

5

BME and the Environment





BME and the Environment

BME's business activities do not have a direct impact on the environment.

However, the Company is aware of the potential environmental risks any business generates, manages its business in a sustainable manner and has undertaken to reduce any indirect effects its activities may have on the environment.

BME encourages the reduction of the potential environmental impacts its operations generate by implementing the necessary changes in its activities and those of its employees. BME's main lines of action in this area are as follows:

- Compliance with prevailing national, regional and local legislation, as well as with BME's own commitments to minimising the environmental impact of its activities.
- Fostering measures to reduce the use of the resources consumed directly and indirectly by BME, specifically energy, water and paper.
- Encouraging the recycling of waste in order to minimise the Company's environmental impact. BME fosters compliance with the three "R" approach to environmental protection: reduce, reuse, recycle.

- Advancement of environmentally-responsible behaviour by BME employees through the implementation of best environmental practices.
- Contribution to corporate social responsibility in Spain through projects encouraging socially responsible business practices.

In 2009, BME received no fines or sanctions for failing to comply with environmental legislation.

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5.1. Use of resources

Reducing the use of resources has become an essential part of BME's organisational values and culture, thereby further limiting the scant indirect impact of its operations on the environment.

The Company tends to use a limited amount of resources in its day-to-day operations, and these may be summed up as the energy used to run facilities, the water and paper employees consume in the course of their duties, as well as indirect energy use generated by employee business trips.

Consumption indicators*

Consumption	2007	2008	2009
Electric energy (kwh)	4,187,398	4,565,966	4,768,488
Natural gas (kwh)	39,163	35,023	33,245
Water (m ³)	4,102	4,051	4,123
Consumption per employee**			
Electric energy (kwh/employee)	9,243.70	9,819.28	10,254.81
Natural gas (kwh/employee)	86.45	75.32	71.49
Water (m ³ /employee)	9.06	8.71	8.87

* Data relating to the office building in Las Rozas (Madrid).

** Number of employees at 31 December 2007: 453

Number of employees at 31 December 2008: 465

Number of employees at 31 December 2009: 465

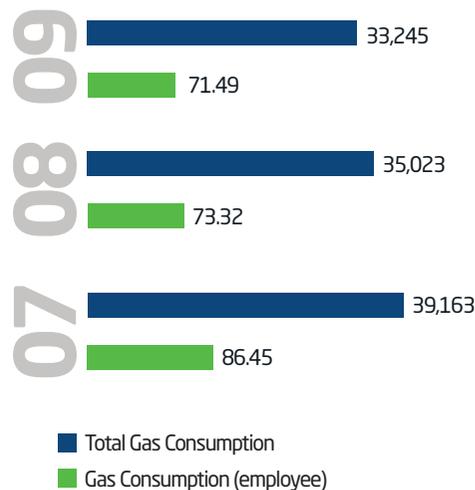
Energy resources: Electricity and gas

The following distinction should be made in relation to the consumption of energy resources: Energy resources consumed directly at the Company's installations, i.e. direct consumption, and resources consumed by BME employees outside the Company's installations, mainly related to travel, i.e. indirect consumption.

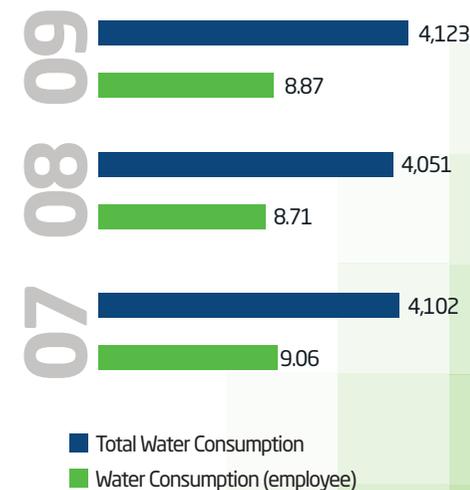
Direct consumption: the energy resources supplying the Company's installations are managed on a centralised basis, allowing BME to adopt a series of measures to obtain the maximum efficiency in three main areas of consumption: IT equipment, heating and air conditioning and lighting systems.

- **IT equipment.** BME uses a large number of technological assets, requiring large amounts of electric power. Therefore, all equipment acquired must be ENERGY STAR-tagged, thereby featuring an energy savings mechanism and reducing energy consumption by up to 40% (according to the manufacturer), as described in Chapter 4 of this report.

Gas Consumption



Water Consumption



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- **Heating and air conditioning systems.** BME follows the recommendations of the Ministry of Industry, Tourism and Commerce on lowering the thermostat at non-residential buildings and making rational use of the air conditioning and heating devices installed in all of its buildings. In 2009, the Company's Las Rozas building, where 63.18% of its workforce is housed, is kept at a temperature appropriate to the needs of its staff throughout the year.

These measures allow energy consumption via heating and air conditioning to be reduced/rationalised.

- **Lighting.** All BME buildings have a programmed system of night lighting. The system automatically switches off most lights at the close of the workday, leaving on only those that are absolutely necessary.

Meanwhile, BME facilities' common areas are equipped with intelligent lighting systems based on movement-detecting photovoltaic cells, which activate the lights only when people enter these rooms.

Low-energy light bulbs and fluorescent light tubes, which help to cut electricity consumption and carbon dioxide emissions, are also used in all buildings.

- **Natural gas.** The consumption of gas in the cafeteria of the building in Las Rozas is not significant.

The indirect consumption of energy resources derives mainly from business trips made by Company employees. In view of the undeniable need to limit fuel consumption and to reduce carbon dioxide emissions, BME has introduced the following initiatives for its employees:

- **Encouraging the use of video conferencing for meetings.** BME has set up the most featuring the most advanced video conferencing technology at its 6 largest work centres.

Despite the use of videoconferencing as the preferred means of holding meetings, it remains necessary on occasion for staff to travel by airplane or other means of transport. In 2009, 1,026 plane trips and 525 trade journeys were made, compared to 1,154 and 1,355 in 2008 and 2007 respectively.

In 2008 there were 386 train journeys.

- **Encouraging the use of public transport over private vehicles,** which pollute more. To improve connections between the work centre at Las Rozas (Madrid) and the nearest train station, BME runs a coach service for its employees between the two points. There is also a service available between the Company's

two main offices in Madrid: Las Rozas and Plaza de la Lealtad.

The coach operator holds certificates issued by Madrid's Chamber of Commerce and Industry verifying that the company complies with UNE-EN ISO 14001:2004 and UNE-EN ISO 9001:2000 standards, as mentioned in Chapter 4 of this report.

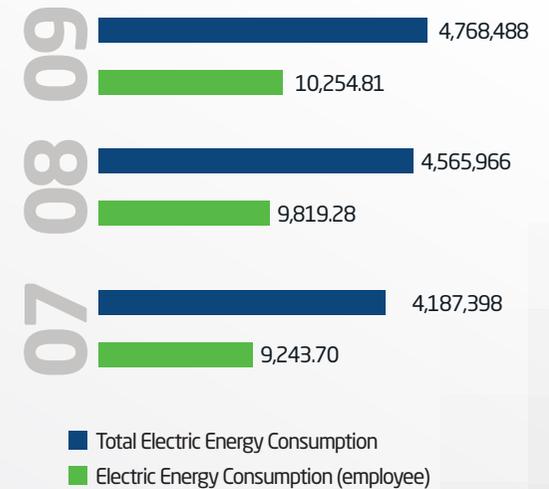
Water

Water usage, which is not directly linked to the services BME offers, is insignificant and limited to employees' consumption during the workday. Therefore, BME has centred its environmental sustainability efforts on establishing mechanisms for reducing water consumption and raising employee awareness of responsible water use.

Measures adopted include the installation of mixer taps with timers, which prevent them from being left on, and proper facility plumbing maintenance to detect leaks and avoid water wastage.

BME has registered no negative incidents linked to its water collection systems, which connect to the municipal water supply network.

Electric Energy Consumption



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Paper

The amount of paper consumed by the Company during the course of its activities is not particularly significant. However, BME is still aware of the need to cut back on paper consumption and has adopted measures to achieve this and to raise awareness among its employees to encourage a rational use of this resource.

In 2009 two measures were introduced that have allowed the Company to significantly reduce its consumption of paper.

The Company made an electronic copy of its 2008 annual report and CSR report available to all shareholders and other interested parties, allowing them to access these documents using a portable USB device, or pen drive, thereby replacing the traditional printed documents. This initiative resulted in a saving of 2.5 tonnes of paper, including printing paper and the cardboard used to make the folders in which the documents were delivered.

Also, the initiative to change the publication schedule for Bolsa magazine came into force (published monthly prior to July 2008 and on a quarterly basis from that date on). The electronic version available on the Company's website, www.bolsasymercados.es, is also updated regularly. This change in the magazine's publication schedule saved approximately 10 tonnes of paper in 2009.

In addition to the above, the measures rolled out in previous years to encourage paper saving were maintained. These include:

- Using email for all in-house communications sent to employees.
- Using BME's Intranet as a vehicle for information and contact between the Company and its employees.
- Using the in-house courier service between the Group's difference work centres. This service reuses items used for sending documents.
- Encouraging employees to use e-mail over printed documents in the course of their professional activities.
- Raising awareness among recipients of e-mails about the responsible use of paper by adding the following automatic message "Before you print,
- Replacing printed Christmas cards with on-line greetings.
- Introducing a full document management platform that allows all documents received to be scanned, classified and sent on to their recipients via e-mail. These documents may be accessed on employees' workstations and therefore do not need to be printed.

This system, which was implemented in 2008, not only enhances documentation management and lessens the risks involved in handling paper, also reduces paper consumption by 10%.

BME's commitment to sustainable development is also reflected in its selection of paper suppliers. As described in Chapter 4 of this report, manufacturing processes at the Company's paper suppliers are required to meet the quality and sustainability standards contained in NO EN ISO 140001:2004 and OHSAS 18001:1999.

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5.2. Waste management

In addition to the effort made to reduce the consumption of resources, their reuse and recycling are also important parts of BME's commitment to preserving the environment.

As with the consumption of resources, BME's activities generate little waste and the waste they do generate is linked mainly to the replacement of computer workstations and the consumption of paper and other office materials.

Although this is not a direct part of BME's activities, the recycling of waste from the cafeteria installed at the Las Rozas building (Madrid) and from medical services is also assessed.

- **IT equipment.** Company computers have an average lifespan of five years, which is lengthy for these products, thanks to employees' responsible use and regular maintenance by the Technical and Systems Support Department.

BME encourages the reuse of computers that have become out of date for its business, which requires forefront technology, as these may be used by entities or persons who do not require computers sporting the latest technology to carry out their work.

Therefore, any equipment that may be further used is donated to non-profit-making organisations. In 2008, 30 computers were passed onto the APADIS- the Association for parents of disabled children.

In accordance with legislation governing electric and electronic equipment and the management of waste thereof, the remaining equipment is returned to the supplier, who then disposes of the devices at facilities for treating and managing these materials.

- **Water.** The insignificant amount of water consumed and type of utilisation (restricted to habitual use by BME employees and therefore non contaminating) means that the Company's waste water systems are connected to the conventional city drainage systems, and there are no specific recycling or reusing measures in place, except for the measures adopted for waste water from the cafeteria, described in the section concerning the recycling of waste generated by this service.

- **Paper.** Agreements have been signed with the town councils corresponding to BME's different offices to install containers for paper and cardboard which is collected, treated and recycled.

- **Office material.** Office materials required by the Company that are especially damaging to the environment, such as printer toner and replacement cartridges, are 100% recycled through suppliers.

- **Other waste.** Since 2008 each area and department actively contributes to waste management by using "recycling stations" to collect waste generated by personnel and sorting this into: organic waste, metal cans and plastics. The Company's cleaning crews remove the material collected in the recycling stations on a daily basis and deposit it in larger containers which are in turn emptied by municipal authorities.

Special measures have been implemented to ensure that waste generated at the employee cafeteria, located in Las Rozas, is correctly managed. These include:

- BME has installed grease separator tanks, so that any waste considered especially dangerous, such as used oils, is removed by a specialised company which then treats it so that it can be reused for other activities.
- The installation of a wastewater purification and filtering system to process water after it is used by the Company cafeteria. The system allows the Company to purify wastewater before it is flushed into the municipal drains to which all BME's systems are connected.

Lastly, the minimal quantities of sanitary waste generated by the medical services unit are removed by a duly-authorised company.

5.3. BME on sustainable investment indices

The support of the BME Carbon Disclosure Project is particularly significant.

The Carbon Disclosure Project is a project and an association bearing the same name whose mission is to facilitate dialogue between investors and companies, from which a rational response to climate change will emerge. Information is obtained by the project through annual surveys carried out through alliances with organisations across the globe. In Spain, Ecología y Desarrollo is the local partner responsible for ensuring Spanish companies take part in the survey and analysing the results.

The 2008 and 2009 reports were presented at the Madrid Stock Exchange in February and December. This is an initiative that involves Spanish companies, specifically those trading on the IBEX 35® index.

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BME joined the FTSE4Good IBEX® index on 9 April 2008, the date of its launch on the Spanish market.

BME has been part of the Carbon Disclosure Project (CDP) since 2007.



CARBON DISCLOSURE PROJECT

Carbon Disclosure Project 2009

Carbon Disclosure Project Report 2008 Global 500

On behalf of 385 investors with assets of \$57 trillion



CARBON DISCLOSURE PROJECT

*Carbon Disclosure Project 2009
España: las 85 mayores empresas
por capitalización*

*En representación de 475 inversores
con un patrimonio neto de 55 billones de dólares*

CARBON DISCLOSURE PROJECT

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5.4. RENADE

BME collaborates in the fight against climate change through the National Registry for Emission Rights for Greenhouse Gases (RENADE), an instrument for ensuring that data on the ownership and control of greenhouse gas emission rights are publicly available and constantly updated.

Iberclear has been entrusted by the government, via the Ministry for the Environment and Rural and Marine Affairs, to manage this registry. The registry began operating on 20 June 2005 and permits the issuance, ownership, transfer and settlement of emission rights and units under the purview of the Kyoto Protocol and included in the Spain's National Allocation Plan to be accurately mapped.

