



New borders, new challenges

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from the
Chairman

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Letter from the Chairman



Pablo Vázquez Vega
Chairman

“

We are convinced that transport infrastructure is a decisive motor for driving a country's sustainable growth and structuring, and we want to contribute to achieving this goal.”

Dear Shareholders, Customers and Employees,

The strategic change to a new business model, which we launched in 2012, was a necessary measure taken in response to a new environment, one that becomes more complex and more competitive every day, and is marked by falling demand in the domestic market and increasing competitiveness in foreign markets.

First and foremost, we have implemented changes in the way we organise our activity and in our relations with our customers. This transformation enables us to acquire greater flexibility, to increase our efficiency and to generate more synergies, all necessary conditions for facing these changing times with confidence. With our new matrix structure, we add to the recognised capacity and technical ability of our professional workforce a greater focus on national and international customers and on results, as well as safeguarding the management of know-how and ensuring that talent at our companies is retained. It is time to take full advantage of the opportunities that arise in the international market, where the talent we have accumulated over forty years' experience is already beginning to bear fruit.

As the transport engineering business is growing at an annual rate of 8% in the world market, our internationalisation will enable us to compensate somewhat for the shrinking of the domestic market. We shall employ the know-how and professionalism that we have contributed to the development of infrastructure in Spain -an example of quality of service- to take on new challenges abroad. Our shareholders, with whom we have grown since our beginnings, understand and agree that this strategic shift is necessary. The year 2012 was the deadline for this change.

As I have mentioned on previous occasions, Ineco must be present wherever transport infrastructure is required. Engineering companies like ours must be there, wherever the value of know-how and technical ability is needed, adapting to complex environments with different legislations, tax systems, regulations, cultures and languages. We are convinced that transport infrastructure is a decisive motor for driving a country's sustainable growth and structuring, and we want to contribute to achieving this goal.

Proof of this is that in 2012 we continue our work on major international projects such as the extension of Kuwait International Airport, the first high-speed railway line in Saudi Arabia and Turkey, the development of the mobility plan in Ecuador, roads in Mexico and the plan for restructuring civil aviation in Nepal.

To this must be added the new contracts signed abroad over the period, demonstrating our force and providing extra motivation to continue along this road. These include the HS2 high-speed line in the United Kingdom, the São Paulo ring road, the design and equipment of the control tower at Eldorado Airport in Colombia, the master plan for Kuwait Airport, the rehabilitation of trains in Santiago de Chile and the introduction of a rail transport system in San José de Costa Rica.

My appointment as chairman of the Spanish-Saudi consortium for the Makkah-Madinah high-speed has enabled me to play an active role in demonstrating the great worth of Spanish public and private engineering, systems and construction companies. There is no doubt

that representing this important consortium is a calling card for the Spain brand that can help us to embark on new joint projects.

We also continue to be involved in high-speed projects in Spain, which, in 2012, took the form of works on the Madrid-Valencia and Barcelona-Figueres lines. To this must be added tasks concerned with maintaining and operating the conventional railway system for Adif and Renfe Operadora. In the aeronautics sector, we should mention particularly work to extend Apron Management Services at Barajas, the implementation of the first phase of the SIRA radio assistance management system and the continuation of the airport master plans for Aena, as well as airport certification and traffic forecasting.

Great challenges lie ahead, but the first steps have already been taken and the machinery is up and running. We must consolidate in order to continue growing. At the same time, we are also facing difficult but necessary situations that will, no doubt, lead to a future in which we can share our successes with our customers and our shareholders. Cooperation in this process by each and every one of us that form Ineco, with an enterprising spirit, commitment and enthusiasm, is vital. I am truly grateful for the confidence that is placed in us with every project, both in the company and in the Fomento Group, to enable us to continue along this path.

Pablo Vázquez Vega
Chairman





Ineco at a glance

About Ineco

In the world

Our figures

Managerial team


About Ineco

Ineco is a reference company for the provision of comprehensive engineering and consultancy services in the world of transport. With an expert team of over 2,500 professionals, the company has over 40 years of experience in contributing to the development of infrastructure in all transport modes, providing the most appropriate solutions in more than 40 countries.

Ineco's comprehensive services cover all infrastructure project phases, from planning to commissioning, as well as later maintenance. The company also provides expertise regarding structuring, finance, regulation and institutional support.

We are experts in providing engineering and consultancy services for airports, air navigation, conventional and high-speed railway networks, logistics, urban transport, ports and roads.

Our high technological capacity enables us to provide the most advanced solutions in all the projects we develop.

More than 

- **40** COUNTRIES
- **300** CLIENTS
- **2,500** EMPLOYEES
- **40** YEARS OF EXPERIENCE

Global:
committed to
strengthening our
international
presence.

Global leaders
in transport
engineering and
consultancy.

Expert,
committed
and flexible
organisation.

In the world

Ineco consolidates the company's presence around the world



More than 50 projects

America: Mexico, Colombia, Venezuela, Brazil, Panama, Costa Rica, Jamaica, Peru, Chile and Ecuador.

Europe: United Kingdom, Turkey, Italy, Portugal, Serbia, Poland, Norway, Lithuania, Bulgaria, Estonia, Denmark, Belgium and Spain.

Africa: Cape Verde, Algeria, Morocco, Mauritania, Namibia, Ethiopia, Mali, Egypt and Angola.

Middle East: Saudi Arabia, Kuwait, Qatar, Oman, United Arab Emirates and Jordan.

Asia: India, Philippines, Nepal and Singapore.

Our figures

In 2012, Ineco generated turnover of 219.8 million euros. We were able to double our revenues thanks to our growing internationalisation, with activities abroad compensating for the drop in income from the domestic market.

At december 2012

Turnover
(million Euros)

219.8

Operating income
(million Euros)

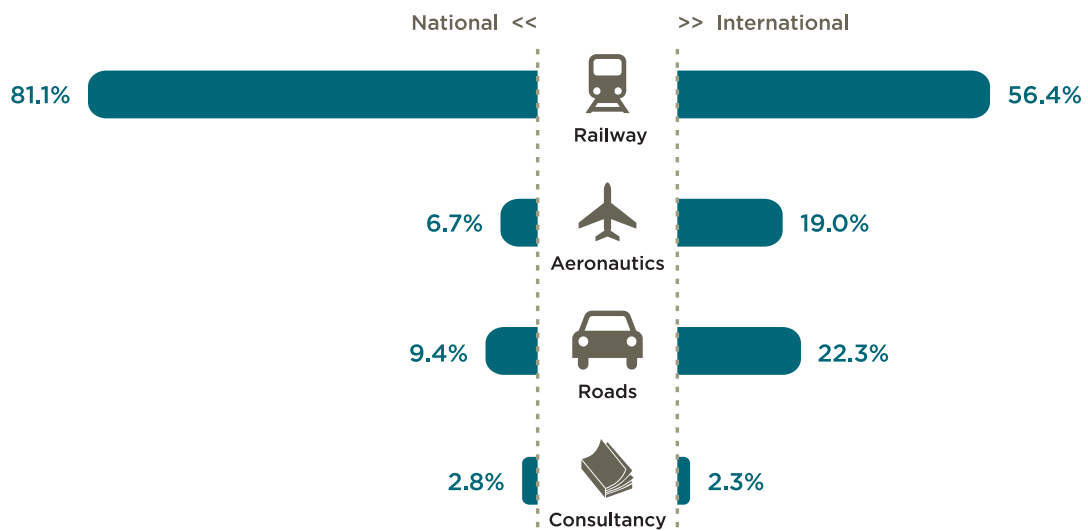
4.1

Average workforce

2,830



Distribution of 2012 portfolio, by sector



Income by geographic market (Euros)

	2011	2012
National market	229,556,931	180,576,875
Rest of European Union market	2,992,927	5,153,043
Foreign market	15,515,370	34,154,097
	248,065,228	

Income by sector (Euros)

	2011	2012
Railway	165,306,610	142,971,781
Aeronautics	64,560,501	58,634,713
Roads	10,050,274	11,144,876
Consultancy	8,147,843	7,132,645
	248,065,228	219,884,014

Balance sheet

at 31 December 2012 and 2011

(In euros)

Assets	2012	2011
Intangible fixed assets		
Computer software	741,123	574,842
Tangible fixed assets		
Land and buildings	7,799,031	8,188,845
Technical installations, machinery, tools, furniture and other tangible fixed assets	3,622,302	3,907,360
Long-term investments in group companies and associates		
Equity instruments	1,349,878	1,327,502
Long-term financial investments		
Other financial assets	538,572	717,829
Deferred tax assets	8,529,207	3,924,802
Total non-current assets	22,580,113	18,641,180
Stocks		
Advance payments to suppliers	298,865	-
Trade debtors and other accounts receivable		
Short-term receivables from clients for sales and services rendered	44,474,873	41,211,362
Short-term receivables from clients, group companies and associates	56,851,023	87,936,753
Sundry receivables	77,743	214,522
Personnel	174,075	87,936
Current tax assets	559,317	13,654
Short-term investments in group companies and associates		
Other financial assets	105,000	49,971
Short-term financial investments		
Debt securities	26,803,293	9,125,759
Other financial assets	455,954	332,803
Short-term accruals and deferred income	104,712	105,247
Cash and cash equivalents		
Cash	25,781,646	26,894,251
Total current assets	155,686,501	165,972,258
Total assets	178,266,614	184,613,438

Net equity and liabilities	2012	2011
Shareholder's equity	79,152,784	86,077,900
Capital		
Registered capital	8,250,660	8,250,660
Share premium	12,857,007	12,857,007
Reserves		
Legal and statutory	1,650,132	1,650,132
Other reserves	52,312,797	52,312,797
Profit/loss for the year	4,082,188	11,007,304
Grants, donations and bequests received	164,747	116,030
Total equity	79,317,531	86,193,930
Long-term provisions		
Other provisions	2,105,202	1,000,000
Long-term payables		
Other financial liabilities	1,000,985	597,626
Deferred tax liabilities	228,059	221,495
Total non-current liabilities	3,334,246	1,819,121
Short-term provisions		
Other provisions	16,605,284	7,377,880
Short-term payables		
Other financial liabilities	248,508	35,290
Trade creditors and other payables		
Short-term suppliers	11,565,029	15,354,408
Short-term group companies and associates	3,446	6,951
Sundry payables	24,553	48,395
Personnel (accrued wages and salaries)	1,820,452	7,527,879
Current liabilities	2,218,419	262,796
Other taxes payable	7,647,522	11,246,043
Advance payments from customers	55,481,624	54,740,745
Total current liabilities	95,614,837	96.600.387
Total net equity and liabilities	178,266,614	184.613.438

Profit and loss account

at 31 December 2012 and 2011

(In euros)

	2012	2011
Net revenue		
Sales	219,884,015	248,065,228
Services rendered	173,834	94,072
Raw materials and consumables		
Subcontracted work	(40,036,315)	(52,018,637)
Other operating revenue		
Non-core and other current operating revenues	466,293	325,443
Operating grants released to income during the year	121,693	135,337
Personnel expenses		
Wages, salaries and similar	(97,992,634)	(112,578,915)
Employment benefits	(39,076,367)	(39,845,587)
Provisions	(8,689,626)	(1,000,000)
Other operating expenses		
External services	(21,299,413)	(21,848,969)
Taxes	(488,744)	(247,146)
Losses, impairment and changes in trade provisions	(4,250,353)	(489,034)
Other operating losses	(1,520,116)	(3,460,539)
Fixed asset depreciation	(2,107,809)	(2,158,832)
Operating results	5,184,458	14,972,421
Financial income		
Shares in equity instruments		
In group companies and associates	4,003	882
Negotiable securities and loans on fixed assets		
Group companies and associates	32,333	-
Third parties	681,711	365,624
Financial expenses		
Payable to third parties	(154,010)	(20,018)
Exchange differences	(188,278)	349,485
Impairment and gains or losses from disposal of financial instruments		
Impairment and losses	(4,612)	-
Financial result	371,147	695,973
Profit before taxes	5,555,605	15,668,394
Corporate income tax	(1,473,417)	(4,661,090)
Profit/loss for the year from continuing operations	4,082,188	11,007,304

Managerial team

At July 2013



Pablo Vázquez
Chairman



Berta Barrero
General Manager,
Corporate Strategy
and Services



Juan Batanero
General Manager, Business
Development



Ana Rojo
General Manager,
Engineering and Services

Board of directors

At december 2012

CHAIRMAN

Pablo Vázquez Vega. Chairman. INECO

DIRECTORS

José Manuel Vargas Gómez. Chairman. AENA

Javier Marín San Andrés. Director of Spanish Airports. AENA

María García Capa. Director of Communication for the Office of the Minister of Public Works. MINISTRY OF PUBLIC WORKS

Enrique Verdeguer Puig. Chairman. ADIF

Julio Gómez-Pomar Rodríguez. Chairman. RENFE OPERADORA

Belén Bada de Cominges. Assistant Director-General. MINISTRY OF PUBLIC WORKS

Mariano Navas Gutiérrez. General Manager. CEDEX

Sergio Pérez Saiz. Office of the Secretary of State for Trade. MINISTRY OF ECONOMY AND COMPETITIVENESS

Inés Carpio San Román. Consultant to the Technical Secretariat. ECONOMIC AFFAIRS OFFICE OF THE PRESIDENCY OF THE GOVERNMENT

Rodrigo Marabini Ruiz. AENA INTERNATIONAL

Luis Pérez Fabregat. Director of Projects and High-Speed Works. ADIF

Manuel Varela Bellido. Economic and Financial Director. ADIF

Luis Fernando López Ruiz. Director of Strategy and Development. ADIF

Carmen Sánchez Sanz. Assistant Director-General of Conservation. Department of Roads. MINISTRY OF PUBLIC WORKS

SECRETARY OF THE BOARD

Carlos Hugo Cea Pinilla. General Secretary. INECO

Appointments and resignations 2012

EXTRAORDINARY GENERAL MEETING (27-01-2012)

RESIGNATIONS:

Ignasi Nieto Magaldi

Juan Ignacio Lema Devesa

Antonio González Marín

Teófilo Serrano Beltrán

Javier Aníbarro García

Félix Albertos Carrión

Manuela Dolores Ferrari Velázquez

Juan Díaz Muñoz

APPOINTMENTS:

Pablo Vázquez Vega

José Manuel Vargas Gómez

Enrique Verdeguer Puig

Julio Gómez-Pomar Rodríguez

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María García Capa

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EXTRAORDINARY GENERAL MEETING (29-03-2012)

RESIGNATIONS:

María Rosa Cornejo Arribas

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APPOINTMENTS:

Sergio Pérez Saiz

Inés Carpio San Román

María Rosa Sanz Cerezo

Vicente Vilanova Martínez-Falero

EXTRAORDINARY GENERAL MEETING (10-04-2012)

RESIGNATIONS:

Jesús Mendiluce La Calle

APPOINTMENTS:

Rodrigo Marabini Ruiz

EXTRAORDINARY GENERAL MEETING (13-06-2012)

CESE:

Santiago Cobo Diego

Antonio Berrios Villalba

María Rosa Sanz Cerezo

NOMBRAMIENTO:

Luis Pérez Fabregat

Luis Fernando López Ruiz

Manuel Varela Bellido

EXTRAORDINARY GENERAL MEETING (26-07-2012)

RESIGNATIONS:

Vicente Vilanova Martínez-Falero

APPOINTMENTS:

María del Carmen Sánchez Sanz





Areas of **activity**

Aeronautics

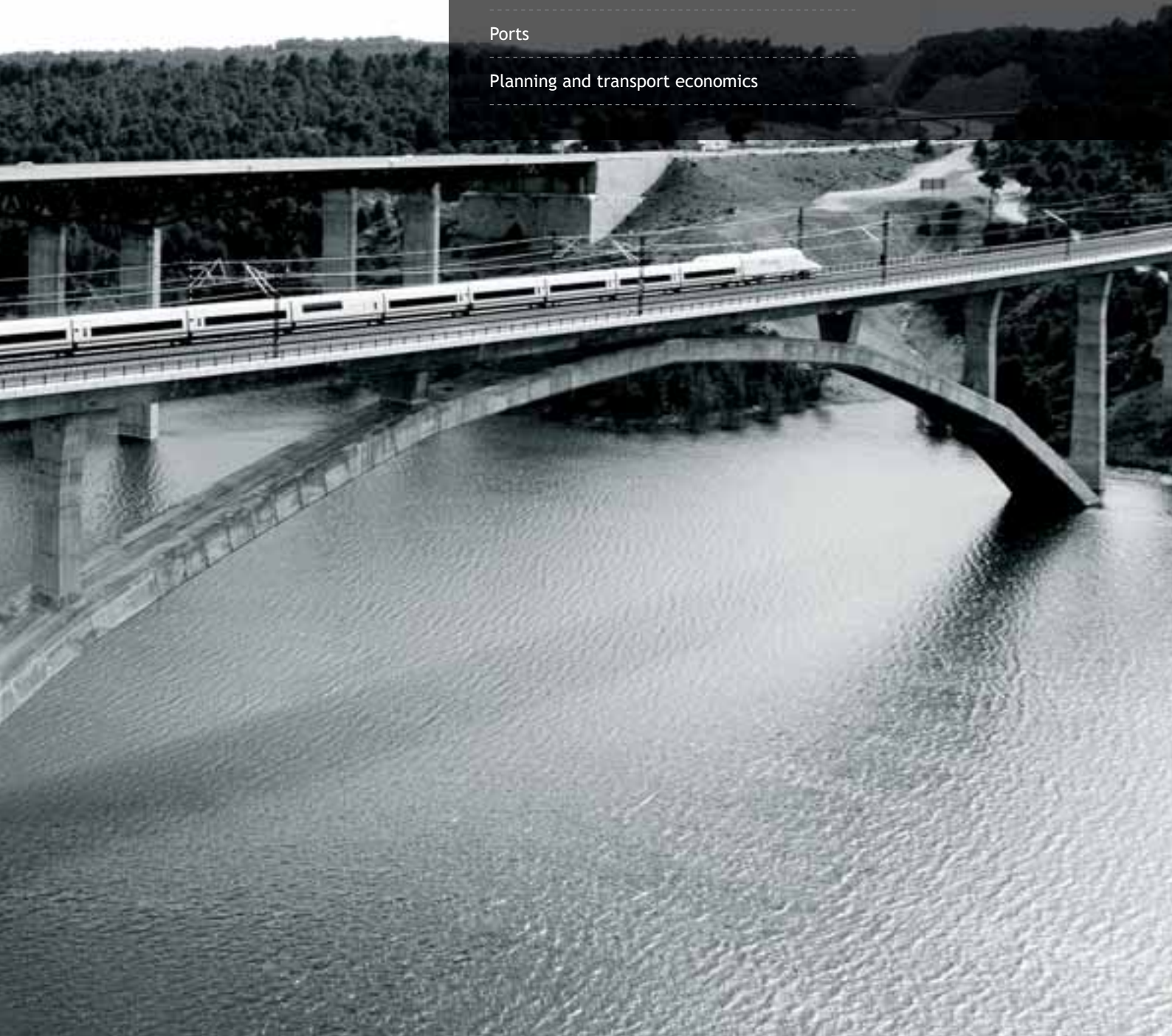
Railway

Roads

Urban transport

Ports

Planning and transport economics





Areas of **activity** **Aeronautics**

Ineco applies an integrated approach to all the company's airport and air navigation projects.

A high-flying industry

Despite the present economic difficulties, air transport as a whole has continued to show a strong growth in several geographic regions. In 2012, Ineco applied an integrated approach to all its aeronautical projects. A few examples are the company's project management of the extension to Kuwait Airport, which began in 2011, and for which the Master Plan was also drawn up in 2012; works for Columbian civil aviation, with the new control tower at Eldorado Airport in Bogotá; or the new avant-garde terminal building at Odessa Airport in the Ukraine. Meanwhile, Ineco continued to work on another major planning project: the restructuring of civil aviation in Nepal. All these are countries that, like Morocco -where the company is carrying out an improvement study for the extension of Casablanca Airport-, have chosen Ineco to provide a response to expansionary trends in their respective aviation sectors.

At the same time, Ineco has continued to maintain a presence in mature markets such as Europe, Spain included, that present their own particular requirements and face their own global challenges. These challenges include the problem of air space congestion, which makes the improvement and enhancement of the security of operations and the effectiveness of procedures even more pressing requirements. In this context, we should mention Ineco's participation in R&D&I projects linked to the Single European Sky ATM Research (SESAR) initiative, such as Turnaround Integration in Trajectory and Network (TITAN), a three-year study of ways of optimising airplane turnaround between flights aimed at improving punctuality; and the ongoing Accelerating Egnos Adoption in Aviation (ACCEPTA), intended to promote the use of the European satellite-based navigation system known as EGNOS.

In the domestic field, Ineco continued to work with the Ministry of Public Works and Transport, the Spanish Aviation Safety Agency and the Aena group, a Spanish air navigation service provider and one of the largest airport operators in the world, in updating and monitoring master plans, drawing up air traffic forecasts, studies for airport certification and in other areas (environmental, commercial operation, obstacles, aeronautical communications, etc.), civil works projects - such as the urban development of

the new goods storage terminal at Madrid-Barajas - and the development and implementation of new versions of air traffic management (ATM) systems, such as SACTA and ICARO.

Besides these undertakings, there have been other outstanding new activities over the year, like the extension of the Apron Management Service ("Servicio de Dirección en Plataforma", SDP) at Madrid-Barajas Airport. This line of action, aimed at improving efficiency, also includes the implementation of the first phase in the SIRA project to unify the many different existing remote radio assistance control and supervision systems.

The implementation of SIRA will continue over the coming months, supported by a multidisciplinary team of highly qualified professionals. Ineco's personnel is trained to use the most advanced technological methods and tools in the market, as well as developing in-house products such as Suite COVER for air navigation, of which new versions were launched in 2012, and PISTA (integrated air traffic prognosis), designed specifically for Aena.

Ineco provides tools, expertise and know-how, all adjustable to the needs of any client, whether private or institutional, and to any situation or geographical location.

Airport projects

Project management for the extension and Master Plan for Kuwait International Airport



In this project, Ineco has been applying a modern, advanced control system for document, cost and legal management to the airport extension work since 2011. The main lines of action include the construction of a new runway and a new terminal designed by Norman Foster, as well as several private investment projects: a hotel, a catering centre, etc. The five-year project has a two-fold objective: firstly, monitoring and control; and, secondly, coordination between extension work and other ongoing projects and works.

In 2012, the company was also commissioned, in association with the consultancy firm Kuwait United Development (KUD), to draft the Master Plan and ten specific reports on various matters including, amongst others: opportunities for business development; airport accesses; the air cargo market and the establishment of a “Cargo City”; the development and use of the present terminal; and a long term search for a new location for the airport.





Works on the Aena network of airports and heliports (Spain)



For some years now, including 2012, Ineco has supported Aena on planning and developing the operator's network of 47 airports and 2 heliports and on drafting master plans. These jobs include the formulation of planning studies for the following airports: Madrid-Barajas, Barcelona-El Prat, Alicante, Lanzarote, La Palma and San Sebastián, amongst others.

Traffic forecasting is another crucial planning tool. In 2008, Ineco established the Office for Air Traffic Forecasts and designed an econometric model for Aena known as PISTA (Integrated Prognosis or Air Traffic) and SDP (Platform Management Service). Over the course of 2012, this tool was modernised and improved.

Another task that Ineco carries out is that of commissioning airport extensions and new activities and services that affect airport operation, as well as renovations of commercial areas. In the case of Madrid-Barajas, this work entailed the start-up of the new Apron Management Service. This type of service began its development in 2001, when the new T4 terminal in Madrid-Barajas came into service.

The activity concerning consultancy services for the process of airport certification, which Ineco has provided since 2010, is more recent. The process requires drawing up aviation safety reports, such as those already compiled at the following airports: Madrid-Barajas, Barcelona, Málaga, Santiago de Compostela, Palma de Mallorca, Lanzarote, Granada, Jerez, Almería and Ibiza.

Design of the new control tower at Bogotá Eldorado Airport and associated air navigation systems (Colombia)

Eldorado Airport, standing 16 kilometres away from the Colombian capital, is fully immersed in an extension process aimed at doubling its current capacity of 20.4 million passengers, making it Latin America's third most-important airport.

The conceptual design of the tower, inspired by local culture and traditions, is meant to be a symbol of entrance into the country. The materials used, the construction system employed and the structural design were all selected in accordance with the features of the terrain -soft, with frequent seismic activity- and the need for quick completion of the construction.

The objective of the design and technical specifications of the air navigation systems that the new control tower will be equipped with is to safely and efficiently increase airplane movement within a complex operational environment. Eldorado Airport, the most important in Colombia, is located at an altitude of 2,545 metres above sea level and handles a large mixture of traffic of different kinds, from large commercial jets to regional turboprops and military aircraft.



National Civil Aviation Development Plan in Nepal

This three-year project comprises two parts: firstly, drafting a twenty-year National Civil Aviation Development Plan for Nepal, including airports, air navigation systems and air transport; and, secondly, splitting up CAAN, the Civil Aviation Authority of Nepal, into two new organisations: a regulator and an airport and air navigation service operator. Both organisations will be equipped with a modern information management system, whilst personnel will be provided with training will be provided for personnel and business plans designed to ensure their viability will be drawn up.



Technical engineering support for the extension of Casablanca Mohammed V Airport (Morocco)

This project, commissioned by the Moroccan National Airport Authority (ONDA), consists of six stages, plus coordination of engineering and architectural work. The main tasks focus on review of design and assessment of correct sizing according to airport needs using simulation tools (ARC Port). Moreover, Ineco also supervises the basic projects to ensure that they are appropriate to meeting the identified needs, and has designed the airport's commercial zones as well as drafted a preliminary project for the Automated Baggage Handling System (SATE).



Formulation of the urban development project for the future loading area at Madrid-Barajas Airport (Spain)

Madrid-Barajas Airport is to be provided with a new loading area, located between the two south runways (runways 15L-33R and 15R-33L). In 2012, Ineco completed the design of the access roads and urban development of the two zones, including service systems (sanitation, water supply, firefighting, electrical power, public lighting, telecommunications, gas, etc). The scope of this work also includes the basic design to modify the ramps that link the airport service tunnel to the aircraft apron at the terminal T4S building. The objective is to reduce the excessive slope on certain sections of these ramps in order to increase the manoeuvrability of the baggage handling vehicles.



Terminal building at Odessa Airport (Ukraine)

The construction project drawn up for Odessa Airport Development Ltd. includes functional, architectural and structural design, as well as planning for all the services in the new terminal building at Odessa Airport. It also includes the schematic design of the entire land-side urban development and new accesses, as well as support for the client in establishing competitions for granting civil works and services, and defence of author's rights during the working periods.





Certification of privately-managed airports of public use and other tasks relating to aerodromes of restricted use (Spain)

The Spanish Aviation Safety and Security Agency (AESA) has the mission of authorising new airports and their modifications, and has a role in the legislative regulation of these matters. Ineco provides support for AESA in several activities in which the Agency requires specialised technical services, such as inspection and control of operational security on the ground (compiling technical documentation, drawing up specifications, inspecting documents in situ, etc.); processes of certifying and verifying privately managed airports and aerodromes of public and restricted use; processing, developing tools and carrying out inspections for authorisations of easements and control of fuel facilities; and risk assessments and safety and security studies in the airport environment.



Air navigation projects

Design of the new control tower at Bogotá Eldorado Airport and associated air navigation systems (Colombia)



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Implementation of the Apron Management Service (SDP) at Madrid-Barajas Airport terminals T1, T2 and T3 (Spain)



Ineco consolidated its activities as an air navigation service provider by installing the new Apron Management Service (“Servicio de Dirección en Plataforma”, SDP) at Madrid-Barajas Airport terminals T1, T2 and T3. As Ineco suggested, the new system was installed in different stages: firstly, it successfully entered into service on the T4 apron on 24 November 2011, whilst the system was extended to the T123 apron in May 2012.

Besides providing a 24-hour service, Ineco also drew up a three-month Transition Plan, which included training for instructors and the publication of the change of service and provider in the AIP. The company also supervises safety and security, to which end it records and analyses all incidents.

The Single European Sky and the TITAN project

SESAR is the European R&D&I programme established to develop, from the technological and operational standpoints, the future air traffic management system known as the Single European Sky. The main objective of this programme is to research and develop initiatives aimed at reducing air congestion in Europe. As a subsidiary of Aena, Ineco takes part in a total of 37 operational and systems projects.

Ineco has led TITAN, a three-year project established under the European Commission's Seventh Framework Programme that pursues objectives established by the SESAR initiative since 2009. The objective of the TITAN project is to increase punctuality by improving turnaround, meaning the series of processes that affect aircraft between flights. To this end, the project develops a new concept based on *Collaborative Decision Making* (CDM) that involves all the main players in the turnaround process: air traffic control, airports, airline companies and baggage handling personnel.



Analysis of ground/air communications in the Spanish air space

Aena is responsible for ensuring the quality of the aeronautical mobile communications service throughout the Spanish air space. More precisely, the company is in charge of guaranteeing the coverage provided by its network of ground-air communications centres in the control, airways and airports sectors. A study of service coverage was needed in order to guarantee the present service whilst retaining the ability to adapt to any changes.

Ineco began this in-depth study in 2011, examining the air space structure, both as it is in the present and as it is expected to be in the future. The project includes analysis of coverage for the route control and TMA sectors, the present APPs, for new sectoring generated by the CAELUS programme, and the search for new locations to install ground-air communications stations. The services provided are supported by the CoverCOM calculation tool, developed by Ineco and produced in cooperation with Aena.



Development and implementation of the SACTA and COMETA systems (Spain)



The Automation Division, part of the Aena Systems Department, is responsible for developing ATM systems (SACTA and ICARO) and the ACC voice communications system (COMETA). In 2012, Ineco provided technical assistance services to formulate the technical and functional specifications of the systems and to carry out verification and deployment at ATC facilities (control centres and towers), as well as to support the exploitation of the different versions.





Evaluation of visual segment surface, VSS (Spain)

In 2009, due to the changes in ICAO regulations, Aena thought it necessary to review the visual segment surface (VSS) regarding obstacles entailed in direct instrument approach procedures. The directives state that no obstacle shall penetrate laterally on a visual surface segment and that, if it should, the approach procedure should not be approved without an aeronautical study.

Ineco was commissioned to perform this task and, over the course of 2012, carried out studies at the following airports: Tenerife North, El Hierro, Almería, Bilbao, Girona and Vigo.



The ACCEPTA Project: Accelerating EGNOS Adoption in Aviation

The objective of this R&D&I project, carried out for the European Satellite Navigation Agency (GSA), is the pre-operational implementation of airplane and helicopter approaches and landing based on the satellite navigation service provided by the European EGNOS system, which improves on the performance of the United States GPS system.

Launched in 2010, the project provides support to airlines, business aviation, general aviation and helicopter operators, enabling them to equip their aircraft with SBAS systems. It also supports airports and air navigation service providers for the publication of LPV procedures based on satellite navigation.





Deployment of the Aena Radio Assistance Integration System (SIRA), Phase I (Spain)

Aena operates a large radio assistance network to provide guidance for aircraft in different flight phases. This network comprises more than three hundred systems of different types (ILS, VOR, DME, etc.), featuring different makes and models. All manufacturers use their own software, which makes both remote control of equipment and the work of preventive maintenance difficult. This situation also makes it impossible to centralise information on the state of equipment at air traffic control centres.

SIRA is a supervision and control system that standardises all the different software programmes and presents them in a single, standard interface. The system is being gradually deployed, and Phase 1 began in 2012. During this phase, more than twenty-five interfaces have been standardised, including signals for auxiliary systems at the locations (energy, firefighting system, intruder, air conditioning, etc.).



A high-speed train is stopped at a modern railway station platform. The train is white with a purple stripe. The platform has a yellow tactile paving strip along the edge. The station has a glass and metal structure with a skylight. The text is overlaid on a semi-transparent green rectangle.

Areas of **activity** Railway

In Ineco we are aware of the railway being an essential mode of transport in an efficient, sustainable and of high quality infrastructure system.

Lines for growth

Railway transport, both passenger (high-speed, medium distance and commuter) and goods, is part of Ineco's DNA. In 2012, Ineco continued to work with the Ministry of Public Works and Transport, Renfe Operadora and Adif, the railway infrastructure administration and management company, to develop, maintain and operate the Spanish rail network, as it has done since the company was established forty-five years ago. The experience accumulated has enabled Ineco to cross borders, embarking on new projects such as the design of a segment of the HS2 network in the United Kingdom and the Mecca-Medina high-speed line in Saudi Arabia. In 2012, an agreement was signed by which a consortium of twelve Spanish companies (including Ineco) and two Saudi organisations will implement the second phase in these latter works and maintain the line for a period of twelve years. Moreover, in Turkey, Ineco continued the task that began in 2009: supervising works on the central segment of the Ankara-Istanbul line, which is being adapted for high speed.

The fact is that more and more countries are turning to high-capacity railways, like France and Spain -which will soon have their first interoperable high-speed connection- did decades ago. In 2012, Ineco provided services to Renfe to enable Spanish and French trains to obtain authorisation to circulate on the railway systems in both countries. Amongst other tasks, this entailed adapting energy capture, signalling and communications systems in the rolling stock. Besides, Ineco also carried out studies and drew up the construction projects for the introduction of the standard gauge along the Mediterranean Corridor, a key European link.

On the Madrid-Valencia line, Ineco provided works supervision and management services with regard to track assembling, electrification and energy, signalling (ERTMS) and fixed and mobile communications (GSM-R), as well as construction of technical buildings and civil protection and safety in tunnels. Commissioned by Adif, Ineco also continued to provide maintenance services for gauge changeovers, systems in which the company has also acquired more than a decade's experience in 2012.

In the conventional system, Ineco worked on the maintenance and modernisation of Iberian gauge lines. Regarding commuter lines, one of the most outstanding developments was the installation -for the first time on a complex European line- of the ERTMS signalling system, as well as the technical assistance provided to Renfe to make 165 trains accessible thanks to the introduction of a new low-floor carriage. Ineco also provided services at stations, workshops and other facilities, such as Renfe's 24-hour emergency centres, and coordinated projects for future lines, including the new railway system in Gran Canaria.

Other outstanding activities carried out in Spain for Adif and Renfe included: certification of rolling stock and independent security assessments (which Ineco has been authorised to carry out since 2009); consultancy work for the future Antequera rail ring; a number of computer developments, such as COPERNICO, the integrated management tool for monitoring and control of railway operations; the formulation of technical regulations and specialised studies of all kinds (of demand, of assets, environmental, geotechnical, etc.). New strategic planning products must be added to all these, such as studies of economic and financial structure. In short, Ineco provides a wide range of services that also includes, particularly, the rehabilitation of the railway operator's historic buildings on Avenida de la Ciudad de Barcelona, in the very heart of Madrid.

Railway projects

Works on the Spanish High-Speed Network



In 2012, commissioned by Adif, Ineco provided quality control services relating to the supply and assembly of railway parts, including switches and expansion joints, and machinery handling and maintenance, as well as the operation and recording of the following lines using an auscultation train: Madrid-Valencia, North, Northwest and Northeast (Madrid-Barcelona-French border).

Regarding this last line, Ineco also carried out monitoring and surveillance of railway facility construction works (signalling, fixed communications, GSM-R mobile telecommunications and infrastructure for public mobile telephone network operators, centralised traffic control and train protection systems) on the new Barcelona-



Figueres segment. The company also manages the service and maintenance bases on the Madrid-Barcelona line.

On the Madrid-Valencia segment, the company supervised security documentation for construction projects and carried out the independent security assessment -a task for which Ineco has had Ministry of Public Works and Transport approval since 2009- of the track-side signalling systems with ASFA and ERTMS, levels 1 and 2.

In Madrid, Ineco also drew up the basic and construction project for the extension of the UIC gauge tracks, platforms and lobby at Chamartín station (Madrid), to adapt the complex for the arrival of the high-speed train. In the Basque Country the company provides technical assistance for works on the new Antzuola-Ezkio/Itsaso

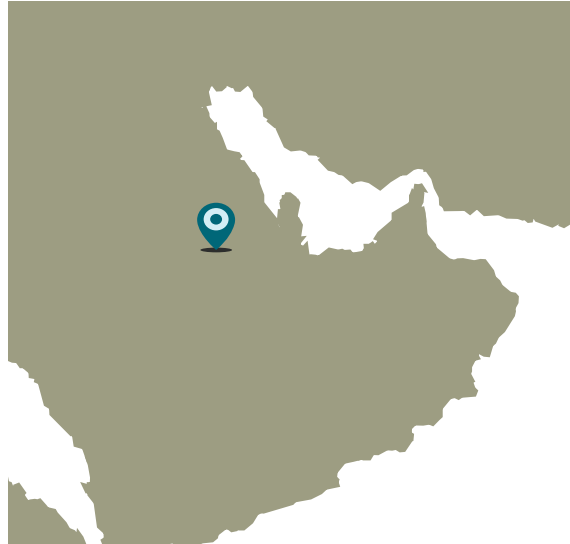
West East high-speed segment. This section, 6.9 kilometres long, including 5.2 km of tunnels, is part of the link known as the Basque “Y”.

Moreover, as part of the gauge changeover maintenance work that Ineco carries out exclusively for Adif, the company continued to provide its services at the ten changeovers that are distributed throughout the high-speed network, including repairs, spare parts, health and safety and supervision of trains passing through. The company is also equipped with exclusive management and control software with real-time incident notification. In cooperation with Adif, Ineco worked on the design and construction of gauge changeover facilities since the installation of the first in 2001.



Mecca-Medina high-speed railway (Saudi Arabia)

Having won the international competition, the Spanish-Saudi consortium Al Shoula signed the contract for this project with SRO, the Saudi Railways Organisation, in Riyadh in January 2012. Besides Ineco, the consortium is also formed by Renfe, Adif, Talgo, Consultrans, OHL, COPASA, IMATHIA, Dimetronic, Indra, Cobra, and two Saudi partners, the Al Shoula group and the Al Rosan contracting company. The contract, the largest ever secured by a Spanish company abroad, includes the second construction phase of the 444-kilometre high-speed rail link between the holy cities of Makkah and Madinah, as well as maintenance of this line for the twelve years following the completion of works. In April 2012, the chairman of Ineco, Pablo Vázquez, was appointed chairman of the consortium, which opened its operational headquarters in Jeddah towards the end of the year.





Cross acceptance processes for the circulation of high-capacity trains between Spain and France

The Spanish railway operator Renfe and its French counterpart SNCF are developing the project for the design and structure of the Figueres-Perpignan segment of the high-speed passenger transport service on the Madrid-Barcelona-French border line. Renfe is contributing with ten existing S/100 trains, turning them into dual voltage trains (25 kVca-50 Hz and 1.5 kVcc) and equipping them with the necessary signalling systems to circulate on both conventional lines and on the French high-speed network.

For its part, SNCF will provide ten newly-manufactured TGV Duplex 2N2-3UH trains. These dual voltage trains (25 kVca and 1.5 kVcc) will also be equipped with the necessary signalling and communications systems to circulate on Spanish UIC gauge lines and French conventional UIC and high-speed lines. Within this framework, Ineco provides Renfe with technical assistance in various tasks aimed at obtaining authorisations for this rolling stock to circulate in the railway networks of both countries.



HS2 (High Speed Two): high-speed line in the United Kingdom



In 2012, HS2 (High Speed Two Ltd.), the firm responsible for developing the high-speed network in the UK, placed contracts with Ineco, in partnership with the British consultants Capita Symonds, for the preliminary design of the third of the five segments in the future high-speed link between London and Birmingham. This segment, approximately 78 kilometres in length, runs through the counties of Warwickshire and Staffordshire. The new British high-speed network, known as HS2 to distinguish it from Eurostar (HS1), crossing the English Channel, will have a total length of over 500 kilometres. The first phase will link London and Birmingham, the second will reach Leeds and Manchester, whilst later developments will extend the network as far as Edinburgh in Scotland.





Ankara-Istanbul high-speed line (Turkey)

A railway line 576 kilometres long, built in the early-20th century, links Ankara, the Turkish capital, with Istanbul, the country's main economic centre. 75% of the route is single-track, and TCDD, the Turkish state railway company, is promoting its adaptation to speeds of up to 250 km/h, a project that involves both rehabilitation of the existing line and the construction of new segments.

The first phase of the works, a 276-kilometre stretch between Ankara and Eskişehir, entered into service in 2009. Work is still on in the remaining 217 kilometres. Ineco, along with its local partner, the Turkish consultancy firm of UBM, is taking part in the supervision and monitoring of works on the central segment between İnönü and Köseköy, 150 kilometres long and the largest section under construction. The whole project is made enormously complex by seismic activity, the urban areas affected and the difficult terrain in certain sections.



Project for the Las Palmas de Gran Canaria-Maspalomas railway line (Spain)

Since 2009, Ineco has directed and coordinated the planning of the future railway line, 58 kilometres long and with 11 stations, that will link Las Palmas de Gran Canaria to the main towns in the island, the airport and tourist areas. There will be a standard gauge line (1,435 millimetres), built using the ATD-G ballastless system and double tracked throughout nearly its entire length. The services provided by Ineco encompass coordination and supervision of all works prior to the call for tender, the formulation of specifications for all the project draft competitions and assessment of bids, in cooperation with the railway operator Ferrocarriles de Gran Canaria; the technical management of contracts, coordination of the different bodies and authorities involved, specialist studies of superstructure, demand, operation and economic feasibility; and, in cooperation with Renfe, supervision and management of workshops and depots.



Modernisation of commuter railway lines in São Paulo (Brazil)

The Metropolitan Transport Secretariat in the State of São Paulo is implementing an ambitious modernisation programme that will enable much of the suburban railway network operated by the Companhia Paulista de Trens Metropolitanos (CPTM) to be converted into an overground metro system. This is an enormously important undertaking due to the serious traffic congestion problems and lack of transport system capacity in the region.

Ineco provides project management services concerning the loan agreements established with the São Paulo State Government, the World Bank and a consortium of Japanese banks. These services encompass consultancy and support for managing the contracts, including those for supplies, monitoring and surveillance of the physical and financial completion of the project. In 2012, as part of this plan, the company developed the São Paulo Trens e Sinalização [São Paulo Trains and Signalling] project. The objective of this project was to purchase forty new trains for the CPTM and seventeen for Metrô, to install signalling, traffic control, telecommunications and traction power systems for the two companies, and to modernise the track and overhead lines on CPTM lines 7, Rubi, and 12, Safira.



Ineco also supervised the manufacture, reception and assembly of nine high-capacity trains made by Alstom in Brazil. The purpose of this work was to guarantee delivery of the trains according to the required quality and schedule, complying with the conditions established by the World Bank, which finances the project.



Technical support, management and coordination of Renfe Operadora's 24-hour emergency centres (Spain)

Since November 2006, Renfe has operated a new 24-hour Coordination and Control Centre (CECON) in order to provide an efficient response to a range of incidents, alerts and emergencies affecting railway transport. The centre records and manages all events at national level that are linked to it by the regional centres. Ineco's tasks include, amongst other things, providing consultancy for the formulation of specifications, general project coordination, works management as required, technical support services for both software and hardware and the management of maintenance at the centres, and monitoring and supervising works and projects related to security in commuter railway stations, workshops, corporate buildings and trains.



Construction studies and projects for the introduction of the standard gauge in the Mediterranean Corridor (Spain)



The objective of this project, financed by the Ministry of Public Works and Transport, is to deploy the European gauge along the railway corridor that runs along the Spanish Mediterranean coastline between Murcia and Barcelona. The project, which opens up the possibility of optimising goods traffic, currently restricted by the existence of two different gauges (standard and Iberian), also includes the necessary measures to enable 750-metre trains (that is to say, trains that conform to the European standard for interoperability) to circulate along this line.

The tasks performed by Ineco include analysis of demand, identification of the hubs to be connected, the operational study and the determination of functional needs, the functional study and the construction project, as well as analysis of financial viability and the optimum formula for promotion according to criteria of speed, economic efficiency and maximum possible compatibility with existing traffic types.

The solutions proposed include third rail technologies or automatic gauge changeover according to type of traffic, as well as international gauge rail access to ports, factories and logistics facilities. The project embraces the complete development of a segment some 770 kilometres in length.



Development of the European safety standard and interoperability and safety certification (Spain)

Ineco provides support to the Ministry of Public Works and Transport in its tasks as the railway regulator, particularly in all areas concerning safety and interoperability, covering both legislation and the work of auditing and issuing authorisations.

To this end, Ineco carries out legal studies and drafts legislation, both as part of the Spanish railway industry's participation and contribution to its development at European level and in the subsequent transposition to national legislation and regulations. The company also provides services regarding issues of safety certificates and authorisation, a key area in the liberalisation of the sector.



Adaptation of Renfe commuter trains for accessibility (Spain)

Renfe-Integria has placed contracts with Alstom and CAF for the manufacture of new carriages with universal accessibility to convert 165 commuter train units in the 447 series. Ineco provides its services to the Spanish railway operator throughout all the phases of this modification project: at the design stage, by supervising and monitoring the functional and construction project; during production, by monitoring reception of the first manufactured article, supplies and equipment; in factory inspections and tests; and, later, during final tests and the processes of validation and authorisation for circulation.





Areas of **activity** **Roads**

Ineco is present in many national and international projects concerning upgrades and preservation of roads.

The arteries of the **territory**

All around the world, roads -whether major inter-urban highways, ring roads around large cities or secondary roads- are the basic structure in transport networks. This is even more so in regions where, due to the terrain or other circumstances, networks of other overland transport modes have not been sufficiently developed.

This is the case, for example, of Ecuador, where, in 2012, Ineco worked on projects such as the Strategic Mobility Plan 2013-2037 and the structuring of the concession for the E-20 road between the cities of Santo Domingo and Esmeraldas, for which the company proposed a system of incentives for the operator according to compliance with certain quality standards. This premise was also applied to the Guadalajara-Colima motorway in Mexico where Ineco, acting as the Administrative Agent and Supervisor for the concession, managed works to improve the road surface in 2012. The company also provided technical assistance on other Mexican roads, such as the Atlixcáyotl, Virreyes-Teziutlán and Apizaco-Huachinango highways. In Kuwait, Ineco led the study of the road network for the future Shadadiya industrial complex.

Roads are also vital in Spain, where Ineco also worked over the course of the year 2012, mainly on actions to improve and maintain the country's vast network. These projects included the Plan to Refurbish First Generation Dual Carriageways and interventions in the Regional Road Network in Andalusia. Also in Andalusia, Ineco provided technical assistance for the new Ibros-Úbeda stretch of the A-32 dual carriageway, as well as compiling studies for regional connections such as the improved trunk road between Écija and Estepa, a task the company also carried out for the new dual carriageway between Toledo and Ciudad Real, in Castile-La Mancha. Moreover, Ineco began to draft the project to build the last outstanding segment of the A-62 dual carriageway, connecting with Portugal through a town called Fuentes de Oñoro.

Besides high-capacity roads, the company was also present in the conventional network, managing works and performing other duties on various Catalan roads, including the C-25, a trunk road known as *Eje Transversal* that connects several inland counties without crossing the regional capital, Barcelona. Turning to cities, ring roads around the great urban agglomerations are of vital importance to ensure fluidity in the rest of the road network. The ring road around São Paulo, in Brazil, whose metropolitan area has total a population of nineteen million, is one of the largest in the world: in 2012, Ineco won the contract to supervise works to close the northern segment of the Rodoanel Mário Covas ring road. In Spain, the company also planned the capacity increase and environmental measures on a section of one of the country's busiest motorways: the M-40 in Madrid. In the Canary Islands Ineco managed control and surveillance of complex works on the ring road in Las Palmas. Other major works in 2012 included measures on several roads in Andalusia to protect the Iberian lynx, an endangered autochthonous species (animal crossing places, closure, refurbishment, etc.).

Finally, regarding road safety, the European Pilot4Safety project, devoted to training road auditors and inspectors, was completed, and inspections were made on a segment of the C-55 road in Catalonia.

Road projects

Management and control of works to close the northern segment of the São Paulo-Rodoanel Mário Covas ring road (Brazil)



In 2012, a consortium led by Ineco along with Ebei, the Brazilian engineering firm, was awarded the contract to provide support to the merged company DERSA (Desenvolvimento Rodoviário SA, in which São Paulo State is a stakeholder) on coordinating around thirty contracts and the different bodies participating in the works, scheduled for completion in 2016. The construction of the northern segment will close the 177-kilometres carriageway around the city, used by 65,000 vehicles a day, 30,000 of which are trucks.

The ring road, known as Rodoanel Mário Covas, was opened in 2002. The last section pending construction is the northern segment, 43.86 kilometres in length and the most complex of all. This stretch, designed for a maximum speed of 100 km/h, will have three or four lanes according to each zone, and will require the construction of 7 tunnels, as well as 11 bridges and viaducts. Ineco coordinates project planning, expropriation and environmental measures.





Plan to Refurbish First Generation Dual Carriageways (Spain)

The Ministry of Public Works and Transport launched this plan in 2006 in order to modernise the road network developed in the 1980s regarding safety and quality of service, and splitting the main trunk roads. To this end, a series of contracts were tendered for the improvement, maintenance and operation of these so-called first generation dual carriageways.

Over the last year, the company's work has focussed on providing support for the control and monitoring of the 141 indicators of state and quality of service that serve to evaluate the operator over the remaining years of the concession. Work consisted of supervising the preliminary projects for the sections pending its tender, and providing support for the concession tender process and assistance with adjudication. Moreover, Ineco supervised the construction projects drawn up by the operators, coordinated the subsequent construction, conservation and operation phases, and carried out auscultation tests to measure indicator levels.



Supervision of improvement works on the Guadalajara-Colima motorway (Mexico)

In 2012, Ineco directed works to extend and modernise the Guadalajara-Colima motorway in Mexico as part of the contract signed with Banobras (National Bank of Public Works and Services) to act as Administrating Agent and Supervisor of the concession until 2025.

The modernisation measures consisted in widening a 29-kilometre stretch to four lanes (less than 30 kilometres still remain to be doubled along the total length of this 148-kilometre motorway), as well as refurbishing six links to state and local roads and building three toll areas and several passes at different levels to eliminate irregular accesses. Moreover, the two existing toll areas were remodelled and enlarged, and a third was constructed in Sayula.

Built in 1983, the Guadalajara-Colima motorway is part of the Manzanillo-Tampico corridor, the main overland communication link between the cities of Guadalajara, Zapotlán El Grande (Ciudad Guzmán), Colima and the Port of Manzanillo. The route combines freeway stretches with toll segments.



Preliminary project for the construction and technical, financial and legal structure of the Santo Domingo-Esmeraldas concession (Ecuador)

In 2012, the Ecuadorian Ministry of Transport and Public Works (MTOPE) decided to finance the extension of the road corridor between Santo Domingo and one of the country's most important ports, the Port of Esmeraldas, through a public-private partnership (PPP).

To this end, the MTOPE opted for a contract for the concession of public works and services, commissioning Ineco to carry out the necessary studies to determine the most attractive model of financial profitability for investors, both domestic and international. The company proposed a mixed financial model, with user contributions through social tolls and a system of penalties and bonuses attached to the monthly amount received by the concession operator according to compliance with quality indicators established in the contract.

At the same time, Ineco also drew up the preliminary construction project for the corridor, which will have the features of a high-capacity road: length of 180 kilometres, lanes separated by a rigid barrier, turnarounds and roundabouts, direct entrances with acceleration/deceleration lanes and toll facilities.



European Pilot4Safety project to train road auditors and inspectors

Pilot4Safety, co-financed by the European Commission's Directorate-General for Mobility and Transport, was a pilot project that ended in 2012. For two years, the initiative brought regional bodies together with road research institutes and universities from eight European countries to draw up a common training curriculum for technicians engaged in the study of roads, particularly secondary roads. Under the project, Ineco provided support to the Government of Catalonia, one of the five local and regional bodies from the European partners in Spain, Italy, Denmark, Greece and the Czech Republic.

With Ineco's support, the Catalan Government audited two projects: C-242, a 25-kilometre county road in Lleida, and a bypass in the Czech city of Chýnov. In the first case, Ineco teamed up with the Italian partner Astral, which manages roads in the region of Lazio. In the second, with CDV, the Czech Directorate-General for Roads and Motorways. In the field of inspections, Spanish technicians and their Danish counterparts from the town of Randers audited the C-155 road in Sabadell. They also inspected the 25 A provincial road in the Central Region of Macedonia (Greece), alongside local technicians.



Control and surveillance works on the Ibroos-Úbeda segment of the A-32 dual carriageway, Jaén (Spain)



From 2009 to 2012, commissioned by the Ministry of Public Works and Transport's Directorate-General for Roads, Ineco carried out control and surveillance regarding works on the 15.1-kilometre Ibroos-Úbeda section on the Linares-Albacete dual carriageway (A-32). The company's tasks encompassed general technical assistance for works management, study and monitoring of the contractor's quality assurance plan and quality control of the work.

Works on the new Ibroos-Úbeda stretch, in Jaén, which opened in December 2012, included the construction of two links, as well as the 188-metre-long Canena viaduct, two flyovers and five underpasses.

The dual carriageway, 210 kilometres long A-32, is designed to provide a high-capacity alternative to the N-232 national road between Córdoba and Valencia, and constitutes one of the major communication links between Andalusia and eastern Spain.



New industrial zone in Shadadiya (Kuwait)



Ineco advises the Public Authority for Industry (PAI), the highest authority in Kuwait for industrial planning and development, to launch the construction of a five square kilometres complex provided with all kinds of public services, located around 25 kilometres southwest of Kuwait City. The complex will house logistics centres, warehouses and units for different industrial activities, with three main sectors: chemicals, food and drink, and mixed, this last sector bringing together the textile, paper, wood and mineral industries.

The company formulated both the conceptual design of the industrial zone and all the technical and administrative documentation involved in the project and works competition process, from launching the pre-qualification process to drafting specifications and assessing bids and the successful bidder's proposals.



Ineco also designed accesses and roads in the area, and submitted a detailed report on the structural, distribution, access and intersecting roads that will form the network here, ensuring safe, fluid traffic throughout the complex.

Moreover, as project manager, Ineco coordinated the Spanish and Kuwaiti partners engaged in carrying out the works. The facilities include an environmental monitoring centre to ensure compliance with the environmental parameters established for the industrial activity.

Project to design the route of a segment in the M-40 ring road in Madrid (Spain)



Madrid has two closed ring roads, the M-30 and the M-40, as well as two “semi-rings”, the M-45 and the M-50. Together, these routes handle a large proportion of the 2.4 million vehicles that circulate every day around the approximately 4,500 kilometres of roads in the region, with origin or destination in the capital or points in the vast metropolitan region. This is an area where nearly five million people live, around 80% of the population in the region.

Now that the M-30 has been absorbed by urban growth, the M-40 has become the city’s main ring road. Every day, an average 159,175 vehicles use its 62 kilometres, making this one of the roads with the most intense traffic in Spain. For this reason, in 2008, the Ministry of Public Works and Transport launched plans to improve and extend the road. In 2012, Ineco drafted the project to extend capacity and for environmental measures -mainly noise abatement- on the 10.7-kilometre segment located between kilometres 12 and 22.





Areas of **activity**

Urban transport

Ineco's experience in Urban Transport comprises the whole cycle of an infrastructure, from the viability studies to the commissioning.

Dynamism in the **city**

Action on urban transport has a direct impact on people's day-to-day activities and quality of life. This fact is emphasized by the growing urbanisation of the world's population and the emergence of new urban agglomerations. Several of the world's largest cities are in Latin America: São Paulo, in Brazil, for example, has a population of 19 million, including both the city and the metropolitan area. Ineco has been working in the country for more than twenty years and has an office in the city and has carried out many projects of all kinds linked to urban transport. In 2012, the company drew up a study of alternative fuel systems to help reduce pollution in São Paulo, focusing on buses and trolleybuses, as well as implementing a project to modernise the city's commuter railway lines as part of a huge investment programme that the city has launched in order to improve and modernise its urban transport systems.

Ineco has also worked in Costa Rica on similar lines in recent years, including a national plan, similar to those deployed in Ecuador and Algeria last year. In 2012, the company completed a financial and technical study for the transport system in the capital, San José. Besides these planning works, Ineco also applied the company's experience in other areas of knowledge in 2012. Concerning rolling stock, for example, the company has participated in projects like the modernisation of 49 underground trains in Santiago de Chile, manufactured by Alstom in the 1970s. The Medellín underground, in Colombia, also commissioned Ineco to supervise the manufacture, transfer and entry into service of its new trains, made in Spain by CAF.

In Spain, the outstanding activities in 2012 included the Urban Mobility Plan in the Municipality of L'Hospitalet de Llobregat, as well as various undertakings for Renfe commuter railways. Ineco also provided technical assistance regarding customer information centres at stations on the C-4 line and adapting 446 and 447 series commuter trains for accessibility. Also in 2012, Ineco managed the technical office for supplies and

the commissioning of a communications platform for Renfe commuter trains. Similarly, since 2010, the company has provided consultancy services to financial institutions for the construction, development and operation of station concessions on Segment 4 of Line 9 of the Barcelona underground, as well as technical assistance and works management.

Ineco's vast experience in urban transport embraces such essential issues as economic, financial and environmental impact studies, as well as architecture, urban development and integrated design. Moreover, the company's human resources include experts in auditing, systems integration, software modelling and development support for tenders and asset management.

Urban transport projects

Modernisation of Alstom NS-74 trains for the underground in Santiago (Chile)



Ineco provided consultancy services for the renewal of the fleet of 49 NS-74 trains that operate on Lines 2 and 5 of the Santiago de Chile Metro underground system. The trains, manufactured by Alstom, are from the 1970s, and the Chilean company decided to modernise them in order to extend their life for another twenty years, as well as reducing their energy consumption and making them more comfortable for users. With their antiquated design and technology, the trains presented problems of obsolescence regarding certain fittings and systems, and maintaining them in operation required an enormous effort, whilst costs continued to rise constantly.

The first phase of the contract, establishing the basic engineering to draw up the technical specifications for the tender, was completed in 2012. The goal of the modernisation plan drawn up by Ineco is to achieve break-down rates similar to those of today's trains, increasing their reliability and the availability of units. To this end, the systems that require modification or replacement were identified, and more efficient technologies were specified. The rehabilitation also affects the exterior and interior aesthetic image of these trains, and passenger comfort: air conditioning systems will be installed and the interior will be wholly redesigned. Moreover, studies were carried out to guide the redesign of the driver's cabin and the train's operation, control and analysis system, as well as the modernisation of doors, the installation of communication systems between passengers and the driver's cabin, CCTV monitoring systems, etc.



Study of alternative fuel systems in medium- and low-capacity transport systems in São Paulo (Brazil)

In a joint venture with Sistran Engenharia and Ineco do Brasil, Ineco drew up a study of new vehicle technologies and the use of alternative fuel systems to reduce pollution in medium- and low-capacity transport systems in the metropolitan region of São Paulo.

With a population of 11 million (24 million in the entire state), São Paulo is amongst the five largest conurbations in the world. EMTU, the São Paulo State Metropolitan Urban Transport Company, manages more than 800 lines and a fleet of over 5,500 vehicles, including both busses and trolleybuses. The study, commissioned by the ANTP (Brazil's National Public Transport Association), was financed by the World Bank and carried out on behalf of EMTU, which manages inter-municipal collective transport systems throughout the city's metropolitan region.

The advisory and consultancy work began with a study of the current medium- and low-capacity transport systems in São Paulo, and of international experiences in this field. The survey also included a comparative study of the different bus technologies and the various fuel systems - diesel, biodiesel,

ethanol, natural gas, hydrogen, electric and hybrid, amongst others- both at the operational and development stages, according to technical and operational, environmental, social and economic efficiency criteria. The conclusions drawn from this comparative analysis formed the basis for a plan to replace and install the different technologies in the vehicles in operation.



Urban Mobility Plan in the Municipality of L'Hospitalet de Llobregat (Spain)



Urban mobility plans (UMPs) are the key documents for the formulation of sustainable mobility strategies in townships in Catalonia. Under Law 9/2003 on mobility, townships obliged to provide urban collective transport services for passengers are required to draw up and approve UMPs. Moreover, the Master Plan on Mobility in Barcelona's Metropolitan Area requires all townships with a registered population of over 20,000 inhabitants to formulate UMPs. This is the case of L'Hospitalet de Llobregat, with a population of 253,782 in 2008.

Ineco's work regarding the UMP in L'Hospitalet, which began in 2012 and continues in 2013, consists of an initial audit, modelling studies and the formulation of new proposals to promote sustainable mobility in the town's public transport system, including road safety and distribution of urban goods. Likewise, the company also carried out an environmental study, producing the appropriate documents, which include the Preliminary Environmental Sustainability Report (ISAP) and the Sustainability Report (ISAP).

To draw up the UMP, Hospitalet local authority works in cooperation with Barcelona Provincial Council (DIBA) and Barcelona Metropolitan Area (AMB), which provide their active assistance in order to produce coherent planning for the development of the municipality.

Study for a transport system in San José metropolitan area (Costa Rica)



The objective of this work in Costa Rica is to determine the technical and financial feasibility of establishing an inter-urban passenger train services in the metropolitan area of San José de Costa Rica, linking the townships of Cartago, San José, Heredia and Alajuela.

The metropolitan area of San José de Costa Rica is a conurbation where more than two million people live -representing nearly half of the country's total population- and embracing the provinces of Heredia, Cartago, Alajuela and San José. The rapid growth of the population in these cities has led to increases in the number of journeys, both by public and private transport, which cause enormous problems of congestion and saturation in road networks. In response to this situation and with a view to improving mobility and organising the territory, the decision was to promote the railway mode as the most appropriate system to efficiently link -from both the economic and environmental standpoints- the main townships in the area. The rehabilitation of the existing railway system will enable fast, comfortable, safe and environmentally-friendly passenger train services to be provided.

Ineco carried out the preliminary studies for this project, including system engineering, travel demand and operating, and financial and economic analyses. The goal of all this is to achieve the in-depth transformation of the existing railway infrastructure and rolling stock in order to improve both mobility and safety.

Adaptation of Renfe commuter trains for accessibility (Spain)

Renfe-Integria has placed contracts with Alstom and CAF for the manufacture of new carriages with universal accessibility to convert 165 commuter train units in the 447 series. Ineco provides its services to the Spanish railway operator throughout all the phases of this modification project: at the design stage, by supervising and monitoring the functional and construction project; during production, by monitoring reception of the first manufactured article, supplies and equipment; in factory inspections and tests; and, later, during final tests and the processes of validation and authorisation for circulation.





Modernisation of commuter railway lines in São Paulo (Brazil)

The Metropolitan Transport Secretariat in the State of São Paulo is implementing an ambitious modernisation programme that will enable much of the suburban railway network operated by the Companhia Paulista de Trens Metropolitanos (CPTM) to be converted into an overground metro system. This is an enormously important undertaking due to the serious traffic congestion problems and lack of transport system capacity in the region.



Ineco provides project management services concerning the loan agreements established with the São Paulo State Government, the World Bank and a consortium of Japanese banks. These services encompass consultancy and support for managing the contracts, including those for supplies, monitoring and surveillance of the physical and financial completion of the project. In 2012, as part of this plan, the company developed the São Paulo Trens e Sinalização [São Paulo Trains and Signalling] project. The objective of this project was to purchase forty new trains for the CPTM and seventeen for Metrô, to install signalling, traffic control, telecommunications and traction power systems for the two companies, and to modernise the track and overhead lines on CPTM lines 7, Rubí, and 12, Safira.

Ineco also supervised the manufacture, reception and assembly of nine high-capacity trains made by Alstom in Brazil. The purpose of this work was to guarantee delivery of the trains according to the required quality and schedule, complying with the conditions established by the World Bank, which finances the project.

Economic rebalancing of stations on the new Line 9 of the Barcelona underground (Spain)



The stations on Line 9 of Barcelona's Metro underground system are being built under the formula of the public-private concession. They were divided into four segments for this tender, with three finally adjudicated to different operating companies.

Ineco is the technical consultant to the financial institutions behind this concession, and the company's task is to provide them with a basis on which to assess certain aspects and technical and economic risks. To this end, Ineco focuses particularly on the investment expected during the construction and operation phases, whilst also analysing its suitability and expected distribution of this investment. The company also carries out detailed monitoring of project advancement to ensure that this conforms to initial provisions and expected viability, making regular visits to the works to inspect their progress.

Ineco acts as the representative of the financial institutions in accordance with their instructions, and is directly accountable to these bodies, though all contractual and economic relations are maintained exclusively with the company to which the concession was adjudicated.



Supervision and technical management of the renewal of rolling stock for the Medellín underground (Colombia)



The Medellín Metro underground system is renewing its rolling stock by introducing thirteen new units, each with three carriages, made in Spain by the Basque firm CAF, which will be added to the current fleet of 42 trains (manufactured in 1995). Ineco's remit is to supervise and manage technical aspects of the entire design, construction and commissioning of these trains, both at the CAF factories in Spain (Zaragoza, Irún and Beasain) and in Colombia, where the rail tests are carried out.



A large blue industrial crane is the central focus, positioned on a pier. In the background, a white ship is docked at the port. The foreground shows a row of yellow bollards and a black and white striped mooring line. The scene is set against a clear sky and the sea.

Areas of **activity**

Ports

Ineco has continued to work on ports both in Spain and abroad, always from an intermodal perspective and with an integrated approach that also takes into account the particular conditions at each different site.

At the helm of trade and the economy

Maritime traffic grew throughout the world in 2012, and this growth was strongest in developing regions: nearly 80% of world trade is by sea. At the same time, the globalisation of the economy has led to the dispersion of production centres, making ports even more important from the logistical standpoint. In this context, Ineco has continued to work on ports both in Spain and abroad. The company always takes an intermodal perspective and adopts an integrated approach that also takes into account the particular conditions at each different site.

In Spain, the European country with the longest coastline (8,000 kilometres), its 46 ports, grouped into 28 port authorities, are particularly important: the country's port network handles nearly 60% of Spanish exports and 85% of imports, and in 2012 came close to surpassing the national record for goods traffic. Ineco provides services in the development of rail and road accesses at ports, including those of Barcelona, Tarragona, Castellón and Valencia. These four ports are all linked to the Mediterranean Corridor project for the introduction of the international gauge all along the railway line that skirts the eastern coast of Spain, an initiative in which Ineco is also involved.

The provision of rail access with international or standard gauge lines is essential if Spanish ports are to become true intermodal hubs. At present, 95% of port goods arrive or leave by road, reflecting a clear imbalance with respect to the railway mode.

Another project linked to the development of the economic and logistic potential of ports is the study of alternatives for the rail transport of iron ore to the Port of Almería. Ineco was commissioned to carry out this project by the firm of Minas de Alquife. For the Port of Málaga, moreover, Ineco designed two projects to relocate the fishing facilities and establish a new area for goods, whilst the company also provides control and surveillance of these works.

Boosting trade and exports is also the objective of another project, an international enterprise that was launched in 2012 and will continue in 2013: a feasibility study for the Corinto-Monkey Point rail corridor in Nicaragua. This is a major rail link that crosses the Central American country from the Pacific coast to the future Port of Monkey Point, which will be Nicaragua's first deep water port on the Atlantic seaboard. In this initiative, which is considered strategic for the Nicaraguan economy, Ineco is responsible for formulating the layout and preliminary designs for the two port railway terminals, as well as the multimodal terminal that will also be established in near Managua.

Port projects

Functional study and construction projects for the southern accesses to the Port of Barcelona (Spain)



The Port of Barcelona, which was the third most important in Spain by cargo volume in 2012, is one of the key port hubs along the Mediterranean Corridor. In September 2012, the Ministry of Public Works and Transport commissioned Ineco to develop new road and rail accesses for this port. The main difficulty is making the two rail gauges (metric and Iberian) that exist here compatible with the introduction of the UIC standard gauge without affecting the intense traffic.

Ineco has proposed a series of technical solutions to greatly reduce the cost of these works, such as the integration of the three gauges into a single platform and the division of rail and road access into two levels at certain points. Ineco's brief includes preliminary studies (demand, functional and alternatives, cost-benefit and financial viability), and the company has also drawn up construction projects for rail and road accesses and the connection with the Can Tunis goods terminal.



Initial feasibility study for the Corinto-Monkey Point Intermodal Rail Corridor (Nicaragua)

The future line, which will be 480 kilometres long, will cross the country from Corinto, Nicaragua's main port, to the future Port of Monkey Point, the first deep-water port on the Atlantic seaboard. The construction of this port is strategic for the development of trade and, combined with the rail corridor, the new facility will open up the country to the Caribbean.

The study carried out by Ineco includes the layout and preliminary designs for the two port railway terminals and the multimodal terminal, which will be located in the vicinity of Managua and the adjoining logistics zone. At this point, near the airport loading terminal, the rail corridor will link up with the Pan-American Highway.

Ineco's work in 2012 entailed studying the factors that could restrict the project and the potential of the corridor for attracting traffic, as well as negatively affecting its technical feasibility and economic and financial viability. The subsequent project phases, which have now been launched, include feasibility studies of the ports along the corridor and of the existing documentation submitted by groups potentially interested in operating the concession, from countries such as Russia, China, Brazil, etc.



Preliminary project for remodelling the Príncipe Felipe rail terminal at the Port of Valencia (Spain)

Valencia, the second-most important port in Spain by cargo volume and the first for container traffic, has a modern loading terminal with five Iberian gauge lines on the Príncipe Felipe Dock, equipped with all the latest technologies.

In 2012, in order to eliminate the problem caused by the use of different gauges in railway lines to Europe, Valencia Port Authority decided to remodel this terminal to enable the circulation of 750-metre trains and to install the third rail. To this end, the Authority commissioned Ineco, which has worked on various projects for the improvement and extension of the Port of Valencia in recent years, to plan and design the preliminary project. Six alternatives were studied, and the solution finally adopted was that of extending the length of the tracks from 463 metres to 750 m and installing the third rail on three of these lines.





Introduction of standard gauge and maintenance plan for facilities at the Port of Tarragona (Spain)

Tarragona is the fourth most-important Spanish port by cargo volume of and is -with the ports of Algeciras, Valencia and Barcelona, which occupy the first three places on the ranking- one of the key hubs along the Mediterranean Corridor. In 2012, the Tarragona Port Authority commissioned Ineco's services to draft the project for electrification and the introduction of the international or standard gauge at the accesses to the new intermodal terminal currently under construction. The company's actions also included the installation of siding tracks on the Valencia-Tarragona general line, in order to facilitate the management of train arrivals and departures.

Another task that Ineco completed for the Port of Tarragona last year was that of formulating an integrated maintenance plan for the services in the port. This plan provides the necessary tools to implement an auditable management system which enables procedures to be standardised, the necessary resources to be budgeted for, relations with manufacturers to be made systematic, and material stocks to be managed efficiently. In previous years, Ineco had already developed an environmental management system for the port, as well as providing support services for documentation concerning corporate social responsibility and sustainability.



Preliminary study for the transport of iron ore from the Alquife mines to the Port of Almería (Spain)



In 2011, the mining company Minas de Alquife commissioned Ineco to produce a study to determine the best alternative for transporting the four million tonnes of iron ore that are expected to be extracted annually once the Marquesado de Zenete mines in Granada are reopened in 2016. Minas de Alquife plans to operate these mines for twenty years, transporting the ore by sea from one of the ports in the area: Almería, Carboneras, La Garrucha or Motril.

The study that Ineco drew up considered various alternatives through a multi-criteria analysis that took into account the need for investment in infrastructure and facilities, the degree of technical difficulty and the time required to establish transport services, as well as operating costs and external costs.

The study concluded that the most appropriate solution was to transport the ore from the mines to the Port of Almería by rail. Accordingly, all the necessary actions were identified, a transport plan was formulated and an estimate of investment and operating costs was drawn up. Moreover, since the new underground railway access to the port is at the information survey phase, Ineco also drafted an additional report to assess how the project would affect future rail services.



Formulation of the construction project and specifications to contract works for the redevelopment and improvement of the San Andrés wharf in the Port of Málaga (Spain)



Málaga Port Authority commissioned Ineco to plan the measures required to adapt port facilities to growing commercial activity, restore the area closest to the urban sea front for leisure uses and relocate industrial activities towards the southernmost docks and wharfs in the port.

The works, for which Ineco also provides control and surveillance services, include the establishment of a new area for fishing and leisure activities on the Poniente (East) wharf, which requires the demolition of the old breakwater. As a result of these works, a new dock will be provided for goods traffic.



A photograph of a modern transit station entrance. The scene is dominated by glass doors and blue structural elements. A prominent green sign with the word 'Salida' and a right-pointing arrow is mounted above the entrance. Below it, a smaller sign with a running figure icon and an arrow is visible. The floor is a light-colored, polished material. The overall atmosphere is clean and contemporary.

Areas of **activity**

Planning and transport economics

Ineco develops a wide range of planning products and services, from national and multimodal plans to sectoral, technical and economic viability, financial and market studies, analysis of demand...

Organising the future of transport

Correct planning ensures that transport infrastructure is designed according to real needs and has sufficient capacity to meet future growth in demand, as well as establishing construction schedules and the necessary financing. Planning studies embrace from the first design phases of infrastructure and transport services to the stages leading up to detailed projects. They also include analysis of the management and operation of the different transport systems and the definition of policies in the sector. Ineco develops a wide range of planning products and services, from national and multimodal plans to sectoral, technical and economic viability, financial and market studies, analysis of demand, etc.

In the field of national plans, Ineco has built up considerable experience, both in Spain and in other countries. In 2012, the Spanish Ministry of Public Works and Transport presented the Infrastructure, Transport and Housing Plan, or PITVI, which provides the strategic framework for the development of policies in these areas up to the year 2024. Ineco provided services in drafting and processing this plan. However, PITVI is not the only national plan the company helped to draw up over the year: the national plans for Algeria, Costa Rica and Ecuador were also added to the company in recent years.

Ineco also draws up specialised planning studies. In Kuwait, for example, the company designed and managed the commissioning of the Shadadiya industrial complex, due to be built south of the capital. This is an enormous business area that will occupy five square kilometres and will be provided with a full range of services.

In Spain, the outstanding works that the company took part in over the course of the year include studies and projects for the introduction of the third rail in the Mediterranean Corridor. This great railway link, nearly 800 kilometres long, which handles intense traffic and is of enormous economic importance, currently operates with two different track gauges. Still in the railway sector, Ineco

carried out a study for the Ministry of Public Works and Transport to determine what medium-distance services are included in obligatory public services, that is to say, those that, regardless of demand, must continue to be provided in order to cater to the mobility needs of citizens.

Another critical aspect linked to infrastructure planning is financing. Although, traditionally, the formula most frequently used are budgetary means, public-private partnerships (PPP) are beginning to become more and more common around the world. In line with this growing trend, Ineco was intensely active in 2012, carrying out analyses and providing specialist consultancy services for such PPP projects as the concession of the Santo Domingo-Esmeraldas road in Ecuador, the new Line 9 in Barcelona's underground system and the Defence Ministry's NOGAL logistics base in Spain.

Finally, a prominent aspect in employing and developing planning tools is the use of new technologies, such as computer modelling. This is an area in which Ineco has acquired long experience and the capacity to develop specific, *ad hoc* applications.

Planning and transport economics projects

PITVI Infrastructure, Transport and Housing Plan 2012-2024 (Spain)

This plan was submitted to the Spanish Parliament in September 2012. Ineco works with the Ministry of Public Works and Transport in drafting and processing the documents, and with consensus processes. The outstanding lines of action include, amongst others, the “effective” liberalisation of passenger rail transport, the integration of Feve into Adif and Renfe and the provision of a boost to the competitiveness of the ports. Private-sector participation is also expected to increase and to account for 16% the total investment from 2012 to 2024.

PITVI is the Ministry of Public Works and Transport’s reference framework for medium- and long-term strategic planning with regard to infrastructure, transport and housing in Spain. As regards transport, the plan provides an integrated vision that is structured more around broad directives than around measures devoted to particular modes. Focusing on passengers and goods, PITVI places particular emphasis on the quality of service provided to users.



National Transport Plan, Algeria

The objective of this plan, which the Algerian Transport Ministry commissioned Ineco to draw up, is to present the broad lines of action and sectoral policies in a structured manner; the infrastructure and services necessary to optimise the national transport system in an integrated way; and how to unify and structure the territory and promote the country's social and economic development.

The plan, which sets time horizons of 2015 and 2025, develops a sectoral information system and formulates a general study of transport costs and tariffs in Algeria. To this end, medium- and long-term investment in the different sectors and transport modes were defined, and the sectoral policies necessary to optimise the country's national transport system were established.

This work was based on in-depth analysis of the situation and on studies of demand aimed at producing a cost-benefit analysis that would explain the reasons behind each different investment, as well as setting out the results expected from each measure.



Construction studies and projects for the introduction of the standard gauge in the Mediterranean Corridor (Spain)



The objective of this project, financed by the Ministry of Public Works and Transport, is to deploy the European gauge along the railway corridor that runs along the Spanish Mediterranean coastline between Murcia and Barcelona. The project, which opens up the possibility of optimising goods traffic, currently restricted by the existence of two different gauges (standard and Iberian), also includes the necessary measures to enable 750-metre trains (that is to say, trains that conform to the European standard for interoperability) to circulate along this line.

The tasks performed by Ineco include analysis of demand, identification of the hubs to be connected, the operational study and the determination of functional needs, the functional study and the construction project, as well as analysis of financial viability and the optimum formula for promotion according to criteria of speed, economic efficiency and maximum possible compatibility with existing traffic types.

The solutions proposed include third rail technologies or automatic gauge changeover according to type of traffic, as well as international gauge rail access to ports, factories and logistics facilities. The project embraces the complete development of a segment some 770 kilometres in length.



New industrial zone in Shadadiya (Kuwait)



Ineco advises the Public Authority for Industry (PAI), the highest authority in Kuwait for industrial planning and development, to launch the construction of a five square kilometres complex provided with all kinds of public services, located around 25 kilometres southwest of Kuwait City. The complex will house logistics centres, warehouses and units for different industrial activities, with three main sectors: chemicals, food and drink, and mixed, this last sector bringing together the textile, paper, wood and mineral industries.

The company formulated both the conceptual design of the industrial zone and all the technical and administrative documentation involved in the project and works competition process, from launching the pre-qualification process to drafting specifications and assessing bids and the successful bidder's proposals.

Ineco also designed accesses and roads in the area, and submitted a detailed report on the structural, distribution, access and intersecting roads that will form the network here, ensuring safe, fluid traffic throughout the complex.

Moreover, as project manager, Ineco coordinated the Spanish and Kuwaiti partners engaged in carrying out the works. The facilities include an environmental monitoring centre to ensure compliance with the environmental parameters established for the industrial activity.



Definition of medium-distance rail services subject to public service obligations (Spain)



This project enabled objective criteria to be established that appropriately identify the medium-distance lines operated by Renfe in the State Railway Network of General Interest that are subject to public service obligations. To this end, Ineco carried out an exhaustive study of existing services and passenger demand, and a cross analysis of supply and demand, as well as analysing the results of operating the lines.

An efficiency indicator was established for lines in order to quantify the reasons of environmental, social and economic efficiency that justify the declaration of a service as being of public interest. Subsequently, the costs of rail services were compared to those of alternative transport modes, principally regular bus services and the private vehicle. Finally, an intermodal study was produced for the less efficient corridors, and a proposal for action was submitted for each, including possible coverage using alternative means, appropriately reinforced.



Mobility Plan, Ecuador



The Ecuadorian Ministry of Transport and Public Works commissioned Ineco with the design and integrated planning of the country's entire transport network over the 2013-2037 period. The resulting Mobility Plan of Ecuador (PEM) was presented publicly by the Ecuadorian Government in late-2012. The PEM is based on analysis of overall infrastructure needs and costs and implementation schedules throughout the territory and with regard to all transport modes. The areas with the greatest need for investment are, in this order: roads, urban transport and maritime and river transport.

Regarding ports, the plan provides for the development and structuring of a new maritime and river system and the establishment of a modern port management model. For the road system, the PEM seeks to improve connectivity throughout the territory, whilst also organising the growth of airport infrastructure and introducing a new management model to increase airport capacity. With regard to public passenger transport, the measures planned include the construction of 650 kilometres of preferential or exclusive corridors for urban public transport, as well as the provision of terminals and interchanges and other facilities related to the equipment of stops, signalling systems, operational assistance and control of access and revenue.



Project for the new Ministry of Defence NOGAL logistics base (Spain)

Under this commission from the Ministry of Defence, Ineco carried out preliminary studies and formulated the necessary documentation to evaluate the suitability of a public-private partnership contract to provide higher-level logistic support to the Land Army. This support would include the construction and rehabilitation of facilities to form a large logistics base (NOGAL), as well as the provision of logistical and base services.

The NOGAL Logistics Base will bring together higher-level logistical supply and maintenance activities that are currently provided by several different centres (Central Logistics Bodies), which are all distant from each other. The new facility represents an innovative approach to the management of logistic support with a view to increasing efficiency.

In its pursuit of this task, Ineco considered and analysed various alternatives for operation and financing. Amongst other issues, the study took into account financial profitability, contractual aspects and effects on the budget. Finally, the alternative selected was developed. The firm of ISDEFE is also working with the Land Army on this project.





Preliminary project for the construction and technical, financial and legal structure of the Santo Domingo-Esmeraldas concession (Ecuador)

In 2012, the Ecuadorian Ministry of Transport and Public Works (MTO) decided to finance the extension of the road corridor between Santo Domingo and one of the country's most important ports, the Port of Esmeraldas, through a public-private partnership (PPP).

To this end, the MTO opted for a contract for the concession of public works and services, commissioning Ineco to carry out the necessary studies to determine the most attractive model of financial profitability for investors, both domestic and international. The company proposed a mixed financial model, with user contributions through social tolls and a system of penalties and bonuses attached to the monthly amount received by the concession operator according to compliance with quality indicators established in the contract.

At the same time, Ineco also drew up the preliminary construction project for the corridor, which will have the features of a high-capacity road: length of 180 kilometres, lanes separated by a rigid barrier, turnarounds and roundabouts, direct entrances with acceleration/deceleration lanes and toll facilities.



Economic rebalancing of stations on the new Line 9 of the Barcelona underground (Spain)

The stations on Line 9 of Barcelona's Metro underground system are being built under the formula of the public-private concession. They were divided into four segments for this tender, with three finally adjudicated to different operating companies.

Ineco is the technical consultant to the financial institutions behind this concession, and the company's task is to provide them with a basis on which to assess certain aspects and technical and economic risks. To this end, Ineco focuses particularly on the investment expected during the construction and operation phases, whilst also analysing its suitability and expected distribution of this investment. The company also carries out detailed monitoring of project advancement to ensure that this conforms to initial provisions and expected viability, making regular visits to the works to inspect their progress.

Ineco acts as the representative of the financial institutions in accordance with their instructions, and is directly accountable to these bodies, though all contractual and economic relations are maintained exclusively with the company to which the concession was adjudicated.





Other work for different bodies in the State General Administration (Spain)

The company also provided support to other bodies in a number of fields, including: the Official Credit Institute, to which Ineco provided technical consultancy services for the FES Infrastructure project; and the National Energy Commission, which required consultancy services for the analysis, development and implementation of the regulatory information system of costs for electrical power production activities under the so-called “special regime”, a project that will continue in 2013.

Other technical support work included the services provided to the Ministry of Public Works and Transport for managing subsidies to certain types of maritime passenger services, and to various management centres and other bodies attached to the State General Administration, to improve processes and increase efficiency in the use of resources, in line with the austerity policies that marked the year 2012.





Corporate **Culture**

Strategy

Ethical integrity

Committed to...

Corporate **Culture** **Strategy**

The company has implemented a strategic change in order to seize the opportunity offered by the international market and to advance towards a global, multimodal Ineco.

Meeting future challenges

Over the last decade, Ineco has enjoyed a strong growth, linked to high national investment in infrastructure. Our company has positioned itself as a leading transport engineering firm, and its know-how has contributed to the development of the principal infrastructure works in Spain.

However, economic circumstances in recent years have led to a decrease in this investment, and the austerity plans that are expected to be implemented over the coming years may have a significant impact on Ineco's activity.

At the same time, the international market for infrastructure engineering is powerfully expanding in the emerging and developing countries.

Within this context, Ineco has launched the Lynx Plan, a strategy designed to boost the internationalisation process that the company launched some years ago. Thanks to this transformation process, the company has completed a strategic shift in order to seize the opportunities offered by the international market and advance towards a global, multimodal Ineco.

Consequently, Ineco is committed to the company's growth abroad whilst consolidating its presence nationally through the support of its shareholder clients, with a view to becoming:

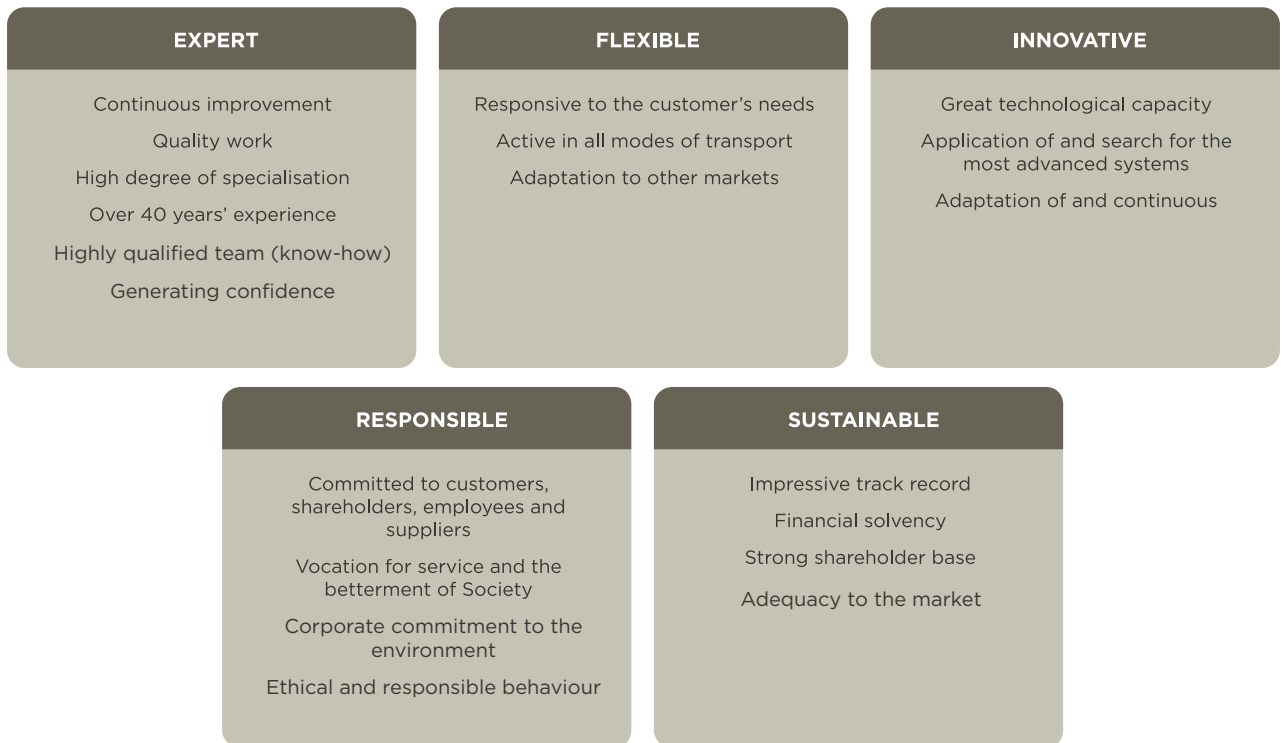
- A world reference amongst transport engineering companies.
- A spearhead for the internationalisation of the Spanish transport sector, building on the cutting-edge know-how generated in Spain



Vision

To be the most internationally competitive Spanish engineering company and a vehicle to support the internationalisation of other transport companies.

Values



Ineco aims to become consolidated as a company that is:



Global and multimodal

Growing international presence
Presence in all transport modes



Efficient

Project-based matrix structure



Recognised

Spearheading Spanish transport engineering and industry around the world



Modernised

Flexible, productive organisation with great capacity and an international focus



Corporate **Culture**

Ethical integrity

Among its commitments, Ineco acquires the desire to contribute to an ever stronger development and improvement of society, including social, labor and environment awareness in its strategy.

Responsible and **committed**

In the company's contribution to the development of transport, Ineco is strongly committed to corporate responsibility (CR) and its consolidation within the business strategy, encouraging direct commitment with the company's stakeholders. CR policies apply to all the products and services that the company offers, and are integrated into its business culture, defining all its actions.

In accordance with the commitments acquired, Ineco advances continuously in the development of its Corporate Responsibility Plan.

Amongst the different actions in this regard, Ineco has adhered to the United Nations Global Compact since 2008, annually renewing the company's commitment to the ten basic principles, which cover human rights, labour rights, environmental rights and the fight against corruption promoted by this initiative, which the company applies in its everyday operations.



Our regulatory framework

Ineco goes beyond mere compliance with current legislation at all times, and is committed to a management model that embraces sustainability as a key value, based on three basic pillars: the economy, society and environmental protection.

To this end, the company pursues its activities in accordance with the Rules of Integrity, Transparency and Commitment, which are enshrined in both the company's Corporate Responsibility Policy and the other regulations that govern the organisation:

- Code of Conduct
- Quality and Environmental Policy
- Zero Tolerance for Corruption Policy
- Transparency and Truth in Information Policy
- Harassment Policy
- Comprehensive Safety Policy

This regulatory framework governs Ineco's conduct both in Spain and in its activities abroad, as the company observes current legislation in all countries in which it operates.

Ineco has an Ethics Committee whose purpose is to ensure compliance, interpretation and updating of regulations governing integrity, transparency and commitment, and whose functions and operational dynamics are described in the section devoted to the [Governance Model](#).

To apply these policies, a series of operational procedures have been established, which govern the internal management of the company

- Guide to Environmental Best Practices
- Zero Tolerance for Corruption Procedure
- Basic Project Management Procedure
- Harassment Protocol
- Recruitment Procedure
- Guarantee of Professional Conduct Procedure
- Works and Services Procurement and Contracting Procedure
- Tender Submission and Contract Review Procedure
- Internal Auditing Procedure

The corporate intranet includes a section where employees can consult all information and documentation relating to integrity guidelines: policies, procedures, protocols, etc. The objective of all these measures is to promote best practices in the fields of transparency, integrity and commitment.



CR Policy

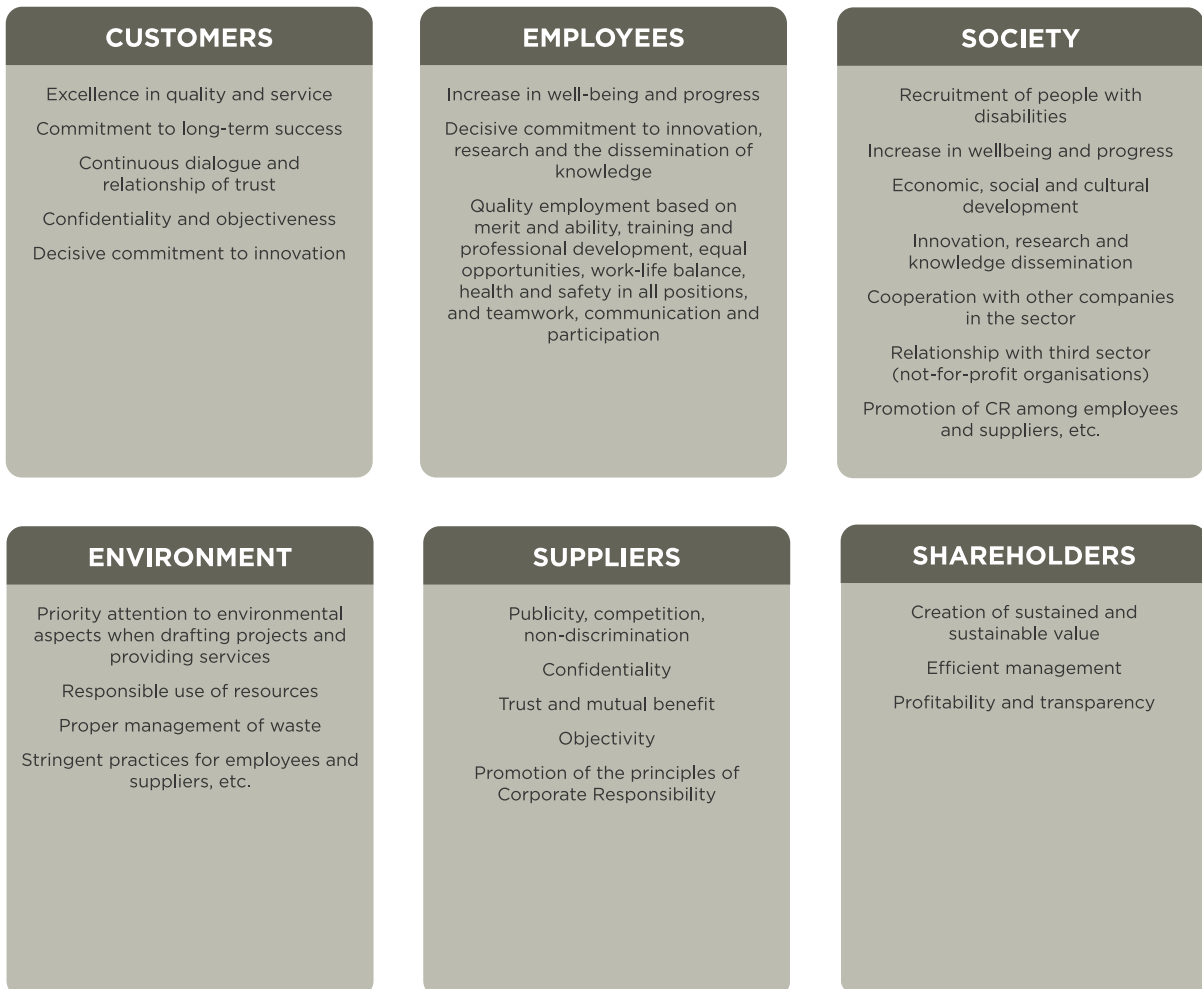
Ineco contributes to the development and improvement of the society in which it operates by integrating social, labour and environmental concerns into the company’s strategy and management.

Ineco’s CR Policy is, therefore, characterised by an explicit commitment to the company’s customers, shareholders and suppliers, the environment and society as a whole.

The process of identification and selection of stakeholders is the product of an internal debate that takes into account the interrelations and degree of involvement between them and the company, as generated by their activity.

To ensure the commitment and critical participation of all stakeholders, Ineco has designed multiple channels for communication and dialogue. One of the most powerful tools amongst these is the company’s corporate website, which encourages fluid and participatory communication.

CR Policy: commitments made by Ineco



Code of Conduct

Ineco has established a Code of Conduct based on adherence to the ten principles of the United Nations Global Compact. The Code provides guidelines for action, ensuring appropriate conduct in the professional activities of the company's employees through scrupulous observation of human rights and political freedoms, as enshrined in the Universal Declaration of Human Rights, throughout each and every department. The Code of Conduct applies throughout the organisation, and all employees are familiar with its provision, as they

have access to it by Intranet and at the orientation sessions that all new personnel receive.

The purpose of this Code of Conduct is to identify and share the principles and recommendations that help to build an ethical and responsible management model, applied to both the development of Ineco's characteristic products and services and to the relations established with different stakeholders:

Main principles of the Ineco Code of Conduct

LOYALTY TO THE ORGANISATION

- Reputation and loyalty to the company
- Confidentiality
- Dedication
- Non-competition
- Use of company resources
- Safety, health and environment
- Relationship of professionals with other stakeholders

ADMINISTRATORS AND STAFF

- Knowledge and communication
- Basic rights
- Confidentiality
- Professionalism
- Economic-Financial
- Recruitment, training and promotion
- Diversity and work-life balance

RELATIONS BETWEEN PROFESSIONALS

- Respect for people
- Non-discrimination
- Cooperation and collaboration

RELATIONSHIPS WITH CLIENTS

- Relationships with suppliers and collaborators
- International relationships
- Legality
- Transparency and truthfulness of information
- Gifts, kickbacks and bribes

Zero Tolerance for corruption

Ineco, in its firm commitment to transparency, combats corruption, implementing all necessary tools to avoid any risk. To this end, all areas of Ineco have been studied, with particular emphasis on the international sphere. Thanks to this constant effort, and after carrying out a complete assessment of all areas, no incident of corruption has been reported in the company.

The objective of the Zero Tolerance for Corruption policy is to ensure transparency and honesty in the pursuit of the company's business mission, rejecting all forms of corruption, both direct and indirect. The policy is known to both Ineco's director and all employees and, as mentioned previously, is available for personal consultation on the company intranet. New employees have access to these regulations at orientation days.



Measures to prevent bribery

Ineco's Zero Tolerance for Corruption Policy is a programme created to ensure that transparency and honesty are guaranteed in the pursuit of business objectives. It expressly rejects any type of corruption, whether direct or indirect. Based on an analysis of the activities most vulnerable to the risk of corruption and following the stipulations of its Code of Conduct, Ineco assumes in its operations the commitments listed below. Ineco will promote the adoption of these principles by both its staff and collaborators through the pertinent formalisation thereof in the corresponding contracts.

Bribes

Ineco prohibits any type of payment, monetary or involving any other type of financial or non-financial material or moral asset that can be considered significant according to prevailing practices and customs if this might confer an advantage to a person or with the aim of obtaining any advantage in the relationship with stakeholders. The concept of "advantage" is understood to mean favourable treatment or the guarantee of obtaining benefits in return.

Needless to say, this prohibition is also applicable to employees who, by virtue of their functions and activities in Ineco, seek to accept and/or offer bribes for personal benefit or that of family members, associates or acquaintances.

Any Ineco employee who has knowledge of promises, offers or requests for bribes is required to report this to the Ineco Ethics Committee.

Donations to political parties

Ineco shall not exercise any illicit influence, directly or indirectly, on elected officials, nor shall it finance political parties or their representatives or candidates in Spain or abroad. Neither shall it sponsor any event whose purpose is political advertising.

Donations to charity organisations and sponsorship

Ineco's Corporate Social Responsibility Policy expresses a firm social commitment. For this reason, Ineco collaborates with various non-profit non-governmental organisations as a means of facilitating volunteer actions by its employees.

Ineco shall support, through sponsorships and by entering into specific agreements, initiatives related to events of a social, environmental, sporting, entertainment and artistic nature, or for scientific and technological dissemination. These events shall provide a guarantee of quality, may be national in scope or respond to specific territorial

needs, involving the public and the institutions and associations Ineco collaborates with, so as to guarantee their originality and effectiveness.

Preferential treatment

Ineco does not authorise the remittance, offering or acceptance of payments or benefits in any amount, directly or indirectly, whose purpose is to expedite services to be provided by any of its business partners. If preferential treatment is promised, offered or solicited, Ineco employees shall inform the Ethics Committee through the channel provided for reporting such matters.

Gifts, donations and favours

Gifts of any type that might be interpreted as exceeding prevailing business practices or common courtesy, or which may be intended to secure any type of preferential treatment for the performance of any activity by Ineco are prohibited. In particular, this prohibition applies to any type of gift to Spanish or foreign public officials, auditors, Ineco board members or their family members, which might compromise their objectiveness or elicit a promise of any type of favour.

This guideline, which has no exceptions even in countries where offering valuable gifts to business partners is customary, is applicable both to gifts promised or offered and those already received; it should be noted that gift is understood to mean any type of favour. In any case, Ineco abstains from practices not permitted in the applicable laws, by the business practices or ethical codes (if these are known) of the companies or entities with which it maintains relationships in the development of joint activities. Any gift given by Ineco must be intended to promote the image of the Ineco brand. Any gifts offered must be properly managed and authorised.

Ineco partners who receive gifts or favours without proper authorisation as described above shall report this to the Ineco Ethics Committee, which will evaluate their appropriateness.

Zero Tolerance for Corruption Procedure: A specific procedure that regulates conduct in this area has been established to guarantee observance of these commitments.

For its part, the Code of Conduct prohibits all practices involving corruption, bribery, the acceptance or remittance of payments, and those which enable these practices, actively or passively, by act or omission, or through the creation or maintenance of irregular situations of preferential treatment.

Governance model

Governing bodies

Ineco establishes a management model based on ethical rules and principles in all their variants. To ensure that these rules are applied and monitored, the company establishes a governance model that embraces all the disciplines and areas that form the company.

General Shareholders Meeting

- This is the body that debates the company's legitimately adopted agreements that bind both the company and its shareholders .
- Ineco maintains fluid communications with shareholders, all of whom are members of the Board of Directors, through the General Shareholders Meetings, Board Meetings and the corporate website.

Board of Directors

- This is the body responsible for decision-taking and agreements regarding strategic matters, drawing up the accounts, approval of budgets and other issues submitted by senior management. It also monitors Ineco's activities. It is composed of 16 persons, 13 men and 3 women, and has a president, 14 ordinary members and one secretary. All of its members are well-known experts in the sector.
- None of them, except for the president of Ineco, hold executive positions. All are employees of the Spanish government.

Audit and Control Commission

- The role of this body is to supervise the formulation of the company annual report, and its budget. The commission , which reports to the Board of Directors, is also responsible for monitoring the sustainability strategy.
- In accordance with the Ineco statutes, the commission meets every six months.

- The commission is formed by the company chairman, Pablo Vázquez, and three members of the Board of Directors (Javier Marín San Andrés, Sergio Pérez Sanz, Manuel Varela Bellido), and its secretary is the secretary of the Board

Management Committee

- This is the company's highest internal decision-making body, responsible for the implementation and development of the strategic directives issued by the Ministry of Public Works and Transport and approved by the Board of Directors. The committee is responsible for the following areas:
 - Implementation and development of the strategy approved by the Board of Directors
 - Taking decisions, both strategic and, on occasion, operational, for the good development of the company.
 - Monthly review of managerial staff.
 - Approval of policies, plans, procedures, budgets and general rules and regulations.
 - Assessment and approval of any other issue of general interest.
 - Resolution of disputes between directorate-general.
 - Other matters of interest.
- The Management Committee is composed of the company chairman, who also chairs the committee, the four directors general and the general secretary.

Ethics Committee

- The mission of the Ethics Committee is to ensure compliance with and interpretation and updating of the Integrity, Transparency and Commitment Guidelines. Any qualified body or Ineco employee that considers that a breach of any of these guidelines or the Code of Conduct has occurred can communicate this to the Ethics Committee, which shall resolve the matter as regards the activities of the company or any of its employees.
- The Ethics Committee is responsible for:
 - Overseeing compliance with the Corporate Integrity Guidelines.
 - Proposing preventive or corrective actions in relation to possible breaches of these guidelines.
 - Receiving communications, through the secretary and referring these, when appropriate, to the appropriate authority, who will examine the case.
 - Resolving cases based on the recommendation of the appropriate authority.
 - Internal dissemination of the Code amongst all Ineco personnel.
 - Interpreting the Code of Conduct and providing guidance for action in case of doubt.
 - Updating the Code and considering suggestions submitted with regard to it.
- The members of the Ethics Committee are: the chairman of Ineco, the corporate director general, another director and the general secretary of the company, who acts as secretary of the Committee.



The body responsible for monitoring and supervising the Integrity, Transparency and Commitment Guidelines is the Ethics Committee, which is headed by the Ineco chairman.

The Ineco chairman also heads the General Shareholders Meeting, the Board of Directors and the Management Committee.

To the aforementioned bodies must also be added the following management bodies:

- **Committee of Directors:** a forum for information, reflection, work and debate, which reports and receives information from the directorate structure on relevant matters. A tool for managing change.
- **Management Committee:** a forum for transmitting information on matters relating to company structure. A tool for managing change.

Other company management bodies are: Strategy Monitoring, Commercial, Human Resources, Haramain and Quality and Environment.

Share distribution

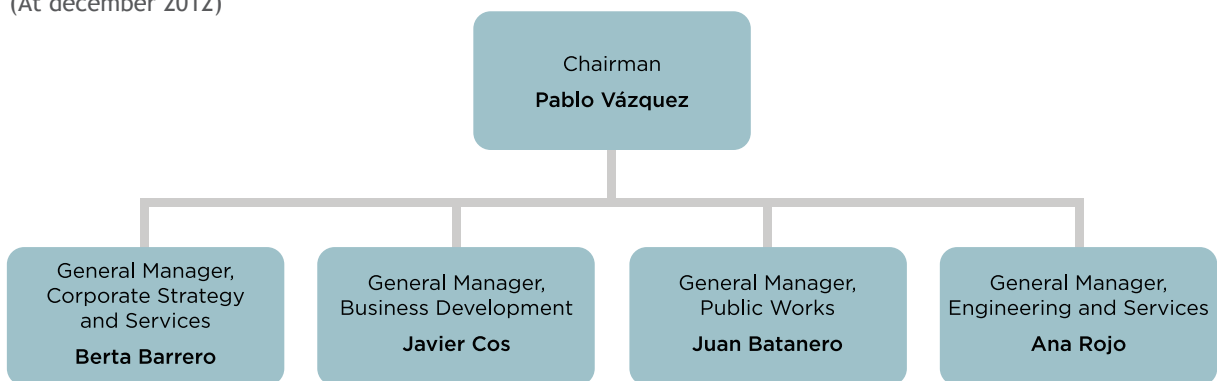
Share distribution

Effective shareholder (Including identity and the percentage of ownership of the main shareholders)

SHAREHOLDERS	Capital paid out	% share	Number of shares
AENA	3,783,177.63	45.85	30,263
RENFE Operadora	1,054,334.34	12.78	8,434
ADIF	3,413,148.03	41.37	27,303
TOTAL	8,250,660.00	100	66,000

Organization chart

(At december 2012)



Economic aspect

The challenges and objectives that Ineco establishes for the future are reflected in the company's successive strategic plans, which are implemented in the annual budgets and reported in the year-on-year results. The company reports on the activity and results from each financial year in annual reports that are available on the corporate website (www.ineco.es).

At the end of 2012, Ineco presented the company's new development strategy, whose main lines of action can be summarised as: speeding up geographic expansion; and developing the transport engineering services portfolio and new products in the chain of value. These strategic lines guide the way in which the company, through each of its working process and actions, will set about achieving its economic, social and environmental targets, the strategic pillars in Ineco's policy.

Ineco has made a solid commitment to the future. To this end, in late-2012, an internal reorganisation process was launched, in accordance with a matrix structure, aimed at optimising work by projects and reinforcing Ineco as a flexible, productive company with high capacity, focused on foreign markets.

In an exercise of responsibility and sustainability, Ineco has for some years applied an austerity policy aimed at reducing costs. This attitude is made even more necessary, if possible, by the public nature of the company's capital, which requires

the rationalisation of expenses and the search for maximum efficiency in order to compete in both the domestic and international markets.

Within this context, the company carries out continuous monitoring of the most representative values with regard to economic activities, in order to identify and correct any risks or deviations with respect to the objectives established. To this end, the company employs a series of control tools, available, not only in the economic and financial sphere, but also for all company management parameters.

Regarding the contracting of works, services and supplies, Ineco works on the basis of competition, transparency, confidentiality and non-discrimination. The Procurement Department is the body that guarantees rigorous compliance with these principles in all procedures. With regard to financial control, the guidelines applied by Ineco establish documented policies and an internal auditing unit to ensure their compliance. The principle of prudence is applied in the economic area through advance preparation of the Annual Budgets, Balance Sheets and Profit and Loss Accounts, with segmentation and monthly monitoring. Likewise, Ineco adopts the same principle of precaution with respect to serious risks to the environment through its different policies, procedures and management and control systems.



DIRECT ECONOMIC VALUE GENERATED (EVG)	220,775,896
Revenues (net sales, income from financial investment and revenue from the sale of assets)	
ECONOMIC VALUE DISTRIBUTED (EVD)	218,590,403
Operating expenses	61,335,728
(payments to suppliers, rent of properties, payments to subcontracted workers, employee training costs, etc.).	
Salaries and employment benefits	145,758,627
(total payments made to employees and employment benefits).	
Payments to fund holders	11,007,304
(dividends credited to any type of shareholder, interest payments to suppliers of loans and interest for any sort of debt or loan)	
Payments to the government	488,744
(gross taxes or similar).	
ECONOMIC VALUE RETAINED (EVR)	220,775,896



Revenue from services rendered

(Euros)

	2011	2012
Services to the public sector	215,650,930	174,945,990
Services to the private sector	32,508,370	45,111,859
TOTAL	248,159,300	220,057,849

Cash Flow

(Euros)

	2011	2012
Cash flow from operating activities	17,333,470	29,335,974
Cash flow from investment activities	-10,070,143	-19,725,952
Cash flow from finance activities	-15,660,460	-10,534,349
NET DECREASE IN CASH AND CASH EQUIVALENTS	-8,047,648	-1,112,605



Corporate **Culture**

Committed to...

Ineco is characterised by an explicit commitment to the company's customers, shareholders and suppliers, the environment and society as a whole.

Committed to our customers

Our customers are our top priority

Ineco strives every day to provide high quality services to our customers around the world. To this end, we bring to bear our vast experience in the transport sector, our management and technological capacity and our global resources, making all these benefits available to our clients. Trust, dedication and commitment to results are the foundations of our relations with customers.

Innovation for excellence

Constant promotion of innovation in its business areas enables Ineco to generate added value in the services that the company provides, positioning us amongst the leading engineering and consultancy firms in the transport sector.

In order to improve the company's position even more, Ineco takes up the new challenges and opportunities generated by recent economic, social, energy, technological and environmental changes, as we advance steadily along the path of innovation.

Ineco's strategic commitment to innovation:

- We promote an active, critical professional spirit.
- We encourage creativity and the development of human potential.
- We ensure the efficiency, validity and quality of our products, making these their basic characteristics and increasing the value-added generated by our services.
- We maintain the dynamic of constant development and progress in all the activities the company undertakes.



In 2012, Ineco developed 48 active projects, focusing particularly on those aimed at generating new products or services (55%) and on those whose objective is to improve processes (27%). Seven “lab-type” or experimental projects were also developed, their objective to decrease the risk associated with the later stages in works development. To fund the development of all these projects, besides the economic effort made by the company itself, Ineco also received €1.23 million in external financing for R&D, of which 39% was from international sources and 21% from national sources, whilst tax deductions for R&D&I accounted for the remaining 40%. (EC-04)

More than 51% of the projects terminated in 2012 were completed with technical success of 95% or more, on occasions surpassing the objectives established.

Ineco’s services have considerable impact on the progress of the societies in which we operate thanks to the development of products that help

to generate a more responsible and sustainable transport system. To this end, the company seeks innovative solutions that will yield value, not only to the customer, but also to society as a whole.

Under these premises, in 2012 Ineco established and consolidated the Innovation Reference Framework, the new, reinforced R&D&I policy, which establishes the detailed *modus operandi* from the generation of an idea to its incorporation in an innovation project.

According to this Reference Framework, the R&D&I policy is developed in all areas where new needs are detected, in accordance with two complementary lines of action:

- Promotion of projects aimed at satisfying our customers’ most pressing current needs.
- Integration into ongoing projects that represent significant advantages in the strategic sectors of internationalisation and growth.



Outstanding achievements

Innovation objectives fulfilled in 2012

Satisfy commitments acquired with regard to society, customers and shareholders

Improve competitiveness by developing new products and services

Increase the company's productivity

Through its work in the field of innovation, Ineco has met the objectives established, achieving the following advances:

- **Consolidation of the Innovation Reference Framework and strengthening of the processes and roles** it defines, including the figure of the Innovation Manager (“responsable de innovación”, RIN).
- **Incorporation of initial analysis stages to decrease the associated risks:** establishing technical and financial studies prior to the launch of projects through labs.
- **Optimisation of project development control:** improved technical, financial and scheduling results associated with project development.
- **Larger number of international proposals for cooperation:** support for their presentation and creation.
- **Significant increase in activities and results for internal and external dissemination:** establishment of traditional internal communications channels including, particularly, the internal innovation forum and the “Ineco innova” (“Ineco Innovates”) blog, available to all personnel on the corporate intranet.
- **Completion of an innovation audit at Ineco:** a study of the present and future of innovation in the company.
- **Development of a catalogue of innovation projects:** identifying the innovation projects with the greatest impact in the international arena and internal presentation.
- **Improved external financing:** preparation and application for tax deductions and justification of national subsidies for R&D&I.

R&D&I projects

European Projects

With a view to maintaining the company's position in the vanguard of technological and innovative development, Ineco continues to participate actively in R&D&I projects financed by the European Community within the Framework Programmes for to aid research and development.

Ineco's commitment to research and the development of new systems enables the company to lead the introduction of new technologies in the Spanish railway sector. This was the case, for example, of Ineco's involvement in the development and implementation of ERTMS/ETCS, the new European standard Railway Signalling and Train Control system, and the development of INESS, the integrated European signalling system.

Thanks to the company's presence in different transport modes, Ineco can use know-how and developments from one sector for application in others. For example, adapting the GRAIL2 project for GNSS -satellite navigation technology- for the railway sector.

Moreover, projects like DEMASST and SECURED enable Ineco to improve its capacity in new technologies and fields of application, such as the protection of people (Security). Finally, the TITAN project positions us as a reference in the field of air navigation.

Main projects

A-NOISE: a tool to evaluate the total noise impact of all airport activity.

AV-RAMS: RAMS (Reliability, Availability, Maintainability, Safety) is a study of the Spanish high-speed lines to facilitate their maintenance and improve their reliability.

BACTERIO: the main objective of this cooperative innovation project (between Ineco and the Bio-Iliberis Research & Development laboratory) was to develop and implement a system of in situ hydrocarbon waste treatment in order to achieve pollution levels below those established by the public authorities with regard to the airport environment. The patent (Ineco's first) application has been made and the hope is that it will be issued over the course of 2013.

CRONOS 2.0: development of a comprehensive analysis solution for the operation of railway lines.

ELARA: development of a computer tool for positioning ERTMS eurobalises, optimising the distribution and occupation of fixed eurobalises on railway lines equipped with ERTMS.

GRECA: a geo-referenced information system to support the management of road networks.



HECCO (Communications Coverage Evaluation Tool): this tool can be used to evaluate the coverage provided by any ground-air communications centre.

ICECOF: a platform to provide a system for the supervision and control of ADIF railway operations.

IETRANS: development of a methodological guide that transport professionals can use to evaluate, in a uniform, consistent, systematic and flexible way, the energy impacts generated by energy consumption due to the introduction of measures, policies or investments in the transport sector.

LARGUERO-VIGUETA: a three-dimensional study using finite elements to determine the behaviour of bridge structures, particularly the joints of crossbars and beams and the influence of fatigue phenomena.

SIMULADOR: study of the flyability of a flight procedure. Enables trajectories to be generated, visualised graphically and, in a coordinated way, to validate the procedure, both in flight and on the ground.

TÚNELES: studies of the piston effect in high-speed tunnels (auscultation, modelling and methodological development of the calculation and design of tunnel sections to ensure compliance with UIC comfort and health criteria).

Associations and platforms

Ineco's presence in various technology platforms and networks of excellence linked to the company's areas of interest enable us to be involved in developing the state of the art, as well as increasing our capacity to network with different stakeholders in the sector.

- EATRADA - European Aeronautical Association.
- ERRAC WG - European Railways Association.
- PETF - Spanish Rail Transport Platform.
- PTC - Spanish Road Technology Platform.
- EURNEX - European Rail Research Network of Excellence.
- PLANETA - Spanish Platform for Environmental Technologies.



Quality: our value-added

Ineco manifests the company's commitment to quality through the Quality and Environmental Policy, a tool established to lead us towards constantly improved performance.

Quality, recognised as a differentiating factor in Ineco's activity, forms part of the company's management system as an indispensable requirement for guaranteeing optimum results. To this end, Ineco adopts an approach towards sustainability that takes into account economic, environmental and social aspects, with the permanent aim of constantly improving all processes.

This approach is based on the fundamental values of social responsibility, teamwork, environmental conservation, satisfaction with the job well done, the spirit of services, and complying with the requirements of both our customers and all applicable legislation and regulations.

Ineco has adopted a Management System that covers aspects of quality and environmental management based on the UNE-EN-ISO 9001:2008 and UNE-EN ISO 14001:2004 standards and certified by AENOR. All the company's activities are certified according to these standards.

Ineco is accredited by ENAC, the National Accreditation Agency, as an Inspection Body for Type C Railway Rolling Stock and as an Independent Assessment Body for the Safety of Railway Applications (Type C), in accordance with the criteria established in the UNE-EN ISO/IEC 17020:2004 standard.

Ineco was the first, and is at present the only organisation, to receive this accreditation in Spain.

Quality, a unifying tool at the service of the organisation.



Commitment to continuous improvement

Ineco incorporate quality assessment in its activity as a natural part of all processes, a key factor in creating value for the company's customers. This process-based approach enables the organisation to operate efficiently by identifying and managing many interrelated activities.

In 2012, led by top management and the efforts of the entire organisation, a series of actions were developed with the aim of:

- **Improving technical processes, including actions aimed at enhancing communication and cooperation between working groups:** training sessions have been organised, attracting huge demand and achieving great success, in which working groups from different areas come together, to encourage synergies between them in order to highlight best practices in specific aspects of their areas of expertise. Work methodologies were also developed to enable cooperation between groups from different areas.
- **Furthering our knowledge about new opportunities that can contribute to improvement and innovation in the system.**
- **Strengthening the culture of quality, service and environmental awareness in projects, works and the organisation as a whole:** the company training plan includes, as a transversal subject, training in quality and the environment. Accordingly, training activities devoted to the quality and environmental management system are aimed at project workers, personnel that provides providing assistance at works, etc.
- **Raising workers' awareness about quality, the importance of making a rational use of resources and environmental protection:** to this end, awareness-raising campaigns are launched on the intranet, placing particular emphasis on environmental awareness (electricity and water consumption, reducing consumption and reusing paper, etc.).

The Management System adopted focuses particularly on prevention, with a methodology aimed at avoiding failures in quality, both in organisational aspects and specific aspects of production processes and support services. To this end, Ineco is provided with the procedures, guidelines and instructions necessary to establish and verify the good functioning of the system,

ensuring that any anomalies are corrected and preventing them from being repeated.

Within this framework, in 2012, as in previous years, the company carried out continuous internal quality assessment, evaluating the goals set regarding quality objectives, using the indicators designed for this purpose, with a view to providing ever better quality in all the company's services.



Dialogue with our customers

Always seeking continuous improvement, Ineco attaches particular importance to the information provided by the company's customers, making them partners in the evaluation of its products and services and processes.

To illustrate the company's commitment to quality, at the end of each project Ineco conducts a satisfaction survey to determine our customers' opinion of the work performed (company image, quality of products and overall evaluation of services provided). To process these results more quickly and easily, the company employs an automated tool to administer the survey and compile replies.

The average results from the customer satisfaction surveys are highly positive (see chart on next page). The average results from the customer satisfaction surveys are highly positive. Generally speaking, improvement is observed in all aspects included, compared to the previous years 2011, 2010 and 2009. Also especially important is our customers' opinion of the service received: a score of 9.1 out of 10.

Ineco makes all efforts to continue improving both its services and communications channels with customers. To this end, the company provides a claims management service on the website, by which we can receive any communications, suggestions or queries regarding the organisation. To date, no claims or complaints have been received from any of our customers.

Two further channels have also been established in order to improve communications with our customers:

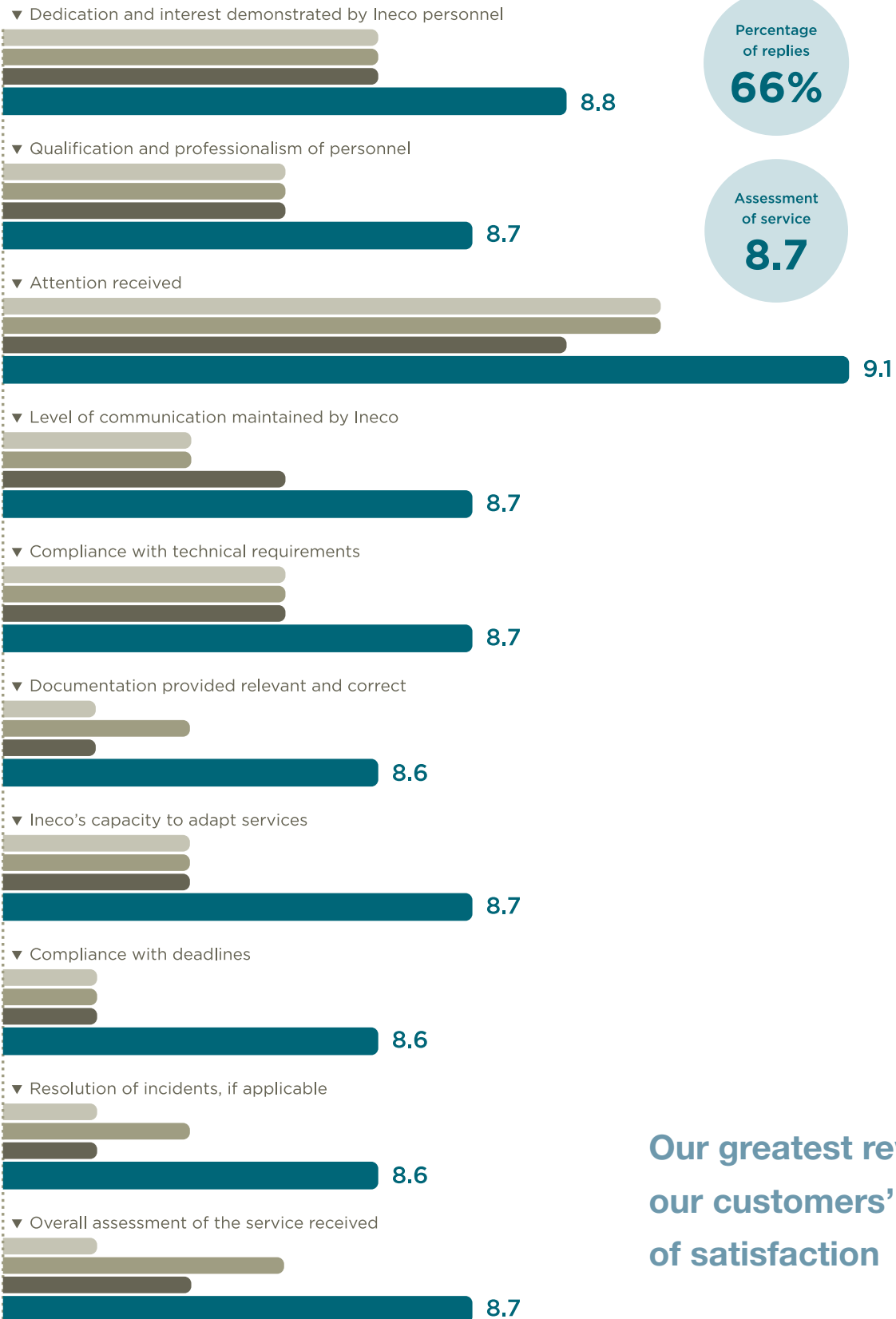
- Before each work is delivered, a communication is issued to indicate its scope, helping to focus efforts in the right direction.
- After delivery, meetings are held to present the results obtained from works, a source of valuable feedback from our customers.

It is important to note that customers' overall perception regarding overall service provided in 2012 increased by three decimal points compared to 2011, a 3.4% improvement in overall evaluation.



Overall evaluation in 2012

● 2009 ● 2010 ● 2011 ● 2012



Percentage of replies
66%

Assessment of service
8.7

**Our greatest reward:
our customers' degree
of satisfaction**



Committed to our team

Ineco's greatest asset: our team

Aware that the company's greatest asset is its people, Ineco is strongly committed to its team and works to make the company an attractive place to work that promotes the development of its workers in a sustainable environment.

In pursuit of these objectives and taking into account the current economic situation, Ineco has adopted a series of strategic lines regarding the management of resources and productive processes. These lines are:

- Efficiency plan to guarantee the company's long-term competitive.
- Towards internationalisation
- Excellence in business management to guarantee quality and competitiveness.
- Improving processes with regard to corporate resources.



Management and processes

Efficiency plan

In 2012, Ineco continued to develop the efficiency plans introduced in previous years, in line with the strategic objectives established by the Ministry of Public Works and Transport. These initiatives were applied within the broader context of a business efficiency plan that seeks to reduce expenses, enable resources to be gradually adapted to market evolution and adopt measures that contribute to the company's competitiveness and sustainability. On this point, we should note that the workforce has been reduced by 8.14% since 2011.

2,830
employees



At december 2012

Towards internationalisation

The national economic situation, ever less dynamic as far as new transport infrastructure is concerned, has led Ineco to increase the company's presence in foreign markets.

People by geographic region

	TOTAL	H	M
EUROPE	19	14	5
Belgium	1	0	1
France	2	2	0
Holland	1	1	0
Kosovo	1	1	0
Lithuania	1	1	0
United Kingdom	12	8	4
Turkey	1	1	0
Spain	2,730	1,115	1,615
	2,749	1,129	1,620
	TOTAL	H	M
AFRICA	1	1	0
Cape Verde	1	1	0

	TOTAL	H	M
AMERICA	28	24	4
Mexico	11	7	4
Brazil	5	5	0
Jamaica	1	1	0
Colombia	3	3	0
Ecuador	6	6	0
Venezuela	2	2	0
	TOTAL	H	M
ASIA	52	44	8
India	2	2	0
Nepal	2	1	1
Kuwait	22	16	6
Saudi Arabia	24	24	0
Israel	2	1	1

Ineco's activity produces a positive impact on society through job creation, as the company promotes a local recruitment policy, both throughout Spain and abroad.

Ineco hires local personnel in some of its international projects, for example, in Saudi Arabia, Ecuador, Mexico, Colombia and so on. In 2012, 3% of new recruitments were for countries other than Spain.

As part of the company's international expansion strategy, Ineco has launched a series of actions to support and motivate personnel posted abroad. Regarding the internationalisation policy, the company has all the necessary tools as regards human resources to ensure the success of its projects. To this end, Ineco studies local costs and quality of life, salaries, tax systems, labour legislation, accommodation, etc., in the different countries in which the company is present.

Regarding local international recruitment, Ineco, establishes salary ranges in each country according to market values, based on information provided by specialist consultants or local offices. The starting salary is always equal to or higher than the local minimum wage.



Quality, competitiveness and prestige

Ineco's sustainable business management was rewarded, at both national and international level, by the following prizes:



For the fifth consecutive year, Ineco was recognised as a Top Employer, considered an “excellent place to work” in view of its recognised capacity to attract and retain talent. However, not content with that, Ineco also seeks to establish a more efficient, well-structured, collaborative organisational and management model to promote the company's image of excellence by obtaining more certifications, accreditations, prizes and accolades. A model for continuous improvement aimed at achieving excellence.



Ineco has been selected as one of the fifty companies shortlisted to represent Spain at the prestigious European Business Awards 2012-2013, in the category of Employer of the Year. Employers recognised in this award category have the ability to inspire and motivate their staff by enabling career expansion, operating equal opportunity schemes and understanding the importance of a work-life balance.

Improving processes

Working to professionalise and increase the quality of processes, Ineco has planned and implemented several measures aimed at simplifying phases and reducing costs. Such measures have been taken with regard to insurance, employee services and computer equipment, amongst others.

We take care of our employees

Programa +

Ineco continues to implement Programa +, a programme launched in 2011 to great success. Under it, the company offers employees under collective bargaining agreements the chance to increase the flexibility of the social benefits they receive. This allows them to choose, according to their personal needs, with the possibility of changing their selection at the end of each year, from among the following products:

- Meal tickets.
- Day-care tickets.
- Medical insurance.

Under Programa +, Ineco also provides each employee with life insurance, including coverage for incapacity or disability.

Collective agreement

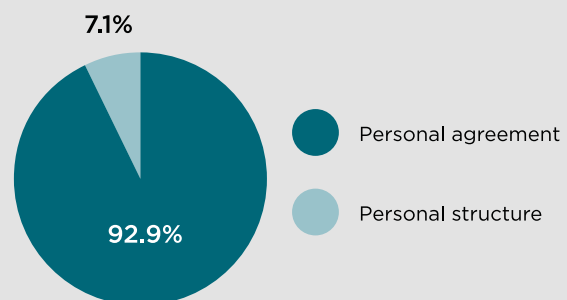
In late-2011, Ineco agreed with the workers' representatives to renew the existing collective agreement, which duly remained in force throughout 2012. Some 92.9% of the workforce is covered by this collective agreement.

Ineco provides the same social benefits to all employees, making no distinctions between full-time, part-time and temporary workers.

In terms of compensation, the applicable agreement at Ineco is the national collective bargaining agreement for engineering and technical studies offices and a variable compensation policy based on the degree of fulfilment quantitative and qualitative objectives. One of the qualitative objectives is "personal evaluation".

Remuneration for structural personnel, not covered by the agreement, is also linked to the management of talent and is based on qualitative (30%) and quantitative (70%) indicators.

Percentage of employees covered by collective agreement



Ineco establishes formal agreements with unions in order to guarantee the health and safety of all the company's employees. There are two health and safety committees: the first, which has fourteen members and represents 80.6% of the workforce, operates in Madrid; whilst the second, which has six members and represents 4.7% of the workforce, is based in Barcelona.

Integra Plan

Within the framework of its corporate responsibility programme as concerns social and cultural development in the environment in which the company operates, Ineco has continued to deploy the integration plan for people in groups of people at risk of social exclusion, to which the organisation devotes particular attention: people with disabilities, victims of gender violence and young people brought up in the care system.

The plan includes a series of measures aimed at implement models for managing diversity in a context of equal opportunities, to which end the following objectives have been established:

- To ensure the full integration and best working conditions for people with disabilities.
- To improve the quality of life of disabled employees and/or dependent family members with some type of disability
- To foster a culture of integration and social awareness.
- To promote the recruitment of members of these groups and make a commitment to improving their employability.
- To contribute to the social and employment integration of people at risk of exclusion, providing them with equal job opportunities.

Work-life balance and equal opportunities

In an effort to encourage the work-life balance and equal opportunities between men and women, in 2012 Ineco continued to implement the policies established to this end in previous years. The Equal Opportunities Plan is the main expression of this initiative and includes specific policies to promote the work-life balance, control mechanisms and tools to prevent discrimination on grounds of gender, as well as awareness programmes for the entire workforce.

The Action Plan includes a series of initiatives aimed at promoting:

- Gender equality.
- Life-work balance.
- Prevention of sexual and gender-based harassment.

These initiatives include:

- Awareness-raising programmes.
- Training programmes in the management of diversity.
- Procedure control mechanisms and tools to prevent discrimination.
- Support group.
- Specific policies to promote the work-life balance.

Measures under the Equal Opportunities Plan

To raise awareness

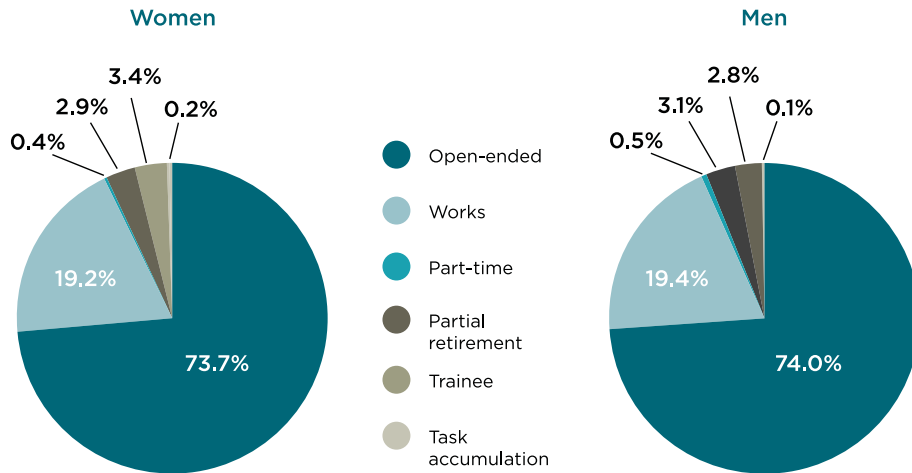
To prevent discrimination

To provide equal opportunities

To provide resources for equality

To project an image of equality

Types of contract, by gender



The figures reveal very similar numbers for men and women according to type of contract, clearly illustrating Ineco’s commitment to equal opportunities.

Maternity / paternity leave

	TOTAL	M	W
Active leave 2011	188	93	95
Active leave 2012	219	104	115

Active leave: staff members who, during the periods indicated, were on maternity or paternity leave, whatever the date this leave began and/or ended.

Rates of return to work and retention after twelve months

	TOTAL	M	W
No. of people still at the company at 31/12/2012	146	87	59
No. of people on active maternity / paternity leave at 31/12/2012	5	1	4
No. of people no longer at the company at 31/12/2012	14	5	9
	165	93	72

Personnel who returned to work after maternity or paternity leave in 2011 and were still at the company in 2012.

Ineco continues to work against the risk of discrimination in hiring, training and promotion to ensure that men and women have equal opportunities. The composition of the workforce and the governance bodies tend to improve in terms of gender equality.

Composition of the corporate governance bodies and the workforce, broken down by gender, age group, minority group membership and other indicators of diversity

POSITIONS	No.	M	W	< 30 years	30 - 50 years	> 50 years	% foreign nationals
Company management team	202	80.2%	19.8%	0.0%	73.3%	26.7%	1.1%
Management, administration and technical personnel	1,983	63.0%	37.0%	15.7%	80.7%	3.6%	1.1%
Support personnel	645	44.5%	55.5%	11.8%	75.2%	13.0%	1.1%
Personnel covered by collective agreement	2,628	58.4%	41.6%	14.7%	79.3%	5.9%	1.1%
TOTAL PERSONNEL	2,830	60.0%	40.0%	13.7%	78.9%	7.4%	1.2%



Ineco promotes communication

Internal communication actions, aimed at employees, are indispensable for promoting the corporate culture and aligning it to the company's values and strategic objectives, as well as motivating the workforce, retaining talent and successfully meeting the changes and challenges generated by the business environment.

To this end, Ineco has introduced the Welcome Programme, aimed at people new to the team. The programme includes a session to introduce the company and welcome new recruits, as well as providing them with a many providing useful information about the company.

Inet, the Ineco intranet is another key channel for strengthening the corporate culture and improving the internal functioning of the organisation. The intranet includes segmented spaces so that everyone working at Ineco can easily consult the information they need in their daily work. Employees can also access areas providing news about the latest developments in the transport sector and the organisation. Inet also includes blogs and forums to encourage and facilitate interaction, dialogue and the generation of opinions about different subjects of interest amongst workers.

The company also provides a suggestion box to collect opinions and proposals from the entire

team. This enables employees to communicate any concern they may have quickly, easily and directly. The main concerns communicated via the suggestion box revolve around improved social benefits for employees, such as the establishment of a crèche service, improved medical assistance and insurance and possible aid for transport. The suggestions received also reveal considerable environment awareness on the part of employees, with ideas aimed at reducing or mitigating impact including such initiatives as carpooling, alternative means of transport, such as bicycles, and saving paper and other consumables.

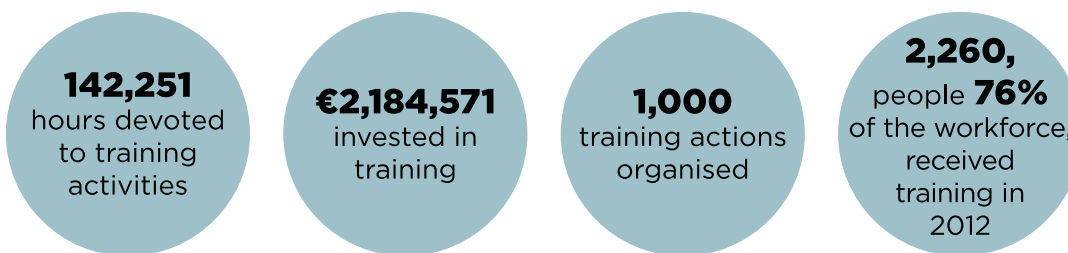
Additionally, Ineco publishes a monthly online internal magazine, *Sobre la marcha*, which is sent to the entire workforce. The magazine contains news about company developments and events that are of interest to employees. A daily press round-up, *Resumen de Prensa*, featuring references to Ineco in the media as well as news on the sector, is also distributed. To communicate important news about the organisation, a more direct means of communication is employed: *Ineco hoy (Ineco Today)*, which reaches all employees by email.

To learn about the main concerns and interests of employees, a Labour Climate Survey is carried out every two years to gather information about the aspects of Ineco that employees rate highest and lowest. The next survey will be administered in 2013.

In order to encourage transversal mobility between business areas and flexibility amongst its teams, the company also runs a job opportunity channel, which provides employees about new career opportunities within the organisation.

Finally, the Workers' Committee, the body that represents Ineco personnel, plays an active role in communication between the company and employees. At the meetings between Ineco and the Workers' Committee in 2012, the main concerns dealt with were dissemination of general economic and financial information, aspects of salaries, employee promotion and training and travel policy.

Training, a key aspect in professional development



The Ineco training plan is structured into itineraries for each of the positions in the organisation, responding to the three training itineraries that form the three possible professional careers at the company (management, technical and support). The same training areas as in previous years are maintained. The programmes are organised into three broad categories:

- Skills training: aimed at providing professionals with the necessary skills and competences for to enable them and their teams to carry out their work well. In 2012, 115 courses were given in this category, representing 12% of the total.
- Specific training: this category includes all training activities aimed at providing employees with specific, usually technical, knowledge linked to their professional careers. Each position has

compulsory specific training, as well as another type of specific training that can be decided by the areas according to their needs. 472 specific training courses were given in 2012, 47% of the total.

- Transversal training: aimed at the entire organisation according to the needs of each individual. This category includes language, computer, quality, environmental and health and safety training. 412 courses were provided in this category in 2012, representing 41% of the total given over the year.

Additionally internal technical training is also given by company personnel. Moreover, employees taking official training courses in subjects related to their jobs may receive financial assistance.

Training for professional development

Grouping by level	Total hours men	Total hours women	Total hours	Average hours men	Average hours women	Average hours
STRUCTURE	12,147	3,651	15,798	74.98	91.28	78.21
MANAGERS AND HEADS	27,812	13,553	41,365	69.18	79.26	72.19
TECHNICIANS	38,651	31,164	69,815	45.63	55.35	49.51
SUPPORT	6,142	9,131	15,273	21.40	25.50	23.68
TOTAL	84,752	57,499	142,251	49.91	50.79	50.27

Attracting talent

The search for outstanding, flexible but at the same time specialised profiles is crucial to Ineco in order to maintain a team that is capable of satisfying market demand, both nationally and internationally. A high level of technical competence, mastery of languages, geographic mobility and flexibility are amongst the key requirements for developing a successful career in our organisation.

Through its programme of grants, Ineco helps to bring young students into the professional market whilst also contributing to creating a pool of recent graduates with experience and interest in transport engineering, with a view to covering future needs.

IAESTE GRANTS

(International Association for the Exchange of Students for Technical Experience)

Objective: an international exchange programme that benefits students, institutions and companies.

ICEX GRANTS

Objective: to support companies in the internationalisation process by providing young professionals, previously trained and specialised in the Foreign Network of the Secretary of State for Trade, who complete their training processes in the business environment with a view to entering the workplace.

KUWAIT GRANTS

(in cooperation with the Kuwait Foundation)

Objective: to help train future Kuwaiti engineers, and to establish operational ties between international and Kuwaiti companies to assist with the technical and managerial development of the latter.

Ineco also maintains cooperation agreements with 41 schools, faculties and other bodies attached to the leading national and foreign universities. Of the 64 grants awarded in 2012, 37% were in the railway area, 30% in the aeronautical area, 8% in the international and development area, 12% in environment and consultancy and the remaining 13% in the corporate area.

In 2012, a total of 46 recent graduates joined the Ineco workforce, of whom 58% were trainees recruited at the end of the grant period.

Recruitments of recent graduates in 2012 accounted for 47% of the total new appointments to the workforce.

Ineco also took part in several employment forums organised by several leading national universities, including the Polytechnic University of Madrid, the Polytechnic University of Catalonia in Barcelona (ICCP), the Polytechnic University of Valencia, the University of Seville and Carlos III University in Madrid.

Over the course of 2012, Ineco also opened up new recruitment channels based on the new technologies and the social networks, supports that are particularly important amongst recent graduates and students interested in business internships. In this line, Ineco took part once more in the Virtual Employment Fair for engineers organised by the Spanish Institute of Engineering, which represents more than 20 Spanish technical high schools.

Moreover, a series of talks, presentations and working lunches at university engineering forums also enabled Ineco to establish contacts with talented young people at the country's finest universities.

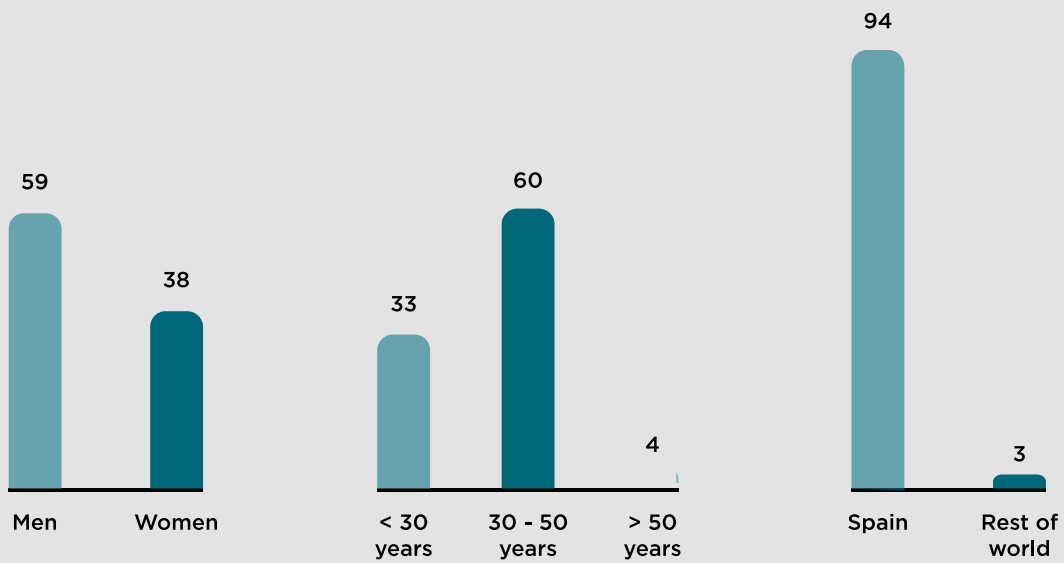
Rotation and recruitment, a thermometer for human resources management

Ineco has a very complete workforce that allows the company to recruit many of the profiles required internally. This translates into a rotation index that is not too high (14.2% in 2012) that enables the company to adapt the workforce to market needs and to retain know-how.

The company is always looking for talent to cover new profile needs, beginning with its own team. In 2012, 12 internal vacancies were filled thanks to the **internal job opportunities channel**.

New recruitments, by gender, age and region

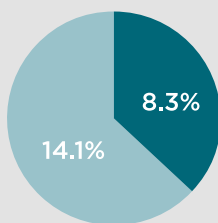
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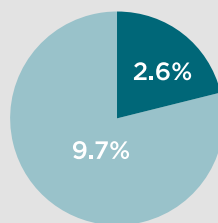
Average rotation indices

● Voluntary rotation ● Non-voluntary rotation ● Retirement rotation

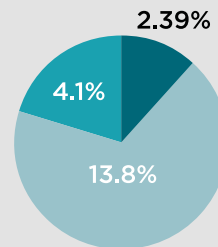
LESS THAN 30



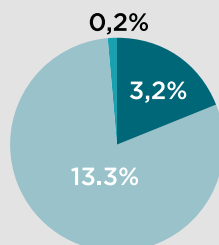
30 - 50



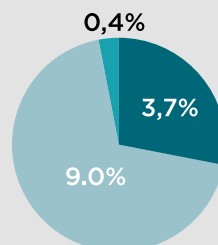
OVER 50



WOMEN



MEN



Performance management

The management of talent is crucial to the development of the organisation, as it enables us to recognise our employees' merits and provide them with opportunities for personal development. In view of this, Ineco has been working on a new model to be implemented at the company.

In this model, team leaders play an important role and it is crucial for each and every person to become involved, defining their professional objectives and engaging in their own growth and development.

At Ineco, talent management is supported by a performance management model, which enables evaluation of the fulfilment of personal objectives and the way these are achieved (skills).

Performance assessment is a continuous, systematic and regular process to evaluate the work of a person in their particular position. Ineco has a long-standing system of variable remuneration, linked in part to employee performance.

In 2013, the company plans to introduce a performance management model adapted to the new organisation structure. This model will be linked to professional career development and variable remuneration, with equality between men and women, and will facilitate team management decisions.



Making the most of our know-how

Ineco continues to work actively on the know-how management model, a task that began the previous year. The company's efforts are focused on systemising management of the know-how accumulated over more than forty years, establishing mechanisms and processes to enable knowledge to be detected, captured, organised and retained in the company, facilitating its internal dissemination and making it available to our customers in order to differentiate ourselves from our competitors.

The company has established several initiatives, which are accessible to all personnel through the corporate intranet. Forums, blogs and communities devoted to practical issues enable any employee to take part and begin debates, according to their interests. These resources are complemented by talks and work meetings whose conclusions are made available to all those interested in consulting them. Finally, the company has a documentation centre devoted to compiling all information (books, articles, studies, projects, regulations, legislation, specialist magazines...) that may be useful for developing the company's activities.



Prevention and safety

In the field of prevention and safety, Ineco strictly complies with current legislation, acting responsibly towards people in the awareness of these aspects for the correct development of the company's activities.

In 2012, initiatives launched in previous years, such as the vaccination programme, were continued, whilst new actions were also introduced. In October 2012, a new tool began to be used on the intranet to send personalised information concerning the evaluation of risks relating to each position. This initiative enabled information on all positions in the company to be updated and correctly communicated.

Ineco has had Ohsas certification since 2011 and the first monitoring audit for certification of the prevention management system was carried out in 2012. Ohsas certification requires effort and commitment to continuous improvement in occupational health and safety, going beyond the legal requirements as established in Law 31/95, on Occupational Risk Prevention, and Royal Decree 39/1997, approving the Regulations on Preventive Services.

The report on the 2012 audit reflects a favourable opinion of the degree to which Ineco has introduced the preventive management system and adapted this to the requirements and conditions established in the Ohsas 18001 standard.

The tables below summarise the assistance programmes provided at Ineco and their beneficiaries.

ASSISTANCE PROGRAMMES

BENEFICIARIES	Education / Training	Consulting	Medical checkup	Hazard prevention/control	Treatment
Workers	●	●	●	●	●
Workers' families		●			●

With the objective of preventing occupational traffic accidents and as part of the measures established by the Ineco mobility plan, a study of workforce mobility was carried out by a survey that was sent to all workers. From the information obtained, a mobility flow audit was built up.

The study showed the advantages of applying the plan, to both the company and workers, including lower risk of accidents and, therefore, reduced absenteeism.

Under the current Security Plan, at national level, the measures implemented by the company include management and centralisation of access control at certain buildings where Ineco personnel are working, and the management, tender and contracting of surveillance services at various buildings and works.

International security plans

In response to Ineco’s constantly increasing internationalisation, a series of measures have been taken to ensure that the company’s expansion into foreign markets takes place within a framework of secure conditions for employees.

Ineco establishes specific prevention and security plans for employees posted outside Spain.

The company is working to formulate several international prevention and security plans, such as that developed for Mexico, which are specifically designed for professionals working outside Spain. These plans provide information about risks in the country and measures to be taken, and provide for the training of personnel, particularly those taking up international posts that require special protection measures or adaptation to the new work environment, reference treatment for new recruits and evacuation and crisis management plans.

Complementary to this, in 2012, Ineco provided employees with an information and training service concerning questions of security in the destination country, including self-protection measures and behaviour guidelines.

Security authorisation

At the end of the third quarter, Ineco completed the necessary formalities to obtain accreditation to handle classified documentation. At the national security office (ONS), the company chairman signed the corresponding agreement and was informed about the responsibilities acquired with this accreditation. On July 30, the company’s security approval, to reserved or equivalent level, was received from the Ministry for the Presidency.

Committed to **society**

Transport at the service of all

The development of transport systems is essential for all countries, as such systems help to structure the territory, improving communications and fostering economic, social and cultural advances. Ineco, as a player in such development, is committed to this goal, enshrining it in the company's Corporate Responsibility Plan.

Ineco has always demonstrated an interest in learning about and becoming involved in the different environments in which it operates. The company does not consider itself a mere economic player but, through responsible and sustainable business management, maintains a firm commitment to cooperation in order to achieve greater development for society. Most of Ineco's activity takes place in the national market, contributing to the growth of the communities in which the company operates, developing their transport systems and boosting the generation of economic wealth whilst taking into account local cultural peculiarities and seeking always to generate a positive impact.

Commitment to cooperation in order to generate greater economic, social and cultural development.

- The purpose of transport engineering and consultancy is to develop transport infrastructure, which has great impact on the advancement of societies.
- Ineco's activity generates a positive impact on society through job creation, and promotes local recruitment policies both in Spain and abroad.
- Ineco promotes the integration of people with disabilities into the workplace, working to eliminate all barriers to this that may exist within the company.
- Ineco is committed to research and to spreading knowledge by engaging in innovation projects, debate and dissemination.
- As a reference in its sector of activity, Ineco promotes active cooperation with other national engineering firms in order to develop joint projects, particularly in the international market.

The Corporate Responsibility Policy establishes the lines of action with regard to CR concerning our stakeholders, which include society. To this end, the company draws up an annual specific plan for social action, detailing the initiatives to be developed over the year.

Respect for human rights

Ineco's business management fosters respect for human rights in all spheres, with such objectives as: preventing, promoting, facilitating, correcting and supervising Ineco's activities to ensure that they are adapted to the principal international standards, the company's values, current legislation and social demands of the day as regards all facets of the organisation. The goal of all this is to ensure that people enjoy a work environment that is healthy (physically, mentally and socially) and in which their dignity and integrity are respected.

This work is performed through the application of a strict professional ethic based on the principles enshrined in the United Nations Global Compact, which include respect for human rights, and the

company's Integrity, Transparency and Commitment guidelines.

Ineco organises training courses on human rights for employees. In 2012, the company provided a total of 480 hours' training in policies and procedures.

Moreover, the Ineco Agreement and the Engineering Industry Agreement also contain provisions regarding human rights, and the company duly applies these principles in its day-to-day activities. Should an incident concerning human rights arise, the Harassment Committee and the Ethics Committee are the company's internal bodies responsible for launching action to resolve any such cases.



Ineco enters into action

In accordance with the company's commitment to society, Ineco has established a social action plan. In 2012, under this plan, the company developed a series of initiatives and a large number of joint cooperation projects with not-for-profit organisations, paying particular attention to the activities in which Ineco generates the greatest value-added, in which the company benefits from the great expertise of its professional staff.

Solidarity Euro Campaign

The Solidarity Euro Campaign is a stable channel for charitable participation in which employees donate part of their monthly salary to finance a project chosen previously by vote. Ineco, in turn, agrees to double the contributions of its employees, up to a certain maximum amount.

In 2012, the campaign led by Doctors without Borders (DWB), promoting a project to combat child malnutrition in Degebur (India), was completed.

Employees contributed €29,695 to the campaign, and this figure was doubled by the company to €59,390, enabling DWB to treat 1,534 children for malnutrition.

A new campaign was launched in July 2012 and will continue until its closing date in June 2013. This time, the project selected by employees was a programme to provide training and protection for homeless girls in Barranquilla (Colombia), and is led by the ANAR Foundation. In 2012, employees raised €9,230, a sum that was doubled by the company to a total of €18,460.

Hiking for integration

Ineco is committed to promoting the integration of people with disabilities, both into the workplace and socially. To this end, the company cooperates with various initiatives, such as the hikes organised by the Fundación Deporte y Desafío (Sports and Challenge Foundation). Within its corporate



volunteer programme, Ineco contributed to this by providing a team of volunteers who participated in these activities during their work schedule.

Promotor Programme

The Prodis Foundation has established a specific training programme for people with mental disabilities, to promote their integration into employment. To this end, in cooperation with the General Foundation of the Autonomous University of Madrid, the Foundation has created its own degree. To date, Ineco has recruited three workers from this programme.

Training for young people at risk of social exclusion

Ineco believes in improving the training and employability of young people at risk of social exclusion. To this end, the company supports their education and provides its employees' knowledge and skills, placing these at the service of the integration into the workplace of such young people.

The Coach Project, launched in 2012, consisted of an employment training scheme for young people at risk of social exclusion, and was organised in cooperation with the Exit Foundation. Under this programme, three young people joined the Ineco workforce for six days, accompanied by a voluntary tutor, or mentor, who took them through their employment coaching. The initiative had the following objectives:

- To create a feeling of trust towards the world of business.
- To promote positive change in the young people, raising their self-esteem.
- To encourage them to develop social skills that will enable them to find and keep a job.
- To raise the motivation to work amongst these young people.



Work in this same direction was also conducted in 2012 with young people from the Norte Joven (“Young North”) Foundation. Personnel recruitment staff organised training in groups, who took part in role-plays of interviews in order to help them to take their first job interview more successfully, improving their employability.

Volunteers from Ineco also conducted one-on-one interview role-plays in order to detect opportunities for improvement to help the young people successfully pass job interviews.

Finally, the Economic and Financial Department organised a training module providing basic financial instruction that will be useful to them in their professional careers.

These initiatives were highly rated, both by the volunteer employees and the foundations and beneficiaries.

En Route - Ineco’s professional corporate volunteer programme in Peru

En Route, a professional corporate volunteer programme implemented by Ineco in cooperation with the Codespa Foundation, consisted of a study carried out by two volunteers from the company’s personnel for the rehabilitation of access roads to the indigenous communities in the Sacred Valley of Cusco. During the rainy season, these roads became difficult to travel along, restricting the possibilities of local families to obtain income from rural tourism.

Through this initiative, Ineco generates value-added in its social activities by placing the know-how and skills acquired by professionals working for the company at the service of society.

Calculating the carbon footprint of a high-speed railway line with ECODES

Providing volunteer personnel from the Environmental Department and in cooperation with the ECODES Foundation, Ineco drew up a detailed technical study of the potentially most pollutant activities linked to the construction phase of a high-speed line. This study led to the development of a methodology to calculate the carbon footprint generated by the works phase of railway infrastructure, which can be used in both national and international projects.

Emergency aid

Ineco maintains a Cooperation Agreement with the Red Cross by which the company forms part of the Emergency Aid Fund and is committed to communicating calls for aid in emergency situations amongst employees, using a series of different channels.

Cooperation

In 2012, Ineco renewed its cooperation agreements with Fundación Lealtad and Ongawa. The mission of the latter organisation is to finance engineering projects, which Ineco supports by disseminating its activities at orientation sessions.

Ineco also contributes to the missions of other NGOs and foundations, such as Apsuria, Masnatur, La FFE, etc.

Business awareness-raising platform

In 2012, a new cooperation project was launched with Ongawa to develop an online platform for raising awareness about CR in the business sector, and which will be completed over the course of 2013. This platform focuses on Central and South America and is aimed at all kinds of target groups: public and private companies, SMEs, governments, organisations, private citizens, etc.

Donations

In 2012, a campaign was launched for donations of office furniture and computer equipment to various NGOs.

The Social Action Plan is reviewed on a quarterly basis, though evaluation and monitoring of volunteer activities are carried out at the end of each through surveys of satisfaction.

Overall volunteer satisfaction: 4.7 out of 5

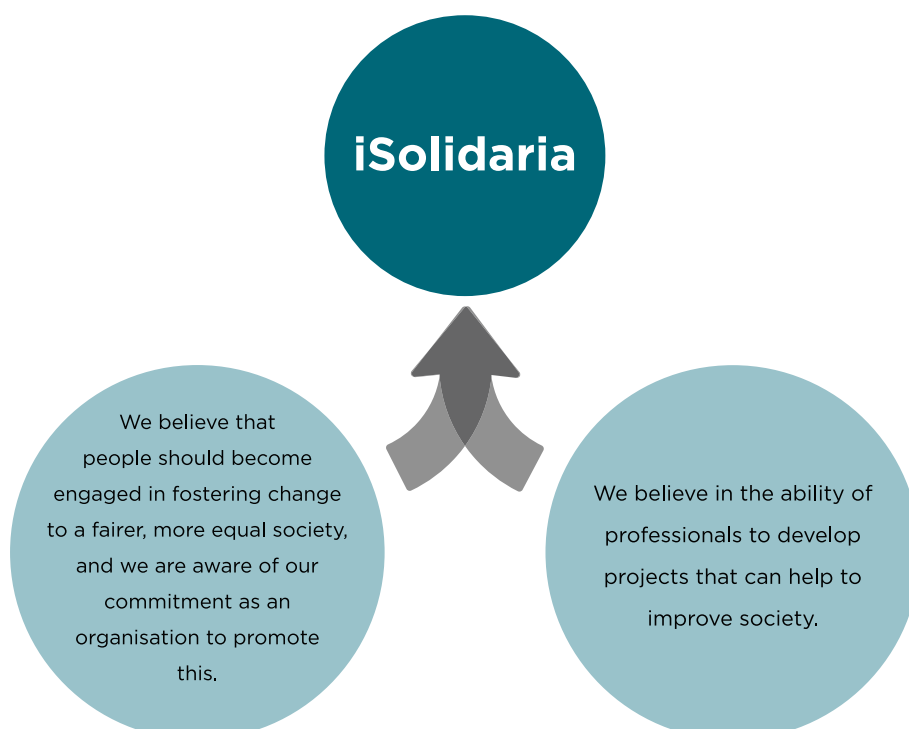
iSolidaria: our social action network



Campaign to protect homeless girls in Barranquillas, Colombia. Photograph courtesy of Anar Foundation.

iSolidaria is section devoted to social action on the company intranet. It was established by Ineco in order to enable and encourage employees to increase their solidarity and social participation, and to establish an information channel on corporate initiatives in this field. On it, employees

can post offers and requests for this type of initiatives to the rest of the organisation, as well as reporting on their experiences in cooperation activities with not-for-profit organisations. The site can also be used to search for openings for volunteers.



Sectoral cooperation

As a reference in its sector of activity, Ineco promotes active cooperation with other national engineering companies to develop joint projects, chiefly in international markets. To this end, the company maintains a continuous, fluid dialogue with both its shareholders, Aena, Adif and Renfe, and its other customers, which include national, regional and local authorities.

Ineco belongs to TECNIBERIA, an umbrella association for engineering, consultancy and technological service companies whose mission is to promote the spirit of solidarity and cooperation amongst its members, as well as developing their professional technical administration and management capacities.

Ineco also belongs to the following national and international organisations:

- SPANISH RAILWAYS FOUNDATION.
- APD (Association for Progress in Administration).
- CLUB EXCELLENCE IN MANAGEMENT THROUGH INNOVATION.
- TECNIBERIA ASINCE.
- HUMAN RESOURCES MANAGEMENT CENTRE ASSOCIATION.
- ASSOCIATION OF SAP USERS (AUSAPE).
- EURO-AMERICA FOUNDATION.
- LATIN-AMERICAN ASSOCIATION OF METROS AND UNDERGROUNDS (ALAMYS).
- MAFEX (Spanish Association of Manufacturers and Exporters of Equipment and Services for the Railway Industry).
- AIRPORTS COUNCIL INTERNATIONAL (ACI).
- INTERNATIONAL ASSOCIATION OF PUBLIC TRANSPORT (UITP).
- LATIN-AMERICAN RAILWAYS ASSOCIATION (ALAF).
- CANSO (Civil Air Navigation Services Organisation).
- CHAMBER OF COMMERCE OF MADRID.
- SPANISH ROAD ASSOCIATION.
- TECHNICAL ROAD ASSOCIATION.
- SPANISH TRANSPORT ASSOCIATION.
- CAMINOS DE HIERRO FOUNDATION.
- AETOS (Spanish Association of Tunnels and Works).
- ACHE (Scientific-Chemical Structural Concrete Association).
- GALILEO SERVICES.
- CETREN (Railway Action Association)
- ONGAWA
- LEALTAD FOUNDATION
- SPANISH RED CROSS.



Dissemination of knowledge

As a reference company in the transport engineering and consultancy industry, Ineco is committed to disseminating knowledge and the value of ideas. Some years ago, this commitment led the company to establish the Carlos Roa Workshop, an internal forum aimed at generating opinion and debate on a variety of subjects related to the transport industry.

In 2012, the company published the book *Retos del Cielo Único Europeo* [Challenges to the Single European Sky], whose authors, Manuel Bautista Pérez, Luis Negrete Cabrerizo and Luis Ignacio Ballesteros Sánchez, take an educational approach in providing an overall vision of the Single European Sky (SES), an initiative launched in 2000 with the aim of abolishing the “frontiers” that exist between countries in the European airways and redesigning the air navigation management system in order to optimise use of the airspace.

Carlos Roa Workshop, aimed at generating opinion and debate on a variety of subjects related to the transport industry.



Committed to protecting the environment

Responsible towards the environment around us

Ineco is committed to acting responsibly towards the environment in order to minimise the environmental impact associated with the use of its facilities, activities and processes, and the services the company provides.



Ineco fosters dialogue with communities in which the company operates in order to ensure that the implementation of each project takes into account the singularities of each different environment and region, as well as establishing the necessary tools and procedures to prevent and mitigate any environmental impact that its activity may cause.

To this end, the company provides the means to generate a preventive culture amongst all employees and establishes an environmental management policy, which is made known both to personnel within the organisation and to outside stakeholders. Moreover, objectives aimed at protecting the environment are established annually.

Strategic lines for management committed to protecting the environment:

- Environmental management system.
- Environmental policy.
- Responsible use of resources.
- Environmental training and awareness.

In both day-to-day work and the preparation of studies and projects, Ineco applies strategic lines and environmental protection guidelines aimed at contributing to the development of sustainable, environmentally-friendly transport infrastructure.

Moreover, in order to prevent risks in the planning of company activities, Ineco has also established a policy for the selection and approval of suppliers according to economic, quality and environmental criteria.

Environmental management system

Aware of the importance of providing service based on excellence and the commitment to protecting the environment, Ineco has introduced, throughout the organisation, a management system, certified by AENOR, that covers aspects of environmental management, as well as quality, based on the UNE-EN ISO 14001:2004 and UNE-EN-ISO 9001:2008 standards respectively.

The management system extends throughout all the organisation's activities and is informed by a quality and environmental policy that includes the commitment to achieve shareholder and customer satisfaction and to minimise environmental impacts by continuously improving processes whilst also complying with quality requirements and applicable legislation and regulations. (4.11)

Quality and environmental policy goals are achieved, basically, through the commitment of the entire organisation involved in working towards compliance with the provisions of the management system.

Ineco has had environmental certification since 2003, and annually assesses the environmental impacts of its activities in accordance with the ISO 14001 standard. This methodology is documented in such environmental procedures as:

- Identification and assessment of environmental aspects.
- Procedure for action in case of accidents with environmental consequences.
- Operational control of projects and works.



Quality and environmental policy

Ineco’s environmental policy expresses the company’s commitment to making its activities compatible with maximum protection of the environment.

Ineco expresses its commitment to quality and environmental protection through the quality and environmental policy, which pursues the objective of establishing the operation criteria necessary to prevent and reduce pollution through controls of emissions, spills, waste, noise and any other environmental impact, with a view to improving the company’s overall environmental performance.

In its pursuit of continuous improvement, Ineco has established the objectives to improve quality and environmental management, 2013-2015, which give continuity to the commitment acquired by the company.

All this is embodied in the following commitments:



Quality and Environment Committee

The organisation has established a Quality and Environment Committee, a body headed by the company chairman whose duties include carrying out reviews of the system at least once a year, and to ensure maximum commitment to the environment and to the quality of our services. The committee members also include the head of quality and the environment and the directors general and coordinators for quality, whilst other members can also be drafted onto the body by agreement.

Responsible use of resources

One of Ineco's priority objectives is the responsible and sustainable use of resources. To this end, the company is committed to reducing consumption of water, paper, electricity and other consumables, as well as minimising waste generation, improving management and reducing emissions.

Analysis of the ongoing results obtained with regards to energy, paper and water consumption, emissions and waste generation provides the basis for setting environmental objectives and for reviewing the environmental management system, with the objective of increasing the level of internal demand as regards this matter.



Water

The main use of water at Ineco is in restrooms and cleaning facilities. The water is obtained from the public water supply, and net consumption of 10% is estimated, whilst some 2,687 cubic metres of wastewater are discharged.

Total water consumption in Paseo de la Habana
(m³)

2007	2008	2009	2010	2011	2012
4,294	3,539	4,689	3,335	3,018	2,986

Total saving of **1%** compared to 2011

Average consumption per employee decreased by 5.5% compared to the previous year, indicating a good response by employees to the awareness-raising campaigns to save natural resources that Ineco has launched in recent years.

Evolution of water consumption per employee in Paseo de la Habana
(Litres / employee / day)

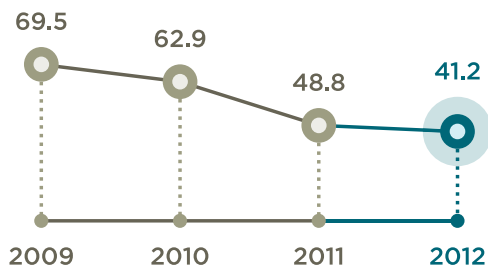


Paper

In 2012, Ineco purchased 41.23 tonnes of white paper (A3 and A4) at the offices in Madrid (Paseo de la Habana, Bull building and EGEO building).

→ 15.5% decrease in total paper consumption in 2012 compared to 2011.

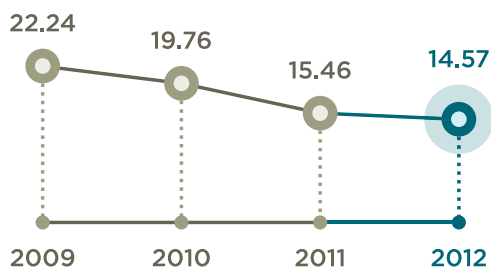
Total white paper consumption (t)



Average paper consumption per person was 14.57 kg in 2012.

→ 5.74% decrease compared to previous year.

Average paper consumption per person (kg)



The decrease in consumption per person was due, to a large extent, to the awareness campaigns launched in recent years, and to the installation of print confirmation devices in 86% of the company's buildings in Madrid, as well as the policy to encourage delivery of documentation to the client preferably on CD.

Toner

The amount of toner consumed is calculated according to the number of empty cartridges generated at the offices in Madrid. In 2012, Ineco collected 2,016 empty toner containers and ink cartridges, an 11.5% increase over 2011.

However, analysing the data by quarter shows a decreasing tendency to generate toner waste over the course of 2012, from 613 units in the first quarter to 384 in the fourth. This decrease can be attributed to the replacement of printers by new models that are more efficient as regards ink consumption.

Electricity

The electricity consumed by the company is obtained from the Peninsular power system, distributed by various companies.

The best practices that were established to enable this energy saving to be achieved were:

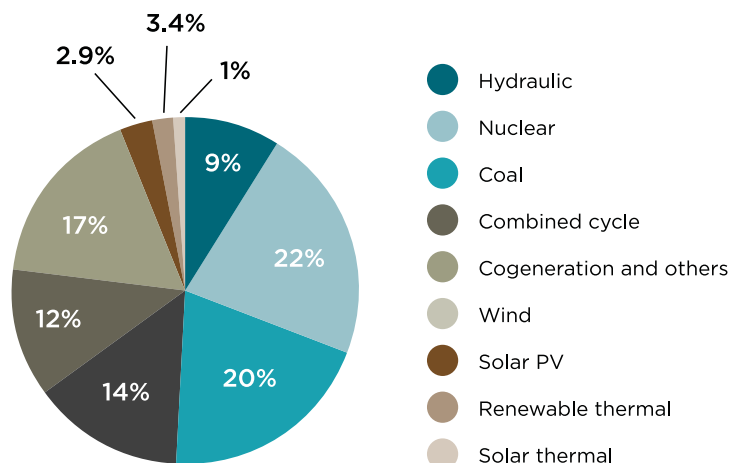
- Staff awareness campaigns, launched at least once a year.
- Installation of sensors in meeting rooms.
- Installation of more efficient equipment.
- Solar panels to heat water for restrooms.
- Installation of LED-type lighting systems.

In 2012, consumption was 9,156 GJ, a reduction of 352 GJ (3.84%) compared to the previous year.

Evolution of electricity consumption per person in Madrid
(Kwh / year / person)



Energy mix 2012
(peninsular system)

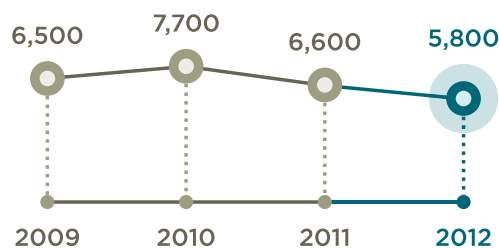


Heating oil

In 2012, heating oil consumption was **reduced by 12.1%** compared to the previous year. This was made possible by:

- The correct development of the boiler maintenance plan.
- Control of temperature in the building.

Evolution of heating oil consumption Paseo de la Habana (Litres)



Diesel oil in vehicles

In 2012, total fuel consumption **fell by 22%** compared to 2011. This was due, largely, to the decrease in the number of vehicles (from an average of 659 in 2011 to 534 in 2012).

However, a full array of measures that were implemented in 2012 also helped to make this saving possible:

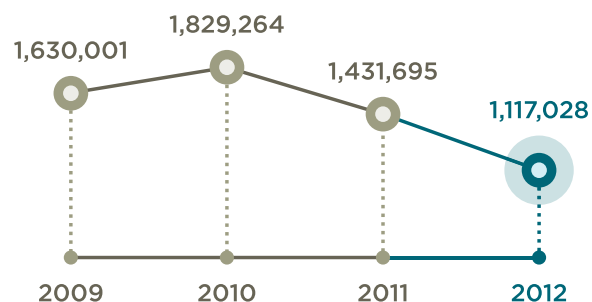
- The use of public transport was promoted through awareness-raising campaigns.
- A car pool scheme was introduced for company personnel.

- The leasing and use of company cars with lower consumption was encouraged (61.22% of vehicles used had a nominal average consumption that was below the average for their category).

- The use of bicycles was encouraged, and cycle parking areas were established at head offices.

Moreover, in 2012, a decrease in the average fuel consumption per vehicle was also noted: on this occasion, this decrease was 3.8% compared to 2011, and was achieved thanks to the replacement of 147 vehicles under the plan to renew the car pool with more efficient vehicles.

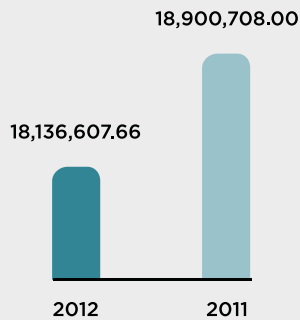
Total consumption of fuel in vehicles (Litres)



Indirect energy consumption

Indirect energy consumption takes into account consumption related to journeys by Ineco personnel, both by train and airplane.

km travelled by commercial airplane

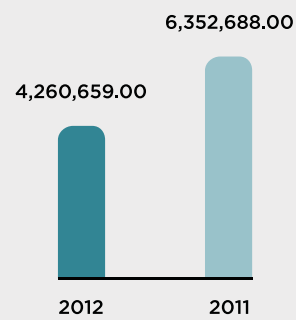


In 2012, total airplane kilometres were 18,136,607.

→ 4% decrease in airplane kilometres compared to consumption in 2011.

(indirect consumption of airplane fuel)

km travelled by train



In 2012, train kilometres were 4,260,659.

→ 33% decrease compared to 2011

(indirect electricity consumption)

The average distance travelled by train per person (km/workforce) decreased by 25%.

*The figures are analysed in kilometres as this is the unit in which the initial data is expressed.

Ineco has drawn up a **travel policy** aimed at achieving greater efficiency and saving resources, helping to reduce emissions. The policy includes the following principles:

- Encouraging journeys by the lowest possible number of people, attempting, whenever possible to limit the number of people travelling to one per journey.
- Minimising the number of journeys and encouraging the use of other communication resources, such as videoconference.
- Using public transport at the point of destination and for short journeys.

CO₂ equivalent emissions

With the goal of continuing to improve the company's environmental management, the objective of reducing vehicle fuel consumption and emissions, approved by the Quality and Environmental Committee in 2012, has been formally established.

As a consequence of Ineco's activities, CO₂ equivalent emissions are generated. These emissions may be direct or indirect.

- In 2012, Ineco's indirect emissions, which were the result of electricity consumption and airplane and train journeys by employees, represented 59% of the company's total CO₂ emissions (including both direct and indirect emissions).
- Direct emissions in 2012 were generated by combustion in the heating boilers at Ineco head office and the consumption of fuel by production vehicles, over which the company has power to act.

Total CO₂ equivalent emissions generated by Ineco's activities in 2012 were 7,246 tonnes, a 12.6% decrease compared to emissions in the previous year.

The factor that most influenced this decrease in emissions was the reduction in fuel consumption

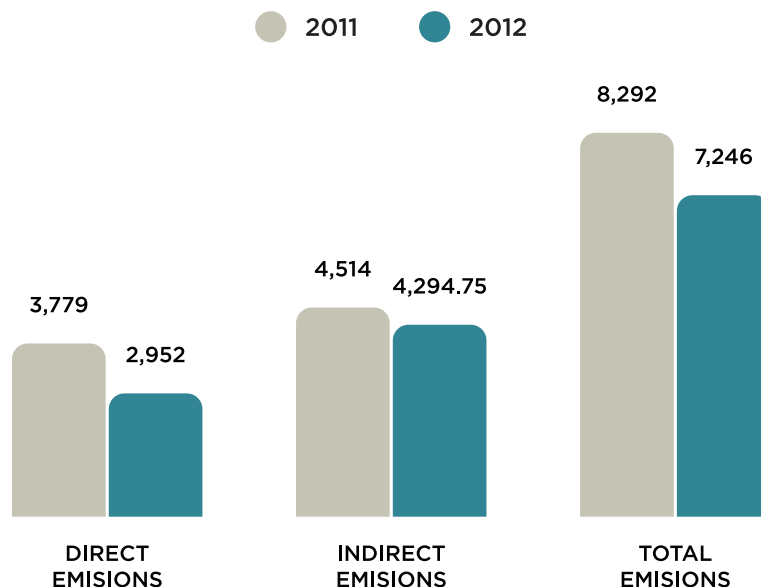
by production vehicles, which fell by 22% in 2012 compared to 2011.

The greatest reduction observed was in direct emissions, over which Ineco has direct control. These represented 46% of total emissions in 2011 compared to 41% in 2012.

Ineco complements this action by launching initiatives aimed at reducing emissions, such as encouraging carsharing by employees when travelling and the provision of parking facilities for bicycles at the head office. In 2013, the company will continue to adopt measures aimed at substantially reducing emissions, in addition to those already in force.

Ineco aims its efforts at designing environmentally-sustainable solutions in order to generate advantages for our customers and society as a whole. In 2012, under the internal research project ieTrans, a new methodology was formulated for evaluating the effects on energy consumption of policies and measures in the transport sector.

CO₂ equivalent to compensate



Waste management

The waste generated by the organisation at its offices in Madrid are classified into three types:

Hazardous waste: batteries, fluorescent tubes, packaging for hazardous products, and waste from electrical and electronic equipment, etc., managed by Tecnoresiduos.

In 2012, 3,228 tonnes were managed, a 3% increase compared to 2011 that was due, fundamentally, to the replacement of equipment, as we can see in the breakdown of the figures:

- Cleaning product packaging: 0.026 tonnes.
- Fluorescent tubes: 0.036 tonnes.
- Batteries: 0.086 tonnes.
- Electrical and electronic equipment: 3,080 tonnes.

Special waste: In 2012, Biotóner managed 0.584 tonnes of toner packaging, a 10% increase on the previous year.

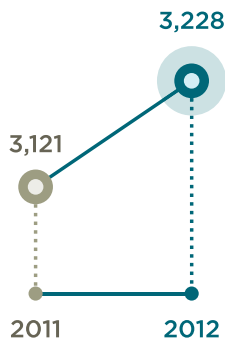
Non-hazardous waste: packaging and waste that can be included in municipal solid waste (MSW).

The amounts managed in 2012 were:

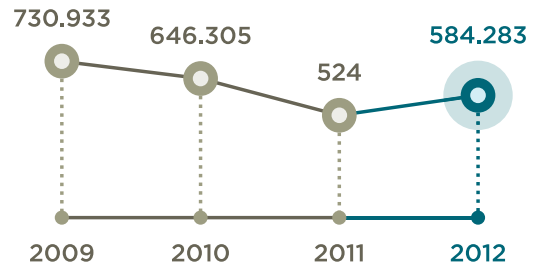
- Waste assimilable to MSW: 28,976 tonnes were managed in 2012, a 48% decrease on 2011.
- Packaging: 10,483 tonnes were generated in 2012, a 48% decrease on 2011.
- Paper and cardboard: 296.40 tonnes were generated in 2012, a 3% increase on 2011.

¹ Estimated amount.

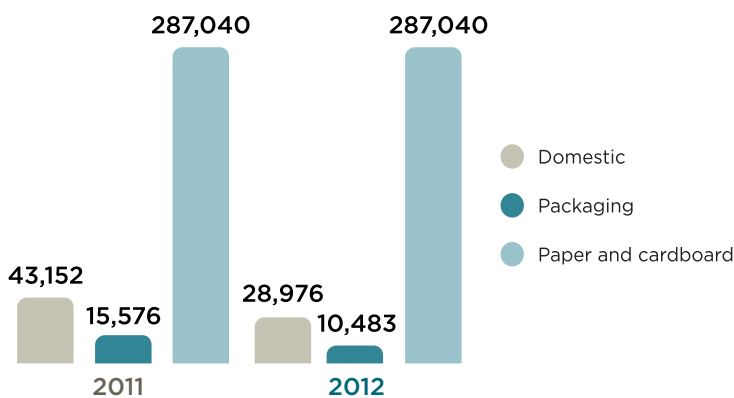
Amount of hazardous waste managed (kg)



Amount of toner managed (t)



Amount of non-hazardous waste managed (kg)

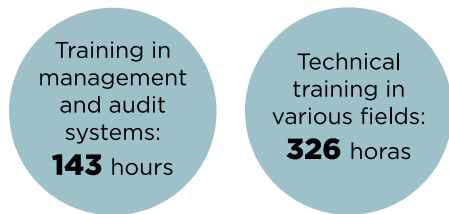


Promoting environmental awareness

Ineco encourages environmental awareness and training amongst its employees on a day-to-day basis.

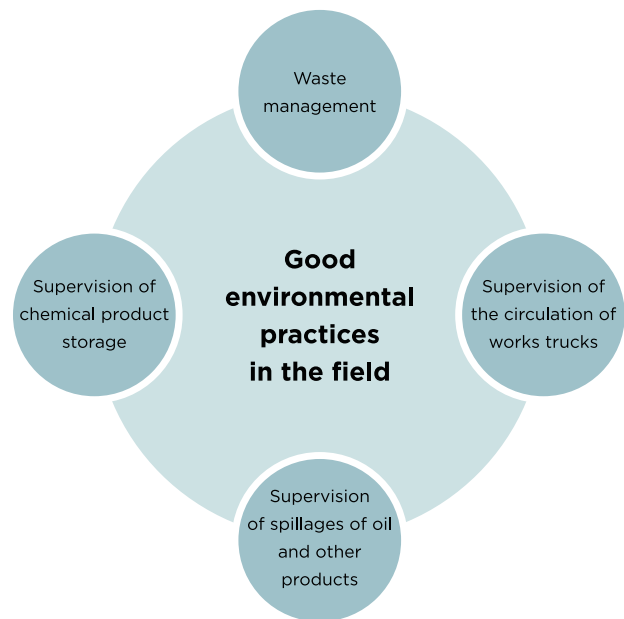
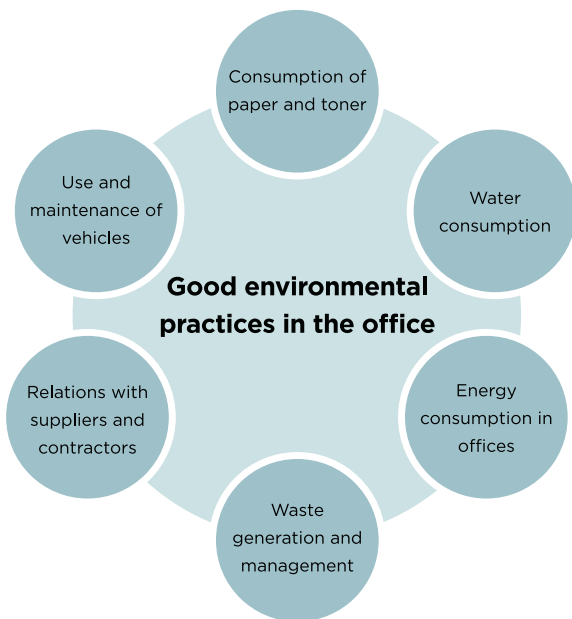
To this end, the company organises internal and external training activities that are given by Ineco personnel and cover a wide range of subjects.

Environmental training in 2012



Ineco also launches annual environmental awareness-raising campaigns aimed at all employees on the company intranet, using films on best environmental practices produced specifically for this purpose.

In order to raise employees' awareness about the importance of conserving natural resources, the company also produces the *Guide to good environmental practices*, which establishes general criteria for action in day-to-day work in order to minimise the environmental impacts caused by their activities and actions, in accordance with the demands of the environmental management system.



Environmental management programme

Ineco annually identifies and evaluates key environmental aspects in accordance with the procedure established in the environmental management programme, enabling measures to be adopted to mitigate or compensate for any environmental impact that the company's activity may generate.

- 15% reduction in paper consumption.
- 3.84% reduction in electricity consumption.
- 1% reduction in water consumption.

This preventive culture is supported by the following management tools:

- Awareness and training in the environmental management of projects.
- Annual programme to communicate the quality and environment management system on the intranet.
- Establishment and dissemination of guides to good environmental practices.
- Introduction of procedures for compliance with environmental management system requirements.

The environmental management programme also includes procedures that facilitate the implementation of environmental measures. These procedures are made available to all employees on the intranet to ensure compliance with environmental management system requirements:

- Preparation of studies and projects and activities for technical assistance at works.
- Identification and evaluation of environmental aspects and impacts, both direct and indirect.

Any environmental impacts that Ineco may cause are analysed as part of environmental impact assessment. Impacts that may be caused indirectly by products and services are analysed through the operational control procedures that form part of the company's management system. None of the offices that Ineco operated in 2012 was in a protected area or a zone of high value for biodiversity, and thus the company complied with one of the conditions in the Environmental Impact Statement, which forbids the establishment of temporary facilities in protected zones or exclusion areas.

- Systematic action when accidents or emergency situations that may have environmental consequences arise at Ineco facilities. (PM-15)
- The purchase of goods and the contracting of works and services, which includes the classification and assessment of suppliers to ensure that they comply with the guidelines issued by Ineco, based on objective quality criteria and the commitments to protect the environment that are required internally.

In 2012, Ineco devoted €15,957.99 to environmental expenses and investments.

The considerable importance that Ineco attaches to environmental issues can also be observed in the organisation of the company's production structure. For more than ten years now, under different corporate names, there has always existed a unit dedicated to assessing the environmental impacts of transport infrastructure at all development stages.

All Ineco's activities in its work as an engineering and consultancy company take the environmental variable into account, focusing particularly on criteria of sustainability and energy efficiency, bringing to bear a sustainable, environmental vision in infrastructure plans and projects and construction projects, with measures including environmental surveillance at the operational stage of infrastructure. In this way, Ineco ensures continuous control and monitoring of environmental aspects at all the development phases of infrastructure. The company's great know-how in this field enables our company to become a leader in trends and technologies in the sector.



Committed to our suppliers

Working with our suppliers

Ineco considers its suppliers as a very important link in the value chain of the services that the company offers to its customers. In order to deliver maximum quality, Ineco works closely with suppliers to ensure that they are familiar with and feel involved in the company's work processes and protocols.

Suppliers are important stakeholders in the company, and communication with them is vital to ensure fruitful cooperation, enabling continuous improvement to be made in our work and ensuring the maximum quality of the products and services that Ineco provides to its customers.

The corporate website and day-to-day contacts with the purchasing unit through company meetings and visits are the means used to maintain fluid communications. Moreover, an annual average of 300 emails (compras@ineco.es and ofertas@ineco.es) and around 340 telephone queries are handled.

Ineco's corporate website web provides details of the current contracting conditions. Based on these, the contractor must guarantee compliance with the commitments that Ineco indicates specifically to the supplier, with its regulations and policies and the requirements published on the site. Similarly, all contractors who work for Ineco must observe and comply with the stipulations made in the guidelines for integrity, transparency and commitment. In this way, Ineco fosters responsible actions in its value chain, encouraging the companies that work as our suppliers to adopt the principles of corporate responsibility in their management systems.

In 2012, no significant contracts with suppliers and contractors were rejected, nor were performance conditions imposed.

To ensure precaution with regard to environmental hazards, Ineco continues to apply a policy for the selection and certification of suppliers that adopt environmental criteria. To this end, suppliers are classified and evaluated in order to guarantee that they follow the guidelines indicated by the company.

Ineco's suppliers guarantee their compliance with the objective quality and environmental criteria required.



Communication, equality and transparency

The three basic principles that govern Ineco's relations with its suppliers are:

Publicity principle

The Ineco website provides suppliers with updated information on the procurement processes and the general principles that govern the relationship between the company and its suppliers. The Ineco procurement processes are also published on the State Public Procurement Platform (www.contrataciondelestado.es) and on the company's website, as well as by other means.

Principles of participation, equality and non-discrimination

The company's participation and non-discrimination policy for suppliers guarantees that firms interested in cooperating with Ineco receive the appropriate information, resources and treatment to ensure equal opportunities amongst possible suppliers, both national and international.

Ineco has established a list of suppliers' rights that reflects this fairness principle:

- Free access to the contract by any company.
- A non-discriminatory description of the purpose of the contract.
- Equal access for economic operators from all the Member States of the European Union.
- Mutual recognition of degrees, certificates and other diplomas.
- The prohibition of providing information in a discriminatory manner that may grant advantages to certain bidders over others.

The Procurement Department is the body that guarantees rigorous compliance with these procedures.

Principle of transparency

This principle applies to both efficient communication and the management of procurement processes. The five guidelines established by Ineco are as follows:

- Companies interested in opting for the award of a contract are guaranteed knowledge of and access to the rules that apply to the award process. These rules are applied equally to all candidate companies.
- The deadlines established for the presentation of bids are adequate and sufficient for companies to carry out a proper assessment and to submit their bids according to the criteria and objectives of each project.
- The criteria that Ineco applies in the evaluation of the bids in each case are meticulously established prior to the publication of the proposal and can be accessed by all the interested companies.
- Ineco clearly determines, prior to the evaluation of proposals, both the body that is responsible for preparing the contract award proposal and the body that will award the contract.
- Ineco awards each contract according to the bid that is most favourable in economic terms, as long as it meets the objective bid evaluation criteria that have been specifically established for each project.

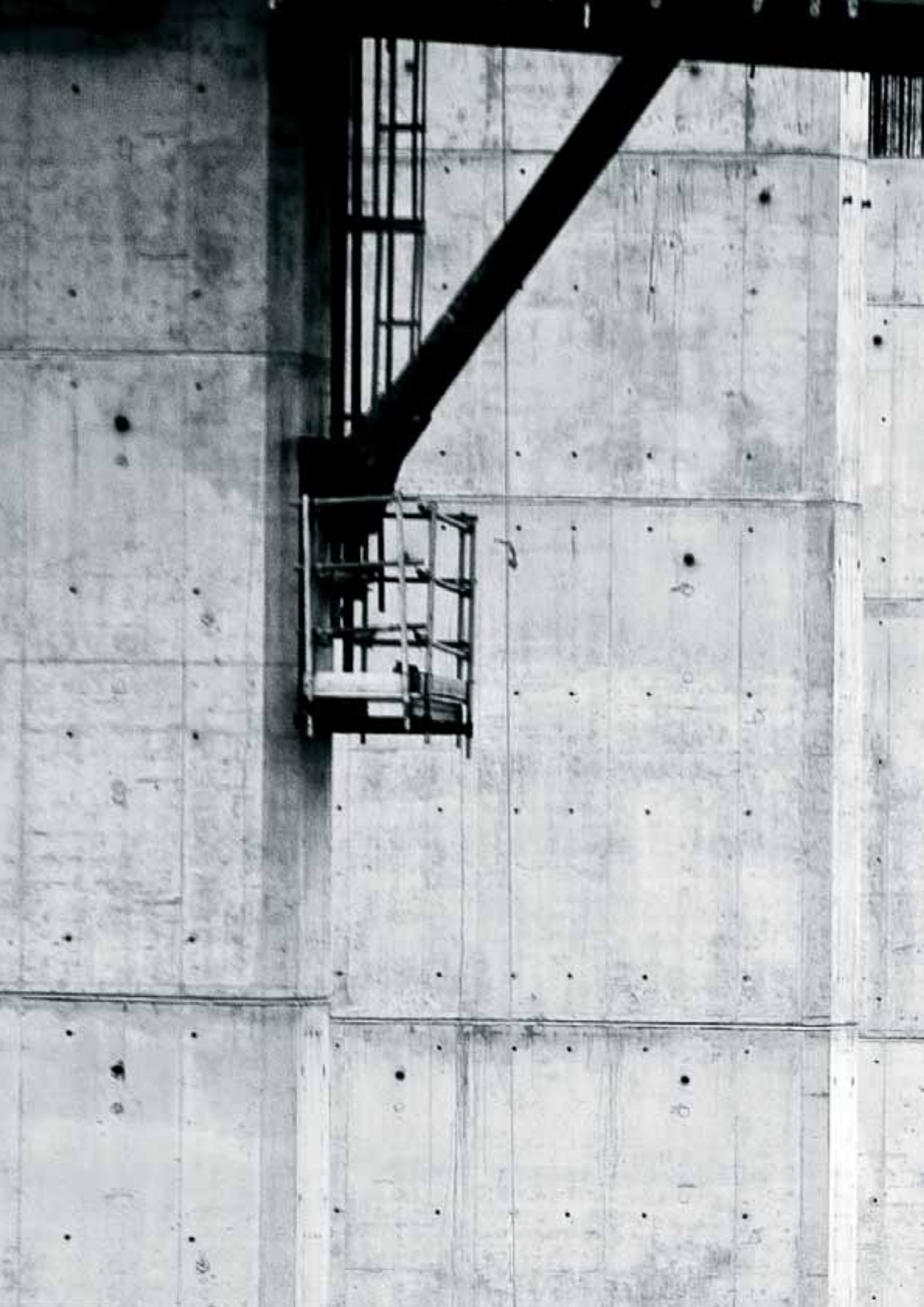
Contracts for works, supplies and services in 2012

As a consequence of the decrease in activity due to the general economic climate, Ineco's contracting activities were reduced in 2012 compared to the previous year, both in number and in total amount:

- The total amount for contracts worth over €18,000 fell by 53.5%.
- Regarding contracts worth less than €18,000, there was a 40% decrease in 2012 compared to the previous year.

In 2012, local suppliers accounted for 99.76% of Ineco's volume of purchases.







About this **report**

Scope

Integration of UN Global Compact and GRI indicators

Index of Global Reporting Initiative (GRI) indicators

GRI Application Level Check Statement

Scope

This is the second Sustainability Report drawn up annually by Ineco according to the recommendations and principles established in version G3.1 of the Global Reporting Initiative, which has awarded it an A-level rating. The report, which covers Ineco's main business in Spain and the international market in 2012, was not submitted for external assurance. (3.1, 3.3, 3.6, 3.13. 3.5)

Likewise, the report addresses the concerns of the Progress Report required for adherence to the Principles of the United Nations Global Compact. These reports are to be submitted annually.

The preparation of this Annual Report took into account the Strategic Plan and the Corporate Responsibility Policy, which defines how social, employment and environmental concerns are integrated into the company's strategy.

Continuing the policy adopted with the company's first Sustainability Report in 2011, this report contains, wherever possible, full information from previous years, as this makes it possible to draw comparisons different periods and to evaluate tendencies with regard to the company's performance according to the complete overview provided by the GRI indicators and the Principles of the United Nations Global Compact. (3.8, 3.2, 3.5)

The subject matter covered in the report was determined taking into account the company's activities as a company engaged in providing aeronautical, railway, urban transport, roads and ports services. Additionally, as a public company, we wish to communicate our commitment to integrity and transparency towards customers, employees, society, the environment and suppliers. Moreover, as mentioned previously, in order to give a balanced and reasonable view of Ineco's performance, this report is based on the G3.1 Sustainability Reporting Guidelines of the Global Reporting Initiative, in accordance with the following principles:

- **Materiality.** The information provided in this report covers and endeavours to respond to all indicators set out in the G3.1 guidelines. Materiality has been determined based on an analysis of the group's activity, its impact on

stakeholders, interaction with the environment and an analysis of risks and opportunities of the trends affecting the organisation which may influence sustainability issues.

- **Completeness.** The publication provides coverage of the indicators and material issues sufficient to enable stakeholders to assess Ineco's performance in 2012.
- **Comparability.** The information, wherever possible, is presented in a manner that permits comparison and enables stakeholders to analyse changes in Ineco over the last three years (2012, 2011 and 2010).
- **Scope.** There are no joint ventures, subsidiaries, leased facilities, subcontracted activities or other entities covered in the report which may be capable of affecting its comparability.
- **Accuracy and clarity.** The reported information is sufficiently accurate and detailed for stakeholders to assess Ineco's performance.
- **Timeliness.** Ineco is publishing its second Sustainability Report, integrating this with the Annual Report with the intention of doing so annually.
- **Reliability.** The information provided has not been independently verified. GRI has classified this report with an Application Level A.

In response to certain minor variations in the methodology applied to some indicators, and to the errors detected in the 2011 Annual Report, an explanatory note describing these changes has been added at the end of the Global Reporting Initiative (GRI) Index. (3.9, 3.10 y 3.11)

For further information or enquiries about the contents of this report, please contact:
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Communication Department:
violeta.larrad@ineco.es

Integration of UN Global Compact and GRI indicators

PRINCIPLES OF UN GLOBAL COMPACT	GRI INDICATORS
PRINCIPLE 1 Businesses should support and respect the protection of internationally proclaimed human rights.	1.1, LA3, LA4, LA6, HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9
PRINCIPLE 2 Businesses should make sure that they are not complicit in human rights abuses.	1.1, HR1, HR2, HR3, HR4, HR5, HR6, HR7, HR8, HR9
PRINCIPLE 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	1.1, LA3, LA4, LA5, HR1, HR2, HR3, HR5
PRINCIPLE 4 Businesses should uphold the elimination of all forms of forced and compulsory labour.	1.1, HR1, HR2, HR3, HR7
PRINCIPLE 5 Businesses should uphold the effective abolition of child labour.	1.1, HR1, HR2, HR3, HR6
PRINCIPLE 6 Businesses should uphold the elimination of discrimination in respect of employment and occupation.	1.1, LA6, LA13, LA14, HR1, HR2, HR3, HR4
PRINCIPLE 7 Businesses should support a precautionary approach to environmental challenges.	1.1, 1.2, EN1, EN2, EN9, EN18, EN26
PRINCIPLE 8 Businesses should undertake initiatives to promote greater environmental responsibility.	1.2, EN2, EN3, EN4, EN5, EN6, EN7, EN16, EN18, EN19, EN20, EN22, EN24, EN25
PRINCIPLE 9 Businesses should encourage the development and diffusion of environmentally friendly technologies.	1.2, EN5, EN6, EN7, EN8, EN9, EN18, EN26
PRINCIPLE 10 Businesses should work against corruption in all its forms, including extortion and bribery.	1.1, 1.2, SO1, SO2, SO3, SO4, SO5, SO6

COMPLETE ● NOT REPORTED ○ NAV: Not available / NAP: Not applicable / NM: Non material

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART I: PROFILE DISCLOSURES

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION
1. STRATEGY AND ANALYSIS					
1.1 Statement from the most senior decision-maker of the organisation.	●	4, 5			
1.2 Description of key impacts, risks and opportunities.	●	4, 5, 95, 100, 102, 109, 114, 118, 119, 130, 134, 138, 139, 142, 145			
2. ORGANISATIONAL PROFILE					
2.1 Name of the organisation.	●	INECO. Ingeniería y Economía del Transporte, S.A.			
2.2 Primary brands, products and/or services.	●	8, 19-91			
2.3 Operational structure of the organisation, including main divisions, operating companies, subsidiaries and joint ventures.	●	15, 16, 108, 109			
2.4 Location of organisation's headquarters.	●	Paseo de la Habana, 138 Madrid 28036.			
2.5 Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	●	9, 137			
2.6 Nature of ownership and legal form.	●	State-owned Entity. Joint Stock Corporation.			
2.7 Markets served (including geographic breakdown, sectors served and types of customers/beneficiaries).	●	8-11, 109, 124, 125			
2.8 Scale of the reporting organisation.	●	10, 109, 124			
2.9 Significant changes during the reporting period regarding size, structure or ownership.	●	No significant changes have been made to the structure in the course of the financial year. 4, 5, 109			
2.10 Awards received in the reporting period.	●	125			
3. REPORT PARAMETERS					
3.1 Reporting period for information provided.	●	164 The report covers the year 2012, from 1 January to 31 December 2012.			
3.2 Date of most recent previous report (if any).	●	164 2011			
3.3 Reporting cycle (annual, biennial, etc).	●	164 Annual			
3.4 Contact point for questions regarding the report or its contents.	●	164			
3.5 Process for defining report content.	●	4, 5, 102, 164			
3.6 Boundary of the report (e.g. countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	●	164			
3.7 State any specific limitations on the scope or boundary of the report.	●	There are no limitations on the scope or boundary of the different aspects.			
3.8 Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities that can significantly affect comparability from period to period and/or between organisations.	●	164			
3.9 Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the Indicators and other information in the report.	●	When necessary, the data measurement techniques and calculation bases are specified with the indicators throughout the report. 164, 177			
3.10 Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g., mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	●	164, 177			
3.11 Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	●	4, 5, 109, 164, 177			

COMPLETE ● NOT REPORTED ○ NAv: Not available / NAp: Not applicable / NM: Non material

G3.1 CONTENT INDEX

STANDARD DISCLOSURES PART I: PROFILE DISCLOSURES

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION
3.12 Table identifying the location of the Standard Disclosures in the report.	●	166			
3.13 Policy and current practice with regard to seeking external assurance for the report	●	164-177			
4. GOVERNANCE, COMMITMENTS AND ENGAGEMENT					
4.1 Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	●	106, 148			
4.2 Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation's management and the reasons for this arrangement).	●	15, 16, 106, 108			
4.3 For organisations that have a unitary board structure, state the number of members of the highest governance body who are independent and/or non-executive members.	●	106			
4.4 Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	●	15, 16, 100, 102, 106, 108, 130, 132, 133, 142			
4.5 Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	●	The board members have the right to a per diem for attending Board Meetings, as well as compensation for travel expenses related to attendance, in accordance with Article 28 of Royal Decree 462/2002, dated 24 May, concerning compensation related to services, and Article 9 of Law 5/2006, dated 10 April, regulating conflicts of interests among members of the government and senior officials of the General State Administration. 126, 134			
4.6 Processes in place for the highest governance body to ensure conflicts of interest are avoided.	●	Any possible conflicts of interest between members of the Board of Directors and the Company shall be resolved under the provisions of Law 30/92, dated 26 November, on the Legal System Governing Public Administrations, and Articles 28 and 29 of the Common Administrative Procedure.92, 98.			
4.7 Process for determining the composition, qualifications, and expertise of the members of the highest governance body and its committees, including any consideration of gender and other indicators of diversity.	●	The members of the highest governing body are professionals of recognised prestige in the sector. 106			
4.8 Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	●	95, 96, 100, 103			
4.9 Procedures of the highest governance body for overseeing the organisation's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles.	●	100, 103, 104, 106			
4.10 Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	●	There are no such processes due to Ineco's nature as a State-owned entity.			
4.11 Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	●	109, 135, 136, 145, 146, 159			
4.12 Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	●	139-141			
4.13 Memberships in associations (such as industry associations) and/or national/international advocacy organisations which the organisation supports.	●	143			
4.14 List of stakeholder groups engaged by the organisation.	●	102			
4.15 Basis for identification and selection of stakeholders with whom to engage.	●	102			

COMPLETE ● NOT REPORTED ○ NAV: Not available / NAp: Not applicable / NM: Non material

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STANDARD DISCLOSURES PART I: PROFILE DISCLOSURES

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION
4.16 Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	●	102, 106, 120, 130, 159			
4.17 Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	●	120, 130, 159			

STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
ECONOMIC DISCLOSURE ON MANAGEMENT APPROACH. PAGE						
Economic performance	●	109				
Market presence	●	4, 5, 9, 94-97				
Indirect economic impacts	●	109				
ENVIRONMENTAL DISCLOSURE ON MANAGEMENT APPROACH. PAGE						
Materials	●	150				
Energy	●	151-153				
Water	●	149				
Biodiversity	●	Ineco does not operate in any area with high biodiversity and therefore has no management approach to said issue.				
Emissions, effluents and waste	●	149, 154				
Products and services	●	As a service company, Ineco does not quantify products sold that are recovered at the end of their service life.				
Compliance	●	Ineco strictly complies with current environmental regulations. It is also committed to taking actions beyond those required by law to help minimise the impact of its business on the environment.				
Transport	●	Ineco causes no significant environmental impacts on the transport of products and other goods.				
Overall	●	146, 147				
LABOUR PRACTICES AND DECENT WORK. DISCLOSURE ON MANAGEMENT APPROACH. PAGE						
Employment	●	124-129				
Labour/management relations	●	126, 130, 132-134				
Occupational health and safety	●	135, 136				
Training and education	●	131				
Diversity and equal opportunity	●	126-129				
Equal remuneration for women and men	●	126-129				
HUMAN RIGHTS. DISCLOSURE ON MANAGEMENT APPROACH. PAGE						
Investment and procurement practices	●	100-103				
Non-discrimination	●	123, 126-129				
Freedom of association and collective bargaining	●	139, 143				

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STANDARD DISCLOSURES PART II: DISCLOSURES ON MANAGEMENT APPROACH (DMAS)

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
Child labour	●	Signatory to the Global Compact.				
Prevention of forced and compulsory labour	●	Signatory to the Global Compact.				
Security practices	●	Signatory to the Global Compact.				
Indigenous rights	●	There have been no violations of the rights of indigenous populations.				
Assessment	●	Signatory to the Global Compact.				
Remediation	●	Signatory to the Global Compact.				
SOCIETY. DISCLOSURE ON MANAGEMENT APPROACH. PAGE.						
Local communities	●	137				
Corruption	●	103, 104				
Public policy	●	100-103, 109				
Anti-competitive behaviour	●	100-103, 109				
Compliance	●	100-103, 109				
PRODUCT RESPONSIBILITY. DISCLOSURE ON MANAGEMENT APPROACH PR. PAGE						
Customer health and safety	●	113-122				
Product and service labelling	●	No labelling required. Products and services comply with regulations.				
Marketing communications	●	120, 121				
Customer privacy	●	113-122				
Compliance	●	Company complies with regulations.				

STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
ECONOMIC PERFORMANCE						
EC-1. Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	109				
EC-2. Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	●	113, 114, 116, 154, 157				
EC-3. Coverage of the organisation's defined benefit plan obligations.	○			NAV	Ineco has no retirement schemes.	
EC-4. Significant financial assistance received from government.	●	108, 109, 113, 114				
Market presence						
EC-5. Range of ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	●	124, 126				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
EC-6. Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	●	Spanish suppliers are understood to be local. 160				
EC-7. Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation.	●	Ineco hired no senior management personnel from the local community in 2012. 124				
Indirect economic impacts						
EC-8. Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	●	Ineco has continued to provide support for its main customers and shareholders, ADIF, AENA, and RENFE, and other national and international customers, to implement transport infrastructure investment plans through the provision of specialist technical services, though not, due to the nature of the company's activity, through its own investments.				
EC-9. Understanding and describing significant indirect economic impacts, including the extent of impacts.	●	137, 145				
ENVIRONMENTAL						
Materials						
EN-01. Materials used, by weight or volume.	●	148-150				
EN-02. Percentage of materials used that are recycled input materials.	●	In 2012, Ineco acquired no materials considered to be recycled paper or toner, though the possibility of using recycled toner is being considered.				
Energy						
EN-03. Direct energy consumption by primary energy source.	●	151, 152				
EN-04. Indirect energy consumption by primary source.	●	153				
EN-05. Energy saved due to conservation and efficiency improvements.	●	116, 117, 151, 152				
EN-06. Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.	●	150-152, 154				
EN-07. Initiatives to reduce indirect energy consumption and reductions achieved.	●	153				
Water						
EN-08. Total water withdrawal by source.	●	149				
EN-09. Water sources significantly affected by withdrawal of water.	●	No water is withdrawn from surface or underground waters. 149				
EN-10. Percentage and total volume of water recycled and reused.	●	Due to the nature of the company's business, Ineco does not reuse or recycle water.				
Biodiversity						
EN-11. Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	●	None of Ineco's facilities, whether owned or leased, is located adjacent to protected areas or areas of high biodiversity value outside protected areas.				
EN-12. Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	●	All company facilities are located in urban or industrial areas far away from protected natural spaces and therefore the company's impact on biodiversity in its area is zero. 157				
EN-13. Habitats protected or restored.	●	Ineco's activities have affected no protected or restored habitats.				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
EN-14. Strategies, current actions, and future plans for managing impacts on biodiversity.	●	Due to the nature of Ineco's business, no specific strategy is necessary for the prevention, management or restoration of damage to natural habitats. Rather, this issue is taken into account in the company's environmental policy and environmental management system.				
EN-15. Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	●	Ineco's business does not affect any habitat with species included on the IUCN Red List.				
Emissions, effluents, and waste						
EN-16. Total direct and indirect greenhouse gas emissions by weight.	●	154				
EN-17. Other relevant indirect greenhouse gas emissions by weight.	●	154 Ineco generated 3,607.98 T of indirect greenhouse gas emissions in 2012, a 5% reduction on the indirect emissions generated by company travel in 2011.				
EN-18. Initiatives to reduce greenhouse gas emissions and reductions achieved.	●	153, 154				
EN-19. Emissions of ozone-depleting substances by weight.	●	As an engineering service company, Ineco produces electronic or paper documents and therefore has no emissions of these substances. The organisation does not use CFCs, the main substance responsible for destroying the ozone layer.				
EN-20. NO, SO, and other significant air emissions by type and weight.	●	Ineco is an engineering service company whose products are consultancy and technical assistance services, and does not engage in industrial manufacturing work. The organisation therefore emits no significant amounts of NOx, SOx or other substances responsible for destroying the ozone layer in its processes.				
EN-21. Total water discharge by quality and destination.	●	149 Given the nature of Ineco, the company makes no discharges except those that can be assimilated into domestic wastewater.				
EN-22. Total weight of waste by type and disposal method.	●	155				
EN-23. Total number and volume of significant spills.	●	Although Ineco presents no significant risks in this aspect, the company has established preventive measures to avoid accidental spills, such as regular inspections of facilities where such accidents could take place. Similarly, the company has adopted a procedure that establishes action to be taken in case of spills or leaks (POM-04 "Action in case of accidents with environmental impacts). There were no significant spills in 2012.				
EN-24. 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.	●	155				
EN-25. Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	●	All the company's water discharges are made into the sewage system. Apart from these, no discharges have been identified that might significantly affect water bodies and related habitats.				
Products and services						
EN-26. Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	●	145-147, 157				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
EN-27. Percentage of products sold and their packaging materials that are reclaimed by category.	○			NAV	As a service provider company, the quantification of sold products retrieved at the end of their useful life is not applicable.	
Compliance						
EN-28. Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations.	●	Ineco declares that it has not identified any noncompliance with current environmental laws or regulations and has not been subject to any type of administrative or legal penalty.				
Transport						
EN-29. Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	●	152-154 Ineco has no significant environmental impact on the transport of products and other goods.				
Overall						
EN-30. Total environmental protection expenditures and investments by type.	●	157				
SOCIAL: LABOUR PRACTICES AND DECENT WORK						
Employment						
LA-1. Total workforce by employment type, employment contract, and region.	●	124, 127				
LA-2. Total number and rate of employee turnover by age group, gender, and region.	●	124, 133				
LA-3. Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.	●	126				
LA-15. Return to work and retention rates after parental leave by gender.		127				
Labour/management relations						
LA-4. Percentage of employees covered by collective bargaining agreements.	●	126				
LA-5. Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.	●	The minimum number of weeks of advance notice to workers and their elected representatives are as provided for in the Workers' Statute: Terminations: 15 days for individuals and 30 for collectives. Suspensions and modifications: 30 days for individuals and 15 for collectives.				
Occupational health and safety						
LA-6. Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	●	126				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
LA-7. Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	●	166-177 In 2012, the rate of days lost in Spain was 15.2 days, of which men account for 7.4 and women for 7.8. The corresponding data for other regions continues to be insignificant. In 2012, the rate of absenteeism in Spain was 2,392.6, of which men accounted for 939.3 and women for 1,453.3. The data for other regions continues to be insignificant. The rate of occupational injuries and illnesses in 2012 was 0.7%, of which men accounted for 0.35% and women for 0.35%. There were no work-related fatalities.				
LA-8. Education, training, counselling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases.	●	135, 136				
LA-9. Health and safety topics covered in formal agreements with trade unions.	●	126, 135, 136				
Training and education						
LA-10. Average hours of training per year per employee by employee category.	●	131				
LA-11. Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	●	131				
LA-12. Percentage of employees receiving regular performance and career development reviews by gender.	●	134 In 2012, the percentage of employees that received variable remuneration linked to performance reviews was 31%. BY gender, this figure breaks down as follows: 71% men, 29% women.				
Diversity and equal opportunity						
LA-13. Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	●	15, 16, 108, 127 In 2012, the percentage of people with disabilities out of the total workforce was 0.6%.				
Equal remuneration for women and men						
LA-14. Ratio of basic salary and remuneration women to men by employee category, by significant locations of operation.	○			NAv	Men and women are paid the same basic wage in accordance with the national collective bargaining agreement for engineering and technical engineering offices.	2013
SOCIAL: HUMAN RIGHTS						
Investment and procurement practices						
HR-1. Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening.	●	103, 138				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
HR-2. Percentage of significant suppliers, contractors, and other business partners that have undergone human rights screening, and actions taken.	●	159, 160				
HR-3. Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	●	138				
Non-discrimination						
HR-4. Total number of incidents of discrimination and corrective actions taken.	●	There were no such cases at INECO in 2012. 138				
Freedom of association and collective bargaining						
HR-5. Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights.	●	Due to the nature of Ineco's activity, there are no operations that could threaten the right of association and the right to subscribe to collective bargaining agreements.				
Child labour						
HR-6. Operations and significant suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	●	There are no operations that carry a risk of incidents involving child exploitation.				
Forced and compulsory labour						
HR-7. Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	●	There are no operations that carry a risk of incidents involving forced or compulsory labour.				
Security practices						
HR-8. Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	●	Ineco hires security services at some of its offices. In 2012, the company hired a total of 13 such guards. The external companies are obliged to provide personnel trained in respect for and defence of human rights. 135, 136				
Indigenous rights						
HR-9. Total number of incidents of violations involving rights of indigenous people and actions taken.	●	There have been no incidents involving violations of the rights of indigenous peoples.				
Assessment						
HR-10. Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments.	●	Due to the nature of Ineco's business, the violation of human rights is not considered a risk.				
Remediation						
HR-11. Number of grievances related to human rights filed, addressed, and resolved through formal grievance mechanisms.	●	No incidents related to human rights were reported.				
SOCIETY						
Local communities						
SO-1. Nature, scope and effectiveness of any programmes to assess and manage the impacts of operations on communities, including entering, operating and existing.	●	In 2012, Ineco's activity was developed fundamentally in national territory, though the company also ventured into the foreign market as part of its ongoing internationalisation process. Due to its type of activity, Ineco's impact on employment in the local community is not significant. 100, 139, 141				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
SO-9. Operations with significant potential or actual negative impacts on local communities.	●	Due to the nature of Ineco's activity, the company's impacts on society are son positive. 137				
SO-10. Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities.	●	There are no operations with significant potential or actual negative impacts on local communities in which Ineco operates. 113, 114, 124, 127, 137, 143, 145				
Corruption						
SO-2. Percentage and total number of business units analysed for risks related to corruption.	●	104				
SO-3. Percentage of employees trained in organisation's anti-corruption policies and procedures.	●	100, 104				
SO-4. Actions taken in response to incidents of corruption.	●	104				
Public policy						
SO-5. Public policy positions and participation in public policy development and lobbying.	●	Ineco does not take part in national or international lobbying activities. 143				
SO-6. Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.	●	Ineco has made no financial or in-kind contributions of any type to political parties or related institutions in any country.				
Anti-competitive behaviour						
SO-7. Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	●	No actions of this type have been reported.				
Compliance						
SO-8. Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations.	●	Ineco received no fines or sanctions of any kind for such practices in 2012.				
PRODUCT RESPONSIBILITY						
Customer health and safety						
PR-1. Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	●	119, 157				
PR-2. Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	●	No incidents of this kind were reported in 2012.				
Product and service labelling						
PR-3. Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	●	Ineco is a service company, and the products it generates are technical documents.				
PR-4. Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	●	There have been no cases of noncompliance.				
PR-5. Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	●	120, 121				

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STANDARD DISCLOSURES PART III: PERFORMANCE INDICATORS

DESCRIPTION	INF.	CROSS - REFERENCE / DIRECT ANSWER	IF APPLICABLE, INDICATE THE PART NOT REPORTED	REASON FOR OMISSION	EXPLANATION	TO BE REPORTED IN
Marketing communications						
PR-6. Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	●	Ineco applies the company's Code of Conduct, CR policy and the Principles of the United Nations Global Compact. Codes and standards are constantly revised to adapt them to the current situation. Ineco does not sell products that are prohibited in certain markets or which are the subject of controversy among stakeholders or represent issues for public debate. 100, 138				
PR-7. Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	●	No such incidents were reported.				
Customer privacy						
PR-8. Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	●	No complaints were filed regarding breaches of customer privacy and losses of customer data.				
Compliance						
PR-9. Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	●	There were no sanctions of this kind in 2012.				

EXPLANATORY NOTES

CHANGES COMPARED TO THE CONTENTS OF THE 2011 ANNUAL REPORT

Errors having been detected in the 2011 Ineco Annual Report with regard to the indicators GRI EN-01, EN-03, EN-05, in the chapter Committed to the Environment, the following rectifications are made:

- Indicator EN-01, on page 152 (2011 Ineco Annual Report) "Responsible Use of Resources", where the text reads: "electricity by 17% and water by 16%.", it should read: "vehicle fuel by 10% and water by 14%."
- Indicator EN-03, on page 152 (2011 Ineco Annual Report) "Mean consumption of diesel fuel in Ineco offices is 10,000 litres per year (1380 GJ). This consumption remains stable due to", it should read: "Diesel fuel consumption in Ineco offices was 6,600 litres, a 14% reduction compared to the previous year. This improvement was achieved thanks to correct temperature adjustment in the offices and to".

- Indicator EN-03, on page 153 (2011 Ineco Annual Report) dice "316.31 GJ/vehicle", it should read: "78.32 GJ/vehicle" and, in the same paragraph, where the text reads: "197,573 GJ per year", it should read: "51,613 GJ per year".
- Indicator EN-05, on page 157 (2011 Ineco Annual Report), in the table, where the text reads: "energy consumption in Madrid by 5.4%", it should read: "vehicle fuel consumption by 10%".

CHANGES IN THE METHODOLOGY APPLIED IN 2012

A change has been made to the methodology for calculating GRI LA-7 (Rates of lost days and absenteeism). This has entailed the recalculation of the 2011 figures according to the new methodology, and the application of the same to the 2012 figures. To calculate lost days, working days from the beginning to the end of leave were taken into account according to the following formulae:

- *Rate of injuries and occupational diseases = (total number of injuries and occupational diseases/total hours worked)*Factor*
- *Rate of lost days = (total number of days lost due to injuries and occupational diseases /total hours worked)*Factor*
- *Rate of absenteeism = (total number of days lost due to any type of incapacity/total days worked)*Factor*

Total hours worked 2012	5.221.888,43	Hours = mean accumulated workforce 2012* available hours (1772.8)
Factor	200.000	Factor = 50 weeks * 40 work hours * 100 employees

According, in indicator LA-7, on page 181 (2011 Annual Report), (NOTE 2) where the text reads:

- "The rate of days lost (total number of absences/total hours worked) was 763.8 days in Spain during 2011, 546 of which were taken by male staff members and 217.8 by female. The corresponding data for outside Spain is not significant because the company has almost no staff abroad", it should read "The rate of days lost (total number of absences/total hours worked) was 24.3 days in Spain during 2011, 17.4 of which were taken by male staff members and 6.9 by female. The corresponding data for outside Spain is not significant because the company has almost no staff abroad."
- "By type of absenteeism, the rate was: Work accident: M (21) W (19) Total: 40. Justified absence: M (264) W (465.9) Total: 729.9. Maternity leave: M (108.3) W (161.3) Total: 269.6. Unpaid leave: M (2.3) W (5.6) Total: 7.9. Paid leave: M (279.8) W (207.6) Total: 487.4" should read "Absenteeism in Spain in 2011 was 3,131.1, of which 1,214.5 correspond to men and 1,916.6 to women."
- "The rate of injuries in 2011 was 1.3 in total, of which men accounted for 0.7% and women for 0.6%. There were no fatal accidents. (Information not included in the 2011 Annual Report)."