

6. BME and society

6.1 Working to preserve Spain's historical and artistic heritage

6.2 Financial sponsorship of cultural activities

6.3 Publication patronage

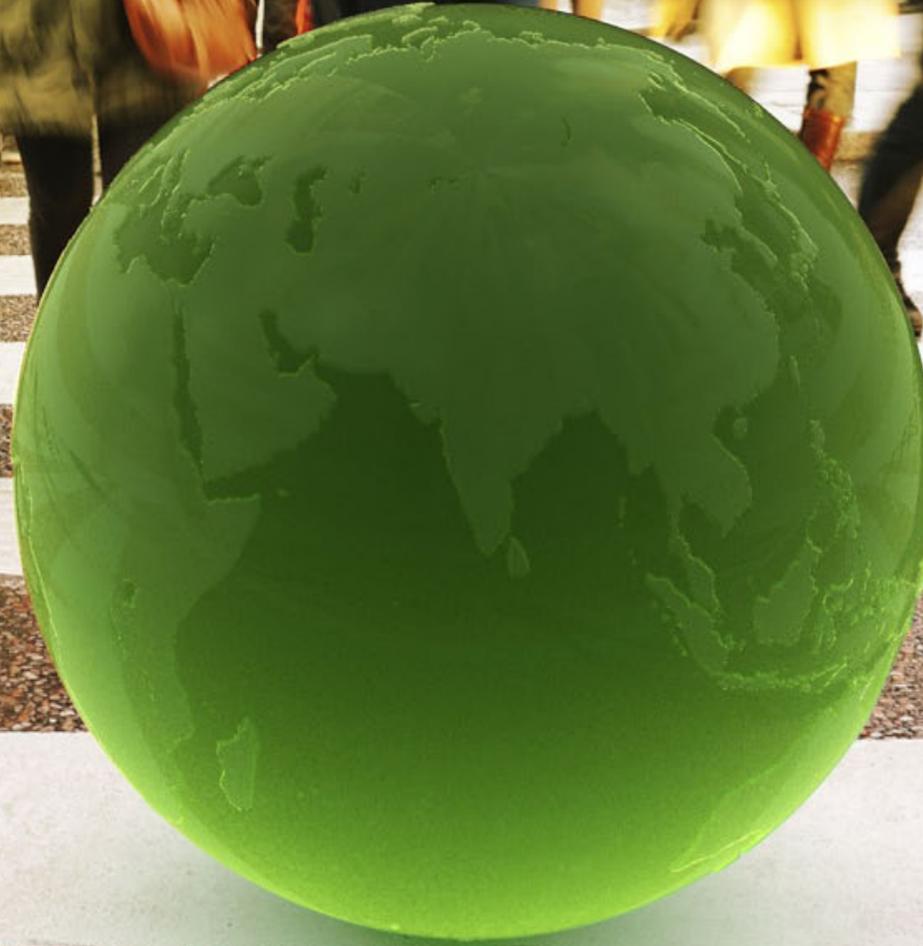
6.4 Collaboration with universities and centres of study

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-  Australia
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-  Tonga
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BME and society

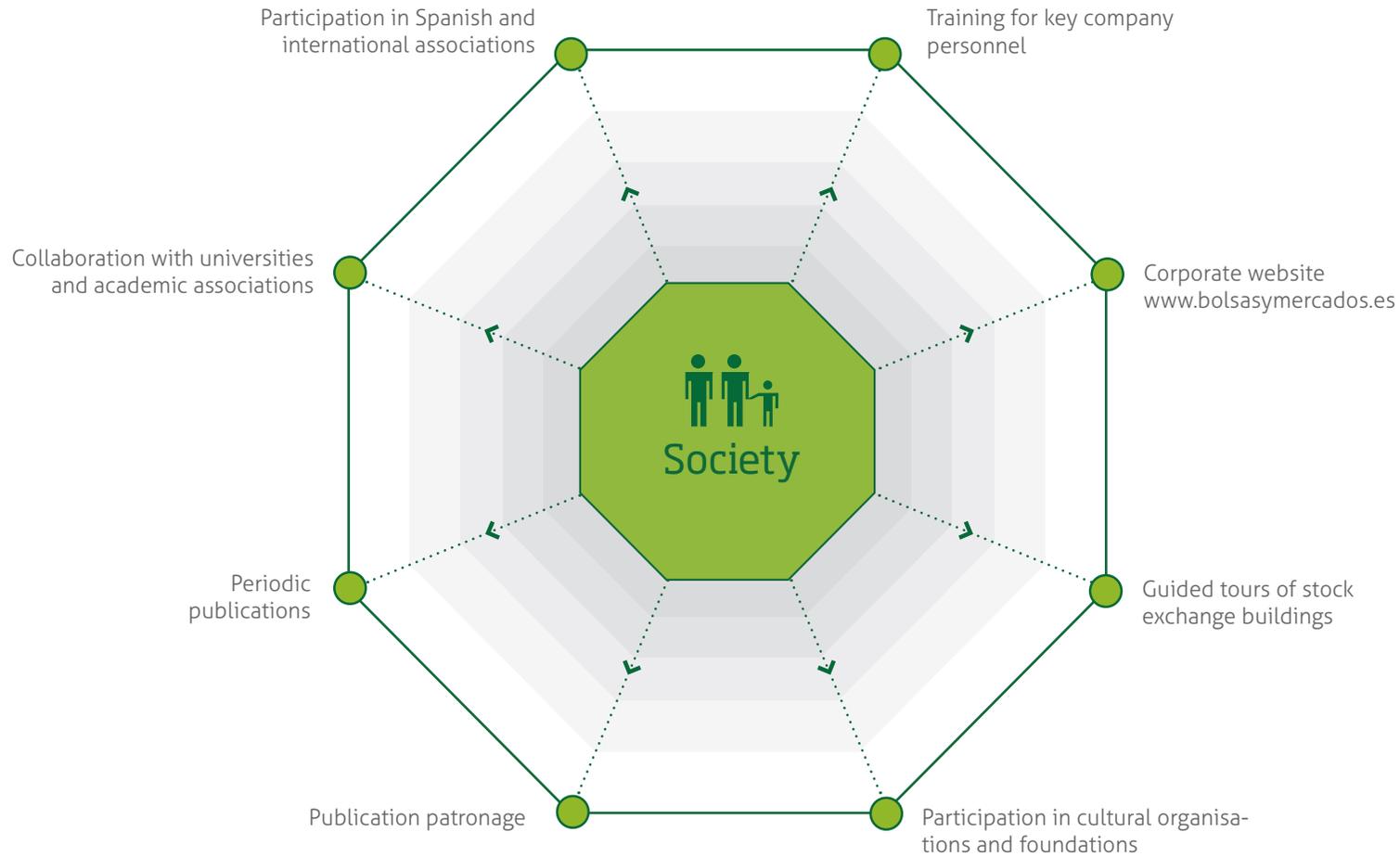
BME is aware that its activities, like those of other companies, have a transcendental impact not only on the economy but also on the society in which it operates.

Therefore, the company complements its main activity with initiatives aimed at fostering the development of the society in which it operates. Specifically, through encouraging culture.

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BME and society

Communication channels



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BME and society

6.1. Working to preserve Spain's historical and artistic heritage

The Madrid Stock Exchange, the Palacio de la Bolsa, is a building of great cultural value and part of Spain's historical and artistic heritage. It arouses enormous interest and curiosity among the general public. It also requires on-going investment in maintenance.

To satisfy this interest, guided tours of the building are held throughout the year to allow visitors to enjoy part of Spain's historical and artistic culture and at the same time learn about the importance of the work carried out by BME. So far this year it has attracted more than 10,000 visitors.

In 2011, BME invested heavily in the architectural reform of the building. This involved cleaning the stonework on its facade to give the building a rejuvenated look. The total investment required was over €1.5 million.

The other three stock exchange buildings in Barcelona, Bilbao and Valencia also hold guided tours which promote the educational and informative aspects of the stock markets.



Renovation of the facade of the Bolsa de Madrid Palace. General view



Renovation of the facade of the Bolsa de Madrid Palace. Detail of Volutes



Renovation of the facade of the Bolsa de Madrid Palace. West wing

BME and society

6.2. Financial sponsorship of cultural activities

The importance given by BME to cultural activities is clearly reflected in the company's interest in taking part in cultural and academic organisations even when its activities are not directly related to these disciplines.

BME is a member of the friends of the Prado Foundation, a sponsoring partner of the Reina Sofia museum in Madrid and a partner of the Teatro Real in Madrid. Through the Bilbao stock exchange the company is a strategic patron of the Guggenheim museum in Bilbao and, through the Barcelona stock exchange a sponsoring partner of the Gran Teatro del Liceo.

BME is also a sponsoring member of the foundation in support of the Spanish Royal Language Academy ("Fundación pro Real Academia Española") set up to channel general support to enable the academy to carry out its cultural mandate of serving the Spanish language in a world dominated by new technology and rapid communication.

BME investment in social initiatives

	2009	2010	2011
Financial sponsorship and development of cultural activities	190	260	260
Financial culture and training	962	1,014	1,154
Socio-economic development (awards)	35	50	50

6.3. Publication patronage

In order to contribute to the study and knowledge of the Spanish economy, finance and stock markets, BME encourages the dissemination and research of these topics and the main sectors of the company's activity through the direct publication of books and magazines and through sponsorship of various publications.

Bolsa magazine is published quarterly to inform readers of recent events in the financial markets. This magazine is available free of charge in electronic format on the corporate website www.bolsasymercados.es.

BME is also one of the sponsors of Agenda de Medios de Comunicación Económica, edited by the Spanish financial press association, Asociación de Periodistas Económicos (APIE).

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BME and society

6.4. Collaboration with universities and centres of study

BME's close ties with general culture and specifically with financial culture and its dissemination is also evidenced in the company's collaboration with a variety of organisations, universities and academic associations, and the participation of its professionals in training programmes related to the stock market.

Collaborations include BME's sponsorship of the Fundación de Estudios Financieros since June 2008. This private cultural, educational and non-profit foundation dedicates its resources and efforts towards independent research, education and opinion. It is committed to working to promote faithful adherence to economic freedom based on efficiency, transparency and ethical practices.

In the area of training, Instituto BME, the company's training centre, holds numerous collaboration agreements with universities, centres of study and other institutions, such as the Asociación Española de Financieros de Empresa (ASSET), with which it has collaborated in 2011 in the organisation of different courses aimed at professionals working in the area of finance at public and private institutions.

Instituto BME also collaborates on numerous training projects, offering specialised courses in various private and public universities, such as Castilla La Mancha, Carlos III, Complutense, Granada, Oviedo, Pablo Olavide de Sevilla, Santiago de Compostela, Vigo, Zaragoza, and Colegio Universitario de Estudios Financieros (CUNEF) in Madrid, and training colleges such as Colegio de Economistas de Aragón, la Fundación de las Cajas de Ahorros (FUNCAS), el

Institut d'Estudis Financiers, Instituto de Estudios Bursátiles (IEB), and ESESA, a business school based in Malaga.

The four stock market companies also have collaboration agreements in place in their own geographical areas:

- The Madrid Stock Exchange participates in the stock exchange and financial markets course (Curso de Bolsa y Mercados Financieros) with Asociación Universidad Empresa (AUNE) and with the company Software Financiero Bolsa (SFB) in an on-line stocks and derivatives course.
- The Barcelona Stock Exchange takes part in several training projects in collaboration with Universidad Abat Oliva CEU and Universidad Autónoma de Barcelona;
- The Valencia Stock Exchange works actively with the Universidad de Valencia in the development of several programmes not directly related to financial activities, such as "La Nau Gran", aimed at improving access to this university for people aged over 55; and the Olimpiadas de Economía (Economic Olympics) in collaboration with Fundación Bancaja and the Colegio de Economistas de Valencia.

The Valencia stock exchange in collaboration with Fundación Universidad Empresa de Valencia sponsors the Diploma de Especialización Profesional en Bolsas y Mercados Financieros Españoles (DEPU) course and collaborates with the Fundación de Estudios Bursátiles y Financieros (FEBF) in the organisation of the Máster Bursátil y Financiero, specialised in markets, services and financial products.

BME in Spanish and International associations**Spanish**

- Asociación Española de Contabilidad y Administración de Empresas (AECA)
- Asociación Española de Financieros y Tesoreros de Empresas
- Asociación de Mercados Financieros
- Asociación de Periodistas de Información Económica (APIE)
- Asociación para el Progreso de la Dirección (APD)
- Barcelona Centro Financiero Europeo
- Círculo de Economía
- Colegio de Economistas de Cataluña
- Instituto de Auditores Internos (IAI)
- Instituto Español de Analistas Financieros (IEAF)
- Madrid Centro Financiero Internacional

International

- WFE (World Federation of Exchanges)
- Federation of European Stock Exchanges (FESE)
- Ibero-American Stock Exchange Federation (FIAB)
- European Capital Markets Institute (ECMI)
- International Organization of Securities Commissions (OICV-IOSCO)
- Centre for European Policy Studies (CEPS)
- Associations for Investment Management and Research (CFA)
- International Capital Market Association (ICMA)
- European Association of Central Counterparty Clearing Houses (EACH)
- Futures Industry Association (FIA)
- International Options Market/Clearing Association (IOMA/IOCA)
- Grupo español de usuarios de SWIFT (SWIFT GNUSE)
- International Securities Services Association (ISSA)
- European Central Securities Depositories Association (ECSDA)
- Extensible Business Reporting Language (XBRL) Association
- Futures and Options Association (FOA)
- Fix Protocol

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BME and society

6.5. Collaboration with significant sectors of society

BME is aware that the correct operation of the financial markets and systems it manages is important not only for people who work directly in the sector, and even end users, but also for the work of professionals responsible for overseeing legal compliance such as the judicial sector and state security bodies and forces. These groups need a working knowledge of the financial markets and the products traded on these markets in order to carry out their professional activities correctly.

BME therefore organises regular custom-made seminars for the Spanish national police force and the members of the Judiciary General Council.

To allow judges and prosecutors to be able to truly understand and issue decisions on monetary crimes, members of the Judiciary General Council are offered a seminar at the Madrid Stock Exchange building to expand their knowledge of the characteristics of securities markets and trends. It is also important for the national police force to understand the workings of financial markets and financial products, as specialised agents with in-depth financial knowledge are more able to investigate and prosecute increasingly sophisticated monetary crimes.

It is also important for society that journalists are fully informed about the workings of the stock markets and the activities performed on these markets and are able to report correctly on all aspects relating to them. Therefore, BME has worked actively with the financial journalists association, Asociación

de Periodistas de Información Económica (APIE), holding various training sessions for groups of journalists from the leading financial media groups in Spain, newspapers, agencies, TV, etc.

In 2011 and as a result of the agreement signed with Ferrovial, six scholarships were granted to six scholarships were granted to financial journalists to study the fourth edition of the advanced course in Investor Relations, referred to in Chapter 6 of this report.

On the same lines, on 29 September 2011, Instituto BME and APIE held a training seminar at the Palacio de la Bolsa entitled "*Current topics seen from the standpoint of daily market operations*" attended by 60 professionals and aimed at enhancing journalists' knowledge of market operations and which financial and investment products are traded on the markets operated by BME.

6.6. Research unit, library and documentation centre

BME's research unit, library and documentation centre distributes and makes available to members of the public who may be interested in the world of finance a range of texts, documents, books and magazines covering a diverse array of issues encompassing not just financial topics but also other disciplines.

The research unit is a channel for delivering information to anyone interested in Spanish financial markets and systems. Its work centres on research and analysis of the financial markets.

BME's offices in Madrid and Barcelona also have libraries and documentation centres. These libraries and documentation centres may be used by both BME employees and the general public, and aim to provide users with easy access to the wide range of information offered by the company. The centres offer a multitude of specialised books on stock market related issues and concerning many other disciplines.



The stock exchange's library, a source of knowledge and culture

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BME and society

6.7. Awards conferred by bme

In 2011, BME continued to sponsor awards to drive and encourage stock market investment.

In February, the company, in collaboration with other entities such as BBVA, Deutsche Bank and Lyxor, organised the second edition of the contest "Around the world with ETFs". This contest was designed to raise awareness and encourage investors to trade in ETFs on the Spanish stock market through the virtual management of a portfolio. This year, the contest attracted around 2,500 investors.

BME also sponsored the eleventh edition of the Lipper-Cinco Días prizes awarded to the best investment funds.

In March BME awarded the BASE IBEX and BASE LATIBEX prizes, created in 2003 and 2006 respectively, for promoting investment in Spanish and Latin American equities over the long term.

At the end of March, under the patronage of BME, the second edition of the Premios Fondos Morningstar was held in Madrid in collaboration with El Economista. Prizes were awarded to the fund managers, funds and pension plans offering the most value to unitholders over the last few years.

During the last edition of BOLSALIA, the Latibex investment contest (Concurso de Inversión de Latibex) was held at the BME stand. These awards are given to university students and researchers, reflecting the shared goal of BME and the Finance Forum to encourage research in finance among

academic communities and Spanish business people, acting as a bridge between the two to promote the development of the finance industry.

At the Finance Forum's 19th annual meeting, BME sponsored the prizes in the Fixed Income, Equities and Derivatives categories.



BME rewards the commitment to stock exchange investing



Bolsalia, annual gathering with stock exchange investors

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BME and society

6.8. Presentations and acts held in bme buildings

Of all BME's buildings, the architectural importance of the company's headquarters means that it is considered by many financial market players to be the ideal venue to host events such as presentations of books and reports, academic forums, etc.

In 2011, BME also invited a number of Spanish and foreign listed companies to open trading sessions (with the traditional bell-ringing ceremony) in order to commemorate anniversaries on the Spanish market, present results, launch new products and financial instruments, and host other activities in an emblematic stock market setting.

In July 2011 the stock market listings of three new companies, Día-Distribuidora Internacional de Alimentación SA, Bankia SA and Banca Cívica SA, were held at the Palacio de la Bolsa de Madrid.

In January 2011, International Airlines Group performed the bell-ringing ceremony to open the stock market session.

In February, 100 female directors and executives opened the session to commemorate the European women's year in a ceremony organised by Corporate Women Directors International (CWDI). In March 2011, the Palacio de la Bolsa de Madrid hosted the presentation of "EcoTrader.es", the Spanish language financial markets portal offering real time information, financial tools and interactive services for designing investment strategies in collaboration with experts.

In May 2011, Unipapel celebrated its 25th anniversary as a listed company.

In April, the Palacio de la Bolsa was the selected venue for the President of the US Chamber of Commerce in Spain to award the "Global Business Leader Award 2011", a prize that recognises the international work of Spanish and US business leaders, contributing to responsible economic globalisation.

Several book launches were also carried out. Highlights include: In February 2011, "La nueva normativa de OPAS en España" (new take-over legislation in Spain) was published. In March, the report entitled "Creación de valor y RSE en las empresas del IBEX" (value creation and BSR at Ibox companies) published by the Real Academia de Ciencias Económicas y Empresariales, assessing the level of responsibility of the largest Spanish companies in the period 2007-2009.



BANKIA is listed on the stock exchange



DIA is listed on the stock exchange