FRAMEWORK AGREEMENT BETWEEN Ferrovial, THE BUILDING AND WOOD WORKERS’ INTERNATIONAL, FECOMA AND MCA

The BWI is the Global Union Federation grouping free and democratic unions with members in the Building, Building Materials, Wood, Forestry and Allied sectors. The BWI groups together around 328 trade unions representing approximately 12 million members in 130 countries. The BWI’s mission is to promote the development of trade unions in the building and wood sectors throughout the world and to promote and enforce workers’ rights.

FECOMA-CCOO, is the Federation of Building, Wood and Allied sectors of the Spanish Workers’ Commissions, affiliated to the BWI.

MCA-UGT, is the Federation of Metal, Construction and Allied sectors of the Spanish General Workers’ Union, affiliated to the BWI.

Ferrovial is the parent company of one of the world’s leading construction, infrastructure and services groups. Its activities are conducted with an absolute respect for human rights and civil liberties, according to the internationally accepted laws and practices.

Ferrovial and the BWI, together with the MCA-UGT and FECOMA-CCOO federations:

Recognize that the sustainable development of the construction industry in all activities in which it is involved, is in the interests of both the company and workers.

Recognize the importance of open, democratic labour relations, as well as fair collective bargaining procedures between union and company representatives.

This agreement is based on the joint commitment of the signatories to respect and promote the principles defined in the Universal Declaration of Human Rights, the ILO Tripartite Declaration, the OECD Guidelines for Multinational Enterprises and the UN Global Compact.

It also offers the means to ensure compliance with the provisions of the International Labour Organization (ILO), particularly those related to the work of minors, and entails a commitment on behalf of the signatories to developing their business and professional activities in accordance with current legislation in each of the places where they operate, and promotes and encourages the same recognition and respect among contractors, subcontractors and suppliers. Compliance with legal requirements is always the starting point of ethical conduct in the Group.

At Ferrovial, the management of human resources and relations between people is always based on a scrupulous respect for their dignity, and on the principles of trust and mutual respect. Ferrovial expressly prohibits the abuse of authority and any type of harassment, whether physical, psychological or emotional, and any other conduct that would create an intimidating, offensive or hostile work environment for people.

The company recognizes that corruption, bribery and unfair, anti-competitive actions distort markets and hamper economic, social and democratic development.

Ferrovial in no way should reduce or undermine existing labour agreements and practices, relating to trade union rights or benefits established by any affiliate of the BWI or group of affiliates or any other union within Ferrovial.

In this spirit, Ferrovial and BWI shall work together to verify the effective implementation of the contents of this agreement in all Ferrovial’s activities and undertakings in the field of construction, under the following conditions, which shall be applied at all times in accordance with that which is established in each case by the national reference standards and by practices and customs, provided that these do not impair or conflict with the afore-mentioned national
standards.

1. Respecting freedom of association and collective bargaining rights.

All workers shall have the right to form and join unions of their own choosing. These unions must have the right to be recognized for the purpose of collective bargaining, as established in the effective legislation in the countries in question and in accordance with the principles of ILO Conventions 87 and 98. Under the same terms and conditions, legal representatives of workers will not be subject to any discrimination, and will have access to visit the workplace to carry out their duties of representation, notice or communication to the company representatives in each centre, in coordination with said representatives and without affecting production.

Ferrovial will not interfere with the ability of dependent workers to freely and voluntarily join unions and will avoid any discrimination that may arise within the organization as a result of their membership.

Ferrovial will adopt positive behaviour with regard to trade union activities and an open attitude towards the organizational activities of trade unions.

2. Employment is freely chosen.

Neither forced nor compulsory labour will be used, including bonded labour. Workers will not be required to hand over passports, identity documents or valuables (ILO Conventions 29 and 105).

3. Non-discrimination in employment

All workers will have equal opportunities and treatment regardless of their ethnicity, gender, religion, political opinion, nationality, or any other personal or social condition or circumstance.

4. Protection of migrant workers

Migrant workers and displaced persons shall enjoy the same working conditions as the domestic labour force. Workers shall not be required to pay deposits, visas or other immigration-related fees, transportation costs or recruitment or hiring fees, except in the case of expatriate workers, in which a work permit has been obtained through the company. In this case, the worker may be bound by a commitment to stay in the company for at least two years or to reimburse the costs incurred.

For agencies that send workers to other countries, these agencies shall be required to repatriate workers if their employment ends or the user undertaking an agency's workers shall not be required to surrender their passport or other travel or identity document. Temporary migrant workers shall enjoy the full rights of legal redress in the country where they work and shall enjoy the right to organize and join unions. Migrant workers shall receive details about their living and working conditions in a language they understand, before leaving their country of origin.

5. No child labour is used

No child labour shall be used. Only workers over 15 years of age may be used, or those with a higher age than that legislated for compulsory education, whichever is greater (ILO Convention 138). Children under 18 may not perform work that by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (ILO Convention 182).

6. Living wages are paid

Workers shall receive salaries and benefits for a standard working week which should be at least at the level of national legislation or collective agreements applicable to the industry or sector in which they will work. Clear information about wage conditions must be provided to all workers.

7. Working hours are not excessive

Working hours must be in accordance with national law, national agreements and industry standards. All workers shall receive, at minimum, one rest day per week.

8. Worker health and safety

A safe, healthy work environment shall be provided. Best practices of occupational health and safety will be promoted, to prevent injuries and illnesses in accordance with ILO Conventions 155 on Occupational Safety and Health and 167 (1988) on Occupational Safety and Health.

All workers shall be given Personal Protective Equipment, at no charge to themselves, and training courses on occupational hazards and their prevention. Health and Safety Committees shall be established in the workplace and employees shall be entitled to elect their Health and Safety Representatives in accordance with the unions, from the workers’ elected legal representatives and in accordance with the laws of each country.

Moreover, Ferrovial is committed to continuously improving the risk prevention and management processes in all the activities it undertakes.
and health promotion measures at work and at the sites where it operates.

Ferrovial also promotes and encourages the adoption of advanced safety and health practices among its suppliers, contractors and in general, companies with which it collaborates.

9. Worker welfare

In every workplace the company will promote the provision of adequate facilities for the provision of labour, all in accordance with the current regulations of each country and with the norms and customs that apply, provided that the latter do not contradict the former.

10. Specialized training.

Ferrovial is also committed to providing the means to contribute to employee learning and training and to updating their knowledge and skills so as to facilitate their professional advancement and bring more value to customers, shareholders and society at large.

11. Work relationships

Ferrovial shall respect its obligations towards workers, as established by the social security and labour laws and standards, and regulations governing employment contracts.

Ferrovial considers respect for workers' rights to be a key element in sustainable development, and promotes and encourages the same recognition and respect among contractors, subcontractors and suppliers.

IMPLEMENTATION

Ferrovial shall provide verbal or written information relating to this agreement to the entire organization.

The BWI recognizes that this agreement is a voluntary commitment on behalf of Ferrovial, in its activities in the construction industry. Both organizations actively support this voluntary commitment and declare their readiness to cooperate actively in the suppression of any violations of this agreement to avoid any future infringement.

A reference group shall be established, composed of management-level members of Ferrovial, BWI, FECOMA-CCOO and MCA-UGT, which will meet at least once a year to monitor the implementation of this agreement, with the company providing the necessary support for holding the meeting. The BWI, MCA-UGT and FECOMA-CCOO shall participate in the reference group meetings at their own expense, except for those activities undertaken at the request of the company, in which case the latter will assume these costs.

Both parties acknowledge that effective local knowledge of this agreement must include local management, workers and their legal and health and safety representatives, and local unions. To allow local and national representatives of unions affiliated to the BWI play a role in the monitoring process, the company will ensure that they have access to workers and the necessary rights to information.

The annual review of this agreement may be incorporated into Ferrovial's annual report with the approval of both parties; the same condition being a requirement for any publication or use of this document.

CONFLICT RESOLUTION

The parties agree that any dispute about the interpretation or fulfilment of this agreement will be considered jointly, with the aim of providing recommendations to the involved parties. Any other divergence related to labour relations not covered by the contents of this agreement, shall remain under the relevant regulation, whether established by law or convention, in the country of reference.

In the event of any complaint or breach of the agreement, the following procedure shall normally be applied:

a) First, the complaint will be dealt with by the local management of the workplace.

b) Any infringement that cannot be resolved through discussions in the workplace, will be discussed with the BWI coordinator in close collaboration with the BWI members in the country of origin and will be submitted to the responsible manager.

c) If the issue is not resolved, the consultation group will discuss this matter with the goal of providing recommendations to the involved parties aimed at resolving the dispute.

DURATION

This agreement is valid from the date indicated, with a three-month notice of...
termination by either party.

In Madrid, on the twenty-second day of May of the year two-thousand and twelve.