

OPPORTUNITY AND RISK POLICY

Balfour Beatty Capital is a leading promoter and investor of major infrastructure assets in the UK and overseas. The Company takes a responsible interest in managing our business risks, and the projects in which we invest.

This Policy sets out the Company's commitment to capture opportunities, while limiting the liabilities by effective control of risks. Opportunity and risk management shall be embedded within the Company and we shall ensure that the task of managing the opportunities and risks form an integral part of our employees' duties.

The Company shall:

- Adopt an approach to opportunity and risk that is consistent with Balfour Beatty Group Framework for Opportunity and Risk Management (GFORM).
- Identify and record opportunities and risks which may promote or hinder the achievement of our business objectives and strategy.
- Assess opportunities and risks to determine if existing controls are adequate or require additional treatments.
- Respond appropriately to the opportunities and risks based upon assessments made.
- Monitor and report on the current status of risks and the effectiveness of the controls.
- Provide appropriate risk management training to staff within the organisation.
- Provide appropriate risk management training, assistance and resources to our Asset and Concessions Companies.

This Policy reflects the aspirations of Balfour Beatty plc and will be reviewed annually by the Managing Director and the Head of Compliance and Assurance. This Policy will be posted on office notice boards, made available to all members of staff on The Library (the Company intranet site) and on the Company website at www.bbcap.co.uk/.



Ian Rylatt

Managing Director
4th January 2012