.
- A CR governance structure led by an Executive Commission attached to Aena's Board of Directors and Aena representatives.
- ... and a management structure based on the CR Work Group, transversal to the entire organization, and coordinated by the CR, Excellence and Innovation Department.
> To improve reputation of Aena Group and all its companies.

> To fully embrace corporate responsibility within the entire organization, as a strategic means to achieve major sustainability goals.

In addition to acting as a catalyst and integrator of CR actions, the CR Work Group represents a point of consensus and data collection from the various Aena units and is responsible for disseminating all the information regarding CR actions within the organization from its members to the respective units and, vice versa, from the units to senior management (efficiency in CR internal communication, strongly supported by the Communications Department within its Communication Plan).

- CR actions go beyond compliance with laws and regulations, assuming respect and strict compliance.

- CR incorporates the concept of accountability, understood as the company's Activities, as well as their supervision, transparency and compliance with regulations, etc., as elements, which universally recognize sound corporate governance.

The actions undertaken by Aena in 2011 regarding corporate responsibility have allowed CR implementation activities, which began upon approval, as well as the detection and planning aspects subject to improvement after implementation.

- The organization’s CR Work Group or CR Committee has continued with its regular activities on information exchange, evaluation and strategy implementation review. Furthermore, work sub-commissions have been created in order to improve efficiency and operability in handling specific issues, such as CR training or Aena’s CR report, which address these questions from a more expert and executive approach.

- The usual line of communication and benchmarking activities with other organizations in the past years have been maintained (please see Chapter: Our Communities)

- The foundations for defining and proposing a four-year CR Action Plan have been laid, (according to the public planning schedule) due to a preliminary agreement between all Aena units (see next Section, Strategy and Objectives).
Aena endorses the definition of CR from the Experts’ Forum of Corporate Social Responsibility coordinated by the Ministry of Labor and Social Affairs: “Responsibility within an organization implies, in addition to strict compliance of the existing legal obligations, the voluntary integration of social, work, environmental concerns and respect for human rights in their governance, management, strategy, policies and procedures arising from transparent relations and dialog with their main stakeholders, thus taking responsibility for the consequences and impact of their actions.”

Strategy and objectives

Aena is making a significant effort to establish strategic objectives that properly adapt to the needs and demands of the moment. As a consequence, Aena Group’s policy guidelines, strategic objectives and priority actions arise from the socio-economic scenario and take into account the strategic challenge of developing the new airport management model, thus completing the Air Navigation reform process.
POLICY GUIDELINES, STRATEGIC GOALS AND PRIORITY ACTIONS OF AENA GROUP

To delve into the separation between airports and air navigation

To give continuity to the structural reform of air navigation

To review the airport management model

SAFETY

- Maintenance and improvement of the highest levels of safety, from the triple perspective:
  > Of aeronautical operations (safety).
  > Of people and goods (security).
  > And of occupational risk prevention
- Awaiting approval:
  > State Program for Operational Safety and Security
  > Royal Decree regulating fire extinguishing and rescue operations.

EFFICIENCY, COMPETITIVENESS, FINANCIAL SUSTAINABILITY
OPTIMIZATION OF THE ORGANIZATION
Airport management under business criteria

- Separation of airports and air navigation, and analysis for a possible disaggregation of Aena Aeropuertos.
- Definition of a framework of customer-supplier relationships.
- Continuation of the structural reform of the air navigation towards the liberalization of the aerodrome traffic services.
- Revision of the airport management model, in favor of developing value for the organization under efficiency and feasibility criteria, in order to create a Strategic and Business Plan for Aena Aeropuertos including:
  > Rate adjustments
  > Reduction of debt and dependence on EBITDA
  > Optimization of commercial activities
- Enhancement of existing infrastructures through the optimization of the available capacity, detailed analysis and prioritization of the investments strictly necessary for meeting the needs of current demand.
- Internationalization.

QUALITY, SUSTAINABILITY, INNOVATION AND LEADERSHIP

- Improving treatment and attention to passengers, particularly to those with reduced mobility.
- Compatible growth with sustainable development:
  > Reduction of disruptions caused by noise
  > Energy Saving and efficiency programs
- Reinforcement of innovation and international leadership:
  > SESAR-Single European Sky
  > EGNOS-GALILEO
In this context, Aena Aeropuertos Strategic Plan for the upcoming years is based on two core aspects through which the mission of the organization is clearly identified: its profitability improvement and maximization. This is the basis on which Aena Aeropuertos main goals are set:

- Rationalization of investments (through cost reduction and adaptation to actual demand).
- Efficiency in management (reduction of current expenditure and resource optimization).
- Increase in commercial revenues (business generation).
- Reduction of debt, cost control, financial discipline and greater solvency.
- Results-oriented business management.
- Increased international presence and projection in terms of business share and brand.

From the point of view of the Air Navigation, goals include continuing to work on a structural reform, in order to step up along with the rest of EU members in the European Single Sky project. In this regard, it is necessary to continue with the liberalization and introduction of competition in the domestic market of air traffic services. Aena intends to become within the next five years an air navigation services provider with safety, quality of services, economic efficiency and environmental sustainability rates on average with the most important European suppliers.

Challenges for the upcoming years:

- Enhancement and profitability of the organization
- Continuing progress with the European Union towards the completion of the Single Sky project
Corporate Responsibility Action Plan

Aena relies on a CR Action Plan, a program aimed at implementing projects and activities to be executed by its various units in order to incorporate CR goals within the company’s planning, so that important sustainability goals are finally achieved and reputation levels improve accordingly.

Some of the goals of this plan include:

• Adapting Aena’s commitment, established in the CR Policy and Strategy, to the new Management Model.
• Establishing the main guidelines and strategic goals of the Group regarding CR, as well as the detailed actions to be carried out for the period 2012-2015.
• Responding to the CR regulatory requirements required of companies (e.g., Sustainable Economy Act).
• Strengthening the existing mechanisms for control, supervision and measurement of Aena’s commitment to sustainability (performance of the organization).

For its elaboration, Aena made an assessment of CR in the Organization and analyzed the external main trends on the matter, which has enabled a reference framework and position that favors the establishment and prioritization of the different performance areas to be tackled in the following years. On this basis, Aena is working on the establishment of CR lines of action organized by transversal areas (regarding CR Strategy, Good Governance, CR Management and Performance, Interest Group Management and Communication), which are closely linked to the economic, environmental and social “expert” fields of sustainability.

The CR Action Plan involves the start-up of proper mechanisms for Aena’s CR performance in terms of management, analysis and reporting, thus adapting the company’s commitment defined in 2009 to the New Management Model, and responding, among other aspects, to the new requirements in the Sustainable Economy Act (LES).
The planning process

The purpose of the planning process is guiding and incorporating the organization’s efforts and resources through the deployment of strategies, plans, programs and actions which allow the achievement of Aena’s strategic goals.

The strategic goals, together with their corresponding indicators, goals and more specific action programs, are collected in the various units’ annual operational plans whose leaders measure and follow up on a regular basis.

The Multi-annual Action Plan (PAP, a four-year cycle), guarantees the coordination and structuring of Aena’s various plans, both under the Government’s guidelines, and the Strategic Plan for Infrastructure and Transport 2005-2020, of the Ministry of Public Works, currently under revision.

The objectives, indicators and operational plan programs are incorporated into the ARGOS – Comprehensive Dashboard (CD) application to enable follow-up and nurturing of the Performance Management System (PMS) for assessing team and individual objectives of the entity.

(Please see Performance Management System Chapter: Our people).

The CD allows the translation of the strategy in terms of specific objectives, establishing a system for measuring achievements or the degree of compliance with the company’s strategy.
Interest groups: our reason for being and the essence for socially responsible management

Aena identifies its main stakeholders by proximity, influence, responsibility or dependency, and establishes a permanent and close relationship with them, thus promoting dialog and transparent information.

Aena especially takes into account social, labor and environmental concerns and expectations of its interest groups, as well as the agreements signed by Spain on human rights. This process allows for Aena’s continuous improvement of management as a sustainable and responsible business from an environmental, social and economic perspective.

Aena maintains its existing procedure for identifying common interest groups. Following identification and prioritization of their expectations, Aena incorporates them in its strategic planning cycles, in order to address them in the most efficient and proper fashion, according to the circumstances. Aena carries out the monitoring and measurement of its activities through the revision of the dashboard and internal management, which also provide information on performance on all three sustainability dimensions. This promotes:

• That all employees speak a common language, which allows them to be more efficient and to plan and direct their actions towards sustainability in all its dimensions.
• Knowing the expectations of interest groups, on which targets and goals are to be set within the organization’s planning scheme.

Aena’s interest groups include those affected directly or indirectly by the execution of its entrepreneurial activity, and therefore may affect their development directly or indirectly.
Interest groups

MAP OF INTEREST GROUPS (IG)

AIRPORTS

AIR NAVIGATION

CUSTOMERS

General public and employees working at the airport facility

Passengers

Air Operators

Airlines
Private Aviation and General aviation
Cargo Companies
Military Aviation
Others

SOCIETY

Government / Ministry of Public Works
Public Administration: International, European, State, Regional and Local
Communities and towns surrounding the airports
Local business community: Chambers of Commerce, local businesses
Suppliers and partners
Unions, business associations, universities, etc.
Media

EMPLOYEES

CUSTOMERS

Passengers

Air Operators

Airlines
Private Aviation and General aviation
Cargo Companies
Military Aviation
Others

SOCIETY

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Media

EMPLOYEES
Communication: a cornerstone to the relationship framework with interest groups

Aena understands the critical importance of a good relationship with its stakeholders, as a core mechanism to get to know their needs and expectations for their integration in its management model. This relationship is also an excellent source of information for the continuous improvement of the organization. This relationship is embodied through various instruments, depending on the interest group concerned.

### AENA INTEREST GROUPS: EXPECTATIONS AND RELATIONSHIP MECHANISMS

<table>
<thead>
<tr>
<th>Groups</th>
<th>Subgroups</th>
<th>Expectations</th>
<th>Relationship mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Passengers, air operators, general public, employees working in the airport facilities, others...</td>
<td>Price/quality, excellence in service, safety and security, timeliness, usability, accessibility, capacity, others...</td>
<td>Meetings, committees, surveys, mailboxes, correspondence, forms, and others...</td>
</tr>
<tr>
<td>Partners providing services to Aena customers</td>
<td>Ground handling service providers, commercial service providers, operators of other modes of transport, customs officers, security and traffic, others.</td>
<td>Prices, efficiency in services provided, feasible regulations, safety, operational ease, others...</td>
<td>Meetings, committees, correspondence, forms, other...</td>
</tr>
<tr>
<td>Aena service suppliers</td>
<td>Construction systems / information technology, supplies, consultancy and technical assistance, financial institutions, third sector social economy, others...</td>
<td>Information, transparency, equal treatment, file control, payments, others...</td>
<td>Meetings, correspondence, others...</td>
</tr>
</tbody>
</table>

Aena’s main challenge is to obtain satisfactory business results, thus fully responding to the expectations of our stakeholders, based on the consolidation of future sustainability in all its dimensions.
The close relationship that Aena has with its interest groups allows understanding their expectations in order to respond to their needs, by incorporating them in the company’s business strategy and adapting them to the various sustainability dimensions. Hence, Interest Groups are the reason for being of the organization and the essence for good management.

<table>
<thead>
<tr>
<th>Groups</th>
<th>Subgroups</th>
<th>Expectations</th>
<th>Relationship mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aena employees</td>
<td>Managers, staff structure, occupations, professionals, retirees, others...</td>
<td>Remuneration, working hours and environment, recognition, equality, conciliation, social benefits, safety and health, stability, professional development others...</td>
<td>Commissions, correspondence, forms, surveys, others...</td>
</tr>
<tr>
<td>Public administrations</td>
<td>Government, Parliament and supervisory institutions State administration, regional governments, local authorities, and others...</td>
<td>Socioeconomic, public interests, competencies, local planning interoperability, others...</td>
<td>Work groups, correspondence, data, reports, others...</td>
</tr>
<tr>
<td>International organizations</td>
<td>EU, ICAO, ECAC, EUROCONTROL, consortia agreements or programs, and others...</td>
<td>Security, taxes, uniformity, innovation, capability, others...</td>
<td>Work groups, meetings, correspondence, others...</td>
</tr>
<tr>
<td>Air transport Industry Associations</td>
<td>ACI, CANSO, IATA and other associations and airport and air navigation companies, international air transportation, domestic airlines, others...</td>
<td>Adaptability, price, quality, capacity, others...</td>
<td>Work groups, meetings, correspondence, others...</td>
</tr>
<tr>
<td>Trade unions and Employees’ Organizations</td>
<td>Unions, construction companies, consultancy, services, equipment, others...</td>
<td>Transparency, ethics, information, collaboration, others...</td>
<td>Meetings, correspondence, others...</td>
</tr>
<tr>
<td>Society</td>
<td>Media, opinion and knowledge makers, third sector entities, neighborhood associations, entities interested in collaborating with Aena, citizens, and others...</td>
<td>Information, transparency, environmental accountability, creation of wealth, planning, support, participation, others...</td>
<td>Meetings, correspondence, analysis means, mailboxes, others...</td>
</tr>
</tbody>
</table>
“Parte de Todos” Project

Honoring its commitment to responsibility and sustainability, Aena launched in 2011 a new corporate responsibility project aimed at:

- Improving its contribution towards the company’s global goal of achieving a more balanced and fair society.
- Reinforcing pride in belonging of the company’s employees and a greater cohesion in their participation in social commitment issues.
- Promoting greater involvement and commitment of the various interest groups in Aena’s activities aimed at sustainability from an environmental, social and economic perspective.

(Please see the “Parte de Todos” Dossier, pages 65-67)

Aena’s interest groups value both the actions carried out, e.g. the organization’s contribution to social, economic areas, as well as to the environment, always taking into account the inclusion of their expectations, which promotes the organization’s own sustainability. This annual report bears witness to the work carried out by Aena in this regard, as well as the results achieved to date, which can be roughly summarized in:
Environmental Dimension

Its deep involvement and commitment to environmental matters in the actions carried out at airports and control centers place special emphasis on biodiversity, care and preservation of the operational environment.

External Social Dimension

Aena’s commitment to people with special needs (specific disability policy), people with reduced mobility (PRM) in the services provided at the networks’ airports, its permanent and close collaboration with different universities and special employment centers or its involvement and interest in the promotion of art and culture through the Aena Foundation and the Documentation and Publications Centre.

Sustainability

Economic Dimension

Its ability to create jobs and boost economic activity in its field, as well as its transparency as a public entity in economic terms, has been established by its feasibility from the economic-financial point of view throughout its nearly 20 years of existence.

Internal Social Dimension

Its commitment to the company’s main driving force, its employees, through the incorporation of the latest measures on social benefits, equality, inclusion and direct support to employees, whenever possible, beyond the Spanish labor legislation in their commitments and collective agreements.
Commitment to our suppliers

Aena maintains close involvement with suppliers and business partners, and collaborates intensively with them so that their joint actions provide a positive social outcome for the organization.

Aena’s policies and practices regarding the contracting procedures for suppliers and services are based on two fundamental aspects:

- Promotion of transparency and market competition: through the release of open and negotiated files on Aena's contractor profile disclosure section.

- Incorporation of CR criteria in trade relations with third parties: establishing and incorporating CR-related criteria in its procurement rules and terms of contractual nature.

Aena’s processes and procedures for the procurement of suppliers are regulated and performed according to the following principles:

- Free access to tenders
- Advertising
• Transparency
• Non-discrimination
• Equal treatment of candidates
• Safeguarding of market competition

One of the most important activities for extending our commitment to responsibility to Aena’s supply chain, lies in the establishment of Corporate Responsibility related criteria in the procurement rules and contractual specifications.

Some of the requirements requested of suppliers regarding different aspects of Corporate Responsibility include:

• **Respect for the environment**: Specific clauses incorporated in Annex G, on environmental protection guidelines and measures, which shall be met by the successful bidders in this matter (e.g. requirement of an environmental monitoring plan when necessary, immediate communication of any incident with environmental impact in the implementation of the contract, waste storage and management, etc.).

To guarantee compliance with the most restrictive environmental requirements in effect, this annex is constantly updated and available on Aena’s intranet (so that all Service Center offices and centers have access to it, thus maintaining their clauses and annexes up to date). In addition, the specifications established and indicated in Annex G, include a classification of offenses for breach of environmental responsibility and quantification of environmental penalties, aimed at minimizing the environmental impact of goods and services.

• **Respect for human and labor rights**: The administrative clauses provide that the contractor is solely responsible for the personnel assigned to the contracted works, and is obliged to comply with the existing provisions regarding labor, social security and safety and health, with reference to the regulations of the Ministry of Labor, Employment and Social Security and, where appropriate, of the equivalent body of the autonomous region or municipality.

• **Measures to promote diversity among the company suppliers**: Application of the principle of free advertising and market competition in the tender dossiers through the publication of all tenders processed on Aena’s contractor profile disclosure section, the media, the Official State Bulletin (BOE) and the OJEU both for open and negotiated procedures. Application of the same principle of publication and free market participation in purchases.

• **Responding to complaints from suppliers and contractors**: Tender dossiers and purchase documentation shall provide the contact details of the person responsible for processing each dossier and purchase on the Aena’s contractor profile disclosure section, as well as on the clauses available for downloads and Aena records at all times.

On the other hand, claims filed by contractors, shall be channeled to Directorate of Legal Advice and Asset Management for the analysis, which shall be responded to in a timely manner by the Directorate of Contracting.
Furthermore, an active mailing service is also available on the contractor profile disclosure section for providing on-line assistance with any questions or problems which may affect the e-Compras application.

- **Health and safety data of suppliers and contractors**: Tender documents incorporate, in their various natures and procedures, Annex F on Risk Prevention and Safety and Health, which specifies that the contractor undertakes to fulfill the obligations imposed on employers by Law 31/1995 of November 8, on Occupational Risk Prevention, and all the regulations and standards in the field of prevention, that may apply. This annex sets out additional obligations in this respect.

- **Requirements / Incentives for providers promoting RDI in their products**: rules regarding various amendments to be included in the clauses governing the processing of the dossiers of Aena and Aena Aeropuertos (circular dated November 15, 2011), regulates the validity of including technology certificates, such as UNE 166000, as well as other similar accreditations for certifying the RDI nature of technologies.

In parallel, and as an example of this commitment to innovation, all promotional activities carried out by the Directorate of Business Services and Real Estate Management value technical innovation in media and products aimed promoting shopping areas and services at airports. The most recent tenders at catering services include assessment of technical and innovative concepts.

**During the year 2011, tenders for a total amount of € 916.4 million have been awarded to local companies. This represents 98.59% of the total awarded.**

Note: The criterion that determines if a supplier is national is the Tax ID provided.
Key aspects in Air Navigation suppliers’ contracting conditions

As of 2010, the Directorate of Air Navigation Bureau has specific control procedures for suppliers and contractors regarding environmental and operational safety aspects, which establish the guidelines to be followed in each area. In this regard, both the supplier’s environmental and operational safety certificates, as well as waste management to be generated in our facilities, are controlled, so that each supplier ensures responsible environmental use and management.

Requirements requested of suppliers (Air Navigation):

- Integration of environmental or social criteria in all procurement processes.
- Contractual agreements with suppliers under their responsibility.
- Measures to monitor and evaluate the performance of suppliers in environmental and social matters.
- Initiatives to minimize environmental impact of products and services.
- Full compliance with human and labor rights.
- Measures to promote diversity among the suppliers of the company.
- Responding to complaints from suppliers and contractors.
- Health and safety data from suppliers and contractors.
- Requirements / Incentives for providers promoting RDI in their products.
- Others

Key Aspects

During the contract execution period, the dossier manager controls and monitors the proper execution by the contractor of the contract and the proper implementation of the provisions on environmental, occupational risk prevention, health and safety and other areas. Failure of any of the clauses and contractual obligations may result in the opening of disciplinary proceedings that could eventually end with economic sanctions against the contractor.
Aena has been presented with different areas, as testimony of the efforts made by the company for years and its commitment to all its stakeholders, both from the airline industry as well as the general society:

- **Telefónica Ability Awards Prize** in the category of “Best public institution for the integration of people with disabilities” (2011).

- **Citizenship Award for Best Practices in Public Services for its services to people with reduced mobility** (PRM), as part of the 2010 Awards for Quality and Innovation in Public Management, awarded by the Ministry of Territorial Policy and Public Administration.

- **Award given by the Association of Hotel Owners of the Costa del Sol to the best tourism company promoting the Costa del Sol**, awarded by the Association of Hotel Owners of the Costa del Sol.

Regarding our production units, airports in the Aena Aeropuertos network continue to add new international awards every year as a result of their excellent management and high quality. Some of the most significant ones in the past year include:

• Madrid-Barajas Airport, Global Airport Award 2011 for its 'leading position among the world's airports', by the Institute of Transport Management (ITM)

OTHER AWARDS AND RECOGNITIONS OF AENA AEROPUERTOS (2011)

• Palma de Majorca Airport, Airport Service Quality Awards (ASQ Awards), in the category of Best Improvement, given by ACI (Airports Council International), in recognition of its excellence in passenger services and positions the Majorca airport as the European aerodrome which has most improved in terms of overall passenger satisfaction from 2010 to 2011.

• Madrid-Barajas, Pilot Friendly Award granted by the Spanish Union of Airline Pilots (SEPLA).

• Asturias Airport, Aspaym Principado de Asturias Accessibility Award in its category A for “the ongoing improvement in attending to the accessibility needs of the whole population, and the high level of user satisfaction”.

• Palma de Majorca Airport, recognition of the Majorcan Chamber of Commerce, Industry and Navigation as one of the main drivers of the island’s economy, and for its track record and its integration in the island’s society.

• Alicante Airport (new terminal), Award of the Civil Engineering Federation of the Province of Alicante (FOPA) for the best public civil engineering project in the province in 2010.

• Barcelona-El Prat Airport, 2011 Routes Europe Award for best marketing of an airport in the Mediterranean and Southern Europe.

• Alicante and Valencia Airports, award for obtaining and maintaining AENOR certification for their environmental management and quality systems (Fitur 2012).
Aena’s commitment to sustainable innovation

One of the most important levers to improve positioning and sustainability in companies is Research, Development and Innovation (RDI). RDI in Aena and Aena Aeropuertos has been traditionally focused on improving future competitiveness of the organization and, specifically, on ensuring security, increasing the quality of services provided and improving the technologies used.

The maxim of innovation activities in Aena has always been their contribution to the sustainability of the organization from all its perspectives: environmental, economic and social.

Innovation and implementation of new technologies and processes are essential for the present and future development of Aena. The purpose of these activities in the organization is aimed at improving the quality and efficiency of services, ensuring safety of people and aeronautical operations, optimizing the use of airspace and, ultimately, permanently adapting the capacity of Aena’s infrastructures to current and future demand from the air transport sector.

EGNOS/GALILEO Project
After ten years pursuing these objectives, RDI has successfully become one of the main strategic objectives and is now one of the main ingredients for the sustainable growth of the organization.

In order to coordinate and focus these activities, Aena has an RDI Management Group, comprised of different people devoted to RDI in all areas of the company, which has, since its creation, the mission to support and identify good ideas, great knowledge and technological breakthroughs in the organization so that they can contribute to greater efficiency of our processes, products and services.

### Strategic Partnerships

For the purpose of achieving these objectives, Aena has relied on a close collaboration between the public, industrial partners and universities (channeling the latter’s type of collaborations primarily through the Reference Center for ATM Research, Development and Innovation (CRIDA). Thanks to this collaborative effort, we have developed leading technological solutions in the market, such as the Automated Air Traffic Control System (SACTA) in the Air Navigation area, or our strategic involvement in European framework programs, initiatives aimed at achieving the Single European Sky and satellite navigation activities (EGNOS / GALILEO). In the airport area, integrated information systems of the airport and network management centers, the Automated Baggage Handling (SATE) or the different solutions achieved through the application of innovative technology, have allowed us to make our facilities more efficient and environmentally responsible.

### KEY ASPECT

Looking ahead, our approach to innovation is geared to go even further, towards our own innovation in processes, products and services. The main challenge is to make innovation a cornerstone for efficient growth of the organization.
RDI ACTIVITIES IN 2011

AIR NAVIGATION
Satellite navigation – EGNOS / GALILEO
Single European Sky Program – SESAR
Automated Air Traffic Control – SACTA
Continuation of joint research activities with universities in air traffic management at the Reference Center of ATM Research, Development and Innovation (CRIDA).

AIRPORTS
System Integration and Implementation of Airport Management Centers (CGA)
Automatic Train T4-T4S at Madrid - Barajas
Improvements in information and processes at the Airport Management centers of Aena’s network.

RDI ACTIVITIES IN 2011

Projects aimed at improving safety of people and facilities in airports
Implementation of new technologies for the provision of information and specific services for people with reduced mobility (PRM)
Innovative activities aimed at energy saving and efficiency. Examples include:
- Development of the Green Airport concept, with Lanzarote Airport as pilot unit.
- Studies on the use of renewable energy in the network centers
- Photovoltaic plant for the Canary Islands Control Center.
- Use of electric vehicles at airports.
- Activities designed to implement “Continuous Descent Approaches” (CDAs).

Improving efficiency in the planning, design and management of airport infrastructure as is the case of the Satellite Airport Orthophoto System (SAOS).

The new challenges to be addressed by the organization for upcoming years are:

• Fostering creativity and generation of new ideas, promoting the culture of innovation, continuing to analyze long-term planning and management results, valuing the economic importance of innovation to integrate it with the new challenges of sustainable economy.

• As for air navigation, priority will be on the projects regarding the SES aimed at a more efficient air traffic service management and technological support (Eu’s SESAR program), in
addition to satellite navigation projects that will surely become one of the elements that contribute decisively to improve efficiency in the future provision of air traffic services, as well as safety and environmental condition levels.

The Reference Center for ATM Research, Development and Innovation (CRIDA)

CRIDA was created in 2008 with the purpose of creating, developing and operating a center for the identification, analysis and evaluation of concepts, procedures and air traffic management systems, with the aim of subsequently introducing them as innovative instruments for the provision of air traffic services. By In summary, it should be emphasized that CRIDA:

- Is an entity led by Aena, established under the legal status of Economic Interest Grouping, where Aena has a share of 66%, whereas INECO and the Polytechnic University of Madrid hold the remaining 34%.

- It is funded exclusively by the revenues earned by the work it carries out. Its budget is balanced by definition, and it must reinvest any profits obtained in additional RDI activities for the benefit of its members. CRIDA’s net budget for 2011 was € 2.8 M, 90% of which was implemented, with a positive balance sheet, which shall be reinvested, by agreement of the Board, in subsequent years. The net budget for 2012 is € 2.7 M which, given the current context and the need for austerity and prudence, reinforces the strong commitment to RDI by our parent organizations.
• It currently focuses primarily on European projects aimed at achieving the necessary technological support to implement the concept of the Single European Sky (SESAR) and other key projects of the 7th Framework Program of the European Union (e.g. TITAN)

Investing in RDI is profitable

Investing in RDI is always useful and essential for an organization’s sustainable development. The following is a summary of the economic efforts carried out during the period 2000-2011 by Aena on RDI:

• **R & D vs. Innovation**: During this period of time, economic investments in innovation (66%) were on average higher than that allocated to R & D (34%), in terms of the total budget for these activities.

• **Investment** in RDI of the total investment made: Aena has met by far the RDI ratio stated in the Strategic Infrastructure and Transportation Plan (PEIT) of the Ministry of Public Works throughout this period with an average annual result of 3% (annual minimum stated: 1.5%).

• The percentage of resources allocated by Aena to RDI projects or activities from the turnover amounted to 2.3%, this being a reliable indicator of the high innovative level of activity carried out by the organization.

• Motivated by its high dependence on technology for improving efficiency of services, the percentage spent on RDI by the Air Navigation Unit (71% of the total spent by the organization) has traditionally been higher than the one intended for this purpose for the rest of corporate units and Aena Aeropuertos.
Finally, some itemized historical data showing RDI figures:

<table>
<thead>
<tr>
<th>€ RDI PER ITEM:</th>
<th>TOTAL 2000-2011*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment + RDI average annual expenditure (thousand of euros)</td>
<td>52,931</td>
</tr>
<tr>
<td>% RDI Average Investment / Implemented</td>
<td>3.0%</td>
</tr>
<tr>
<td>% Average Investment + RDI average expenditure/ Turnover</td>
<td>2.2%</td>
</tr>
<tr>
<td>% R &amp; D</td>
<td>34%</td>
</tr>
<tr>
<td>% Innovation</td>
<td>66%</td>
</tr>
</tbody>
</table>

These figures reflect the importance of RDI for our organization, noting how, for the period 2000 - 2011, Aena has allocated an annual average of € 52 M to RDI projects.

The challenge now is to continue achieving tangibles results from these figures and to continue viewing innovation as the capacity to take risks and the firm belief in transforming our knowledge and ideas into useful and tangible realities that may contribute to us becoming an international reference in terms of efficiency and competitiveness. The concept of “sustainable innovation” recently introduced, promotes the use of great existing know-how for more efficient innovation in the various processes, products and services provided by Aena and Aena Aeropuertos.
The “Parte de Todos” project is aimed at strengthening the culture of Corporate Responsibility within Aena, by organizing a series of activities designed for all employees and their families, based on CR training and awareness, participation and involvement of all.

The objective of this initiative is to show Aena, both from inside and out, as a company committed to social and environmental values, permanently concerned about the quality and safety of its services.

Results: The activities held in 2011 at the Barcelona-El Prat, Santander, Valencia, Zaragoza, Malaga-Costa del Sol, Madrid-Barajas and Palma de Mallorca airports have been attended by 106 Aena employees, accompanied by their relatives and friends. In total, over 427 people have participated in the activities.

According to the surveys carried out, all participants considered the initiative as “good or very good”. Some of the most highly valued aspects include the quality of the visit and the attention received during the event.
The program “Did you know...?” is aimed at promoting the exchange of information and experiences among workers through:

- Friendly customized videos, newspaper articles, etc. in which individual Aena workers talk about their job, initiatives in which they participate (volunteering, etc.), experiences they’ve had inside and outside Aena, etc., and share them with the rest of employees; in pursuit of a common objective: contributing to strengthening corporate culture and pride in belonging.

- Communicating, in general to all Aena staff, news or relevant facts due to their social, economic or environmental significance.

“Did you know...?” allows sharing experiences, news, etc., thus becoming a lever that helps Aena to become a leading and highly recognized company for all its CR actions.

Video: “Catering services in airports“- Madrid-Barajas  
http://www.youtube.com/watch?v=CtLD07k9pFs

Video: “Disability and Falcons“- La Palma  
http://www.youtube.com/watch?v=T696YEs9uSA
We’ve all come up with solutions, whether they are simple or complex, which may improve performance of the company. Share any solution that you’ve come up with in the social, environmental area or in economic efficiency, and we’ll publish some of the most novel ones as well as those more likely to be implemented.

Aena promotes creativity and involvement of all in the management of the company, offering a communication channel for its employees so that they may provide new ideas in any of the dimensions of corporate responsibility (CR): social, environmental, and economic.

We collect all employees’ initiatives through the e-mail address: partedetodos@aena.es The best ideas in each of these three areas shall be the subject of special recognition.

<table>
<thead>
<tr>
<th>DIMENSION</th>
<th>PRE-SELECTED IDEAS</th>
</tr>
</thead>
</table>
| Environmental | 1º Double-sided printing  
| | 2º Magazine printed in recyclable paper  
| | 3º E-magazines |
| Economic | 1º Platform to share transport (car)  
| | 2º Procedure book |
| Social | 1º Collaboration with campaigns, NGOs  
| | 2º Participation in charity sporting events  
| | 3º Guide to sustainable consumption  
| | 4º Funding for social projects |