

# **SUSTAINABILITY REPORT**

## **2013**

# Contents

|                         |                    |                       |                          |
|-------------------------|--------------------|-----------------------|--------------------------|
| 04.                     | 08.                | 14.                   | 20.                      |
| CHAIRMAN'S<br>STATEMENT | COMPANY<br>PROFILE | TRIPLE<br>BOTTOM LINE | PERFORMANCE<br>BY REGION |

|                         |                      |                         |           |
|-------------------------|----------------------|-------------------------|-----------|
| 32.                     | 174.                 | 176.                    | 186.      |
| ACCIONA'S<br>COMMITMENT | ABOUT THIS<br>REPORT | MATERIALITY<br>ANALYSIS | GRI INDEX |

|      |                              |
|------|------------------------------|
| 40.  | Good governance              |
| 48.  | People                       |
| 76.  | Innovation                   |
| 88.  | Environment                  |
| 126. | Value circle                 |
| 144. | Society                      |
| 156. | Stakeholder Engagement       |
| 162. | Dissemination and leadership |
| 170. | Accountability               |

|                                    |
|------------------------------------|
| 194.                               |
| INDEPENDENT<br>ASSURANCE<br>REPORT |



ACCIONA's 2013 Sustainability Report is available online. It can be accessed by scanning the above QR code using various devices.

JOSÉ MANUEL ENTRECANALES  
ACCIONA Chairman & CEO



## Chairman's statement

Dear friends,

The year 2013 was full of economic uncertainties, both in Spain and globally. In spite of this, the domestic economy was headed towards a slow recovery, although we are still far from the desired scenario. It is our responsibility to continue working, regardless of circumstances, to generate value and confidence for the markets and society.

At ACCIONA, we have had to deal not only with the global economic situation, but with drastic regulatory changes in some of the sectors in which we operate. In this scenario, we continue our efforts to generate shared value through the sustainability practices that are the cornerstone of our business model. I would like to share them with you in this 2013 Sustainability Report.

Our advances are reflected in ACCIONA's presence in the main world forums related to sustainability. We have been chosen to be a member of the Advisory Board of the *Sustainable Energy for All* initiative of the Secretary General of the United Nations and the President of the World Bank, and to participate in the Steering Committees of the Global Compact LEAD and the *Caring 4 Climate* initiative, both part of the United Nations Global Compact. In the European Community, jointly with the *Corporate Leaders Group on Climate Change*, we have supported in the European Summit for Green Growth the establishment of specific European targets for the year 2030 in renewables generation, the reduction of greenhouse gases and energy efficiency. We are the only Spanish company on the list of the *Global 100 Most Sustainable Corporations in the World 2014*. We

have also been recognized by the Corporate Knights as one of the *Top 10 Most Sustainable Utilities in the World*, having been ranked second.

Strengthening our commitment, in 2013 the ACCIONA Policy Book was approved, updating existing policies and adding new ones that reflect the commitments and policies applicable to subsidiaries in economic, social and environmental matters.

In order to realize our commitment to sustainability, the people who work in ACCIONA's must also be committed to the same goal. Hence, the inclusion of a percentage of the variable remuneration of executives and managers linked to the targets set out in the Sustainability Master Plan has been extended internationally to all divisions and to the main countries.

For the second consecutive year, our work in health and safety has meant that none of the Company's own employees suffered a fatal accident. Accident rates fell due to progress in standardization of common minimum criteria in occupational health and safety that are in the implementation phase in different markets.

With respect to society, we continue to work on implementing a methodology to manage the social impacts of our projects. Based on international standards, the methodology seeks to boost the quality of our commitment to the communities where we operate. New social impact assessments were initiated in Brazil, Morocco, Mexico and South Africa.

Value creation by our business would be inconceivable without innovation,

During 2013 we have avoided the **emission of 15 million** metric tons of CO<sub>2</sub>

which amounted to a total of €173.2 million in 2013. The internationalization of innovation processes proceeded during the year, with actions in Canada, Australia, Brazil, the US, Namibia, Colombia, Saudi Arabia, United Arab Emirates, Italy and Poland, which now account for 28% of the total.

We see environmental balance as a significant matter on the public agenda that is also a significant challenge for businesses. The fight against climate change, sustainable use of natural resources and biodiversity protection constitute the main elements of our environmental strategy. In line with this sustainable vision of business activity, we avoided the emission to the atmosphere of 15 million metric tons of CO<sub>2</sub> and reduced CO<sub>2</sub> emissions by 21% on the previous year. ACCIONA also reduced its energy consumption by 15% on the previous year, and our positive water footprint on the planet amounts to 562 hm<sup>3</sup>, which is a 32% improvement on the previous year.

In 2013, the ACCIONA Microenergy Foundation continued its activities of promoting universal access to energy through the implementation and consolidation of the *Light at Home* program in Peru and Mexico. As a direct result of this, 1,700 families and 17 community centers in Peru and 180 families in Mexico gained access for the first time to basic electric service this year, thus improving their conditions of life through clean energy.

As in previous years, we remain committed to a sustainable supply chain that incorporates principles of social and environmental balance to its strategy and business model. In 2013, 93% of the Company's suppliers were local suppliers, thereby contributing to the development of their communities. However, we do not overlook the new risks posed by new actions in new markets. In order to prevent and mitigate such risks, we have updated the risk map, taking into account ethical, human rights and environmental criteria, among others.

Our efforts during the year earned **the recognition of the most significant indices** in the field of sustainability

In accountability, we continue to advance in our commitment to providing stakeholders with detailed, truthful and relevant information on our corporate performance. We followed the path set in previous years, and the Sustainability Report was submitted, and approved for the second consecutive year, by the General Shareholders' Meeting. Also, for the first time, we submitted an Integrated Report, following a new reporting model based on the Company's value creation mechanisms and its long-term vision and strategic positioning.

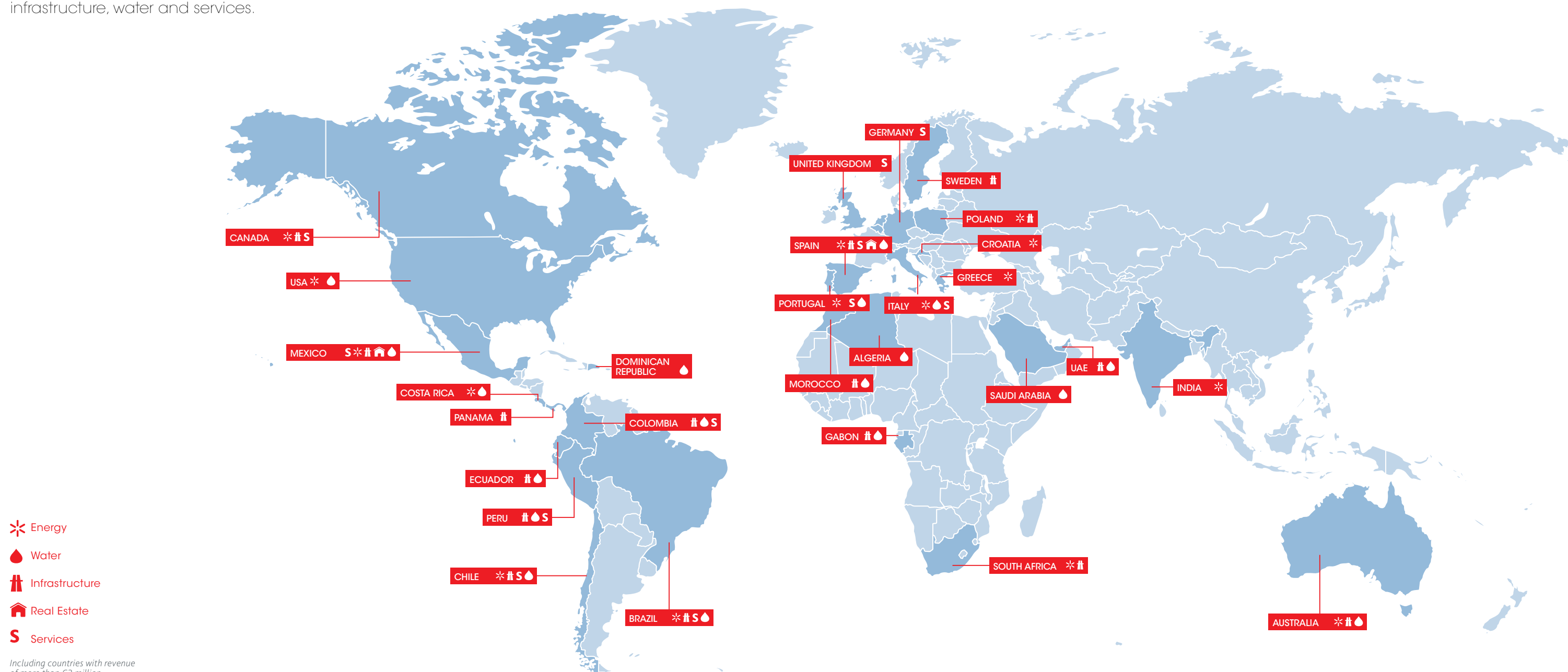
Our efforts during the year earned the recognition of the most significant indices in the field of sustainability. This include, among others, the revalidation of our position in the DJSI for the seventh consecutive year, where we were evaluated within the Electric Utilities sector for the first time, and the Company's inclusions in the Iberia 125 Climate Performance Leadership and Climate Disclosure Leadership indices elaborated by the CDP.

In order to put into context the effort we have been making to maintain our commitment to society - where and for which we work-, to the environment — which we try to protect—, and to the long-term solvency and profitability objectives that drive our decisions, you only need to look at the sacrifice we have asked our shareholders to make this past year regarding the distribution of dividends.

We are confident that in the very near future our stakeholders will be compensated for their commitment and loyalty with even more solid results in all our objectives, especially those of an economic nature. I recommend that you read this Report, as it symbolizes our ethical, social, environmental and economic performance commitment to the generation of value for all the Company's stakeholders.

# Company profile, ACCIONA throughout the world

With more than a century of experience, ACCIONA has consolidated its business model as a benchmark for sustainability and commitment to development through renewable energies, infrastructure, water and services.



Sustainability creates value

ACCIONA is one of the leading Spanish companies trading on the Ibex 35. With a history spanning more than a century, the Company is mainly involved in renewable energy, infrastructure, water, and services.

Its strategy is based on two concepts: sustainability and social well-being as the cornerstones of economic growth, environmental balance and social progress. In 2013, ACCIONA had a staff of more than 34,000 professionals and revenues of €6,607 million.



ACCIONA’s Mission, Vision and Values

ACCIONA’s business model

ENERGY

With more than 20 years of experience, ACCIONA Energy is a global operator exclusively dedicated to renewable energies, with a major presence in five of them: wind, solar thermal, photovoltaic, hydro and biomass. It is present in the entire value chain, including development, engineering and construction, use, operation and maintenance, generation and marketing of energy, and the design, manufacture and sale of wind turbines.

|                            |               |
|----------------------------|---------------|
| 2013                       |               |
| ■ Revenue                  | €2.12 billion |
| ■ EBITDA                   | €979 million  |
| ■ Total installed capacity | 8,480 MW      |
| ■ Total production         | 22,404 GWh    |

INFRASTRUCTURE

ACCIONA Infrastructure has more than a century of experience in all types of civil and construction works, bringing to bear its technology, innovation and accumulated experience in all of them. This business line develops solutions that are applicable to all facets of construction: from engineering and design, all the way to execution of works and their subsequent maintenance. This broad range of activities ensures a global vision that can provide solutions tailored to each specific project.

|                         |                |
|-------------------------|----------------|
| 2013                    |                |
| ■ Revenue               | €2.733 billion |
| ■ EBITDA                | €82 million    |
| ■ Number of concessions | 22             |

WATER

ACCIONA Agua is the division that manages the complete water cycle, focused on serving residents in activities that range from capture, supply of drinking water and desalination, up to purification and return to the environment. Owing to its design innovations and the construction and operation of water treatment, purification and desalination plants, the company is a benchmark in global solutions that contribute to sustainable development in the water sector.

|                 |              |
|-----------------|--------------|
| 2013            |              |
| ■ Revenue       | €585 million |
| ■ EBITDA        | €54 million  |
| ■ Water managed | 663 hm³      |

SERVICES

With more than 50 years of experience, ACCIONA Service offers a wide range of services to provide complete solutions to its customers. ACCIONA Service is the outcome of ACCIONA’s commitment to implementing a multiple-service model through coordination and management of all activities: activities of specialized cleaning, comprehensive logistics, forwarding, ancillary services, social and health and hospital services, telephone assistance, technical support, energy efficiency, environmental, urban, handling, events and museums, restoration, security systems and facility management.

|           |              |
|-----------|--------------|
| 2013      |              |
| ■ Revenue | €641 million |
| ■ EBITDA  | €20 million  |

OTHER BUSINESSES

This division includes the businesses of **Trasmediterranea**, Spain’s largest shipping line and one of the largest companies in Europe engaged in the maritime transport of passengers and cargo; **Real Estate**, focused on housing development projects, which develops and manages rental property, offices, shopping centers, hotels, and apartments for university students, ensuring that all the Company’s developments include eco-efficiency and sustainable development criteria; **Bestinver**, which provides financial services of fund management and stock brokerage; **wineries**, through the production of high-quality wines with Hijos de Antonio Barceló, as well as other investments.

|                                     |               |
|-------------------------------------|---------------|
| 2013                                |               |
| ■ Revenue:                          |               |
| ■ Trasmediterranea                  | €419 million  |
| ■ Real Estate                       | €66 million   |
| ■ Bestinver                         | €113 million  |
| ■ Vineyards                         | €38 million   |
| ■ Corporate and other               | €5 million    |
| ■ EBITDA                            | €93 million   |
| ■ No. of vehicles                   | 630,212       |
| ■ No. of passengers                 | 2,635,721     |
| ■ Housing inventory (units)         | 828           |
| ■ Bestinver assets under management | €8.93 billion |

## Company products and services that aid sustainability

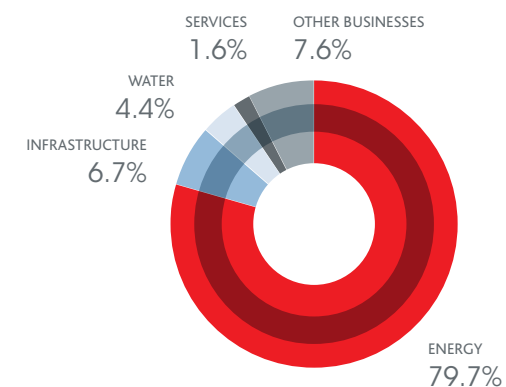
The United Nations Environment Programme (UNEP) defines a green economy as "one that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological damage". Within this concept, there is room for a broad range of products and services offered by ACCIONA, which, according to their characteristics, can be considered beneficial in terms of both the environment and sustainability.

Specifically, in 2013, some **42% of ACCIONA's global sales** (41.6% in 2012) and **85% of its EBITDA** (82.4% in 2012) stemmed from activities related to renewable energies, water and the Company's other environmental activities.



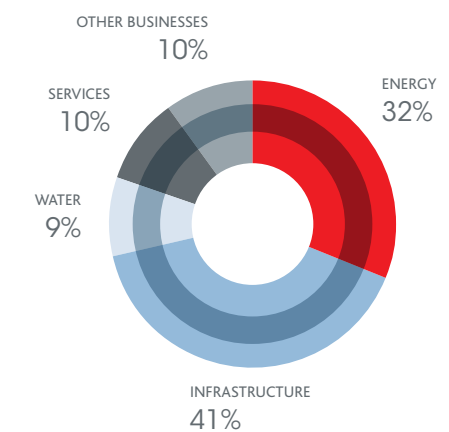
## Breakdown of the key figures in 2013

### → Contribution to EBITDA\* by division



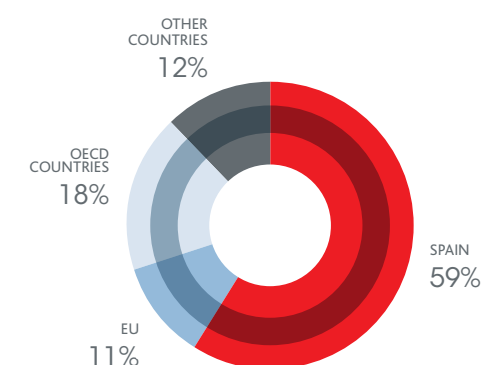
\* Contributions to EBITDA calculated before consolidation adjustments.

### → Revenue\* by division (% of total revenues)



\* Contributions to revenue calculated before consolidation adjustments.

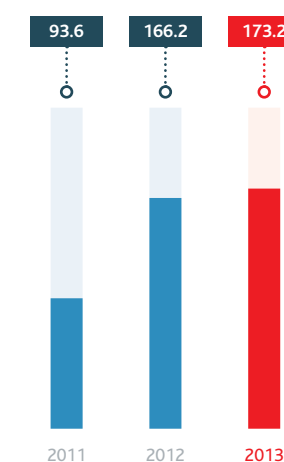
### → Income by geographic areas



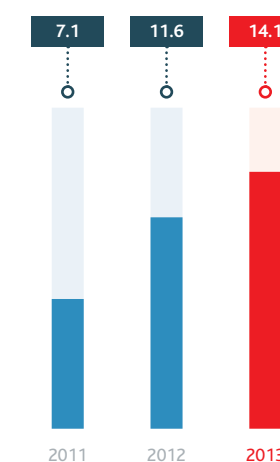
## Triple bottom line, economic, environmental and social

The Company remains committed to a sustainable business model, through its long-term objectives of economic profitability and its environmental and social commitments.

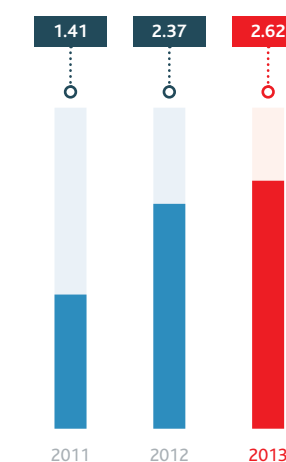
→ Total R&D  
(€ million)



→ Total R&D/EBITDA  
(%)

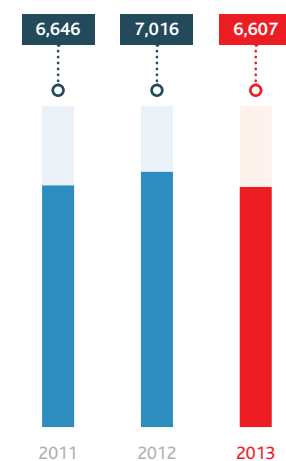


→ Total R&D/revenues  
(%)

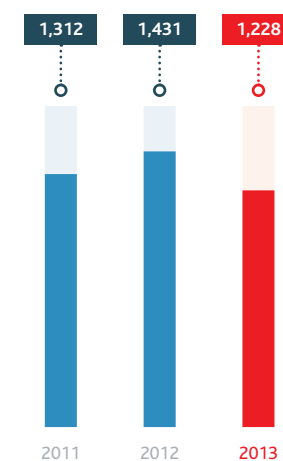


In recent years, ACCIONA has upheld its firm commitment to innovation. In 2013, recorded €173.2 million in R&D, 4.2% higher than in the previous year.

→ Revenues  
(€ million)

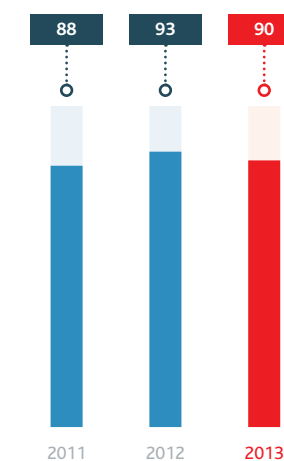


→ EBITDA  
(€ million)

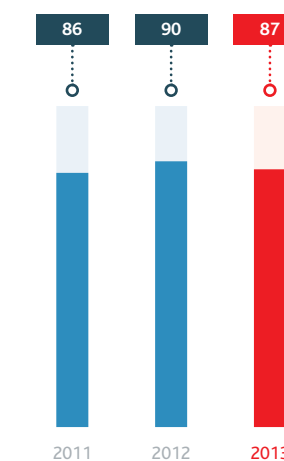


Regulatory changes in Spain relating to energy have had a materially significant effect on ACCIONA's financial results in 2013. Results were also affected by the slowdown of construction in the Spanish market and internationally. However, revenue in the Water and Services divisions increased.

→ Activity certified  
under ISO 9001 (%)



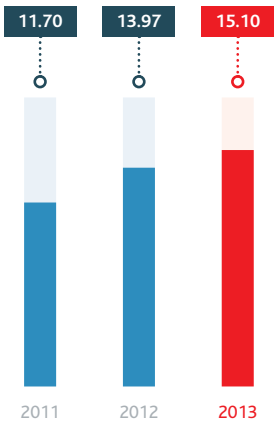
→ Activity certified  
under ISO 14001 (%)



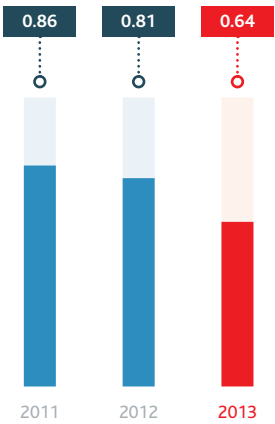
The reduction of revenue percentages certified by ISO standards 9001 and ISO 14001 in 2013 from the previous year is due to the growing international expansion of ACCIONA operations, as certification processes involve a lead time on the start of activity in a country.



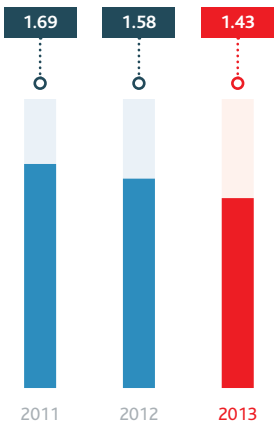
→ Emissions avoided  
(millions of tonnes of CO<sub>2</sub>)



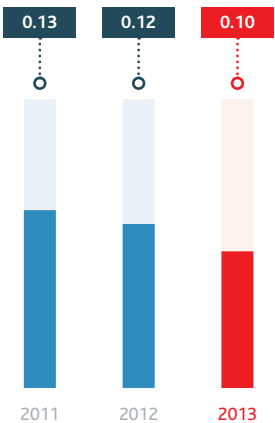
→ Scope 1 and 2 emissions  
(millions of tonnes of CO<sub>2</sub>)



→ Energy consumption ratio  
(TJ/revenues in € million)

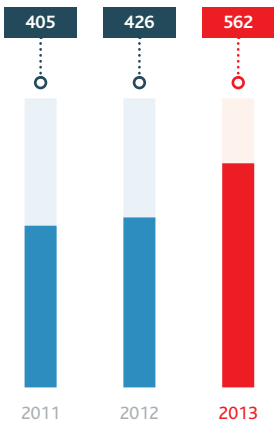


→ Emissions ratio  
(tonnes of CO<sub>2</sub>/revenues in € million)

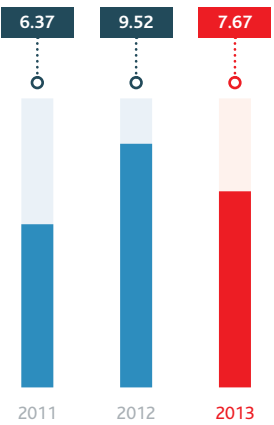


In 2013, ACCIONA continued to fulfill its environmental targets and commitments. The Company avoided 24 times the CO<sub>2</sub> its production activity generated during the year. Emissions avoided increased by 8% and 29% on 2012 and 2011, respectively. For their part, CO<sub>2</sub> emissions generated were reduced by 21% on the previous year and 26% on 2011. In the past three years, both the energy consumption ratio and the emissions ratio have continued to decline.

→ Water footprint: net positive contribution (hm<sup>3</sup>)

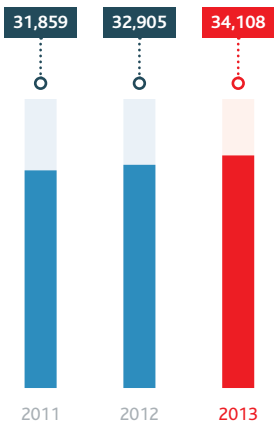


→ Water consumption (hm<sup>3</sup>)



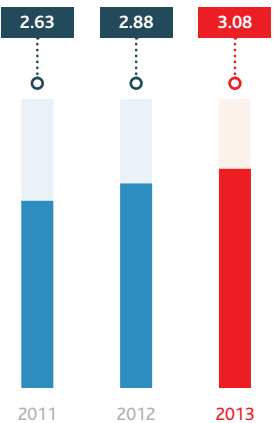
In 2013, trends in the water footprint continued to be positive, with a 32% improvement on the previous year and 39% on 2011. During the year, a growing water consumption trend in recent years was also reversed, with a 19% decline on 2012, mainly due to the reduction of consumption in the Infrastructure and Water divisions.

→ Average headcount at year end



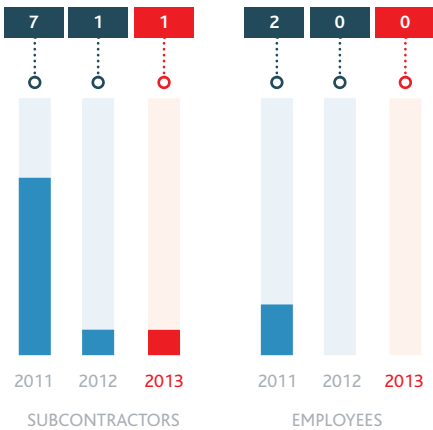
In 2013, ACCIONA increased its average headcount by 3.6% on 2012, mainly due to the increase in personnel in the Service division. Compared to the previous year, the number of employees increased the most in Brazil and Colombia due to new projects.

→ % of employees with disabilities in the workforce in Spain

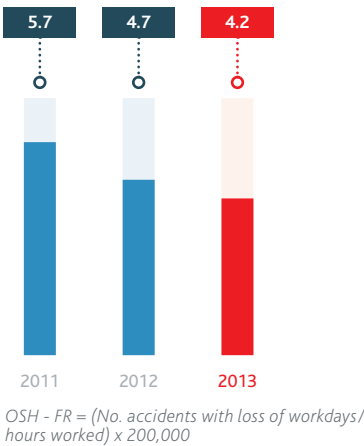


ACCIONA has advanced in fulfilling its commitment of reaching a 3% level of differently-abled people in the workforce in Spain. In 2013, the Company exceeded the equivalent employment target percentage, reaching 3.08%. Of this percentage, 2.56% is direct employment (compared to 2.40% in 2012).

→ No. of fatal accidents (globally)

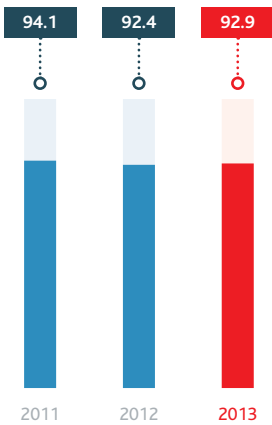


→ Accident frequency rate among own employees (globally)



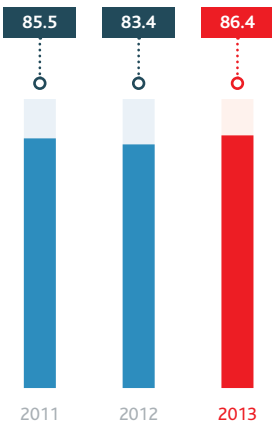
ACCIONA is firmly committed to health and safety in the workplace. This is reflected both in the achievement of zero fatal employee accidents in 2012 and 2013 and in a 26% reduction of the frequency rate compared to 2011. In spite of the reduction in the number of fatal accidents among contract personnel compared to 2011, an accident of this kind did occur in 2013. To improve occupational health and safety in the supply chain, ACCIONA carries out a number of training and communication initiatives.

→ Local suppliers over total number of suppliers (%)



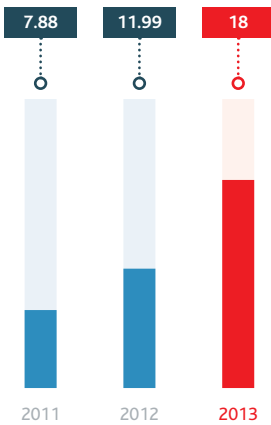
The Company contributes to local development by contracting products and services in the country or region in which its activities are carried out, as shown by the high percentage of local suppliers of ACCIONA's total suppliers in the 2011-2013 period.

→ Global customer satisfaction index (%)



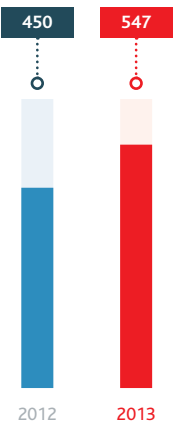
ACCIONA has advanced in fulfilling its customers requirements and expectations, achieving an overall customer satisfaction rate of 86.4%, compared to 83.4% in the previous year.

→ Social contribution (€ million)



ACCIONA's social contribution continued to increase in the 2011-2013 due to the Company's work in fostering initiatives of access to basic services, promotion of sustainability, social investment associated to projects, sponsorship and patronage, and corporate volunteering.

→ Number of volunteers



ACCIONA focuses its strategy on economic growth, environmental balance and social progress

# Performance by region, local value contribution

The environmental balance and a concern for biodiversity, together with the drive towards developing the communities in which it operates, characterizes ACCIONA's activities in its international markets.

## Asia and Oceania



## → ACCIONA's performance indicators in the region

|   | 2011  | 2012  | 2013  |
|---|-------|-------|-------|
| Revenues (€ million)  | 203   | 353   | 366   |
| Energy produced (total GWh)                                     | 1,258 | 1,388 | 1,425 |
| Water managed (desalinated/drinking/treated) (hm <sup>3</sup> ) | 0     | 0     | 54.8  |
| Total R&D (€ million)   | 10.8  | 26.6  | 28.2  |
| Activity certified under ISO 9001 (%)                           | 40    | 68    | 92    |
| Emissions avoided (thousands of tons of CO <sub>2</sub> )       | 1,022 | 1,142 | 1,177 |
| Emissions generated (thousands of tons of CO <sub>2</sub> )     | 2     | 21    | 30    |
| Water footprint (hm <sup>3</sup> )                              | 0     | -0.1  | 29.3  |
| Activity certified under ISO 14001 (%)                          | 40    | 68    | 92    |
| Average equivalent headcount                                    | 232   | 309   | 312   |

## KEY PROJECT

### Legacy Way, Australia (ACCIONA Infrastructure)

- Design, construction, operation and maintenance project (10 years).
- Construction of two twin tunnels, 4.3 km in length and 12.4 meters in diameter, which will connect the
- Western Freeway in Toowong to the Inner City Bypass.
- Once open to traffic in 2015, this infrastructure will allow the transportation times between the
- east side and west side of Brisbane to be considerably reduced.
- Project of AUD 1,500 million. (around €1,000 million).

Since the beginning, the project for the construction of the Legacy Way tunnel in Brisbane took into account the need to respect the mobility of public transport, private vehicles and pedestrians in the area.

ACCIONA included an action plan in this project based on continuous dialogue with local agents, through periodic meetings with representatives of almost three thousand inhabitants in the neighboring area and other means of communication such as occasional informational campaigns, personalized

calls or the existence of a 24 hour telephone line and a Visitors Center with personalized service. The center provides visitors with an interactive educational experience that guides them through the project's design and construction, its relationship with the local environment and its benefits.

ACCIONA works in close collaboration with local organizations to sponsor a series of community projects. Since construction began, ACCIONA has sponsored various community events, including the 140<sup>th</sup> anniversary of the

Toowong cemetery, several Milton and Rainworth public school holidays, and the Queensland bicycle week, among others. The Company has also promoted recreational activities, such as outdoor cinema, community barbecues or open-door events.

As a result of constructing a tunnel for removing debris between Toowong and the Mount Coot-tha quarry in Brisbane, ACCIONA eliminated the need for 96,000 truck trips (equal to 190 tons of CO<sub>2</sub>) over local roads during the construction of the tunnels between 2012 and 2013.

## 2013 ACKNOWLEDGEMENTS

Mayor Tunneling Project of the Year, International Tunneling Awards 2013: award granted to the Legacy Way tunnel in Brisbane, for excellence and quality in carrying out these types of projects.

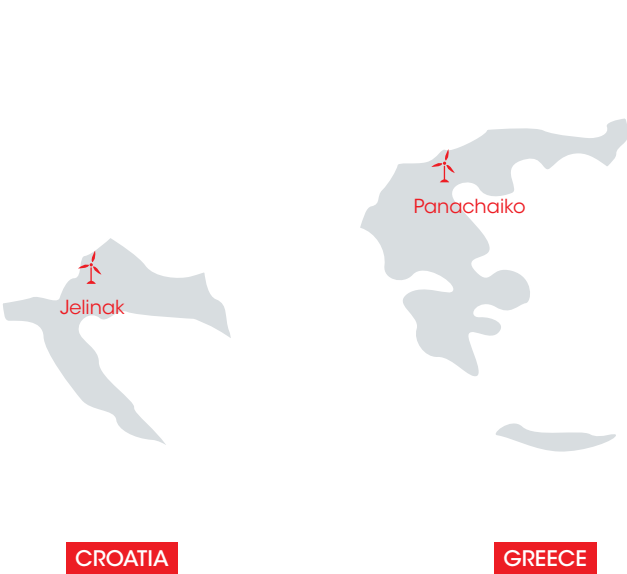
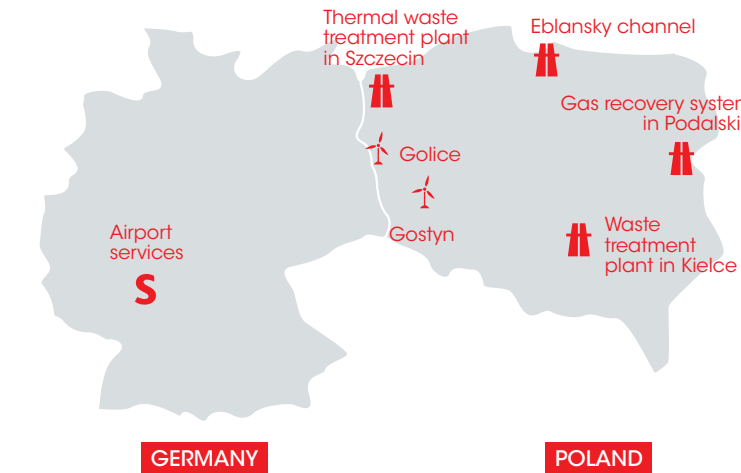
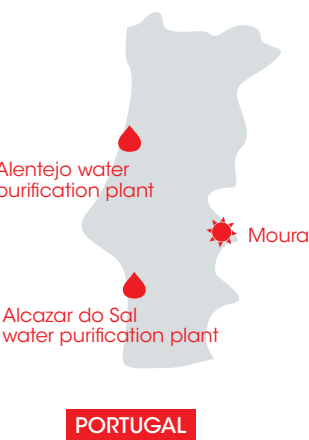
The Adelaide desalination plant in Australia obtained several awards throughout 2013, the most notable of which are as follows:

- Water Industry Alliance Smart Water Awards.
- Australian Project of the Year.

- Awards for Excellence – Technological Innovation.
- IMPA Project Excellence Award in the category of Mega-sized project.
- 2013 GPM Global Sustainability Project of the Year Award.

Europe

(Not including Spain)



→ ACCIONA's performance indicators in the region

|   | 2011  | 2012  | 2013  |
|---|-------|-------|-------|
| Revenues (€ million)  | 1,127 | 1,042 | 730   |
| Energy produced (total GWh)                                 | 927   | 1,064 | 1,239 |
| Water managed (desalinated/drinking/treated) (hm³)          | 171.1 | 167.7 | 162.9 |
| Total R&D (€ million)                                       | 4.6   | 16.6  | 3.5   |
| Activity certified under ISO 9001 (%)                       | 84    | 95    | 91    |
| Emissions avoided (thousands of tons of CO <sub>2</sub> )   | 681   | 736   | 954   |
| Emissions generated (thousands of tons of CO <sub>2</sub> ) | 38    | 39    | 24    |
| Water footprint (hm³)                                       | 168.6 | 165.3 | 160.4 |
| Activity certified under ISO 14001 (%)                      | 77    | 86    | 79    |
| Average equivalent headcount                                | 7,680 | 8,027 | 7,046 |

KEY PROJECT

3D Show in London, the United Kingdom (ACCIONA Producciones y Diseño, ACCIONA Service)

- ACCIONA specifically designed and built for this event a screen that was 21 meters long and 10 meters high, more than 200 m², made up of hexagons which recreated the form of an open soccer ball.
- The show used 10 projectors with 22,000 lights each, which offered 4K resolution, thereby providing an image quality of 4,000 pixels.
- The audio equipment, distributed in two towers on each side of the screen, had a capacity of 40,000 watts.

ACCIONA Producciones y Diseño (APD) was the company responsible for the design, development, coordination, production and set-up of the 3D multimedia show at the Champions League Final held on May 22, 23 and 24, 2013 in London (the United Kingdom). Images were projected in three dimensions, and music and special effects were the basis of the mapping show which projected Trafalgar Square in London. The 3D multimedia projection recreated

some of the most striking moments of the European Cup, in addition to paying tribute to previous winning teams and certain key players of the competition.

With regard to the events designed, organized and produced, APD attempts to reduce its ecological footprint as much as possible, taking advantage of opportunities presented to contribute to the natural, economic and social environment in which they are carried out.

As a result of ACCIONA's commitment to sustainability in all its activities, the 3D show in London was carbon neutral, in other words, the CO<sub>2</sub> emissions related to the event were calculated to be offset by the Tuppadahalli Wind Energy clean energy project in Karnataka (India), consisting of a 56.10 MW wind farm with 34 turbines of 1.65 MW each. The final emissions balance was therefore zero.

Spain

With more than 100 years of history, ACCIONA is a benchmark in the development and management of infrastructures, renewable energies, water and services in Spain. The Infrastructure business division contributed to the development of an extensive network of roads, railroads, subways, high-speed lines and light rail. Accordingly, ACCIONA Agua provides management services for the integral water cycle in over 180 towns in Spain. ACCIONA Energy, an operator and developer of renewable energy generation assets, has a significant presence in five technologies: wind, hydro, solar thermal, biomass and photovoltaic. ACCIONA Service provides a wide offering of services with comprehensive solutions for customers in the private and public sector. ACCIONA also carries out maritime transport activities, property development, fund management and wine production in Spain.



→ ACCIONA's performance indicators in the country

|   | 2011   | 2012   | 2013   |
|---|--------|--------|--------|
| Revenues (million)  | 4,308  | 4,051  | 3,894  |
| Energy produced (total GWh)                                 | 12,234 | 13,120 | 15,209 |
| Water managed (desalinated/drinking/treated) (hm³)          | 292.7  | 326.1  | 418.7  |
| Total R&D (million)   | 72.1   | 116.9  | 124.6  |
| Activity certified under ISO 9001 (%)                       | 95     | 100    | 100    |
| Emissions avoided (thousands of tons of CO <sub>2</sub> )   | 7,630  | 8,655  | 9,949  |
| Emissions generated (thousands of tons of CO <sub>2</sub> ) | 773    | 651    | 452    |
| Water footprint (hm³)                                       | 229.5  | 264.9  | 375.6  |
| Activity certified under ISO 14001 (%)                      | 93     | 97     | 97     |
| Average equivalent headcount                                | 20,491 | 19,855 | 20,256 |

KEY PROJECT

**End-to-end Water Management Service, Cáceres (ACCIONA Agua)**

- ACCIONA Agua has managed drinking water supply to homes, sewage services and wastewater purification within the Municipality of Cáceres for a period of 24 years.
- It provides service to almost 100,000 inhabitants thanks to an investment of €300 million.

In 2013 ACCIONA Agua's participation in the European project known as *SmartWater4Europe*, which consists of the development and implementation of an Intelligent Water Network in Cáceres, is especially worthy of note. Cáceres will therefore be a pioneer in Spain in incorporating the *Smart City* concept to the supply of water.

The technology that ACCIONA Agua will implement over the coming years in Cáceres will facilitate the detection and repair of breakdowns, improve water quality control and allow meters to be read from a distance. The network will benefit 10,000 users (domestic and non-

domestic use), manage 35% of those subscribed to the service in the city and monitor 74 km of the piping network, thereby allowing the detection of possible infrastructure improvement needs.

The network will also allow for a 10% savings in consumption, thereby reducing energy consumption, water loss and drinking water costs, and improving the drinking water service.

The advances included in this project will allow any breakdown, obstruction or leak to be detected in real time and the approximate location where it occurred to be ascertained, thereby

reducing the time necessary to locate and repair the problem. Being able to read the meters from a distance and to detect consumption anomalies will also enable ACCIONA Agua to immediately notify consumers of any possible leaks. Non-domestic consumers will also benefit from the new system, since they may instantly look up their cumulative consumption online.

These innovations lead to environmental benefits, since the early detection of leaks reduces the amount of drinking water not used for end consumption.

2013 ACKNOWLEDGEMENTS

Awards received by ACCIONA Agua for the sludge co-digestion project at the wastewater treatment plant in Alcantarilla, Murcia:

- Most innovative project (*Cinco Días* 2013).
- 100 Ideas award (*Actualidad Económica* 2013).

ACCIONA Infrastructure was awarded the CONSTRUMAT 2013 award, in the civil engineering category, for constructing the footbridge over the Júcar river in Cuenca.

ACCIONA Infrastructure was awarded the International Cemex Building Award by

CEMEX, in the Infrastructures and Planning category (22<sup>nd</sup> edition), for the construction of the Zaragoza tram.

*Zero Accidents* Award from the Cantabria Health and Safety at Work Institute granted to ACCIONA Infrastructure for achieving a cycle of improvement in occupational health and safety.

ACCIONA Producciones y Diseño was awarded the Golden Elephant for the Best European Sustainable Event for the Day of Music Festival, and received the Silver Elephant in the Best European Cultural Event category for *The Adventure in Innovation* show.

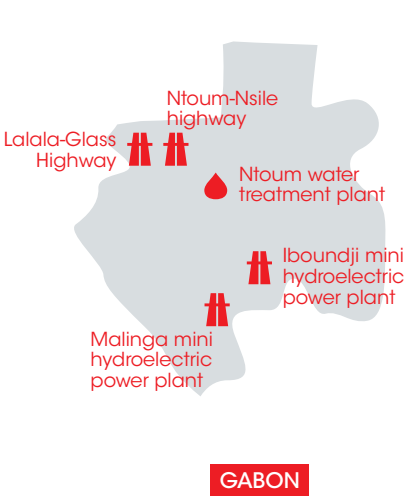
ACCIONA Blades was recognized for its efforts in providing access to the labor market:

- *Incorpora* award from the La Caixa Foundation.
- Award from the Ilundain Foundation.

In 2013 ACCIONA received an award from the Integra Foundation for having hired 500 people at risk of social exclusion.

11<sup>th</sup> edition of the Employment & Entrepreneurs Award for Innovation in Human Resources for the *Talent Digital Identity* project.

Africa



→ ACCIONA's performance indicators in the region

|   | 2011 | 2012 | 2013 |
|---|------|------|------|
| Revenues (€ million)  | 28   | 34   | 90   |
| Water managed (desalinated/drinking/treated) (hm³)          | 6    | 17.3 | 19.5 |
| Total R&D (€ million)                                       | 0    | 0    | 0.1  |
| Activity certified under ISO 9001 (%)                       | 0    | 0    | 0    |
| Emissions avoided (thousands of tons of CO <sub>2</sub> )   | 0    | 0    | 0    |
| Emissions generated (thousands of tons of CO <sub>2</sub> ) | 17   | 42   | 53   |
| Water footprint (hm³)                                       | 6    | -3.8 | -4.8 |
| Activity certified under ISO 14001 (%)                      | 0    | 0    | 0    |
| Average equivalent headcount                                | 245  | 200  | 444  |

KEY PROJECT

Iboundji mini hydroelectric power plant, Gabon  
(ACCIONA Infrastructure)

- In 2012, ACCIONA Infrastructure was awarded the construction and expansion project for the Iboundji mini hydroelectric power plant (400 kW).
- The Iboundji electrification project is included in the *Emerging Gabon* plan, which considers, among other projects, the electrification of areas without electricity.

In Gabon, near the village of Iboundji, ACCIONA Infrastructure is building a mini hydroelectric power plant that will supply electrical power to the communities of the area.

As part of this project, ACCIONA held meetings with the community to learn first hand the needs of the village's inhabitants. As a result of the request of the town prefecture for the Company to assist in improving the living conditions of the town during the construction of the mini hydroelectric power plant, ACCIONA installed an electrical generator that gives the 500 inhabitants of the community access to electrical power.

The initiative allows the inhabitants to widen the scope of their everyday activities. One of the most significant benefits for these people is the ability to conserve food for longer periods than usual, thus allowing them to purchase food outside the town, at lower prices, and improve their domestic economy.

In addition, a bridge leading to the mini hydroelectric power plant was built from compound materials. An agreement was also reached that allows inhabitants, in the event of serious illness, to use the ambulance available to work site personnel to transport ill people from Iboundji to the nearest hospital, which is three hours away.



North America



→ ACCIONA's performance indicators in the region

|   | 2011  | 2012  | 2013  |
|---|-------|-------|-------|
| Revenues (€ million)  | 709   | 995   | 617   |
| Water managed (desalinated/drinking/treated) (hm³)          | 2.7   | 3     | 6.6   |
| Energy produced (total GWh)                                 | 3,329 | 4,807 | 4,532 |
| Total R&D (€ million)                                       | 5.7   | 4.3   | 1.8   |
| Activity certified under ISO 9001 (%)                       | 70    | 83    | 79    |
| Emissions avoided (thousands of tons of CO <sub>2</sub> )   | 2,412 | 3,441 | 2,981 |
| Emissions generated (thousands of tons of CO <sub>2</sub> ) | 19    | 37    | 32    |
| Water footprint (hm³)                                       | 0.2   | 0.4   | 2.1   |
| Activity certified under ISO 14001 (%)                      | 70    | 83    | 79    |
| Average equivalent headcount                                | 1,461 | 1,946 | 1,442 |

KEY PROJECT

**Oaxacas Complex, Mexico (ACCIONA Energy)**

- Wind farm complex located on the Tehuantepec Isthmus, formed by the Oaxaca II, Oaxaca III and Oaxaca IV wind farms, which have a total capacity of 306 MW.
- The Oaxacas complex is formed by 204 wind turbines of 1.5 MW c/u (ACCIONA Windpower technology), which were installed within a record time of 204 days, in other words, one wind turbine per day.
- The complex is recognized as a Clean Development Mechanism (CDM) and under the Verified Carbon Standard (VCS), generating carbon offsets for the mandatory and voluntary market.
- The complex reduces the equivalent of 750,000 tons of CO<sub>2</sub> per year.

ACCIONA carries out periodic studies on the needs of the towns in Mexico surrounding the wind farms in Oaxaca. This information is shared and is available to all members of the community to avoid any type of conflict with municipal lands, agricultural conflict or conflict with indigenous communities.

Based on the results obtained in these studies, the Company carries out a series of actions structured around a Community Investment Plan, and the continuity of the initiatives should be noted. In 2013, more than 4,000 people benefited from the

Plan's initiatives, which include, among others, the following:

- Scholarship fund for professional careers through the *Higher education at your reach* program and for the transport of young people of the La Blanca Comprehensive Community Baccalaureate program, and benefits for university students through an agreement with the Istmo de Tehuantepec University.
- Promotion of sports in the communities.

- Provision of training workshops at the Bioclimatic Community Center.
- Renovation of primary education schools in Santo Domingo.
- Development of a Farmland and Livestock Sale Project, where eleven micro projects were prepared for the development of the community.
- Reforestation of protected areas.
- Promotion of sustainable education through the Sustainability workshop.

2013 ACKNOWLEDGEMENTS

Project Deal of the Year (World Finance 2013): award granted to the Atotonilco wastewater treatment plant in Mexico.

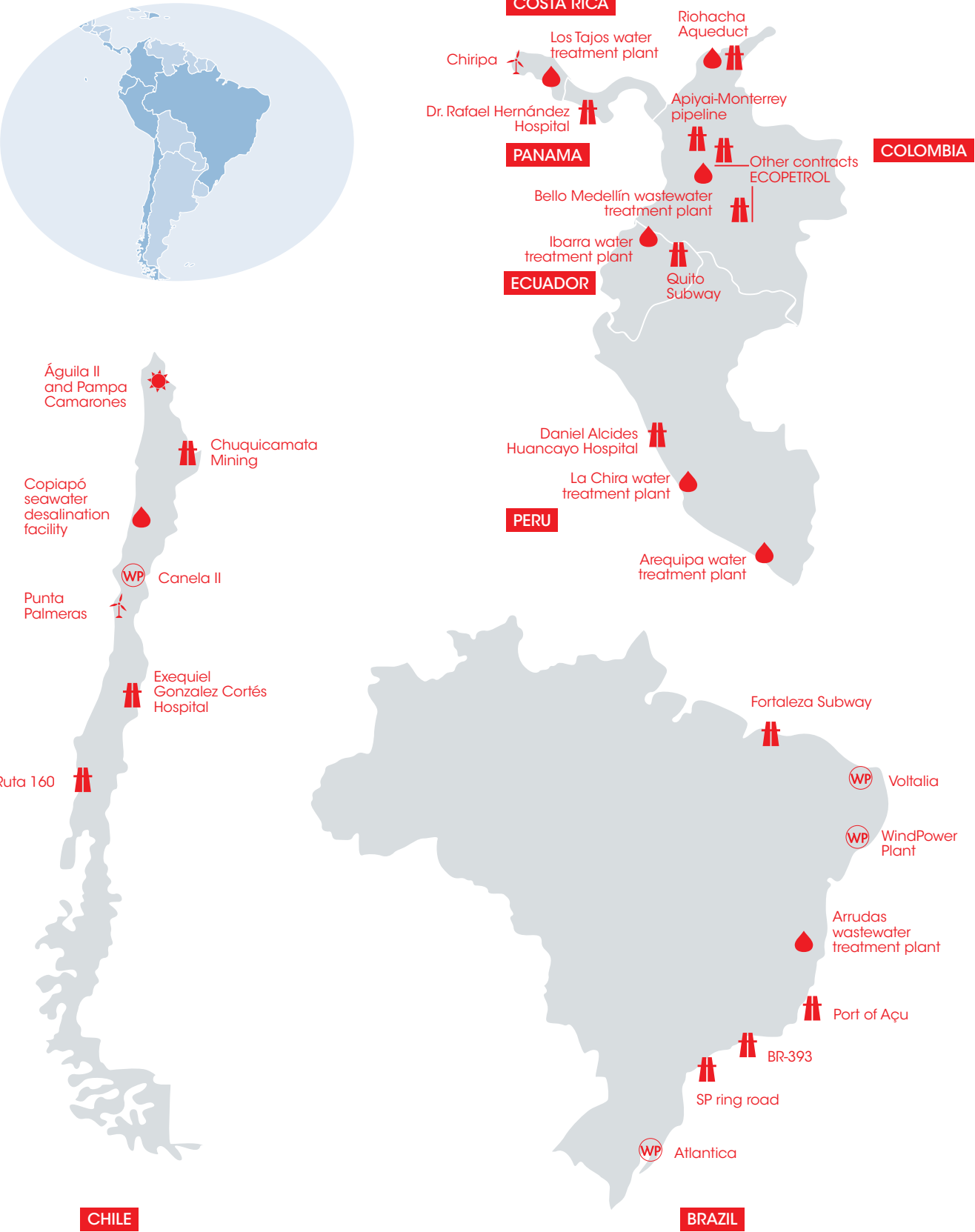
The Mexican Center for Philanthropy granted ACCIONA the ESR 2013 Distinction for

carrying out good practices as a Socially Responsible Company.

The A-30 highway in the province of Quebec, Canada (ACCIONA Infrastructure) received several awards throughout the year.

The Fort St. John hospital in Canada was awarded by the Vancouver Regional Construction Association (VRCA) for its rigorous construction standards in the extreme climate in Northern British Columbia.

Central and South America



→ ACCIONA's performance indicators in the region

|   | 2011  | 2012  | 2013  |
|---|-------|-------|-------|
| Revenues (€ million)  | 271   | 542   | 910   |
| Water managed (desalinated/drinking/treated) (hm³)          | 1.9   | 0.7   | 0.5   |
| Total R&D (€ million)                                       | 0.4   | 1.8   | 15    |
| Activity certified under ISO 9001 (%)                       | 69    | 75    | 63    |
| Emissions avoided (thousands of tons of CO <sub>2</sub> )   | 0     | 0     | 30    |
| Emissions generated (thousands of tons of CO <sub>2</sub> ) | 9     | 18    | 45    |
| Water footprint (hm³)                                       | 0.7   | -0.6  | -0.7  |
| Activity certified under ISO 14001 (%)                      | 89    | 94    | 87    |
| Average equivalent headcount                                | 1,750 | 2,568 | 4,608 |

KEY PROJECT

Copiapó desalination plant, Caldera, Chile (ACCIONA Agua and ACCIONA Infrastructure)

- Project for the design, construction, start-up and operation over twenty years of a seawater desalination plant.
- Initial capacity of 200 liters/second (17 million liters per day), which could increase to 600 liters/second (52 million liters per day).
- Procedure: Reverse osmosis.
- First desalination plant for the mining industry undertaken by ACCIONA.
- The project's budget amounted to USD 143 million (approximately €104 million).
- Development of a technological solution to avoid the entry of floating red algae affecting the area.

The project for the construction and subsequent operation and maintenance of the Copiapó desalination plant, undertaken by ACCIONA Agua and ACCIONA Infrastructure in the Chilean desert of Atacama, was the first project in which the Company implemented its methodology for assessing and managing social impact in all of its phases.

Over the course of implementing the methodology, ACCIONA carried out more than 250 interviews by telephone and/or in person in local communities, which allowed the Company to reach conclusions on local socioeconomic specifications. The Company is also creating a website in order to involve its stakeholders in the project's activities. Accordingly, a set of measures have been developed to support

education (through the distribution of computers and educational tools for the community), improve recreational infrastructure, promote artisanal business activities, and assist emergency services, among others.

2013 ACKNOWLEDGEMENTS

One million man hours without occupational accidents: The Mutual Insurance Association of the Chilean Chamber of Construction (CChC) of Copiapó awarded ACCIONA's

occupational health and safety for achieving one million man hours without occupational accidents when carrying out the Cerro Negro Norte project in Copiapó, Chile.



# ACCIONA's commitment, sustainability road map

In facing such important challenges such as the scarcity of water and resources as a result of climate change, ACCIONA contributes to providing solutions through the 2015 Sustainability Master Plan, the objectives of which include economic growth, environmental balance and social progress.

## Challenges and opportunities posed by the reality around us

### Population growth

In the new scenarios envisaged by the experts, the population is expected to grow to 8.5 billion by the year 2035. This will increase the size of markets with growing populations and increase the demand for energy and infrastructures, where answers must observe the limits imposed by climate change.

The urban population is also expected to grow to 4.9 billion people by the year 2030, according to the United Nations. This growth offers business opportunities in basic service and transport infrastructures, and in infrastructure associated to new models of smart cities.

### Climate change

The evidence and scientific consensus indicate that climate change is one of the major challenges facing humanity. Global CO<sub>2</sub> emissions will grow by 1.5% a year until 2030, according to the International Energy Agency. The challenge for companies is to provide solutions for a transition to a low-carbon economy. To create this new model, a commitment to clean energy and sustainable construction is required.

On a global scale, the expected investments in renewable energies until 2035 are estimated at about six times Spain's GDP, which indicates a clear commitment to a model that is less intensive in CO<sub>2</sub> emissions and more compatible with society's demands related to the challenges of sustainable development.

### Resource scarcity

For 2020, the OECD recommends that infrastructure projects take into account the lack of natural resources (water, energy, wood and soil) and projects' useful life (application of recyclable materials, use of recycled materials, measurement of the impact during useful life and placing value on ecosystems). Companies have an opportunity to contribute to preserving these resources, thus fostering sustainability and the maximum efficiency in the use of raw materials and developing products and services that meet demand within a setting of scarcity.

Projections for the coming years and decades point to rising pressure on water resources in a large part of the world, with the resulting impact on economic and industrial activities. It is forecast that there will be an increase of up to double the number of people living in riverbank areas with water stress between the years 2000 and 2050, up to 3.9 billion people (approximately half of the world population). This offers opportunities to companies that market innovative approaches related to managing the water cycle and that are committed to innovation in water efficiency.

ACCIONA's solid business model, based on principles of sustainability, has the characteristics necessary to meet such challenges and convert them into opportunities both for the business and for the communities in which the Company operates, within an economic, environmental and social equilibrium.

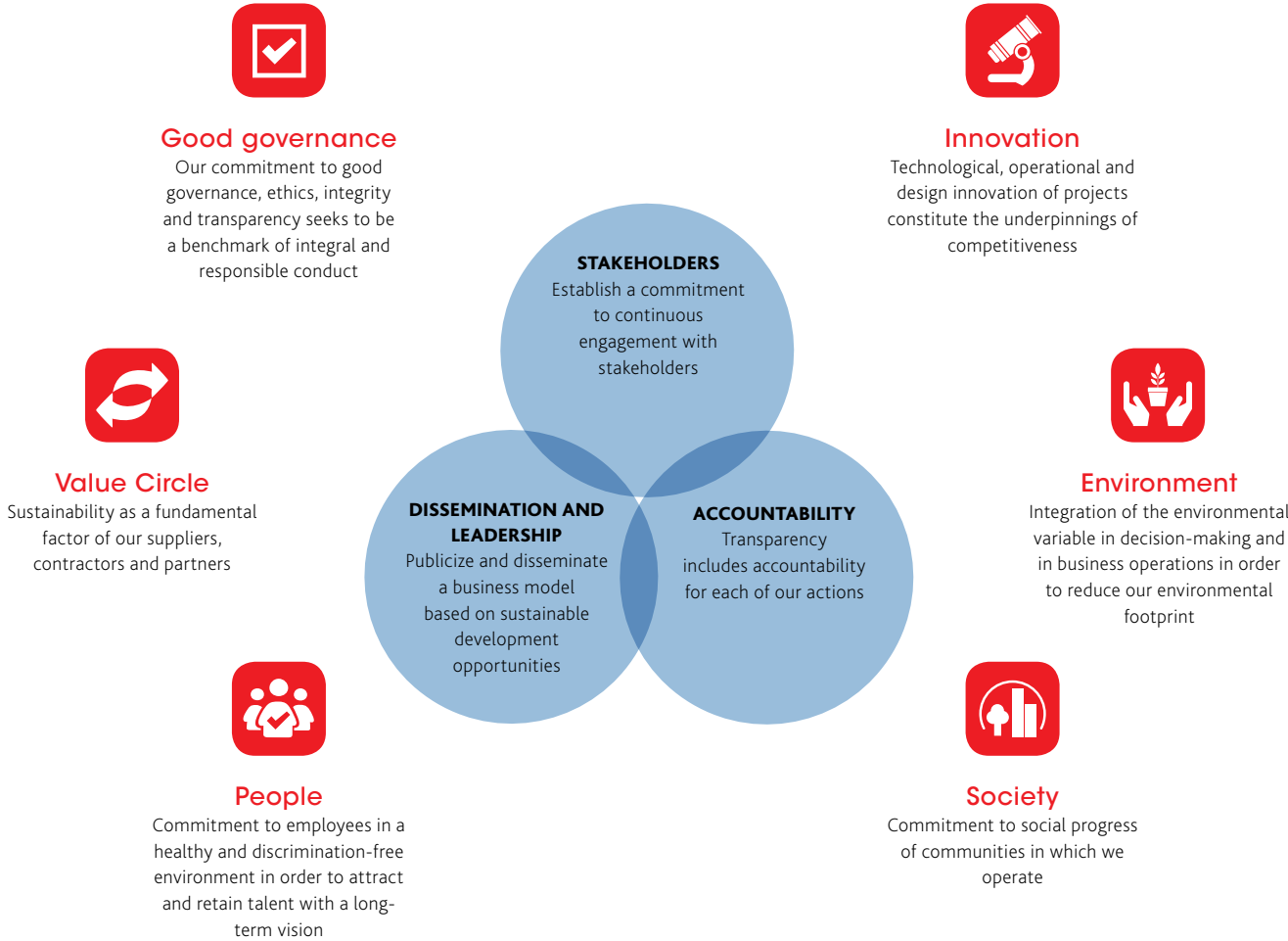
ACCIONA's response:  
the Sustainability Master Plan 2015

ACCIONA focuses its strategy on economic growth, environmental balance and social progress as the cornerstones of its Sustainability Policy, thus consolidating its position among the most advanced companies in sustainable practices.

Its sustainability strategy is developed through the Sustainability Master Plan 2015 (SMP 2015). It is a road map that brings together all such initiatives and sets targets in the following areas: Innovation, Environment, Society, People, Value Circle, Good Governance, Stakeholder Engagement, Dissemination and Leadership, and Accountability.

The SMP targets, both for 2015 and in their annual breakdown, address the need to overcome social and environmental challenges competitively wherever ACCIONA operates.

The 2015 targets and commitments and the initiatives and degree of progress in their compliance throughout 2013 are presented below:



| SMP AREA    | 2015 TARGETS AND COMMITMENTS  | PROGRESS IN 2013   |
|-------------|---|--|
| INNOVATION  | Reach innovation figure of €500 million in the 2010-2015 period.  | Innovation figure in 2013: €173.2 million (cumulative figure for 2010-2013 amounts to €521 million).   |
|             | Development of initiatives and tools to foster continuous innovation in business.   | Development of a number of initiatives whereby, among others, an energy storage system with liquid batteries, in partnership with a leading technology institute, has been identified.   |
|             | Improve ACCIONA processes and generate savings of at least €36 million.   | Savings from process improvements of €14.1 million (cumulative total for 2012-2013 period was €26.5 million).  |
| ENVIRONMENT | Improvement of avoided CO <sub>2</sub> emissions as against generated CO <sub>2</sub> emissions ratio (improvement by 15% over base year of 2009) | Ratio of avoided CO <sub>2</sub> emissions compared to generated CO <sub>2</sub> emissions in 2013: 23.6 (2009 ratio: 7.8 CO <sub>2</sub> emissions avoided/generated).  |
|             | Improve consumed energy ratio (reduction of energy/sales ratio by 15% a year from 2009 base year).  | 43% reduction in the energy consumption ratio compared to 2009.  |
|             | Water footprint: Increase net positive contribution (increase x 5 over base year of 2009)   | Net positive contribution of 562 hm <sup>3</sup> in 2013, compared to 76 hm <sup>3</sup> in 2009.  |
|             | Fostering of environmental offset actions.  | Environmental offset actions: creation of regional network for protection of endangered species (along with government of Extremadura, Spain); partnership agreement with the Foundation for Ethology and Biodiversity Research. |
|             | Offer customers services with environmental offsetting (neutral events).  | Events organized for customers by ACCIONA Producciones y Diseño were carbon-neutral including, among others, the 3D multimedia show in Champions League Final in London.   |

| SMP AREA     | 2015 TARGETS AND COMMITMENTS  | PROGRESS IN 2013  |
|--------------|---|---|
| SOCIETY      | Contribution of 5% equivalent of dividend in accordance with Social Action Plan.  | <ul style="list-style-type: none"><li>■ Annual contribution of more than €18 million.</li><li>■ Completion of the installation of 1,700 domestic photovoltaic systems in the "Light at Home Peru" project and supply of the first 180 small photovoltaic domestic systems in the "Light at Home Oaxaca" project in Mexico.</li></ul>  |
|              | Social impact assessment methodology in 100% of qualified projects in core divisions.   | Social impact management methodology has been implemented in 30% of the projects of ACCIONA Energy and in 40% of the projects of ACCIONA Infrastructure, within the criteria established.   |
|              | Development of Corporate Volunteering.  | Five volunteering initiatives carried out: Volunteer Day, Junior Achievement, Prince of Gerona Foundation, También Foundation and "Shall We Donate?" campaign in Spain and Brazil.  |
| PEOPLE       | Fostering health and safety: <ul style="list-style-type: none"><li>■ Coverage of 90% of international activity with a single OHS model.</li><li>■ 20% improvement of the accident frequency rate on 2011.</li></ul>   | <ul style="list-style-type: none"><li>■ New OHSAS certifications in Infrastructure (Colombia) and Service (Canada).</li><li>■ Reduction in frequency rate by 26% on 2011.</li></ul>   |
|              | Commitment to diversity: <ul style="list-style-type: none"><li>■ Reach a level of 3% in equivalent employment of differently-abled people in Spain and increase the employment quota of people at risk of social exclusion by 10% (base: 2011).</li><li>■ A 2% increase in number of women at management levels.</li></ul>  | <ul style="list-style-type: none"><li>■ Achievement of 3.08% employment of differently-abled people in Spain. Inclusion of 206 people from groups at risk of social exclusion.</li><li>■ 13% increase in the number of women at managerial levels, compared to 2012.</li></ul>  |
|              | Human Capital Development: <ul style="list-style-type: none"><li>■ Coverage of 92% of performance evaluation processes.</li><li>■ Broaden the scope of variable remuneration linked to sustainability to 97% of directors and 90% of managers.</li><li>■ Extension of training and development programs, including sustainability contents, in Australia, Brazil, Canada, Chile, Italy and Mexico, reaching 90% of employees with access to IT tools.</li></ul> | <ul style="list-style-type: none"><li>■ 88% coverage of workforce subject to performance evaluation.</li><li>■ Bonus applicable to 100% of executives and managers of structure in Spain. Extended to 449 employees in Brazil, Australia, Mexico, Chile, Gabon, Sweden, South Africa and the United States.</li><li>■ Training and development programs, including sustainability contents, launched in Australia, Brazil, Canada, Chile, Italy and Mexico.</li></ul> |
|              | Improving the performance of the supply chain based on sustainability: <ul style="list-style-type: none"><li>■ 65% of suppliers in Spain will have a sustainable development rating.</li><li>■ Sending of a self-assessment questionnaire to suppliers with turnover &gt;€100,000 in all Group companies.</li><li>■ Training of suppliers in sustainability.</li></ul>  | <ul style="list-style-type: none"><li>■ Rating assigned to 2,099 suppliers.</li><li>■ Questionnaire sent to a total of 2,121 new suppliers.</li><li>■ Four training courses organized, with an additional course on international occupational health and safety (1,271 people registered).</li></ul>   |
| VALUE CIRCLE | Fostering and promotion of responsible procurement through bidding processes that include sustainability criteria.  | Eighty-seven new sustainable products and/or services in the catalogue, the criteria of which were incorporated in the rules of the bidding processes (in total: 522 products and/or services).   |

| SMP AREA                     | 2015 TARGETS AND COMMITMENTS  | PROGRESS IN 2013   |
|------------------------------|---|--|
| GOOD GOVERNANCE              | Progressively implement measures to improve good governance.  | <ul style="list-style-type: none"><li>■ Policy Book approved by the Sustainability Committee of the Board of Directors.</li><li>■ Launch of internal working group on anticorruption.</li></ul>  |
| STAKEHOLDERS                 | Consideration of expectations of Company's main stakeholders in management of sustainability practices.   | <ul style="list-style-type: none"><li>■ Meetings held with customers in which their opinion was sought on the Sustainability Master Plan.</li><li>■ Internal consultations carried out through the sustainability committees of the businesses, in addition to external consultations through meetings with representatives of stakeholders on significant topics in sustainability, as part of the materiality analysis.</li></ul>  |
| DISSEMINATION AND LEADERSHIP | Consolidate ACCIONA's position as a benchmark in sustainability in our markets.   | Active presence in a number of initiatives: Executive Committee of the WBCSD; Advisory Council of Sustainable Energy for All; Steering Committee of the Global Compact LEAD; Steering Committee of Caring for Climate.   |
|                              | Strengthen employees' commitment to the SMP.  | <ul style="list-style-type: none"><li>■ 147% increase in sustainability news items published in the intranet, compared to 2012 (110 news items in 2013).</li><li>■ Monthly circulation of information bulletins on the SMP to divisions.</li></ul>   |
|                              | Fostering of external dissemination of sustainability practices.  | <ul style="list-style-type: none"><li>■ Launch of "Sustainability for All" website.</li><li>■ Sustainability content included in new corporate websites of Brazil and Mexico.</li><li>■ 239 news items related to sustainability published in the media.</li></ul>   |
| ACCOUNTABILITY               | Communicate to the Company's main stakeholders of ACCIONA's performance in sustainability practices in a transparent, rigorous manner that is based on the highest international standards. | <ul style="list-style-type: none"><li>■ Publication of the 2012 Integrated Report according to the framework proposed by the International Integrated Reporting Council.</li><li>■ Higher degree of assurance (reasonable verification) for key environmental and labor indicators in the 2012 Sustainability Report.</li><li>■ Presence in sustainability indices: DJSI World, FTSE4Good, MSCI ESG World and Europe, STOXX Global ESG Leaders, CDP Iberia 125 Climate Disclosure Leadership Index and Climate Performance Leadership Index.</li></ul> |

In 2013,  
the Sustainability  
Committee worked  
towards achieving  
the objectives of the  
Sustainability  
Master Plan

## Sustainability governance

Since 2009, ACCIONA has had a Sustainability Committee on its Board of Directors, which is responsible for leading and coordinating sustainability actions.

### Functions of the Sustainability Committee

- Identify and guide the Group's corporate policies, objectives, good practices, and programs with regard to sustainability and corporate social responsibility;
- Evaluate, monitor and review the plans for executing these policies formulated by the Group's executives;
- Periodically review the internal control and management systems and the degree of compliance with these policies;
- To draft the annual Sustainability Report, which is submitted for the approval of the Board;
- To submit the corporate sustainability and social responsibility policies, objectives, and programs to the Board of Directors along with the corresponding expenditure budgets for the execution of those policies, objectives, and programs.

At the meetings held in 2013, the Committee deliberated on, inter alia, the following topics:

- Monitoring and analysis of advances in the development of initiatives and the degree of compliance of the targets set for 2012 in different areas of the SMP: innovation, environment, society, people, value circle, good governance, stakeholder engagement, dissemination and leadership, and accountability.
- Review and approval of the revised version of the 2015 Sustainability Master Plan.
- Approval of targets for 2013 in framework of 2015 and monitoring of advances during the year.
- Approval of ACCIONA Policy Book.
- Approval of the 2012 Sustainability Report.

In 2013, the Sustainability Committee's work focused on achieving the objectives of the Sustainability Master Plan.

Further, sustainability topics were brought to the attention of the General Shareholders' Meeting. Since 2012, the contents of the Sustainability Report that

is annually published by ACCIONA are submitted to the review and approval of the General Shareholders' Meeting. Through their vote, the shareholders convey their opinion of social, environmental and good governance initiatives and performance of the Company described in the Sustainability Report, to the Board of Directors. In June 2013, the General Shareholders' Meeting approved the ACCIONA 2012 Sustainability Report with the favorable vote of 99.974% of the capital with voting rights in attendance (in 2012, the 2011 Sustainability Report was approved by 99.95%).

It should also be noted that a member of the Executive Committee is the corporate manager responsible for sustainability. For its part, the General Area Sustainability is the ACCIONA corporate unit responsible for coordinating and putting into practice the initiatives and commitments of the Sustainability Master Plan, the implementation of which involves a number of Company areas.

In order to bring sustainability closer to the businesses, in 2012 sustainability committees were created at the main business divisions (Energy, Infrastructure, Water and Services). In collaboration with the General Area Sustainability, these committees are promoting and

conducting efforts to monitor specific initiatives in these divisions, in line with the Sustainability Master Plan. In 2013, specific meetings were also held on sustainability in Real Estate and Bestinver. Throughout the year, the committees' work has mainly focused on achieving the targets of the SMP, including the sustainability targets of variable remuneration, as well as the implementation of a social impact management methodology of projects.

Likewise, and in keeping with the growing internationalization of the Company, ACCIONA has sustainability representatives in several countries, including Australia, Brazil, Chile, and Mexico, in addition to Spain. This organization makes it possible to understand better the social, environmental, and human rights context in the different international markets, and therefore to implement relevant initiatives that are appropriate for these contexts.

# Good governance, trust and commitment

The code of conduct and the policy book establish our business principles and constitute a framework of integrity and good governance, as a guarantee of responsibility in our management.

## 2013

| Challenges  | Advances   |
|---|--|
| <ul style="list-style-type: none"> <li>■ Launch of the Code of Conduct training course in English, French, Polish, German, Italian and Brazilian Portuguese.</li> <li>■ Formal adherence to an anti-corruption initiative.</li> </ul> | <ul style="list-style-type: none"> <li>■ Course launched in English, French, Polish, German, Italian and Brazilian Portuguese, in addition to Spanish, with more than 6,400 employees invited in 2013.</li> <li>■ Creation of an internal working group that has analysed both the different initiatives available and the current state of the Company in this area.</li> </ul> |

## Highlights

- Independent member of the Sustainability Committee designated as Lead Independent Director.
- The Board of Directors, through the Sustainability Committee, has approved ACCIONA's Policy Book, covering the Company's economic, social and environmental commitments and values.
- ACCIONA's Board of Directors approved the amendment of the Internal Code of Conduct in the Securities Market
- Article 31 of the Company Bylaws was amended, according to which, the amount of remuneration that the Company can pay to all Directors as members of the Board of Directors and the Board Committees will be that determined by the General Shareholders' Meeting.

## 2014

### Challenges

- Perform an external diagnosis in the area of good governance (anti-corruption and human rights).
- Elaboration of an anti-corruption program.
- Anti-corruption training workshop for executives.
- Adaptation of the Code of Conduct to expected reforms of the Spanish Penal Code.

## Corporate governance

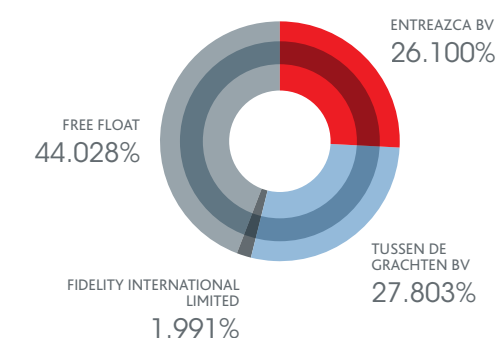
ACCIONA is firmly committed to improving its corporate governance on a continuous basis. The structure and operation of the Company's governance is designed to create trust and long-term commitment between ACCIONA and its stakeholders.

### SHAREHOLDERS

As of the writing of this report, the Parent Company's share capital was composed of 57,259,550 fully subscribed and paid in ordinary shares, represented by accounting entries, with a par value of one euro each.

The Company Bylaws do not place any restrictions on the exercise of voting rights by shareholders, nor a maximum limit on the exercise of voting rights by them. Nor are there legal or statutory restrictions on the acquisition or transfer of holdings in the share capital.

→ The significant shareholders are as follows:



Source: CNMV, 08.04.2014

There is an Electronic Shareholders' Forum, in accordance with the requirements set forth in Spain's Corporate Enterprise Act (Ley de Sociedades de Capital, CEA), where users may post the proposals that they intend to submit as an addendum to the agenda announced in the notice of the General Shareholders Meeting; requests for support for such proposals, initiatives on reaching the percentage required to exercise minority rights as set forth in the Corporate Enterprise Act, as well as proxy offers or solicitations. These measures guarantee and facilitate the ability of all shareholders, including minority shareholders, to exercise their rights.

BOARD OF DIRECTORS:  
COMPOSITION AND PERFORMANCE

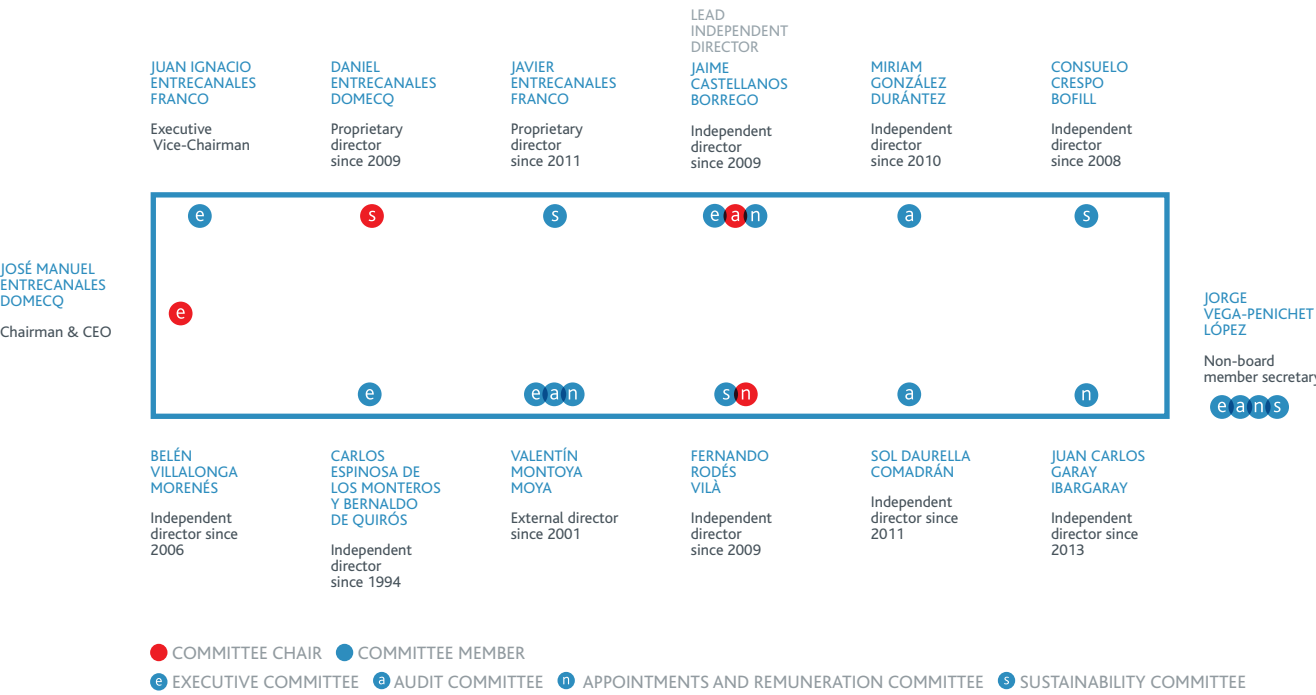
The guiding philosophy of the Board of Directors is to place at the service of shareholders the talent of a group of professionals capable of adding real value to the Company.

The Board of Directors' Regulations contain the Board's express commitment to "foster gender and age diversity, professional training, and other factors within the process of selecting its own members, ensuring that there is no implicit bias hindering diversity".

ACCIONA's Board of Directors has 13 members:

- nine of which are external directors: of whom eight are independent directors, and one is an external director,
- two of the 13 members are executive directors, and the remaining two are proprietary directors.

In total, 84.6% are external directors and 61.5% are independent. Four directors are women, representing 30.7% of the Board.



The Board of Directors performs an annual analysis of the quality and efficiency of its operations; the performance by the Board Chairman and Vice-Chairmen of their duties and the functioning of the Executive Committee and other Committees, based on the reports submitted by such committees. The evaluation is conducted by means of individual forms that are filled out anonymously by each director. The Audit and Appointments and Remuneration Committees analyze the results and submit the pertinent reports to the Board of Directors. In 2013, the self-evaluation

led to no significant changes in the Board organization.

In accordance with good practices in corporate governance and applicable legislation, the Report on the Remuneration Policy for the Directors was submitted to the General Shareholders' Meeting for a consultative approval. The report contains an overview of the remuneration policy during the year, as well as a breakdown of the remuneration earned by each director individually. The report was approved by 89.5% of the shareholders in attendance or represented at General Shareholders' Meeting.

Lead Independent Director

In line with good practices of corporate governance, the ACCIONA Board of Directors, at the proposal of the Appointments and Remuneration Committee, designated one of its independent directors as Lead Independent Director in 2013 for the following tasks and functions:

a) Coordinate work of external directors appointed by the Company in defense of the interests of all

Company shareholders, and serve as the spokesperson for the concerns of such directors.

b) Request that the Chairman of the Board of Directors call a meeting of the Board, and the inclusion of items on the Agenda when appropriate under the standards of good governance.

c) Direct the evaluation by the Board of Directors of its Chairman.



Integrity framework

ACCIONA has corporate standards laying down action guidelines applicable to its subsidiaries, within a framework of ethics and integrity.

ACCIONA POLICY BOOK

The ACCIONA Policy Book was approved by the Sustainability Committee in April 2013.

Within the framework of the 2015 Sustainability Master Plan, the Policy Book updates existing policies and adds new ones that reflect the commitments and policies applicable to subsidiaries in economic, social and environmental matters.

It comprises four sections:

- **Sustainability and Innovation:** The sustainability policy acts as the overall policy that lays down the framework of principles that guide the rest of ACCIONA's policies.
- **Economics and Good Governance:** Includes Anti-corruption, Anti-trust, Risk Management and Quality policies
- **Society:** Includes Human Rights, Human Resources and Occupational Health and Safety and Social Action policies.
- **The Environment:** Includes policies covering the environment, biodiversity and the fight against climate change.

The Policy Book has been broadly circulated among all employees and is available on the Company website in Spanish, English, French, Polish and Brazilian Portuguese (<http://www.acciona.com/shareholders--investors/corporate-governance/corporate-policies-book>).

CODE OF CONDUCT

The Company Code of Conduct sets forth the values that are to guide the behavior of all ACCIONA companies. The purpose of the Code is to help consolidate business behavior that will be accepted and observed by all employees and members of management

Through the Code, ACCIONA assumes a commitment to carry out its activities in accordance with the legislation in force where it operates, in accordance with internationally recognized standards such as the United Nations Universal Declaration of Human Rights, the ILO Tripartite Declaration, the OECD Guidelines for Multinational Enterprises, and the Global Compact of the United Nations.



CONTROL AND COMPLIANCE OF CODE OF CONDUCT

|                                       |  |
|---------------------------------------|--|
| Code of Conduct Committee             | Body for the study and analysis of reports of non-compliance of the Code of Conduct. Also available for reporting cases that affect third parties.   |
| Ethics Channel                        | <p>Allows irregular conduct related to accounting, control, audits, or any alleged non-compliance with, or violation of, the conduct set forth in the Code of Conduct, to be reported confidentially by email or regular mail.</p> <p>The channel can be accessed by the Company's employees, suppliers and contractors.</p>               |
| Protocol for Situations of Harassment | Through the Ethics Channel, the Committee evaluates each case and establishes the actions to be taken. Through the protocol, the Company has put on record that it has the intention to adopt any measures needed to promote a harassment-free workplace, and that it does not acquiesce to, and will not permit, behavior of this nature. |

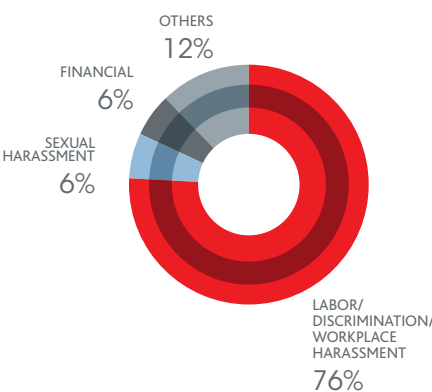
In 2013, ACCIONA continued to carry out actions related to the Code of Conduct:

- Actions for the dissemination, communication and adherence of all employees to the updated Code of Conduct through the sending of an e-mail to all workers wherein they were asked to formally sign it.
- Communication campaign through the sending of bulletins to ACCIONA suppliers, contractors and partners, and to publicize the Code of Conduct and the Ethics Channel.
- Reinforcing the Code of Conduct training campaign through the launch of a mandatory e-learning course for workers of different areas in the business divisions, both in Spain and internationally. Following the launch of the online course in Spain in 2012, the course was launched in 2013 in Australia, Brazil, Canada, Chile, Italy and Mexico; 1,736 workers were trained.

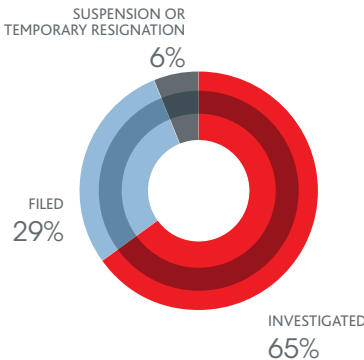
In 2013, the Code of Conduct Committee received 17 complaints through the Ethics Channel, and these were processed in

accordance with the characteristics and seriousness of each specific case.

→ Complaints received in 2013



→ Processing of complaints received in 2013



ANTI-CORRUPTION COMMITMENT

The Company's commitment to fight corruption and bribery is reflected both in the establishment of anti-bribery and anti-corruption measures in the Code of Conduct and through its Anti-corruption Policy.

To reinforce this commitment, an internal working group was created in 2013 to advance towards the implementation of a specific overall anti-corruption program. The group is composed of representatives of internal audit, legal affairs, human resources, finance and sustainability, and the group's work in 2013 focused on the following:

Risk management in ACCIONA

- Identification and preliminary analysis of legislation on anti-corruption in Spain and in the Company's main markets: Australia, Brazil, Canada, Chile, the United States and Mexico.
- Preliminary study of the leading international standards and initiatives, such as Partnering Against Corruption Initiative Transparency International – Business Principles; OECD – Good Practice Guidance in Internal Controls, Ethics and Compliance; ICGN Statement and Guidance on Anti-corruption Practices; UN Convention against Corruption.
- Comparative study of the anti-corruption programs and plans implemented by other companies.
- Identification and initial evaluation of existing standards, processes and procedures in the Company and of the main areas of improvement to attain the best international practices.
- Tender processes carried out by the Company to receive offers for the implementation of an internal anti-corruption program (Compliance Program).

Risk management in ACCIONA is detailed in the Corporate Governance Report published annually by the Company.

In 2013, it is worth noting the expansion in the number of countries included in the process of identification, assessment and monitoring of risks due to the Company's increasing policy of international expansion. ACCIONA has undertaken this expansion on the basis of the estimated future revenues, and by seeking to identify scenarios that may pose risks and offer opportunities in the development of the business in said countries. The number of countries under study has been increased from 5 to 11.

In addition to this broadening of the geographic range, the risk management system has included, in risk treatment phases, risks considered important for each and every one of the divisions in ACCIONA. In 2013, this risk treatment has been carried out on the eight divisions currently making up the Company's risk map, thus facilitating possible mitigation measures for the elimination, reduction, or transfer of previously identified risks.

Risk management matters are brought to the attention of the ACCIONA Board of Directors through the Audit Committee. The committee periodically reviews risk management systems, in order to properly identify, manage and report the primary risks, and supervises the effectiveness of risk management systems. The Board of Directors approves the risk management and control policy.

RISK MANAGEMENT IN SUSTAINABILITY

Impact on image and sustainability and development are among the criteria used by Company directors to evaluate different risk scenarios for risk maps.

An exhaustive identification is carried out of sustainability-related risks, as managers with responsibilities in human resources, sustainability, corporate resources and the environment, among other areas, participate in the process. When possible risk scenarios are identified, they are assessed both by the managers and by the director general of the area in question, and it is determined if they fall within the tolerance levels set by ACCIONA.

In the risk evaluation, the criterion relating to a negative impact in sustainability and development is rated on a scale from 1 to 3, from lesser to greater seriousness, in accordance with the following parameters:

RISK EVALUATION

High

- Failure to meet the expectations of more than one key stakeholder group: customers, employees, media, etc.
- Evidence of a total lack of business ethics/transparency.
- Has a considerably negative effect on the development of the communities in which ACCIONA operates or on the environment.

Medium

- Failure to meet the expectations of a key stakeholder group.
- Indicates a limited failure of business ethics/transparency.
- Has a limited negative effect on the development of the communities in which ACCIONA operates or on the environment.

Low

- Does not affect the expectations of stakeholders.
- Does not indicate a lack of business ethics/transparency.
- Does not have a negative effect on the development of the communities in which ACCIONA operates or on the environment.

Environmental and social risk management in ACCIONA Infrastructure

ACCIONA's Infrastructure Risk and Opportunity Management System has a proactive management approach. All analyses take into account social and environmental aspects both in the risk identification phase and in the assessment of consequences, with measures applied to prevent and mitigate the effects of these risks in a more efficient manner.

In 2013, ACCIONA Infrastructure carried out a total of 108 risk analyses (32 in the project study and bid phase and 76 in projects awarded and in execution).

ENVIRONMENTAL RISKS

In the bidding phase, a total of 64 risks associated with different environmental causes were detected (6.80% of the total risks detected in that phase), while a total of 62 were identified in the execution phase (6.35% of the total in that phase).

The majority of environmental risks were identified with the following:

- Lack of available area to use as dumping ground for leftover worksite material.
- Delays in obtaining environmental licenses.

- New environmental conditions.
- Unforeseen impacts on environmentally sensitive areas near the works.

SOCIAL RISKS

In the bidding phase, a total of 96 likely social risks were detected (10.20% of the total risks detected in that phase), while a total of 82 were identified in the execution phase (8.39% of the total in that phase).

The majority are related to the following:

- Damage to service roads used by communities in the vicinity of the works.
- Impacts on infrastructures used by third parties: roads, buildings, etc.
- Failure to make a good estimate of social compensation programs.
- Disturbing residents and communities near the work areas.
- Unexpected union actions.
- Failure to fulfill commitments of local component in projects.



# People, attracting and retaining talent

ACCIONA performs initiatives that promote improvements in the areas of training, recruitment, equal opportunities, and health and safety, aimed at the professionals who make up the Company.

## 2013

| Challenges  | Advances   |
|---|--|
| ■ Reformulation of the Human Resources strategy for 2013-2015.  | ■ Review of the HR strategy for 2013-2015.   |
| ■ Extending the ACCIONA Bonus to every country.   | ■ Implementation of ACCIONA Bonus in Australia, Brazil, Colombia, Chile, Gabon, Sweden, Mexico, the United States and South Africa.                                    |
| ■ Launch of ACCIONA TAP, the new talent acquisition, recruitment and selection methodology.                       | ■ Detailed design, launch and implementation of TAP talent attraction methodology.   |
| ■ Implement the Executive Development programs.   | ■ Continuation of training program in management capacities and implementation of professional development program for executives and pre-executives.                  |
| ■ Train 80% of executives and 50% of managers in people management in ACCIONA.                                    | ■ 16% of executives and 24% of managers trained.   |
| ■ Attaining a 2.90% employment ratio of people with disabilities.   | ■ Attained a 3.08% employment ratio of people with disabilities in Spain.  |
| ■ Socially responsible hiring program to be deployed in countries with more than 500 full-time employees in 2012. | ■ Launch of socially responsible hiring programs in Brazil, Colombia and Portugal.   |
| ■ Drawing up and implementation of a pre-executive training program for women.                                    | ■ Mentoring program with the inclusion of pre-executive women developed. Signing of promotional program with Spanish Ministry of Health, Social Services and Equality. |
| ■ Increasing the integration of health and safety in the chain of command.  | ■ Inclusion of OHS targets in annual bonus of all ACCIONA executives through global SMP and division targets.  |
| ■ Advance in the implementation of the second phase of the Health and Wellness Plan.                              | ■ International launch of the program: Australia, Brazil and Mexico.   |

## 2013

| Highlights  |
|---|
| <ul style="list-style-type: none"> <li>■ ACCIONA launched development programs of Talent Plan and T-Max skill training program for technical staff.</li> <li>■ A new model and process for evaluating the effectiveness of employee training has been designed and implemented.</li> <li>■ 206 people at risk of social exclusion have been hired, including 49 women who are victims of gender violence.</li> <li>■ For the second consecutive year, ACCIONA had zero fatal accidents among its own employees.</li> <li>■ In 2013, the accident rates of subcontracted personnel decreased on the previous year's levels.</li> </ul> |

## 2014

| Challenges   |
|--|
| <ul style="list-style-type: none"> <li>■ Strengthen a performance culture through implementation of a performance improvement program.</li> <li>■ Consolidate the new ACCIONA TAP selection methodology.</li> <li>■ Continue extending the ACCIONA Bonus to new groups and countries.</li> <li>■ Train 80% of executives and 50% of managers in people management in ACCIONA.</li> <li>■ Scale workforce and cost control within restructuring of operations to improve Company efficiency.</li> <li>■ Improve effectiveness and efficiency in geographic mobility, with a complete support program for transferred people.</li> </ul> |
| <ul style="list-style-type: none"> <li>■ Extend the training and development programs in Australia, Brazil, Canada, Chile, the United States, Italy and Mexico, and reach 75% of employees with access to IT tools.</li> <li>■ Obtain and/or maintain OHSAS 18001 certifications in all operations with more than 200 direct employees.</li> <li>■ Design and implement gender-based equality of opportunities plans in countries with more than 500 direct employees.</li> <li>■ 5% improvement of frequency rate on 2011.</li> </ul>   |

People first

Throughout 2013, the Company continued to make advances in policies and programs aimed at creating the most highly skilled and diverse teams that are best equipped to add value to the business and work in a highly demanding and constantly evolving environment. At the same time, measures have been strengthened to foster a Company culture based on high performance, equal opportunities, social responsibility and the satisfaction of the people who work in the Company.

In 2013, an in-depth review of the ACCIONA Human Resource strategy was completed, in order to contribute more effectively to attaining the Company's three basic principles: cost-effectiveness of operations, an overall strengthening of the ACCIONA brand and efficiency of organization and business processes.

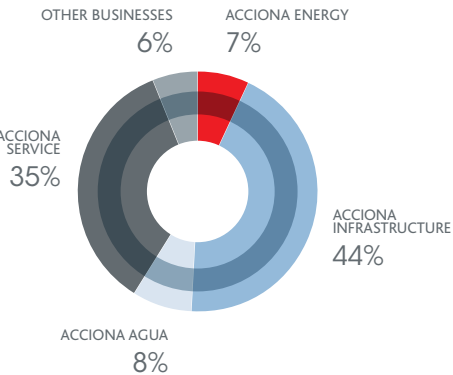
This vision is based on three main principles that guide Company action: having the best talent, having the best leaders and a positive impact on business results.

PEOPLE IN FIGURES

At the end of 2013, ACCIONA had a total workforce of 34,108 people (3.65% more than the previous year). It is worth noting the increase in ACCIONA Agua throughout 2013 in the number of permanent contracts, a factor with a clear impact on employees' stability and outlook. In countries where workforce adjustments were necessary, a satisfactory climate of dialogue was maintained with workers' legal representatives and measures with a pronounced social responsibility orientation with people were implemented.

ACCIONA's calling as a global Company is reflected in the geographic breakdown of the workforce: 41% of the workforce is located outside Spain. Similarly, the number of people who perform their duties outside their countries of origin has increased. ACCIONA has employees of 112 nationalities. In 2013, the average age of the workforce was 42.5.

→ Breakdown of total 2013 workforce by division



→ Geographic breakdown of workforce (no. of employees)

| Country         | 2012   |        |        | 2013   |        |        |
|-----------------|--------|--------|--------|--------|--------|--------|
|                 | Men    | Women  | Total  | Men    | Women  | Total  |
| Spain           | 12,372 | 7,482  | 19,855 | 13,223 | 7,033  | 20,256 |
| Germany         | 808    | 142    | 950    | 745    | 126    | 871    |
| Australia       | 167    | 72     | 239    | 175    | 64     | 238    |
| Brazil          | 1,074  | 224    | 1,298  | 2,100  | 458    | 2,558  |
| Canada          | 281    | 217    | 508    | 194    | 177    | 371    |
| Chile           | 900    | 78     | 978    | 1,077  | 147    | 1,224  |
| Colombia        | 44     | 41     | 85     | 281    | 192    | 472    |
| USA             | 192    | 44     | 236    | 131    | 27     | 158    |
| Gabon           | 118    | 13     | 132    | 293    | 29     | 322    |
| Italy           | 254    | 27     | 281    | 256    | 25     | 281    |
| Mexico          | 783    | 276    | 1,049  | 704    | 208    | 912    |
| Poland          | 4,504  | 1,635  | 6,140  | 3,458  | 1,468  | 4,925  |
| Portugal        | 355    | 425    | 780    | 368    | 557    | 925    |
| Other countries | 288    | 89     | 374    | 441    | 151    | 595    |
| Total employees | 22,140 | 10,765 | 32,905 | 23,446 | 10,662 | 34,108 |

→ Breakdown of workforce by contract type and gender (no. of employees)

|   | 2012      |       |       |           |       |        | 2013      |       |       |           |       |        |
|---|-----------|-------|-------|-----------|-------|--------|-----------|-------|-------|-----------|-------|--------|
|   | Temporary |       |       | Permanent |       |        | Temporary |       |       | Permanent |       |        |
|   | Men       | Women | Total | Men       | Women | Total  | Men       | Women | Total | Men       | Women | Total  |
| Energy  | 191       | 52    | 243   | 1,542     | 546   | 2,088  | 137       | 34    | 171   | 1,649     | 547   | 2,196  |
| Water   | 577       | 69    | 647   | 1,490     | 408   | 1,898  | 333       | 40    | 373   | 1,833     | 509   | 2,343  |
| Infrastructure                                | 1,963     | 222   | 2,185 | 9,620     | 3,393 | 13,013 | 1,927     | 161   | 2,088 | 9,587     | 3,414 | 13,000 |
| Service                                       | 1,041     | 934   | 1,975 | 5,064     | 3,412 | 8,476  | 1,466     | 1,187 | 2,654 | 5,385     | 3,772 | 9,157  |
| Other businesses                              | 57        | 39    | 97    | 1,198     | 1,084 | 2,282  | 55        | 29    | 85    | 1,073     | 968   | 2,041  |
| Average year-end headcount (no. of employees) | 4,081     | 1,689 | 5,770 | 18,059    | 9,076 | 27,135 | 3,920     | 1,451 | 5,371 | 19,527    | 9,211 | 28,738 |

→ New hires by division

|                  | 2012  |       |       | 2013  |       |       |
|------------------|-------|-------|-------|-------|-------|-------|
|                  | Men   | Women | Total | Men   | Women | Total |
| Energy           | 85    | 26    | 111   | 224   | 47    | 271   |
| Water            | 233   | 60    | 293   | 590   | 129   | 719   |
| Infrastructure   | 1,015 | 145   | 1,160 | 4,392 | 495   | 4,887 |
| Service          | 853   | 543   | 1,396 | 2,149 | 1,361 | 3,510 |
| Other businesses | 709   | 296   | 1,005 | 414   | 140   | 554   |
| ACCIONA Total    | 2,895 | 1,071 | 3,966 | 7,769 | 2,172 | 9,941 |

→ New hires by country in 2013

|                   | Spain | Australia | Brazil | Canada | Chile | Mexico | Rest of the world |
|-------------------|-------|-----------|--------|--------|-------|--------|-------------------|
| Infrastructure    | 415   | 22        | 2,794  | 37     | 903   | 75     | 641               |
| Service           | 3,357 | -         | 8      | 24     | 4     | 94     | 23                |
| Energy            | 68    | 13        | 86     | 5      | 7     | 39     | 53                |
| Water             | 502   | 8         | -      | -      | 7     | 27     | 175               |
| Other businesses  | 520   | -         | -      | -      | -     | 2      | 32                |
| Total per country | 4,862 | 43        | 2,888  | 66     | 921   | 237    | 924               |

→ Employees eligible for maternity/paternity leave in 2013

|  | Men   | Women | Total |
|--|-------|-------|-------|
| No. of employees eligible for maternity/paternity leave  | 481   | 330   | 811   |
| No. of employees who took maternity/paternity leave  | 470   | 313   | 783   |
| No. of employees who returned to work at the end of their maternity/paternity leave  | 470   | 313   | 783   |
| No. of employees who returned to work at the end of their maternity/paternity leave and who continued on the job for 12 months after returning to work | 456   | 307   | 763   |
| Retention ratio*   | 0.970 | 0.981 | 0.974 |

\* GRI does not provide a specific definition for the ratio. To calculate it, the Company reports the number of people who remain in their workplace as of 31 December 2013 after taking a maternity/paternity leave in 2013, out of the total maternity/paternity leaves taken in that year (2013).

→ Management indicators

|         |                            | 2011    | 2012    | 2013    |
|---------|----------------------------|---------|---------|---------|
| Revenue | Total (million euros)      | 6,646   | 7,016   | 6,607   |
|         | Workforce cost/revenue (%) | 19%     | 19%     | 20%     |
|         | Revenue/workforce (euros)  | 208,620 | 213,218 | 193,707 |
| EBITDA  | Total (million euros)      | 1,312   | 1,431   | 1,228   |
|         | EBITDA/workforce cost      | 1.03    | 1.08    | 0.92    |
|         | EBITDA/workforce           | 41,184  | 43,476  | 36,011  |
| Costs   | Total (million euros)      | 1,274   | 1,325   | 1,334   |

Human Capital Development

Having the best talent means attracting the best professionals and providing them with new learning experiences and continuously boosting their professional development.

ATTRACTING AND RETAINING TALENT

In ACCIONA, talent is considered a source of competitive advantage. To bolster this main pillar, in 2013 ACCIONA implemented the Talent Acquisition Process (TAP), an integral and global solution for attracting and capturing talent both at a local and global level, reaching both active and potential candidates, defining with the greatest precision the identification of key profiles, maximizing the dissemination of offers, optimizing response times and ensuring the reliability of evaluation. Throughout the year, the methodology has been successfully implemented in Australia, Brazil, Canada, Chile, Spain and Mexico.

The methodology covers the three basic stages: employer branding, recruitment and assessment. TAP also contributed to strengthening ACCIONA's strategy as an employer brand. At the same time,

a complete and innovative online and social network recruitment strategy was designed, called Social Recruitment, which encompasses social search engines and influence measurement tools.

The improvement in internal processes was completed with the implementation of a global technology solution for recruitment and selection, called Taleo-Oracle, which can comprehensively manage the selection process. The new tool is interconnected with more than 200 local employment portals in more than 100 countries.

New technology solutions and procedures have achieved a 47% improvement in time-to-fill for vacancies. TAP has also brought about a 67% cost savings compared to the market.

ACCIONA Employment Channel

ACCIONA developed a new 2013 version of the Employment Channel. Now available in English, Spanish and Brazilian Portuguese, it has been deployed at a worldwide level.

The use of 2.0 tools and utilities has been boosted in the channel, thus fostering interaction and the use and access of the different social networks most commonly used by candidates. Integration with social networks has been increased, with a presence in Google+, Pinterest, Twitter, Facebook, YouTube and LinkedIn, and in portals focused on specific groups, such as Gonway, which is mainly used by students.

The candidate training center of the portal has been improved, with an increase in the number of resources available, such as training sessions, and sections with specific content have been created.

MOBILITY

With the different mobility policies in place for both people and knowledge, throughout 2013 ACCIONA was able to provide the business, more quickly and accurately, with the resources it needs to fulfill its objectives. At the same time, it offered better opportunities for development, evolution and a professional career for a larger number of employees, thereby meeting the growth expectations of people with the greatest potential.

In 2013, the number of international assignments increased by 32% on 2012, reaching a total of 450 people.

Virtual and transnational teams have also been established, in addition to work practice communities and international experience networks to transfer and share information, ideas, experiences and good practices among different business units.

SKILL MAPPING

The ACCIONA people management model is based on an exhaustive identification of roles: the basic organizational unit that contains jobs sharing a mission, responsibilities and the required knowledge and skills in each position of the career. All Company employees know their role.

The Company also has a Skill Map that has been used to identify categories of knowledge that support the development of business strategies and the achievement of the goals of different areas of the organization. The map can identify where key sources of information

are found and select relevant and useful information for different areas.

ACCIONA CORPORATE UNIVERSITY

The training provided by the Company is channeled through the ACCIONA Corporate University, which was created in 2008 with the mission of ensuring the permanent development of people, with a global scope, thus aligning training with the necessities generated by business strategies. The University has a corporate training center with a number of classrooms and hi-tech rooms, and a virtual campus (Learn in ACCIONA), with more than 2,000 items of learning material available in a number of languages and formats.

In 2013, the Company earmarked €7,074,027 to training programs, which amounts to €279 per employee. Throughout the year, 333,769 classroom hours were given, and 29,470 people took part in training activities.

In 2013, advances were made in the design of new special fields and curricula at the Technical Schools of ACCIONA Corporate University, and in the development, improvement and digitalization of new content.

In the Business School, programs such as MBA ACCIONA, the executive capacities training programs and the M-3 Program for managers. For their part, the functional schools launched specific training programs such as Sustainability and the Code of Conduct.

Executive MBA in Sustainable Global Business

In 2013, ACCIONA developed and implemented the new concept of Executive MBA in Sustainable Global Business, in which the Company has included an integral approach to the sustainable business management, in addition to specific modules on the 2015 Sustainability Master Plan. This is the sixth edition of the MBA of the ACCIONA Corporate University, and more than 150 students have successfully completed the program.

Multiculturalism

In 2013, ACCIONA held a number of workshops on management of multiculturalism for technical staff, managers and executives, and training in the specific cultures of different countries (35 employees trained). The aim is to equip participants with the skills necessary to work effectively in a multicultural setting by developing communication styles that are appropriate to each country type.

Novelties in 2013 included initiatives with an impact on two aspects of particular importance: necessities in the field of knowledge and evaluation of the effectiveness of training. The former focused on the design and implementation of a new and complete process of detecting and analyzing training needs. The objectives include ensuring an alignment of the training plans with present and expected future necessities, focusing training on meeting business objectives and challenges and optimizing the time to market of training solutions.

EVALUATION LEVELS

|                     |   |   |
|---------------------|---|---|
| Level 5<br>ROI      | Return on investment  | Analysis of impact of training on selected business indicators    |
| Level 4<br>RESULTS  | Business results achieved by training                                 | Questionnaire on Evaluation of Effectiveness of Training          |
| Level 3<br>CONDUCT  | Changes occurred in the workplace of the person who received training | Questionnaire on Evaluation of Effectiveness of Training          |
| Level 2<br>LEARNING | Determine if a transfer of knowledge, i.e., learning, has occurred    | Knowledge evaluation test at end of training                      |
| Level 1<br>REACTION | Equivalent to measuring participants' satisfaction                    | Questionnaire on evaluation completed by student at end of course |

→ Training hours and actions and investment by category in 2013

|                                    | Skills  | Functional | Languages | Technical | OHS       | Total     |
|------------------------------------|---------|------------|-----------|-----------|-----------|-----------|
| Total no. of hours received        | 21,802  | 72,501     | 41,002    | 70,492    | 127,972   | 333,769   |
| Total no. of training actions      | 433     | 485        | 456       | 2,287     | 14,794    | 18,455    |
| Investment by content type (euros) | 487,338 | 1,466,251  | 1,277,642 | 1,174,387 | 2,668,408 | 7,074,027 |

→ Average hours of training/year per employee in 2013

|       | Executives | Managers | Technical staff | Support | Workers/ Operators | Total |
|-------|------------|----------|-----------------|---------|--------------------|-------|
| Women | 49.00      | 71.71    | 28.79           | 16.17   | 4.72               | 10.49 |
| Men   | 37.94      | 44.48    | 22.90           | 32.86   | 9.74               | 14.64 |
| Total | 38.90      | 49.08    | 24.84           | 20.89   | 7.95               | 13.16 |

In the latter, a new model and process for the evaluation of the effectiveness of training was implemented throughout the year. It enables evaluating the transfer of knowledge at the end of programs, determining the contribution of training to specific improvements in job performance, assessing the impact of training on business results and measuring the return on investment in training.

LEADERSHIP NOW AND FOR THE FUTURE

In 2013, emphasis was placed on the importance of the role of executives and managers in making people management be seen as a key aspect in business management. To advance towards this objective, training sessions were carried out with 351 executives and managers in 2013, and the participation of 80% of executives and managers is expected for 2014.

One of the key processes in the people management model is Talent Review, which increased its scope by 78% in 2013, encompassing 1,590 people. This process identifies professionals who are capable of quicker development, thus making it compatible with the needs of business growth.

With the aim of preparing the people identified in the talent review process to take on greater responsibilities in the future, a number of development programs were carried out in 2013, notably the following:

→ ACCIONA Talent Plan

| Programs                                       | Recipients           |
|--|----------------------|
| ACCIONA PDP (professional development program) | Managers and Top 300 |
| ACCIONA Futura                                 | Technical staff      |
| ACCIONA International Emerging Talent Pool     | Young graduates      |
| ACCIONA M3                                     | Managers and experts |

These programs combine self-knowledge and feedback tools with initiatives to foster the exposure of these professionals to new situations and challenges on the job. Further, internal and external support networks play a significant role. Hence, ACCIONA develops mentoring and coaching programs and “learning from co-workers” actions. For example, in the R&D mentoring program, senior experts who are leaders with management and business knowledge capacity have helped professionals with less experience to set specific goals.

■ **M3 Program on 3 key management areas**  
ACCIONA's M3 program is structured into three modules: people management, project management and economic and business management. Given jointly with the IE Business School, the program combines high-quality training content in both classroom and online format, with the practical approach given by ACCIONA training staff.

Since its start, the M3 program has seen the participation of 851 managers and experts, which amounts to 23,440 training hours of the management team in these fields. More importantly, perhaps, is that 39% of the Company's managers have taken part in the program. The 2013 edition had 310 participants.

The program had a direct positive impact on the international expansion of business objectives, cost optimization and technical and management excellence, and on specific engagement and diversity indicators.

■ **T-Max Program: Maximize your skills**  
In 2013, the Company placed a special emphasis on developing the skills and capacities of the technical staff through the T-Max program: Maximize your skills.

The new model of skills training aims to achieve progress in skills marked as a developmental need during the Performance Evaluation process. Designed in collaboration with the School of Industrial Organization (EOI) of Madrid, it has achieved the participation of experts and professional speakers from TopTen Management Spain.

Talent Retention

ACCIONA's people management model is completed by initiatives related to attaining high performance levels among all employees, objective compensation for results and the importance of achieving the engagement of all employees.

■ **PERFORMANCE EVALUATION**  
ACCIONA continues to carry out monitoring of people's performance through the Performance Evaluation process. In 2013, the Company completed a project of bringing tools together in a single technology environment, enabling a standardization of calendars and the measurement of results in more than ten countries. ACCIONA achieved a participation rate of 88% of the staff subject to Performance Evaluation, compared to 86% in the previous year.

■ **COMPENSATION**  
The Company's compensation policies are designed and implemented with objectivity, external competitiveness and internal equity criteria. In Spain, the lowest salary in ACCIONA was 1.75 times higher than the minimum wage in 2013. It should be noted that greater value was placed on the variable remuneration component in 2013 through the standardization of the ACCIONA Bonus, thus strengthening the link between this compensation and the results of both the Company and of each business division.

In 2013, ACCIONA maintained the Long-Term Incentives Plan based on the delivery of shares to executives and managers. Under this program, beneficiaries can elect to have part of their variable salary paid in shares of the Company and thus benefit from an award (also paid in shares) for which they are

required to remain in the Company and to keep the shares for three years. The award percentage is established each year by the Board of Directors. In 2013, 377 people took part in the Plan.

In Spain, membership in the Flexible Remuneration Plan increased on the previous year to 1,347 workers, compared to 1,291 in 2013, which amounts to more than 26% of potential beneficiaries. The most contracted product in the year was medical insurance, above the transport pass, computer equipment, training, meal vouchers, day care vouchers, etc.

→ Percentage of employees evaluated out of the total workforce required to undergo Performance Evaluation \*

|                     | 2012       |            |            | 2013       |            |            |
|---------------------|------------|------------|------------|------------|------------|------------|
|                     | Men        | Women      | Total      | Men        | Women      | Total      |
| Executives          | 75%        | 85%        | 76%        | 88%        | 93%        | 89%        |
| Managers            | 66%        | 73%        | 67%        | 83%        | 88%        | 84%        |
| Technical staff     | 85%        | 87%        | 86%        | 81%        | 64%        | 74%        |
| Support             | 82%        | 123%       | 107%       | 172%       | 174%       | 173%       |
| Workers / Operators | 101%       | 107%       | 101%       | 135%       | 80%        | 127%       |
| <b>Total</b>        | <b>83%</b> | <b>92%</b> | <b>86%</b> | <b>92%</b> | <b>81%</b> | <b>88%</b> |

*Note: Some groups have percentages required to undergo Performance Evaluation above 100% as lower-level operators or support personnel sometimes are included in the process.*  
*\* The total workforce subject to Performance Evaluation does not include lower qualified operators or admin personnel (roles corresponding to levels below 4 for operators and below 2 for admin support staff).*



ACCIONA Bonus

In 2012, the Company approved the ACCIONA Bonus, a new variable remuneration program for ACCIONA employees taking into account the Company's financial results and individual targets based on objective, pre-established metrics.

Pursuant to the objectives set out in the Sustainability Master Plan, the ACCIONA Bonus has been extended internationally to all divisions and all the main countries.

In 2013, 1,351 employees in Spain benefited from the ACCIONA Bonus, including 100% of executives and managers. Internationally, the Bonus was extended to 449 employees in Australia, Brazil, Chile, the United States, Gabon, Mexico, South Africa and Sweden, and it is applicable to some 1,800 employees throughout the world. Implementation in these countries required a preliminary analysis of the legal and trade union framework environment, and an execution and communication plan adapted to the environment and conditions of each country.

The goal structure is standardized, including:

- The Company's overall targets, which have a weighting of at least 10% for all employees and 20% in the case of executives.
- Objectives for the division, company, country or unit that has its own income statement.
- Individual objectives, the attainment of which is measured through Performance Evaluation

In addition, 5% of the Bonus depends on targets linked to sustainability and identified for each division as defined in the Sustainability Master Plan. For example, these include targets for reduction of CO<sub>2</sub> emissions, the implementation of the methodology for managing the social impact of the projects, an increase in the number of women in management, consultations with stakeholders, etc.

SATISFACTION AND ENGAGEMENT

In 2013, the global results of the Climate and Engagement Survey were published through the internal communication channels open to all Company employees. The results of the survey, the third edition of which was carried out globally in late 2012, in which 56% of the workforce took part, identified high levels of engagement and commitment.

According to the results, the global engagement in ACCIONA is 64%, which is in line with the best employers according to the benchmark, and above the average of other global companies for Spain. It should be noted that 82% of the respondents expressed personal engagement with the results to be achieved, and they were willing to voluntarily invest an extra effort in their work. Some 78% would recommend ACCIONA as a good company to work for.

In addition to the publication in the corporate intranet of the main data from the study, each division and the main countries had specific reports. All human resources team initiated the process of identifying action plans that would be suitable to different results and organizational needs. The priority focus areas dealt with as part of the global results were as follows: talent management and professional development to enhance retention and career opportunities; accessibility of management, communication and well-being as key aspects in improving the evaluation of people and, lastly, effective collaboration.

Social responsibility with people

In 2013, a very broad and structured process was carried out to continue with the workforce adjustment to dimension it to the reality of projects and business in countries where the Company operates.

All processes were carried out through dialogue and in agreement with workers and their legal representatives (trade unions and shop-floor committees) both through collective and individual processes. It should be noted that all collective dismissals were carried out in agreement with the workers and their legal representatives, without any conflicts. In Brazil and Poland, works and projects were completed before scheduled, with contract terminations of less than 100 employees in Spain (Energy and Engineering), Australia, the United States and Colombia. In no case were working hours lost from strikes due to these adjustment processes.

The Company's strategy in this delicate field was complemented by a proactive search for alternatives to the termination of employee contracts in order to adjust production capacity to Company needs. Some of these measures included:

- 23 employment adjustment processes in Spain, in which the working day of 2,500 workers was adjusted to real needs.
- Processes of modification of conditions and geographic (both national and international, with more than 400 movements) and functional mobility.

- Renegotiation of collective conditions to ensure competitiveness of conditions and maintenance of employment.

These measures made a significant contribution to reducing the social impact of contract terminations and ensured two key elements:

- Retention of Company talent and return on investment in professionals.
- ACCIONA's evaluation as a socially responsible employer.

The results of these measures maintained the global volume of employment in 2013, and even led to growth in sectors of activity that are less affected by the financial crisis.

ERTE Infrastructure training program

An ad-hoc training program was designed for workers affected by the employment adjustment in ACCIONA Infrastructure in order to improve their versatility and employability. The program offered employees two options:

**Option 1:** Online classroom English course with Vaughan, consisting of 150 hours online with one year of access, with an approximate pace of 2-3 hours a week.

**Option 2:** Technical online course of 25 hours.

| STAFF TURNOVER (%)                              | 2012 | 2013 |
|---|------|------|
| Turnover of men                                 | 1.97 | 2.82 |
| Turnover of women                               | 1.99 | 2.23 |
| Turnover of people below the age of 30          | 1.98 | 2.60 |
| Turnover of people between the age of 30 and 50 | 3.96 | 5.21 |
| Turnover of people over the age of 50           | 1.99 | 2.23 |
| Turnover of people who work in Spain            | 1.44 | 2.59 |
| Turnover of people who work outside Spain       | 3.40 | 2.65 |
| Total turnover                                  | 2.56 | 3.65 |
| Voluntary turnover                              | 1.80 | 1.93 |

At present, virtually all employee groups are covered by collective labor regulations in different countries (in certain countries, and due to start-up operations or local legislation, there may be small groups of uncovered workers, which are less than 1% of the total workforce). In 2013, a number of collective bargaining agreements in the areas of construction and water were renewed. In the Service division, a new agreement was signed for Multiservice activity, affecting more than 500 workers in Spain.

EQUALITY AND DIVERSITY

In 2013, ACCIONA strengthened its commitment to equality by implementing an Equality Management System on an international scale. The system consists of a web-based application making it possible to analyze and monitor more than 20 equality indicators for ACCIONA companies.

| BREAKDOWN OF WORKFORCE BY GENDER (%) | 2011 | 2012 | 2013 |
|--------------------------------------|------|------|------|
| Men                                  | 75   | 67   | 69   |
| Women                                | 25   | 33   | 31   |

→ Breakdown of workforce by professional category and gender (no. of employees)

|                   | 2012   |        |        | 2013   |        |        |
|-------------------|--------|--------|--------|--------|--------|--------|
|                   | Men    | Women  | Total  | Men    | Women  | Total  |
| Directors         | 259    | 29     | 288    | 253    | 30     | 283    |
| Managers          | 1,413  | 252    | 1,665  | 1,291  | 284    | 1,575  |
| Technical staff   | 3,277  | 1,329  | 4,606  | 3,498  | 1,608  | 5,106  |
| Support staff     | 635    | 883    | 1,519  | 1,137  | 1,945  | 3,082  |
| Workers/Operators | 12,408 | 5,741  | 18,149 | 15,322 | 6,213  | 21,535 |
| Other             | 4,147  | 2,531  | 6,678  | 1,946  | 582    | 2,528  |
| Total employees   | 22,140 | 10,765 | 32,905 | 23,446 | 10,662 | 34,108 |

ACCIONA's commitment to effective equality between men and women is evidenced in the advances made towards the goals set in this area. In 2013, the percentage of women increased in virtually all professional categories, in terms of graduates, technicians and managers and executives.

→ Effect of 2011-2013 HR strategy on graduates

| % WOMEN         | 2011  | 2012  | 2013  |
|-----------------|-------|-------|-------|
| Executives      | 9.97  | 10.07 | 10.60 |
| Managers        | 10.08 | 15.14 | 18.03 |
| Technical staff | 23.87 | 28.85 | 31.49 |
| Total           | 19.60 | 24.54 | 27.59 |

The Company achieved a percentage of 18.03% of women in managerial and pre-executive positions, thus complying with the 18% target set for this year in the Sustainability Master Plan.

→ Wage gap by professional category and gender

|                   | 2012  |       | 2012 gross wage gap | 2013  |       | 2013 gross wage gap | Difference percentage points |
|-------------------|-------|-------|---------------------|-------|-------|---------------------|------------------------------|
|                   | Men   | Women |                     | Men   | Women |                     |                              |
| Directors         | 100.3 | 97.2  | 3.10%               | 100.3 | 97.6  | 2.70%               | -0.40                        |
| Managers          | 102.7 | 87.3  | 14.98%              | 102.7 | 87.6  | 14.71%              | -0.27                        |
| Technical staff   | 103.0 | 93.6  | 9.13%               | 103.0 | 93.6  | 9.13%               | 0.00                         |
| Support staff     | 99.4  | 100.4 | -0.97%              | 99.2  | 100.4 | -1.20%              | -0.23                        |
| Workers/Operators | 112.3 | 77.2  | 31.24%              | 109.9 | 75.5  | 31.34%              | 0.10                         |
| Other             | 120.4 | 71.4  | 40.68%              | 110.3 | 65.4  | 40.69%              | 0.01                         |
| Total             | 112.8 | 77.4  | 31.37%              | 110.9 | 76.1  | 31.42%              | 0.05                         |

→ Breakdown of workforce by professional category and age (no. of employees)

|                   | 2012  |               |       |        | 2013  |               |       |        |
|-------------------|-------|---------------|-------|--------|-------|---------------|-------|--------|
|                   | < 31  | From 31 to 50 | > 50  | Total  | < 31  | From 31 to 50 | > 50  | Total  |
| Directors         | 0     | 164           | 124   | 288    | 0     | 156           | 127   | 283    |
| Managers          | 17    | 1,224         | 424   | 1,665  | 14    | 1,099         | 462   | 1,575  |
| Technical staff   | 718   | 3,263         | 625   | 4,606  | 680   | 3,535         | 891   | 5,106  |
| Support staff     | 289   | 916           | 314   | 1,519  | 329   | 1,734         | 1,019 | 3,082  |
| Workers/Operators | 2,533 | 10,444        | 5,172 | 18,149 | 3,009 | 12,312        | 6,214 | 21,535 |
| Other             | 1,099 | 3,782         | 1,797 | 6,678  | 405   | 1,506         | 617   | 2,528  |
| Total employees   | 4,656 | 19,793        | 8,456 | 32,905 | 4,437 | 20,342        | 9,329 | 34,108 |

Continuing the equality policies the Company has been implementing, in 2013 ACCIONA signed a number of Equality Plans. In 2013, 89.56% of the workforce in Spain was covered by Equality Plans. In 2014, 100% of the workforce in Spain is covered by equality plans when including ACCIONA Agua.

### Equality Seal of Distinction for ACCIONA Energy

ACCIONA Energy received in 2013 the "Equality at the Company" Seal of Distinction from the Spanish Ministry of Health, Social Services and Equality.

This seal is granted annually to companies that show excellence in the field of equality. The seal takes into account facets such as the commitment to fostering a gender discrimination-free environment, balanced participation between men and women in decision making, access to job positions of greater responsibility and a commitment to remuneration criteria and systems that narrow the wage gap.

This distinction is added to that obtained by ACCIONA Facility Services and ACCIONA Engineering, certified in 2010 and 2011, respectively, and which ACCIONA Engineering renewed this year.

Significant initiatives in equality throughout 2013:

#### ■ Network of Companies with Equality Awards

ACCIONA participates in the Network of Companies with Equality Awards of the Spanish Ministry of Health, Social Services and Equality, which fosters the exchange of good practices among companies that have won the Equality Seal, through technical workshops and forums.

#### ■ Promociona Project

ACCIONA participates in this project of the Spanish business association CEOE with the support of the Ministry of Health, Social Services and Equality and ESADE. It seeks to improve women's access to executive positions and the Boards of Directors of companies in Spain, promoting shared leadership.

#### ■ Equality training of workers' representatives

ACCIONA and the signatory trade union federations of the equality plans of ACCIONA Energy and Infrastructure launched in 2013 a training and awareness-raising project on equality. The Company also carried out two in-person training sessions, with the attendance of more than 30 workers' representatives, with the aim of educating them on applicable regulations in this field.

#### ■ International Women's Day

ACCIONA joined in the celebration of International Women's Day by publishing messages and infographics in a number of corporate channels, and in the Network of Companies with the Equality Award.

In terms of socially responsible employment, ACCIONA hired 206 people in 2013, amounting to an increase of 43% on the previous period.

Specifically, the Company hired 49 victims of gender violence in 2013, 19% more than in 2012, when it hired 41 such victims.

ACCIONA, as a member company of the "companies for a society free of gender violence" campaign, renewed its written agreement with the Ministry of Health, Social Services and Equality to foster awareness-raising on gender violence and the labor market insertion of its victims. As a result of the agreement, the Company is participating in different awareness campaigns on gender violence, such as the "There is a Way Out" initiative, aimed at sending a message of hope to the victims of gender violence and their surroundings and involve society as a whole.

#### ■ Red Cross Agreement

ACCIONA renewed its agreement with the Red Cross Foundation in 2013, and extended the scope of its hiring to all groups at risk of social exclusion.

#### ■ Adunare Agreement

Through the Service division, ACCIONA has entered into an agreement with the Adunare Foundation for participation in projects of psycho-social intervention for the appropriate labor market integration of at-risk groups.

ACCIONA's Code of Conduct includes non-discrimination of disabled people as a guiding principle in all ACCIONA companies.

In 2013, ACCIONA achieved and surpassed the percentage of equivalent employment in Spain that was set as a target of 3% in the SMP 2015, achieving 3.08%. Of this percentage, 2.56% is direct employment, thus surpassing the level of 2012.

ACCIONA has two Special Employment Centers, one in Barcelona and the other in Madrid. In this way, the Company strives to support the employment and social and labor integration of people with a physical, psychological, sensorial or mental disability.

In addition, ACCIONA carries out training and awareness-raising, and social and labor integration programs of people with differing abilities:

#### ■ Awareness raising course on disability

In 2013, ACCIONA organized this course a number of times in the ACCIONA Corporate University. More than 370 people completed the course.

The course enables participants to devise a proposal for improvement in the area of disability that the Company may adopt. To date, more than 90 proposals for improvement have been received.

#### ■ Labor integration agreements in Brazil

Through ACCIONA Infrastructure, ACCIONA signed an agreement with the Ministry of Labor of Brazil for the hiring of disabled people, and 31 such hirings were made in 2013.

The Company also carried out training and awareness-raising on the management of disabled people for executives and managers in the country.

#### ■ Agreement with the Down Syndrome Foundation

In 2013, ACCIONA signed an agreement with the Down Syndrome Foundation to support the integration of people with intellectual disabilities. As a result of this partnership, personnel from this group were hired through Bestinver.

#### ■ Multi-regional Operational Program against Discrimination

ACCIONA took part in a study as part of the activities of the *Multi-regional Operating Program against Discrimination* led by the ONCE Foundation, aimed at learning the degree of employability of disabled people in available job positions in the environmental sector.

#### ■ Active Participation in International Day of Persons with Disability

ACCIONA supported the dissemination of the "Never Give Up" campaign of FSC Inserta, a personalized employment plan for people with disability, which includes training courses and labor intermediation actions with companies, including ACCIONA.

### Work recognized in society

In 2013, ACCIONA was one of the first companies to receive the **Bequal Seal**, which again emphasizes the value of the Company's actions and of its commitment to society. This certificate is granted by the Spanish Committee of Representatives of People with Disability (CERMI), the ONCE Foundation, the Spanish Business Federation of Associations of Special Employment Centers (FEACEM) and the Seeliger y Conde Foundation, and verified by PwC as the independent auditor.



Health & safety at ACCIONA

In line with ACCIONA's firm commitment, all business lines make a significant effort in promoting and fostering health and safety in the workplace. Moreover, the Company's growing presence in international markets gives rise to the need for global answers to Occupational Health and Safety (OHS) challenges in all countries where it operates, in accordance with the particular features of each country.

In 2013, progress was made in broadening divisions' policies internationally, thus standardizing the common minimum standards of prevention to be implemented. Emphasis was also placed on achieving greater integration of the chain of command in matters relating to prevention.

EVOLUTION OF MAIN ACCIDENT RATES

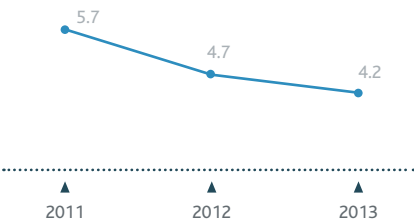
The results of ACCIONA's OHS initiatives and efforts can be seen in the main accident rates. It is particularly important to note that there were zero fatal accidents among the Company's own employees for the second consecutive year.

→ Number of employee fatal accidents (globally)



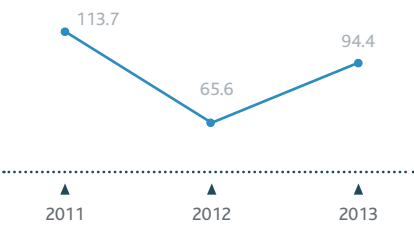
Further, as shown in the next chart, the accident frequency rate has fallen in recent years. The target set in the 2015 Sustainability Master Plan, of a 5% improvement in the frequency rate in 2013 on 2011 levels, has been achieved.

→ Frequency rate among own employees (globally)



OHS - FR = (no. of accidents with work loss / hours worked) x 200,000

→ Severity rate among own employees (globally)



OHS - SR = (no. of workdays lost / hours worked) x 200,000

|                  | Frequency rate (globally) |      | Severity rate (globally) |       |
|------------------|---------------------------|------|--------------------------|-------|
|                  | 2012                      | 2013 | 2012                     | 2013  |
| Water            | 5.9                       | 2.8  | 137                      | 88.4  |
| Corporate        | 0                         | 0.4  | 9.1                      | 60.3  |
| Energy           | 1.5                       | 1.2  | 13.2                     | 19.2  |
| Infrastructure   | 2.4                       | 2.2  | 39.7                     | 59.4  |
| Service          | 7.9                       | 7.7  | 96.3                     | 143.7 |
| Other businesses | 2.5                       | 4    | 62.2                     | 176.2 |

In 2013, a substantial improvement was achieved in third-country information highly oriented towards establishing standard indicators of both accident and absentee rates.

The evolution of the severity rate is mainly the direct consequence of the incorporation of new activities in Service. It should be noted that in such activities, the mass incorporation of new contracts - and, hence, of numerous employees - requires the implementation of our health and safety policies among a large number of people. In such activities, it is also common for minor accidents to cause a large number of lost workdays.

In terms of figures by country, the frequency and incidence rates in Spain decreased, while the severity rate was up on the previous year, although it was below the 2011 level.

In ACCIONA Energy, in a number of countries, such as the United States or Poland, accident rates were zero. In the United States, owing to the reduction of leave days, a reduction of \$5,000 in costs due to lost workdays and medical expenses is estimated.

Further, the main divisions continue to work on reducing accident rates. For example, a special plan to reduce accidents was implemented by ACCIONA Energy in the wind turbine blade manufacturing plant, where measures included:

- Training in preventative approaches for managers in the chain of command and operators who perform risky tasks.
- Awareness-raising campaign on OHS duties for chain of command.

- Launch of a specific checklist for each work area with critical points that must be checked on a daily basis.

With regard to the absentee rate, below is a breakdown by division and business line for 2013 that is carried out in a standard manner across all countries in which the Company operates, in accordance with the the international standard indicator.

→ 2013 Employee Absenteeism Rate

| Country                        | Water | Corporate | Energy | Infrastructure | Other Businesses | Service | Country total |
|--------------------------------|-------|-----------|--------|----------------|------------------|---------|---------------|
| Saudi Arabia                   | 59    | -         | -      | 0              | -                | -       | 59            |
| Australia                      | 0     | -         | 4      | 2              | -                | -       | 2             |
| Brazil                         | 0     | -         | 274    | 138            | 0                | -       | 141           |
| Canada                         | -     | -         | -      | 5              | -                | 1,723   | 849           |
| Chile                          | 0     | -         | -      | 117            | -                | -       | 114           |
| Colombia                       | 620   | -         | -      | 11             | -                | -       | 44            |
| USA                            | 1,340 | -         | 0      | -              | -                | -       | 8             |
| El Salvador                    | -     | -         | -      | 244            | -                | -       | 244           |
| Spain                          | 1,122 | 584       | 58     | 556            | 303              | 1,173   | 828           |
| Gabon                          | -     | -         | -      | 245            | -                | -       | 245           |
| Italy                          | 473   | -         | 0      | 0              | -                | -       | 440           |
| Mexico                         | 0     | -         | 55     | 46             | 328              | -       | 50            |
| Peru                           | 44    | -         | -      | 0              | -                | -       | 41            |
| Poland                         | -     | -         | 0      | 37             | 476              | -       | 43            |
| Portugal                       | 0     | -         | 222    | 0              | 0                | 1,364   | 1,035         |
| Dominican Republic             | 14    | -         | -      | -              | -                | -       | 14            |
| Venezuela                      | 91    | -         | -      | 0              | -                | -       | 42            |
| Other countries or territories | -     | -         | -      | 140            | -                | -       | 140           |
| Total                          | 806   | 584       | 58     | 273            | 304              | 1,199   | 621           |

OHS - AR = (no. of workdays lost due to absenteeism/no. of hours worked) x 200,000.  
Other countries or territories include those with a workforce of less than 10 full-time employees in the Infrastructure division.  
The table includes those countries in which the rate of absenteeism is greater than zero.

TRAINING AND AWARENESS-RAISING

All ACCIONA divisions have implemented training and awareness-raising programs and have designed an annual training plan that includes requirements in training on occupational health and safety.

The following actions are highlights in training and awareness-raising activities by business line:

- The strategy of ACCIONA Agua aimed at reducing the accident frequency rate, which included more exhaustive monitoring of accidents and a strengthening of awareness-raising and training in workplaces with the largest number of accidents.
- At ACCIONA Energy, a specific project was developed for contractors (EHS for Contractors) to ensure better coordination and transfer of information.
- ACCIONA Service provided nearly 2,000 hours of field training by its own personnel.
- Trasmediterranea has its own online training platform for fleet workers who are unable to participate in traditional learning methodologies such as in-person classroom training.

Along with training, ACCIONA has internal communication mechanisms that are key for preventing accidents and preserving employees' health and safety. In general terms, the following communication tools are used: the Interacciona intranet, bulletins, e-mail, suggestion box, communications through

→ 2013 OHS Training (Corporate University)

|                        | No. of OHS hours given | Total no. of employees | No. of OHS hours per employee/year |
|------------------------|------------------------|------------------------|------------------------------------|
| ACCIONA Agua           | 16,795                 | 963                    | 17.44                              |
| ACCIONA Energy         | 5,416                  | 470                    | 11.52                              |
| ACCIONA Infrastructure | 6,965                  | 346                    | 20.13                              |
| ACCIONA Service        | 31,921                 | 3,704                  | 8.62                               |
| Other businesses       | 7,779                  | 973                    | 7.99                               |

→ Infrastructure: Extensive training (number of hours)

|                        | 2012   | 2013    |
|------------------------|--------|---------|
| ACCIONA Infrastructure | 8,653  | 87,319  |
| Subcontract            | 11,608 | 36,169  |
| Joint venture          | 2,339  | 640     |
| Total                  | 22,600 | 124,128 |

posters or the payroll slip, and specific actions in the workplace.

Of these, it is worth noting the so-called Red Book in some ACCIONA Energy plants. This is a book in which any employee can make comments related to safety (unsafe conditions, incidents, etc). All comments are analyzed by plant managers with a view to implementing corrective measures.

## INTERNATIONAL OCCUPATION HEALTH &amp; SAFETY COURSE IN ACCIONA INFRASTRUCTURE

The main objective of the training was to supplement the training of Company professionals with a global and cross-cutting vision of health and safety at the workplace, thus providing basic knowledge of the setting and of the countries in which the Company operates.

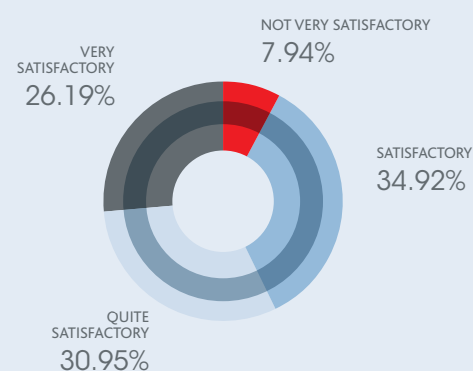
The course includes the following modules:

- Module 1: Basic international OHS
- Module 2: OHS management and regulation
- Module 3: Country-specific module
- Module 4: Construction
- Module 5: Construction in water sector
- Module 6: Construction in energy sector

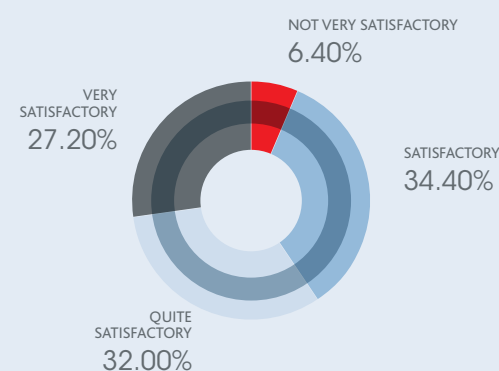
The course was launched at the beginning of 2014 for a total of 348 people registered internationally in the *Learnin* ACCIONA platform. Ultimately, 332 students participated, amounting to 95%, of which 141 finished the course.

The final survey among the students yielded the following results:

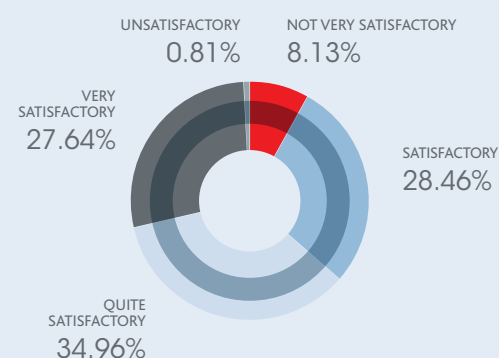
→ International OHS course met my expectations



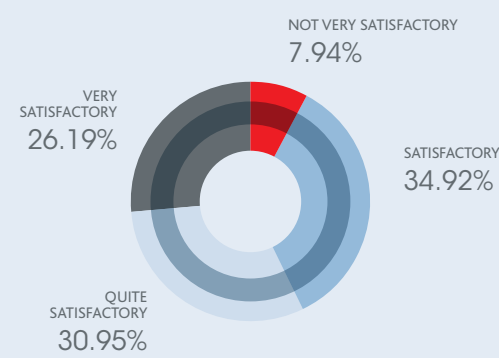
→ Content of international OHS course



→ Your overall opinion of the activity is...



→ Do you consider the training received is useful for your work?



## ROAD SAFETY

In 2013, ACCIONA carried out different initiatives to promote driving safety and reduce accidents. The common denominator to all these actions is the use of training as the key tool and the launch of awareness-raising campaigns:

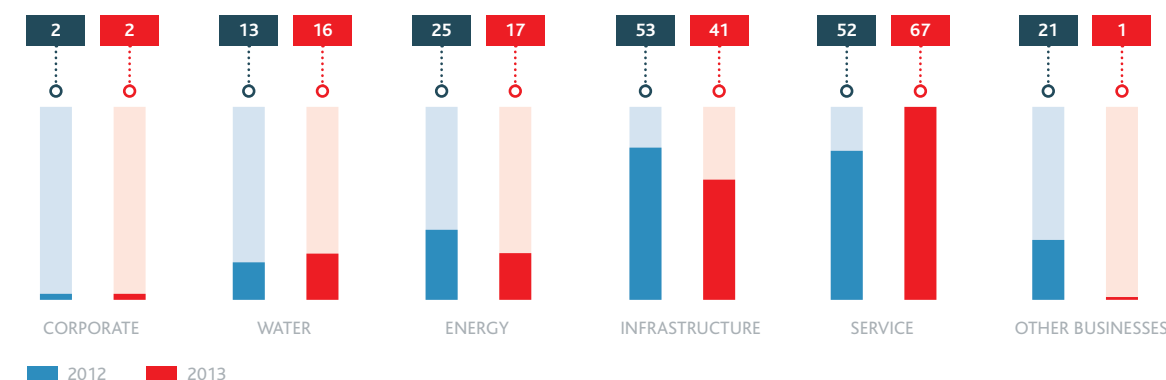
■ At a corporate level, the Company drew up and implemented a procedure for a specific road risk evaluation. Mobility and driving plans were developed, as were online road safety and preventive driving training.

■ For its part, ACCIONA Energy focused its efforts on maintaining road signaling and protection in wind farms.

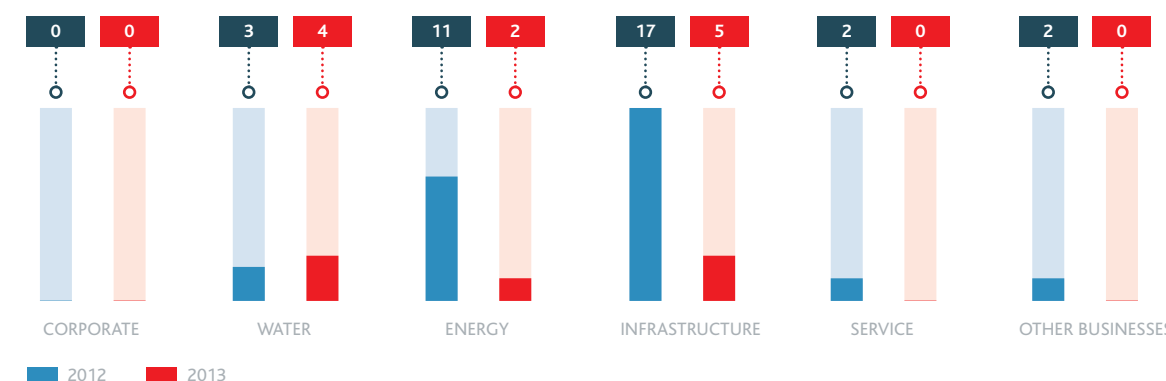
■ ACCIONA Agua carried out an online road safety course for 533 people.

Data on incidents on route or on mission are as follows:

→ Employee incidents on route (globally)



→ Incidents on mission (globally)



HEALTH AND WELLNESS

ACCIONA's commitment to its employees' health goes beyond complying with legal requirements. The Company carries out an active health promotion campaign through periodic medical examination, prevention and early detection of diseases campaign and psycho-social evaluations of working conditions. At the corporate level in 2013, a total of 13,993 medical examinations were carried out in 2013, of which 2,803 were at the beginning of employment.

Regarding occupational diseases, the total rate in 2013 was 0.04 (0.12 in 2012). In the majority of countries where the Company operates, the rate was 0, except in Spain, where it was 0.08 (0.05 in 2012) and Canada, where it was 0.31 (0.62 in 2012).

| OCCUPATIONAL DISEASE RATE OF EMPLOYEES IN 2013 (GLOBALLY) |      |
|---|------|
| Water   | 0.11 |
| Corporate   | 0    |
| Energy  | 0.15 |
| Infrastructure  | 0.03 |
| Other businesses  | 0    |
| Service   | 0.03 |
| ACCIONA Total   | 0.04 |

OHS - ODR = (no. of cases of professional diseases / hours worked) x 200,000

At corporate level, some workers are exposed to occupational diseases due to exposure to biological risk, noise, etc. In all cases, they are evaluated and necessary actions in preventive medicine are taken.

In ACCIONA Infrastructure, occupational diseases in the construction sector like silicosis, asbestosis or hypoacusia do not affect a large portion of employees' professional activities. In activities at risk of occupational diseases, preventive measures such as hearing protection, protection of the respiratory tract, etc., are taken.

HEALTH AND WELLNESS PLAN

ACCIONA favors the implementation of Company-level strategies that encourage workers to adopt healthy habits and thus eliminate or, at least, mitigate diseases associated with present-day life and work, such as a sedentary lifestyle.

In 2013, the Company made advances in the implementation of the Health and Wellness Plan, having launched the program in countries with the largest number of employees, such as Brazil, Mexico and Australia. Data from the epidemiological study of 2013 was also analyzed to assess the impact of informational campaigns on people's diet and level of physical activity.

The second phase of the Health and Wellness Plan is being carried out in two areas:

Nutrition

- Seasonal publication on seasonal food products, with details by geographic area.
- Education on the benefits of the Mediterranean diet.

Physical activity

- Publication of the benefits of regular physical activity among employees.
- Encouragement of participation in races that contribute to social causes to improve health.

IMPROVEMENTS IN OCCUPATIONAL HEALTH & SAFETY MANAGEMENT IN ACCIONA AND PROGRESS IN SYSTEM INTEGRATION

In recent years, the Company is advancing towards the adoption of integrated management system. In 2013, the partial integration of the OHS management system with the Quality and Environment area took place. At present, the integrated management system is 100% implemented in ACCIONA Energy and ACCIONA Agua, and 80% in ACCIONA Infrastructure. In 2014, total integration is planned in this division and in Service.

In addition, ACCIONA's management of health and safety is now in a process of globalization, thus consolidating the Company's systems and maximizing the use of tools handled in different

places throughout the world. This strategy will yield a cost saving in certification with regard to unification of basic methodologies in processes under the OHSAS 18001 standard, while maintaining a flexible balance with local demands and customer demands.

The divisions are making progress towards the implementation of an OHS model based on OHSAS 18001. The current situation is as follows:

- Corporate: 100%
- ACCIONA Agua: 90%
- ACCIONA Energy: 90%
- ACCIONA Service: 80%
- ACCIONA Infrastructure: 93%
- Other businesses: 70%.

ACCIONA Infrastructure also holds other voluntary certifications with COR in Canada and the OSFC Federal Safety in Australia. For 2014, one of the challenges of the division is to increase the scope of OHSAS certification to other countries, such as Peru.

→ OHSAS 18001 certifications by country and business line

| Key countries   | Corporate | Infrastructure | Energy | Water | Service | Other businesses |
|-----------------|-----------|----------------|--------|-------|---------|------------------|
| Spain           |           |                |        |       |         |                  |
| Australia       |           |                |        |       |         |                  |
| Brazil          |           |                |        |       |         |                  |
| Canada          |           |                |        |       |         |                  |
| Chile           |           |                |        |       |         |                  |
| Italy           |           |                |        |       |         |                  |
| Mexico          |           |                |        |       |         |                  |
| Poland          |           |                |        |       |         |                  |
| Germany         |           |                |        |       |         |                  |
| United States   |           |                |        |       |         |                  |
| Portugal        |           |                |        |       |         |                  |
| Colombia        |           |                |        |       |         |                  |
| Other countries |           |                |        |       |         |                  |
| Abu Dhabi       |           |                |        |       |         |                  |
| South Korea     |           |                |        |       |         |                  |
| Greece          |           |                |        |       |         |                  |
| India           |           |                |        |       |         |                  |

Local and customer requirements in the processes of each division and, specifically, of ACCIONA Infrastructure, give rise to different speeds in the implementation time of safety policies. Thus, the main development in 2013 in this division was the implementation of simple tools that can be used in any project, such as the *10 Rules*, in addition to standards such as *International Safety Standards* in countries where the Company is entering the market.

### 10 RULES CAMPAIGN OF ACCIONA INFRASTRUCTURE

In April 2013, ACCIONA Infrastructure carried out an international 10 Rules campaign through e-mail, the ACCIONA magazine, and other vehicles distributed at a worldwide level. The campaign was completed with specific actions such as training sessions and other actions.

**// 10 Rules campaign**

ACCIONA Infrastructure has launched a new communications campaign aimed at improving workplace safety by means of 10 basic rules all workplaces worldwide must now comply with. This is regardless of the WRP (Workplace Risk Prevention) laws and procedures in force in each country. The campaign has the support of various public administrations in the countries in which ACCIONA Infrastructure operates, including Mexico and Chile.

**REGLAS  
NORMAS  
RULES  
RÈGLES**

**10**

**10 RULES**  
are the working  
standards and conditions  
that must be  
respected at  
ACCIONA sites  
worldwide

**//1** Show respect at all times for the group protection installed, especially that aimed at preventing falls from heights, auxiliary measures such as scaffolding, work platforms, etc., without deviating from manufacturer specifications.

**//2** Use the appropriate individual protection equipment for work to be carried out, especially safety harnesses, and conform to the instructions given.

**//3** Pay attention to maneuvers in areas of movement of machinery, remaining seen at all times through the use of high-visibility clothing.

**//4** Respect safety signs and in-house standards for vehicular and machinery movement.

**//5** Operate neither machinery nor work equipment without the required training or authorization.

**//6** Do not interfere with electrical installations without being specialized personnel or previously authorized.

**//7** Do not stand or sit below suspended loads or within their radius of movement.

**//8** Do not consume or bring alcoholic beverages or drugs in the workplace or access facilities under the influence of such substances.

**//9** Do not enter confined spaces unless authorized, complying strictly with established restrictive procedures.

**//10** Do not enter areas where earth is being moved without authorization or checks that adequate risk control measures have been taken, especially trenches presenting serious risk of landslips.

### RISK ASSESSMENT

As part of the OHS management system, the Company makes a continuous effort in evaluating the specific risks of each activity.

■ At corporate level in 2013, 24 reviews of assessments of risks of safety, hygiene, ergonomics, psycho-sociology and road safety for companies covered by the Joint Prevention Service. Plus, some 36 checks were formed of safety conditions in workplaces, as were 37 investigations and analyses of incidents.

■ In ACCIONA Agua, risk assessments are carried out every three years, and these are reported to all the workers in each workplace, and the communication is recorded.

■ In ACCIONA Energy, there are corporate guides that unify criteria on how safety is to be managed, although each country must make adaptations to local requirements.

■ In ACCIONA Infrastructure, a risk analysis is carried out in the bidding phase, as are initial and periodic risk assessments in fixed workplaces, periodic inspections, internal audits and incident investigations. Noteworthy is the implementation of the Conduct Observers program in Chile, in which 10% of workers are trained to make daily risk observations and a weekly report is issued on unsafe actions for the purpose of taking corrective actions through re-education by working area.

■ In ACCIONA Service, risk assessments are reviewed every three years or whenever working conditions change, new technologies are introduced, an accident occurs or a new risk is identified.

With regard to near misses<sup>1</sup>, ACCIONA is developing systems for their identification, analysis and disclosure, for the awareness of works or sectors that may be affected, with a view to studying and proposing preventive measures to avoid their repetition.

Specifically, ACCIONA Infrastructure reports such accidents as one of the types of incidents that are investigated. In the past five years, a total of 251 near misses have been recorded. These were disclosed through the established channels in works and areas and countries, in accordance with their relevance.

In ACCIONA Agua, where monitoring of near misses includes contractor personnel, a total of three near misses were reported in 2013.

In ACCIONA Energy at a worldwide level, some 278 near misses of own employees and 93 of subcontractor employees were recorded (321 and 104, respectively, in 2012).

### Reduction of occupational risks in ACCIONA Energy

At present, the Company is working on reducing workers' thermal stress load, while maintaining protection against the risk of the electric arc. To do this, ACCIONA Energy has implemented a total change in the clothing worn by affected employees, replacing it with new, fireproof fabric that is more moisture-wicking, thus improving the thermal stress load.

The Company is also focusing its efforts on eliminating or reducing moderate or high risks in its wind turbine blade manufacturing plant, with a target of reducing 15% of risks.

To date, 57% of moderate or high risks have been either reduced or eliminated. These results are due to the following: the analysis of each risk, the design and definition of an action plan, monitoring of the actions, a review of the effectiveness of the measures taken, a re-evaluation of the task and the identification of new risks and training of all personnel affected by the new situation.

1. Any anomaly that did not give rise to any damages, but that under slightly different circumstances, could have caused damage to humans and/or materials.

OHS TARGETS IN EMPLOYEE PERFORMANCE EVALUATION

As a global matter, meeting OHS targets set in the Sustainability Master Plan is directly related to a percentage of employees' variable remuneration. In addition, some divisions have set their own targets in this regard:

- ACCIONA Corporate included new indicators for Performance Evaluation, such as the degree of participation in prevention training and the percentage of completion of prevention actions.
- ACCIONA Agua has implemented the target of zero accidents linked to the variable remuneration of all employees.
- In ACCIONA Service, the entire management line of the Company includes, as a remuneration variable, the achievement of certifications in OHSAS standards. The division has also bolstered the fulfillment of the accident rates set by the Company. Managers of technical staff have part of their variable pay linked to the non-existence of non-conformities or deviations in safety in inspections carried out by the Quality, Safety and Environment Department.
- In ACCIONA Infrastructure, the targets are defined annually and replicated in the different regions and countries in coordination with the OHS department.

WORKER PARTICIPATION

Workers are consulted on OHS mainly through the Health and Safety Committees of the different divisions.

For example, in Brazil, ACCIONA Infrastructure has formed a multi-disciplinary team (Safety, Quality and Environment), featuring both branch technicians and workers, who have brought together problems in works and set up working groups to seek out solutions to problems for projects in Brazil and that will be applicable in the future.

With regard to coverage of occupational health and safety matters by formal agreements with trade unions, in the Infrastructure division in Spain, both the Construction and the Metal agreements (applicable to ACCIONA Installation Services) cover workplace health and safety. Collective bargaining agreements of Trasmediterranea include workers' right to effective protection in health and safety, contemplating the existence of multi-workplace, fleet and land committees, as well as health and safety committees in all ships and land workplaces with more than 50 workers.

Occupational Health & Safety in the value circle

With the aim of spreading good practices in OHS, ACCIONA monitors the accident rate in the supply chain of its divisions. In 2013, both the frequency and severity rates among subcontracted personnel fell from 2012 levels.

However, there was a fatal accident among subcontracted personnel outside Spain in 2013. The accident involved the fall of a worker upon the termination of a construction work in Mexico. The Mexican labor authority dismissed the case, as clear evidence existed of recklessness by the worker relating to the use of available protective measures.

To improve occupational health and safety in the supply chain, ACCIONA carries out a number of training and communication activities.

- A very deeply rooted initiative in ACCIONA Energy is the circulation of safety alerts not only to the Company's own personnel but to collaborating companies, and even to competitors, providing information on incidents suffered by the Company, as well as the causes and lessons learned. In 2013, five safety alerts were issued.

In addition, ACCIONA Energy carries out specific training for subcontracted personnel, including suppliers of thermoelectric plants, assembly workers in wind farms being built by ACCIONA Windpower, or maintenance personnel at wind farms.

|                  | Subcontractor frequency rate (globally) |      | Subcontractor severity rate (globally) |       |
|------------------|---|------|--|-------|
|                  | 2012                                    | 2013 | 2012                                   | 2013  |
| Water            | 0.2                                     | 0.8  | 15.4                                   | 14.8  |
| Corporate        | 6.8                                     | 0.9  | 49.8                                   | 2.2   |
| Energy           | 3.1                                     | 3    | 64.6                                   | 55.6  |
| Infrastructure   | 3.2                                     | 2.6  | 49.8                                   | 48.35 |
| Service          | 1.4                                     | 0    | 27.9                                   | 0     |
| Other businesses | 0                                       | 0    | 0                                      | 0     |
| ACCIONA Total    | 3.1                                     | 2.4  | 49.1                                   | 43.4  |

OHS - FR = (no. of accidents with work loss/hours worked) x 200,000.  
OHS - SR = (no. of workdays lost/hours worked) x 200,000.

→ Fatal accidents among subcontractors (globally)



- In ACCIONA Infrastructure, in Spain, the Health and Safety Improvement Plan developed in 2012 for collaborating companies was implemented in 2013. Through the hiring process, and in accordance with the accident rate figures provided by subcontractors, a decision is made on participation in a voluntary program to improve the subcontractor's preventive management, with the following results: 21

agreements in Brazil, 30 in Chile, 71 in Spain and 26 in Mexico.

Finally, ACCIONA Service carries out health and safety initiatives with customers, providing them monthly reports on accident rates in their facilities, working with them on safety meeting points, as well as simulations of emergencies, evacuation of facilities and on joint training of customer personnel.



# Innovation, and the use of knowledge

The inclusion of innovation in business practices, collaboration and the use of synergies of the divisions' specific know-how characterize the Company's R&D activities.

## 2013

| Challenges  | Advances   |
|---|--|
| ■ Identification of operating innovations in key processes that generate a minimum of €4 million in savings.                | ■ Savings from process improvements amounting to €14.1 million.  |
| ■ Generation of new patents and their monetization, with more than 100 patents.   | ■ Valorization of knowledge through generation and monetization of patents, with 111 patents granted or pending.   |
| ■ Commitment to reach 100 million euros in Innovation 2013.   | ■ Documented figure of €173.2 million in 2013.   |
| ■ Increased input of ideas from users through the platform for collecting innovative ideas of ACCIONA workforce (IMAGINNE). | ■ A 125% increase in number of ideas, with total of more than 1,000 recorded ideas, of which 170 have been implemented.  |
| ■ Adoption of Corporate Innovation Rules and establishment of procedures to implement the content of the rules.             | ■ Approval of <i>Corporate Rules: Managing Innovation</i> and implementation of the same through new procedures.   |
| ■ Preparation of first Environmental Product Declaration (EPD) in a civil work.   | ■ First company in the world to obtain EPD certification for a civil engineering project. Railway viaduct in section of AVE train route from Madrid to Galicia, Spain. |
| ■ Start-up of DELPHOS tool by ACCIONA Observatory.  | ■ Start-up of tool for collecting information through a web platform with previously classified information repository.  |
| ■ Perform market trend simulation by ACCIONA Observatory.   | ■ Performance of first market trend simulation and analysis of competitors in a strategic country.   |

## 2013

| Highlights  |
|---|
| <ul style="list-style-type: none"> <li>■ ACCIONA reached Open Innovation Agreements with three major multinational companies and the start-up that arose from a prestigious International Technology Center.</li> <li>■ ACCIONA Infrastructure has won contracts for two mooring points in the application of compound materials in Puerto del Rosario (Fuerteventura) on the basis of its own patent, which has boosted the innovative capacity of its suppliers.</li> <li>■ ACCIONA has consolidated its innovation processes in Saudi Arabia, Australia, Canada, Colombia, the US, United Arab Emirates, Italy, Namibia and Poland.</li> </ul> |

## 2014

| Challenges  |
|---|
| <ul style="list-style-type: none"> <li>■ Exceed the innovation figure of €70 million, in line with the SMP 2015.</li> <li>■ Boost innovation capacity of suppliers.</li> <li>■ Foster Spanish and European initiatives related to innovative public procurement.</li> <li>■ Consolidate the IMAGINNE platform by implementing the contributions proposed on the social network and giving feedback to participants.</li> <li>■ Foster implementation of improvements in the Company's key processes to generate savings of at least €12 million.</li> </ul> |

## Ongoing commitment to innovation

Throughout 2013, ACCIONA has developed its innovation strategy, specifically in transferring innovation to the business by exploiting synergies arising from specific divisional know-how. The Company has also worked on adjusting research programs and financing instruments to the European Union's new Research and Innovation Framework for 2014-2020.

The main strategy lines in Infrastructure and Water have maintained their innovation figures, thus increasing even further the Company's daily activity, which constitutes the basis of ACCIONA's innovation work. In ACCIONA Energy, the evolution of renewable energy markets at a global level and, in particular, in Spain, has in turn refocused strategy towards the optimization of energy costs, reduction of operating and maintenance costs and energy storage.

### World-renowned innovation

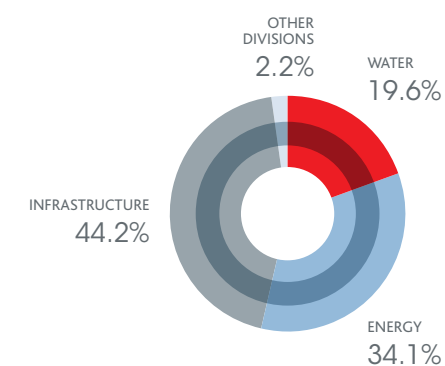
ACCIONA's position in the main rankings of innovation remains solid. The 2013 EU Industrial R&D Investment Scoreboard, developed by the European Commission's Economics of Industrial Research and Innovation (IRI), ranks ACCIONA as the fifth leading Spanish company by volume of investment and 143rd in R&D investment growth in the last three years.

The global consulting firm Booz & Company's world innovation ranking, which selects 1,000 publicly listed companies with the highest R&D figures, ranks ACCIONA at 461, a notable climb from 620 in the previous year.

Innovation Management is the tool ACCIONA uses to create value and to put new ideas at the service of the whole Company

ACCIONA's work continues to be noteworthy, as shown by the figures of projects certified by independent external bodies.

In 2013, ACCIONA recorded €173.2 million in Innovation, which is 4.2% higher than the previous year, the breakdown of which is as follows:



Furthermore, ACCIONA worked on 233 projects in the year, 128 of which were carried out in technology centers.

With respect to financing, there was a decrease in the coverage of innovation owing to the end of major CENIT projects and, generally due to the reduction of

outright grants in Spain, and the overlap of a succession of European programs. In this setting, ACCIONA worked with the European Investment Bank (EIB) on defining and documenting ACCIONA's new 2013-2016 innovation program, amounting to at least €240 million, which enabled the bank to grant a loan of €120 million.

With respect to news in public financing of innovation, ACCIONA is working on becoming one of the main actors in *innovative public procurement*, which is a new instrument within the "2020 Horizon" program, established by the EU, aimed at fostering demand-based innovation.

### R&D MANAGEMENT

In 2013, the Company prepared new *Corporate Rules: Managing Innovation*. As part of the approval process, the document was submitted for comments by all concerned/involved parties in the R&D management process. The Corporate Rules aim to enhance innovation governance in accordance with its objectives, generate value, guide innovation towards business needs, open innovation to all concerned parties and involve the entire organization.



With the approval of these rules, ACCIONA has implemented new standards for the R&D management system as a whole, from technology monitoring and idea generation, to protection of results. The Company has also defined a series of indicators in its R&D management system that allow R&D developments and trends in business to be monitored on a four-monthly basis. The new system has been recognized by AENOR.

| ACCIONA TECHNOLOGY CENTERS  |   |
|-----------------------------|---|
| Madrid Technology Center    | Focused on infrastructure innovation for transport and mining, sustainable construction, infrastructures in compound materials and process enhancement.   |
| Pamplona Technology Center  | Core of innovation activity for renewable energies, with the development of strategic lines of research in wind, solar photovoltaic, thermoelectric, biomass and integration of renewable energies in the power grid. |
| Barcelona Technology Center | Responsible for the main research lines for water management technologies, sewage treatment, water reuse, desalination and drinking water treatment processes, and distribution networks.                             |

| ANALYSIS UNIT TECHNOLOGY AND COMPETITIVENESS OBSERVATORY   |   |
|--|---|
| As an ACCIONA analysis unit, the Technology and Competitiveness Observatory (T&CO) focuses on monitoring the competitive environment, expanding external knowledge networks through arrangements with third parties, and on continuously improving analytic processes of drawing conclusions and disseminating the research results.<br><br>The activities of the Technology and Competitiveness Observatory in 2013 included: |   |
| Support services to internal customers   | The T&CO has responded to requests from 16 clients, 9 more than in 2012.  |
| Internal dissemination   | Organization of five workshops: <ul style="list-style-type: none"><li>■ Presentation of “Megatrends - Impact and Opportunity Matrices”, which highlights the substantial social and technology changes that are altering the environment in which ACCIONA operates.</li><li>■ Open Innovation and Technology Intelligence workshops on open innovation models on an international scale.</li><li>■ Two workshops with leading European companies in the CSP and biomass sector, with the aim of identifying potential areas of collaboration for ACCIONA.</li><li>■ Workshops for identifying systems and processes for reducing CO<sub>2</sub> emissions, their capture and storage.</li></ul> |
| External dissemination   | In 2013, the Observatory took part in the following conferences: “CiMi.CON 2013” and “Strategic and Competitive Professionals” (SCIP).  |
| DELPHOS tool   | This tool was started up by DELPHOS and allows information to be obtained from non-structured sources in decision-making settings.  |
| Market trend simulation  | Market trend simulation carried out in country of interest, with analysis of scenarios and competitors, thus allowing for the design of strategies to enter and stay in that market.  |
| Analysis methodologies and tools   | Using open-source software, ACCIONA has developed its own analysis tools, the methodology of which consists of searching for, classifying and analyzing large volumes of data.  |



## IMAGINNE Platform

IMAGINNE is ACCIONA's innovation social network, a tool fostering online gathering of proposals from Company employees.

Use of the network considerably grew during the year. In 2013, IMAGINNE went from 1,484 users and 450 ideas to more than 2,100 users and over 1,000 innovative ideas, of which over 170 have been, or are in the process of being, implemented.

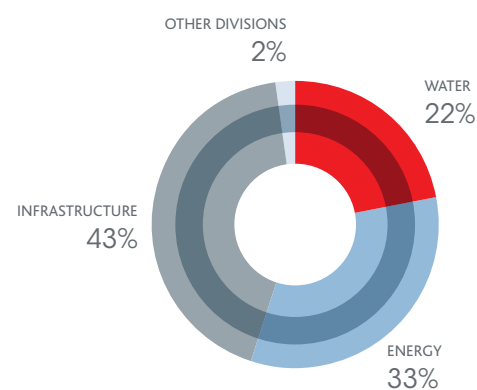
### BUSINESS INNOVATION AND INTERNATIONAL EXPANSION

The value of the Company's innovation activity is revealed by the transfer of technology from results to business.

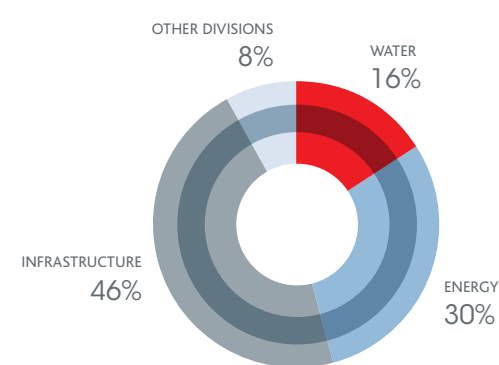
As a result of the overall innovation activity during the year, ACCIONA registered a total of 105 business innovation projects and a documented and third-party certified figure of €145 million. This represents 84% of ACCIONA's total innovation.

A total of 16 international projects were in the pipeline, with an associated figure of €48.6 million. As of December 2013, some 28% of ACCIONA's total innovation was taking place outside Spain. Throughout the year, actions were carried out in the following countries: Saudi Arabia, Australia, Brazil, Canada, Colombia, the USA, United Arab Emirates, Italy, Namibia and Poland.

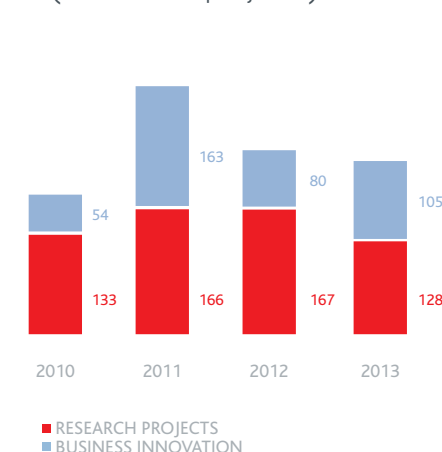
→ Business innovation figure, by division, in 2013



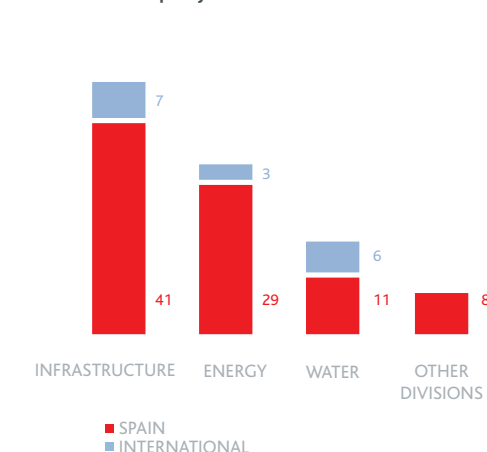
→ Business innovation projects, by division, in 2013



→ Project portfolio (Number of projects)



→ Geographical breakdown of the projects in 2013



### KEY PROJECTS IN 2013

#### Integration of renewable energy management systems and energy consumption control. Hybridization of renewable energies.

ACCIONA has provided its clients with the first two systems of control and management of hybrid photovoltaic and wind-powered facilities in a wastewater purification plant and a wastewater pumping station.

This innovative system allows for online control and monitoring of every component of the renewables facility, and of energy consumption in the plant.

#### New systems of water capture, regulation and control in the solar thermal plant at Morón, Spain.

The locations with the greatest potential for the installation of thermoelectric solar plants are those with the best conditions of solar radiation. Such sites are characterized by being particularly dry. For this reason, the project focused on the technology challenge of building a system for the recovery, storage and control of surface rainwater, with the aim of reducing the project's water dependence.

**EFFICIENCY IN OPERATIONS,  
ENHANCING PROCESSES**

Improving efficiency in operations is one of ACCIONA's long-term goals, as set out in the 2015 Sustainability Master Plan in the area of innovation.

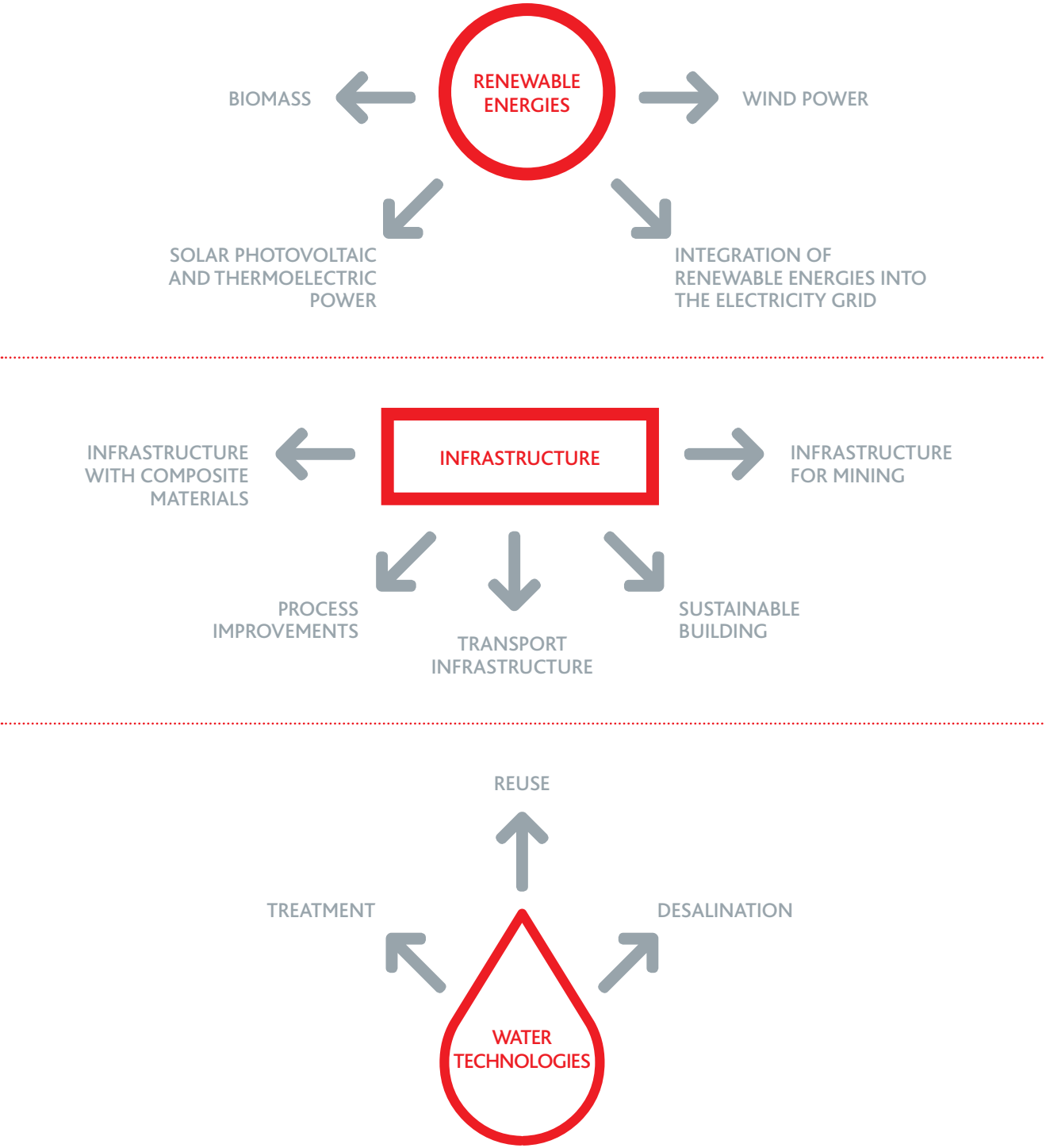
In 2013, ACCIONA made improvements in its processes that brought savings of €14 million, thus surpassing the goal of €12 million set for the year.

Efficiency in operations,  
improving its processes,  
represented a savings  
of €14 million for ACCIONA

**THE MOST NOTEWORTHY IMPROVEMENTS  
TO PROCESSES IN 2013 WERE:**

|   |   |
|---|---|
| Improved efficiency in industrial logistics services                                | The initiatives of ACCIONA Service, which are based on reengineering of processes and Lean Management applied to logistics, have generated overall savings of €4.3 million.   |
| Valorization of urban solid waste in mechanical-biological plant at Botarell, Spain | ACCIONA has achieved an improvement in the recovery rate of usable materials and of organic matter, the non-emission of 11,726 kg of sulfur dioxide by new equipment in desulfurization lines, savings in clean water consumption and the non-generation of 2,266 m³ of sludge. |
| Optimization of energy consumption in purification processes                        | A wastewater purification plant reduced its consumption of power from the grid by 16% through the integration of renewable energies.  |
| Co-digestion of sludge  | This innovation has increased biogas cogeneration for plant own-consumption, thus reducing usage of power from the grid in the Abrera wastewater purification plant (Spain) by 7%.  |
| Quality and reduction of time periods in construction of tunnels                    | This was achieved through the implementation of a tunneling machine control and viewing system.   |

**STRATEGIC R&D LINES IN ACCIONA**



The following projects were noteworthy in 2013:

- A cost of energy (COE) project was launched, the aim of which is to reduce the Cost of Energy (COE) while maintaining the product quality of ACCIONA Windpower and its features. The result in 2013 was highly satisfactory, having achieved validated and implemented changes that brought about an expected reduction in the COE of 12% on 2012.
- As part of the European project ILIS, ACCIONA Energy continued and completed its final trials of the system of ion-lithium batteries at its photovoltaic plant of Tudela, Spain. This is the first experience in Europe of the real operation of a photovoltaic plant on an industrial scale, with the incorporation of batteries to ease the power fluctuations that are typical of photovoltaic production and which will have a commercial application in the photovoltaic plant that ACCIONA is building in Sishen, South Africa.
- The MULTIBIOM project aims to increase the performance of biomass plants through the implementation of new moisture measurement systems, improved control of air combustion in the furnace and analysis of corrosion, among others. In biomass logistics, ACCIONA is participating in the LogisTEC project (Logistics for Energy Crops Biomass).
- ACCIONA designed and planned the Canary Islands Ocean Platform (PLOCAN) project, the first offshore platform of its kind ever installed in Spain.
- A new plate-based track system has been developed, intended for use in high-speed rail lines, and to be both economically and environmentally sustainable.
- A mobile modified bituminous mix production plant has been launched that, owing to its great elasticity, achieves better service life on the roads in which it is used. This development makes ACCIONA a leader over its direct competitors due to the innovative formulation of mixtures with low-cost additives.
- In 2013, the launch was executed of each of the units composing the experimental zero-emission tri-generation plant at Seville, Spain, and different operating strategies have been established and programmed within the plant's control system.
- As part of purification and reuse processes, ACCIONA is working on research into the disposal of nitrogen through partial nitrification combined with Anammox. In 2013, two new projects were launched in this field: NIPARMOX and BIOAVANT.
- ACCIONA's PRONAOS project is researching the use of natural products with coagulant and/or flocculant properties that meet one or more of the following requirements: they are compliant with current law, easily biodegradable substances, and considerably reduce the environmental impact of the use of synthetic products of this kind. This project is also developing the combined use of micro-filtering and ultra-filtering membranes with different absorbents in the disposal of hydrocarbons, oil and grease in water to be treated.
- The *SmartWater4Europe* project aims to develop a network and platform (hardware and software) to monitor the control and automatic action of infrastructure in the core grid of urban water supply, to allow for predictive maintenance in order to reduce consumption and optimize the efficiency of infrastructure. ACCIONA has chosen Cáceres, Spain, as the site of its demonstration activities, where more than 35% of the city will benefit, with monitoring of 74 km of the piping network.

## First Spanish construction company to obtain EPD certification for a civil engineering project

The Environmental Product Declaration (EPD) is a certified environmental declaration of international validity prepared in accordance with ISO standards 14025 and 14040-44, relating to the Life Cycle Assessment (LCA) of a product or service. The purpose of EPDs is to provide quantitative, transparent, verified and comparable information on the environmental impacts that may be caused by a product or service throughout its life cycle.

The Environmental Product Declaration obtained by ACCIONA Infrastructure describes, from a life-cycle perspective, the total environmental impact associated with a railway viaduct on a section of the high-speed AVE line from Madrid to Galicia (Spain).

The life cycle assessment of the viaduct includes both the production of different materials (including transport of materials from the place of production to the work site) and the construction itself of the infrastructure.

## Design and execution of the Al-Jubail pilot desalination plant in Saudi Arabia

ACCIONA won a contract for the Al-Jubail desalination plant in Saudi Arabia, which includes UltraDAF® technology, an innovative quick-floating system capable of working at higher hydraulic loads, thus reducing investment costs by 30%.

To test the functioning of the desalination plant, a pilot plant has been designed and executed. Its main feature is its mimetic UltraDAF® design of the desalination plant. In addition, the pilot plant is automated and controlled by PLC (Programmable Logic Controller), and it is equipped with SCADA (Supervisory Control and Data Acquisition) display support.

# Environment, protecting our surroundings

The Company continues to make progress in the implementation of measures to reduce and offset its footprint on the planet, integrating the environmental variable into decision-making and business operations.

## 2013

| Challenges  | Advances   |
|---|--|
| ■ Reduce the emissions ratio (metric tons of CO <sub>2</sub> generated/sales) by 10% compared to 2009.  | ■ 43% reduction in the emissions ratio (metric tons of CO <sub>2</sub> generated/sales) compared to 2009.  |
| ■ Reduce the energy consumption ratio (MWh/sales) by 10% compared to 2009.  | ■ 43% reduction in the energy consumption ratio compared to 2009.  |
| ■ Increase the reporting of ACCIONA's Scope 3 carbon footprint, including 35% of suppliers with purchases greater than €300,000/year, reaching 1,000 suppliers. | ■ Increase in the scope of the greenhouse gas (GHG) emissions inventory in the supply chain to its main 1,000 suppliers (Scope 3).   |
| ■ Offset the CO <sub>2</sub> emissions generated by the Company's most representative events.   | ■ Offset of emissions from the 2013 General Shareholders' Meeting.   |
| ■ Carry out initiatives within the framework of the Sustainable Mobility Plan in order to reduce mobility emissions by 2% (2011 baseline).                      | ■ Emission reduction goal met (2,834 tonnes of CO <sub>2</sub> ).  |
| ■ Calculate a product's carbon footprint and offset its CO <sub>2</sub> emissions.  | ■ The carbon footprint of 12 events organized by ACCIONA Producciones y Diseño was calculated and almost 500 tonnes of CO <sub>2</sub> have been offset since 2012.  |
| ■ Consolidate and move forward with the Biodiversity Compensation and Enhancement Program, transferring specific objectives to the main businesses.             | ■ Research project in the Company's facilities to preserve wild fauna using camera traps.<br>■ Collaboration with the Ethology and Biodiversity Research Foundation.<br>■ Creation of the "Regional Network for the Protection of Threatened Species", in collaboration with the regional government of Extremadura. |
| ■ Analyze and evaluate the environmental actions taken by the businesses.   | ■ Identification, analysis and assessment of more than 400 environmental actions carried out by the Company's various businesses.  |

## 2013

| Highlights  |
|---|
| ■ ACCIONA avoided the emission of 15.1 million tonnes of CO <sub>2</sub> , nearly 8% more than in the previous year.<br>■ ACCIONA avoided 24 times the CO <sub>2</sub> generated in its production activities.<br>■ The Company reduced its CO <sub>2</sub> emissions by 21% compared to 2012.<br>■ ACCIONA reduced its energy consumption by 15% compared to the previous year.<br>■ ACCIONA generated a positive water footprint on the planet with a positive net contribution of 562 hm <sup>3</sup> .<br>■ Reused and recycled water account for nearly 30% of the Company's total water consumption.<br>■ ACCIONA implemented 112 solutions and identified another 59 measures for improvement within the framework of PLAN 10+, which manages the Company's main environmental problems. |
| ■ 87% of ACCIONA's revenue is certified under ISO 14001.<br>■ ACCIONA was selected to form part of the 2013 "Catalogue of Good Business Practices in Biodiversity Management" by the Excellence in Sustainability Club, in collaboration with the Spanish Ministry of Agriculture, Food and Environment.<br>■ The iBook entitled "Our Environmental Behavior", which includes the Company's environmental efforts, was published and promoted.<br>■ ACCIONA was the only Spanish company that participated in the Ecosystem Working Group, of the World Business Council for Sustainable Development (WBCSD).   |

## 2014

| Challenges   |
|--|
| ■ Improve the ratio of CO <sub>2</sub> emissions avoided to CO <sub>2</sub> emissions generated by 12.5% (2009 baseline).<br>■ Reduce the energy consumption ratio (energy/sales) by 12.5% (2009 baseline).<br>■ Increase the positive net contribution of ACCIONA's water footprint by 4.5 times compared to the 2009 baseline.<br>■ Increase the reporting of ACCIONA's Scope 3 carbon footprint to reach 1,500 suppliers.<br>■ Offset the CO <sub>2</sub> emissions generated by the Company's most representative events.<br>■ Launch new service offerings for customers regarding the offsetting of their emissions. |
| ■ Consolidate ACCIONA's system for preventing and mitigating the main environmental risks associated with the business activities of its divisions.<br>■ Carry out new unique initiatives within the framework of ACCIONA's Biodiversity Compensation and Enhancement Program, and monitor and control the actions executed.   |

Creation of value through the environmental variable

The fight against climate change, sustainable use of natural resources and biodiversity protection constitute the main elements of ACCIONA's environmental strategy.

The Company considers the environmental variable, when making decisions and in its business operations, with the main purpose of reducing the environmental effect of its activities. This is reflected in its commitment to low-carbon business models, in the accountability of its environmental performance and in the objectives established regarding continuous improvement and environmental commitments within the framework of its 2015 Sustainability Master Plan (SMP 2015).

Three specific environmental policies

ACCIONA has three specific policies included in the Policy Book, which reflects the commitments and principles applicable to all lines of business in all countries in which the Company operates: Environmental Policy, Climate Change Policy, and Biodiversity Policy (available on the Company's website: <http://www.acciona.com/sustainability/sustainability-master-plan/environment>

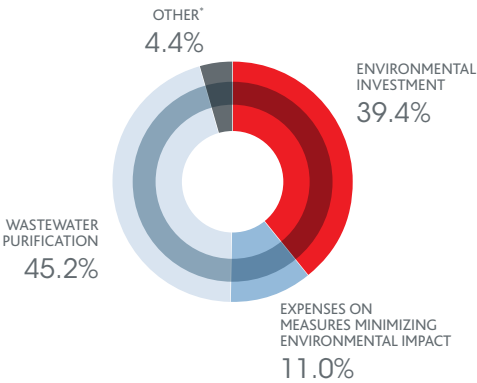
Compliance with ACCIONA's commitment to the environment is driven by senior management and concerns all those who work at the Company, whereby this commitment is transferred to the value circle and evaluated by third parties.

Environmental effort in figures

In order to calculate the environmental financial figure, the expenses and investments associated with environmental business activities, such as water purification and electricity production using renewable energy, have been taken into account. The Company allocated €518.5 million to its environmental activities in 2013. Environmental expenses amounted to €80 million, investments totaled €204 million and €234.5 million related to wastewater purification (expenses plus investment). ACCIONA's economic efforts also contribute to the prevention of impacts to the environment and the improvement of its environmental performance.

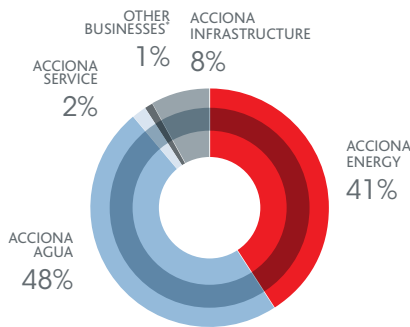
In 2013, ACCIONA obtained tax relief amounting €0.3 million as a result of carrying out actions that promote environmental respect and protection. Accordingly, ACCIONA Agua obtained grants from Ente Vasco de la Energía (EVE) to replace equipment and installations in plants using high-efficiency technologies that reduce energy consumption and, therefore, CO<sub>2</sub> emissions. The Spanish Port Authorities also gave ACCIONA Trasmediterranea tax relief as a result of applying good environmental practices certified by accredited independent entities.

→ Breakdown, by category, of ACCIONA's financial environmental figures in 2013



\* Personnel; environmental research, development and innovation; insurance and taxes; training; environmental management system; fines; environmental communication and awareness raising; environmental advisory and consulting activities.

→ Breakdown, by division, of ACCIONA's financial environmental figures in 2013



Organizational culture to integrate the environmental variable into business operations

ACCIONA's high level of commitment to the environment is put into effect, at an organizational level, by specifically qualified personnel at all functional, hierarchical and geographical levels.

Within the framework of the SMP 2015, the implementation of initiatives and achieving objectives in the Environment Area are brought to the attention of the Sustainability Committee of the Board of Directors.

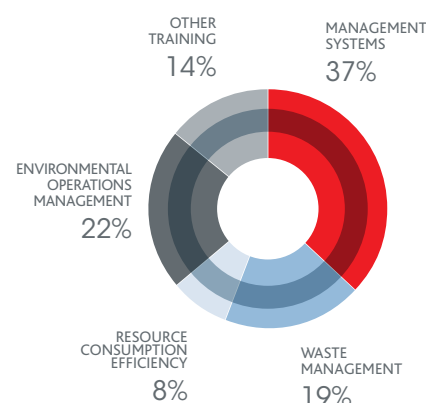
| QUALIFIED PERSONNEL                                 |   |
|---|---|
| General Area of Innovation, Environment and Quality | This branch of management, which reports directly to the Chairman, defines environmental policies and establishes strategic priorities with regard to the environment, thereby promoting and leading the Company's various initiatives focused on reducing and offsetting its footprint on the planet.  |
| Environment and Quality Director                    | In each business division, this person transmits corporate policies and strategies, and integrates and coordinates the business' network of supervisors and technicians that implement the environmental actions and objectives for each activity, center, area and/or technology.  |
| Environment, Quality and Processes Committee        | This Committee was established in 2011 and is made up of the environmental and quality management team of the corporation and of the business divisions. The Committee's objectives include ensuring that the Company's environmental and quality strategy is in line with the growth of its businesses. It also monitors the strategic objectives, and environmental impacts, mitigation measures and risks on a monthly basis, and oversees the Company's Environment and Quality Communication Plan. |
| Personnel with environmental responsibilities       | In 2013, ACCIONA had 190 equivalent employees responsible for environmental issues.   |



### Environmental training

In 2013 ACCIONA's employees received 56,861 hours of environmental training, up 80% on the previous year

#### → Breakdown of hours of training by subject in 2013 (%)



#### TOTAL HOURS OF ENVIRONMENTAL TRAINING BY DIVISION IN 2013

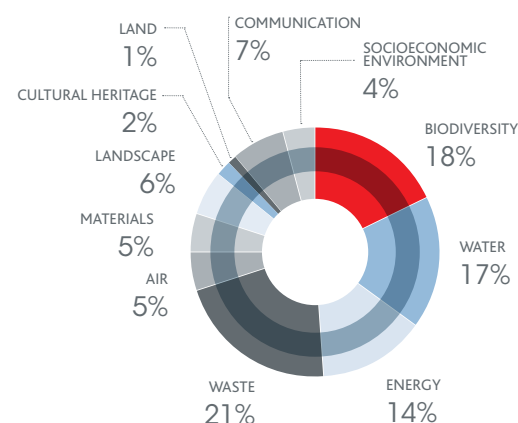
|                        |               |
|------------------------|---------------|
| ACCIONA Energy         | 3,575         |
| ACCIONA Infrastructure | 33,598        |
| ACCIONA Agua           | 16,442        |
| ACCIONA Service        | 3,119         |
| Other Businesses       | 127           |
| <b>TOTAL</b>           | <b>56,861</b> |

### Good practices and unique environmental actions

ACCIONA identifies, analyzes and assesses the environmental actions carried out by the various businesses, in order to recognize and publicize the most significant actions within the organization and reproduce them if necessary.

In collaboration with the Expert Panel on the Environment and Biodiversity, ACCIONA assesses all actions and selects the *unique actions*, in other words, those that are noteworthy of mention as a result of their positive net effect on the environment, their innovative nature or scientific and/or social interest. In 2013, 400 environmental actions were identified, analyzed and assessed, of which 40% relate to ACCIONA Agua, 30% to ACCIONA Infrastructure and 17% to ACCIONA Energy.

#### → Main fields of environmental actions analyzed in 2013



## Comprehensive environmental management

### Principles of ACCIONA's environmental management model

This model, which is based on the principles of continuous improvement, establishes a common framework for action that enables the coordination of the various environmental management systems of each of the divisions.



ACCIONA's environmental management systems are verified and certified by accredited independent entities in accordance with UNE-EN ISO 14001:2004. 87% of revenue was certified in 2013<sup>1</sup>.

Within the tasks of registering and classifying the incidents and adopting corrective and prevention measures, ACCIONA also identifies environmental near-misses. In 2013, the Company recorded 62 near-misses, relating to small wastewater spills, a slight HTF leak, confined spills of chemical substances, etc. An analysis of these types of events enables the Company to establish corrective measures that will allow accidents to be avoided and improvement opportunities to be detected.

1. The international/domestic business ratio increased considerably with regard to the previous year; however, international certifications did not increase at the same rate, since the certification process entails an imbalance with regard to the commencement of the activity in a country. Therefore, certifications fell from 90% in 2012 to 87% in 2013.

| Sample of 2013 environmental objectives set with a focus on continuous improvement   | Degree of compliance |
|--|----------------------|
| ACCIONA Agua   |                      |
| Decrease the volume of the sludge tanks in the Monteagudo wastewater treatment plant (Spain) by 5% compared to 2012.   | 100%                 |
| Improve performance in eliminating the Chemical Oxygen Demand (COD) of the Falset wastewater treatment plant (Spain) by 3% compared to 2012.   | 100%                 |
| Reduce the consumption of drinking water at the Munguia wastewater treatment plant (Spain) compared to 2012.   | 89.22%               |
| ACCIONA Infrastructure   |                      |
| Implement at least one environmental good practice in the projects awarded in 2013 or that were less than 80% complete at 1/1/2013.  | 83%                  |
| Change retreaded tires of trucks, forklifts and truck trailers to obtain an economic savings of 35% and a 75% reduction in waste.  | 100%                 |
| ACCIONA Energy   |                      |
| Obtain ISO 14006 certification, a standard implementing ecodesign, in ACCIONA Windpower (AW 3.0 turbine).  | 100%                 |
| Reduce the number of environmental incidents, accidents and complaints in all technologies. Number of significant environmental incidents equal to zero; other environmental incidents < 18. | 50%*                 |
| ACCIONA Trasmediterranea   |                      |
| Tax relief in the growth rate as a result of good environmental practices in the Ports of Barcelona and Las Palmas (Spain).  | 100%                 |
| Study of Environmental Indicators trend.   | 50%**                |
| Hijos de Antonio Barceló   |                      |
| Life cycle assessment of a product.  | 100%                 |
| Carbon footprint: measurement and offsetting.  | 100%                 |

\* 8 environmental incidents in total; three of which are significant.  
\*\* Study carried out on the consumption and waste situation; final document has yet to be approved.

Environmental impact assessment and management

The Company's preventative approach is also evident through the assessment of the environmental impact of its projects. In 2013, there were 12 projects in progress, subject to an Environmental Impact Study (EIS). Eleven of these projects were being processed by the competent public authorities of Chile, Colombia, Spain and Mexico. It should be noted that ACCIONA obtained the positive Environmental Impact Statement for the first wind power plant of ACCIONA Windpower in Brazil.

Over the course of the year, ACCIONA also implemented Environmental Supervision Plans (ESP) in 195 facilities under construction, operation and maintenance, along with specific environmental follow-up actions in 98 facilities, with more than 170 studies relating to populations of certain species of fauna, forest and fire prevention treatments, noise reduction, and control and follow-up of other possible impacts on the ecosystems.

Under PLAN 10+, ACCIONA has developed a basic tool for managing, for the purpose of continuous improvement, the main environmental problems affecting its business divisions. Once

ACCIONA Infrastructure ensures the implementation and follow-up of the environmental measures in all of its projects

In 2013, 55 centers operated by ACCIONA Infrastructure obtained the Environmental Impact Statement in this field in Spain. Similarly, 187 of the 206 active projects in Spain incorporate ACCIONA Infrastructure's environmental management system certified under ISO 14001. The remaining 19 projects operate under temporary joint ventures and use the management system of the related partner.

In 2013, in consortium with the local firm INFOREST, ACCIONA Engineering drafted the Environmental, Economic and Social Impact Study for the new Brunca International Airport in Costa Rica, and participated in other studies such as the reservoir project in the Bergantes river in the municipality of Aguavia in Aragón (Spain); the additional regulation project for the Carrión river in Palencia (Spain); and the expansion project for the Malvecino reservoir in Aragón (Spain).

the ten main problems were identified and determined, in 2013 the Company implemented 112 solutions and identified 59 improvement measures in order to prevent and minimize the impacts associated with each of these problems.

| INITIATIVES CARRIED OUT WITHIN THE FRAMEWORK OF PLAN 10+ THROUGHOUT 2013 |   |
|--|---|
| Strengthening global management of environmental legal requirements      | Training session on the online tool for applicable regulations and requirements. The objective was to promote its implementation by displaying its functions and possibilities. The environmental supervisors that are involved in managing compliance of the businesses' environmental legal requirements attended the training session.   |
| Acoustical improvement actions in ACCIONA Agua's facilities              | The Acoustical Assessment Project was carried out in two of ACCIONA Agua's facilities (wastewater treatment plant and drinking water treatment plant of Cáceres (Spain)). This resulted in an Acoustical Assessment Project for carrying out improvement measures. The final measurements showed that the values were significantly above that required by current legislation in force, reaching improvements of up to 24 dB.  |
| Avifauna conservation initiatives  | <p>Unique initiatives focused on improving habitats and increasing the populations of protected species:</p> <ul style="list-style-type: none"><li>■ ACCIONA's facilities for the protection of threatened species. In 2012 and 2013, approximately 400 nesting boxes were placed in the Company's various facilities.</li><li>■ Regional Network for the Protection of Threatened Species. A project aimed at the installation of three food points in order to promote species of threatened or endangered birds of prey.</li></ul> |

ACCIONA's Environmental Risk Management

Within the framework of ACCIONA's Risk Management Policy and with a preventative approach, ACCIONA promotes the integration of environmental risk management in its business operations for the purpose of improving its capacity to mitigate such risks.

ACCIONA has a Corporate Environmental Crisis Management System that establishes guidelines for acting in the case of an environmental crisis. Once a situation of this type is detected, the Environmental Assessment Team provides support to the Corporate Crisis Assessment Committee in managing the crisis. The Corporate Crisis Management Regulations allow the Company to systematically identify the risks that may give rise to an environmental incident and determine the processes, guidelines and responsibilities in the case of a crisis situation.

In 2013, ACCIONA carried out specific environmental risk management initiatives at the business division level. The Company also performed the Environmental Risk Audit, which identified and assessed the main environmental risks of the 39 activities considered. A total of 86 supervisors from the various Environment, Works, and Operation and Maintenance Departments participated in this audit, whereby a map was obtained with the environmental risk rating of a total of 480 events.

Environmental risk management pilot project carried out in the facilities

At the operating center level, in 2013 ACCIONA carried out the Environmental Risk Management Pilot Project in six representative facilities of each one of the divisions and lines of business. To this end, the official computer tool developed by the Spanish Ministry of Agriculture, Food and Environment was used.

The purpose of this project was to promote and transmit to the entire organization the responsibility of effectively preventing potential damage to the environment during the design, construction, operational and maintenance phases of the facilities, as well as the adequate repair thereof, should such damage take place.

The project also focused on calculating the economic value of the environmental damage, and on an estimate of the obligatory nature of providing financial guarantees, in accordance with Spanish law regarding environmental responsibility. Consequently, it does not follow that ACCIONA must provide a financial guarantee for the six facilities analyzed.

Leadership in the fight against climate change

For ACCIONA, the fight against climate change is a strategic priority and, therefore, ACCIONA's activities are carried out based on a low-carbon business portfolio which:

- Reduce or mitigate the adverse effects of climate change.
- Decrease greenhouse gas (GHG) emissions to the atmosphere mainly through renewable generation.
- Promote energy savings.
- Respond to global demands regarding renewable energy, sustainable infrastructures, water and services.

ACCIONA also extends its commitment to fight climate change to the entire value chain through:

- Collaboration and cooperation with other companies, public institutions, social organizations, suppliers and other stakeholders.
- Awareness-raising and training.
- Transparent and comprehensive information on this subject.

Risks and opportunities associated with climate change

ACCIONA works on identifying and managing the risks associated with climate change, in accordance with the Company's Global Risk Policy.

In 2013, a study was carried out on the risks associated with climate change. As a result of this analysis, ACCIONA determined possible mitigation actions and future scenarios mainly in view of the risks to changes in physical parameters, regulatory changes and reputational risks.

In 2013, ACCIONA avoided the emission of 15.1 million tonnes of CO<sub>2</sub> to the atmosphere

Commitment to businesses that contribute to avoiding and reducing emissions

ACCIONA works with seven clean technologies in more than 20 countries, in its quest for global solutions aimed at generating electricity and combating climate change.

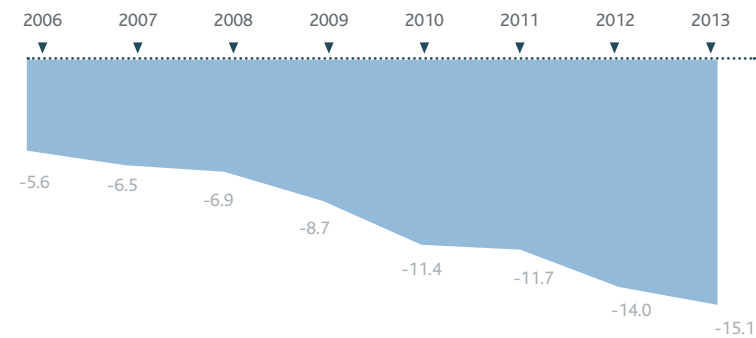
In 2013, ACCIONA avoided the emission of 15.1 million tonnes of CO<sub>2</sub> to the atmosphere, mainly as a result of its renewable energy activities.

In 2013, the Company increased the emissions avoided by 8.6% compared to the previous year as a result of generating electricity from renewable energy sources.

The Company's other businesses in turn indirectly contribute to avoiding emissions. This is the case of the wind turbines manufactured by third parties, biofuels, eco-efficient buildings and the transportation of employees to offices using public transportation. A total of 254 thousand metric tons of CO<sub>2</sub> emissions were avoided in 2013 as a result of these four initiatives.

The majority of the emissions avoided relate to Spain. However, the weight of emission avoidance is becoming increasingly more important thanks to other countries such as Australia, Canada, the USA and Mexico.

→ CO<sub>2</sub> emissions avoided (millions of metric tons)



→ Installed capacity, renewable energy output and emissions avoided by country in 2013\*

| Country     | Installed capacity (MW) | Output (GWh) | Emissions avoided (tonnes of CO <sub>2</sub> ) |
|-------------|-------------------------|--------------|--|
| Germany     | 150                     | 243          | 194,318  |
| USA         | 692                     | 2,118        | 1,560,987                                      |
| Australia   | 305                     | 1,010        | 814,283  |
| Canada      | 181                     | 554          | 382,602  |
| Croatia     | 30                      | 65           | 43,555   |
| Greece      | 48                      | 125          | 94,469   |
| Italy       | 156                     | 236          | 130,481  |
| Hungary     | 24                      | 50           | 30,149   |
| India       | 86                      | 246          | 209,709  |
| South Korea | 62                      | 205          | 152,856  |
| Portugal    | 155                     | 321          | 198,696  |
| Mexico      | 557                     | 1,863        | 1,003,991                                      |
| Poland      | 71                      | 108          | 97,370   |
| Spain       | 5,989                   | 15,237       | 9,919,053                                      |
| TOTAL       | 8,505                   | 22,381       | 14,832,518                                     |

\* Weekly trends in emissions avoided by ACCIONA as a result of renewable production are indicated by an emission meter on the Company's website: <http://www.accion.com/emissions-meter>

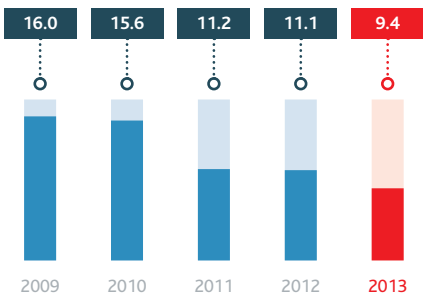
Energy consumption reduction

ACCIONA reduced energy consumption by 15% in 2013 compared to the previous year, and by 41% compared to 2009, with a total consumption of 9,440 TJ in 2013.

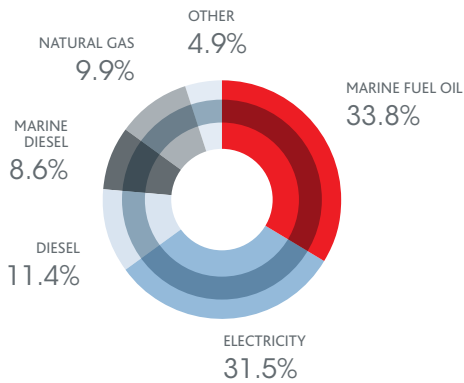
Trasmediterranea consumed 4,004 TJ and continues to be the group's line of business with the largest energy consumption. However, consumption dropped sharply as a result of implementing energy

efficiency measures and as a result of the decrease in its business activities in 2013. Similarly, consumption in ACCIONA Energy decreased as a result of regulatory changes regarding the use of natural gas in solar thermal production in Spain. It should also be noted the increase in the share of the Company's electricity consumption due to the growth of ACCIONA Agua's activities.

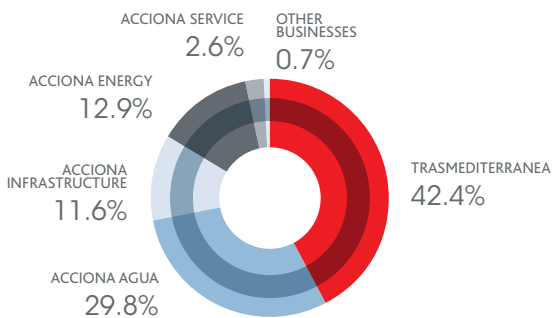
→ Energy consumption (PJ)  
(1PJ = 277.7GWh)



→ Energy consumption by source 2013

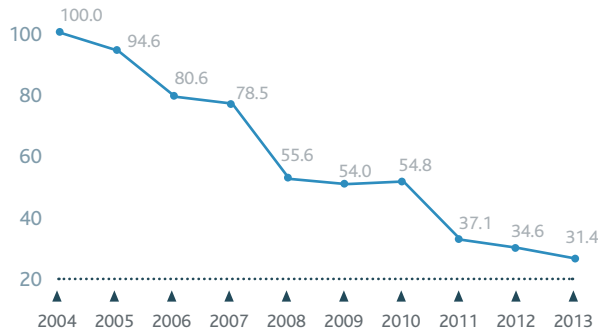


→ Energy consumption by line of business 2013



For the ninth consecutive year, the ACCIONA's energy intensity level has fallen, and is 10% lower than the previous year.

→ Energy intensity index (TJ/sales),  
baseline 100 for 2004



Purchase of green energy in  
the international sphere

In 2013, 61% of the electricity acquired by the Company in Spain was from renewable energy sources. In order to extend the acquisition of this type of electricity to the international sphere, a working group was created, and its objectives are as follows:

- Identify those countries in which ACCIONA carries out its activities with significant electricity consumption and, in particular, in which ACCIONA produces renewable energy.
- Analyze the renewable energies regulatory framework in these countries.
- Select the countries with the most favorable conditions in order to implement the acquisition system.

External energy consumption

The most significant energy consumption outside of the organization is the energy consumption associated with the following activities, calculated in accordance with the Company's Scope 3 categories:

→ 2013 External energy consumption (GJ)

| Item   |                                      |            |
|--|--------------------------------------|------------|
| Assets leased to the organization                    |                                      | 2,527,442  |
| Assets leased by the organization                    |                                      | 7,381      |
| Employees commutes to work                           |                                      | 403,768    |
| Business trips                                       |                                      | 199,248    |
| Waste from the organization                          |                                      | 228,718    |
| Waste arising from products sold by the organization |                                      | 2,024      |
| Suppliers:<br>Purchases of<br>goods and services     | Products, Services and Raw Materials | 6,154,470  |
|  | Fuel consumption                     | 1,181,130  |
|  | Electricity consumption              | 165,170    |
|  | Transport                            | 918,410    |
| TOTAL (GJ)   |                                      | 11,787,761 |

Promoting energy efficiency among customers

ACCIONA Service provides added value to its actions by analyzing and proposing energy improvements in its customers' facilities. In 2013, this business carried out a total of nine integrated audits for seven customers of the food, automotive and health sectors.

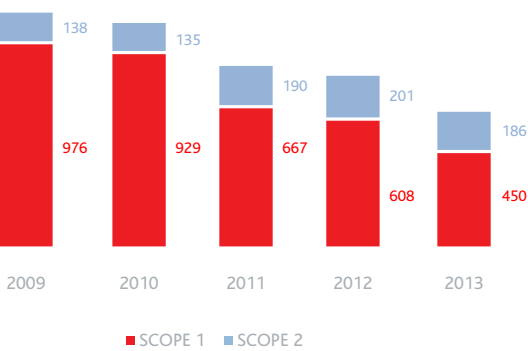
With regard to the automotive assembly facilities, the energy studies carried out by ACCIONA Service, submitted as an integral part of the Company's offers, allowed it to determine measures for the joint savings of up to €700,000 per year in energy costs. These actions are based on the use of efficient combined cycle heat or lighting recovery systems in press areas.

Accordingly, ACCIONA Green Energy Developments designed a 2013-2015 Demand Management Plan which consists of a series of services for customers and awareness-raising initiatives that seek to encourage these customers to change their electricity consumption habits for others that are more environmentally and economically sustainable. These initiatives are especially aimed at improving the energy efficiency of the customers' facilities, analyzing the load curve, and promoting the use of electricity from fully renewable energy sources as an alternative to using other traditional energy sources.

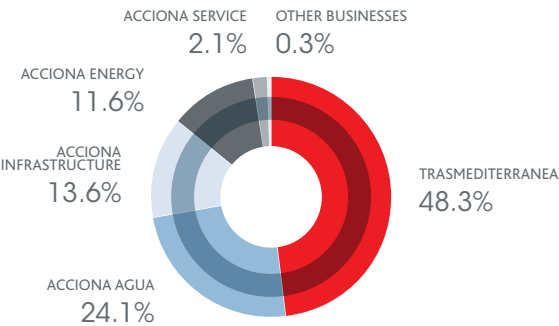
Reduction in emissions generated

En 2013, ACCIONA's CO<sub>2</sub> emissions decreased by 21% compared to the previous year, and by 43% compared to 2009, the baseline. Total CO<sub>2</sub> emissions generated by the Company amounted to 635,843 metric tons. The purchase of electricity from certified renewable energy sources had a significant impact on this reduction, as the upward trend of the Company's Scope 2 emissions over the last two years was reversed, reaching a total of 186,175 tonnes of CO<sub>2</sub>.

→ Trend of emissions generated (thousands of tonnes of CO<sub>2</sub>)



→ CO<sub>2</sub> emissions by line of business



Calculation of emissions generated

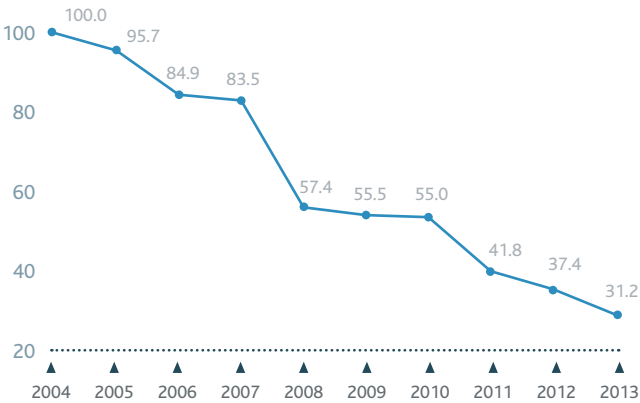
Once all energy consumption information is gathered, the Company calculates the CO<sub>2</sub> emissions generated in accordance with the criteria defined in the GHG Protocol.

The steps used are those indicated by:

- The Intergovernmental Panel on Climate Change (IPCC), in the 2006 IPCC Directives for greenhouse gas inventories.
- The International Energy Agency and Red Eléctrica de España.
- Department for Environment, Food and Rural Affairs, of the United Kingdom.
- The European Environment Agency.

Accordingly, and for the ninth consecutive year, ACCIONA's carbon intensity index was reduced, and is 17% lower than the previous year.

→ Carbon intensity index (tCO<sub>2</sub>/sales), baseline 100 for 2004



Scope 3 emissions

Scope 3 of the emissions analyzed by ACCIONA includes the following categories: assets leased to the organization and by the organization, employee commutes to work, business trips, waste from the organization, waste arising from products sold by the organization and suppliers-purchases of goods and services.

In 2013, the Company enhanced its system for obtaining emission data from suppliers. In this regard, data was obtained

from a total of 1,000 suppliers of all divisions and CO<sub>2</sub> emissions equal to 25% of the Company's total purchases were calculated. These emissions amounted to 0.7 million tonnes of CO<sub>2</sub>.

As a result of the work carried out, information was ascertained regarding those phases of the value chain where the CO<sub>2</sub> output is the highest, as well as the most emission-intensive suppliers, both from the point of view of their activity and of the business division supplied.

→ Scope 3 emissions trend (tonnes of CO<sub>2</sub>) \*

| Item   |                                      | 2012    | 2013    |
|--|--------------------------------------|---------|---------|
| Assets leased to the organization                    |                                      | 148,222 | 192,609 |
| Assets leased by the organization                    |                                      | 597     | 463     |
| Employees commutes to work                           |                                      | 27,950  | 29,417  |
| Business trips                                       |                                      | 14,408  | 13,959  |
| Waste from the organization                          |                                      | 14,028  | 16,948  |
| Waste arising from products sold by the organization |                                      | 131     | 150     |
| Suppliers: Purchases of goods and services           | Products, Services and Raw Materials | 178,462 | 515,013 |
|  | Fuel consumption                     |         | 81,994  |
|  | Electricity consumption              |         | 10,828  |
|  | Transport                            |         | 66,981  |
| Total (tCO <sub>2</sub> )                            |                                      | 383,799 | 928,363 |

\* The increase in emissions compared to 2012 is due mainly to the increase in the scope of the data reported.



CO<sub>2</sub> emissions subject to the European Union's GHG emission allowance trading scheme

In 2013, the new 2013-2020 period began for the European Union's GHG emission allowance trading scheme, under which the amount of emission allowances attributed to the European Union as a whole will progressively decrease.

ACCIONA has five solar thermal facilities subject to the community emission

allowance trading scheme that use natural gas as an auxiliary energy source. These facilities have technical improvements available to minimize their CO<sub>2</sub> emissions into the atmosphere, as well as an unallocated surplus of emission allowances from previous periods amounting to 23,767 metric tons of CO<sub>2</sub>. According to the list of rights for using international credits, the maximum amounts of CERs and ERUs that these facilities may exchange for emission allowances were determined.

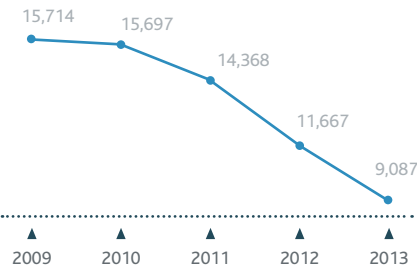
→ Facilities subject to the community emission allowance trading scheme

| Facility         | Technology    | Emissions verified in 2013 (tonnes of CO <sub>2</sub> ) | Unallocated surplus of emission allowances from previous years (tonnes of CO <sub>2</sub> ) | Rights for using international credits for the 2008-2020 period (tonnes of CO <sub>2</sub> ) |
|------------------|---------------|---|---|--|
| Palma del Rio I  | Solar thermal | 2,553   | 7,626   | 2,607  |
| Palma del Rio II | Solar thermal | 2,651   | 1,181   | 3,334  |
| Majadas          | Solar thermal | 3,800   | 13,754  | 3,081  |
| Alvarado         | Solar thermal | 1,908   | 1,206   | 3,940  |
| Orellana         | Solar thermal | 1,347   | 0   | 0  |
| <b>TOTAL</b>     |               | <b>12,259</b>   | <b>23,767</b>   | <b>12,962</b>  |

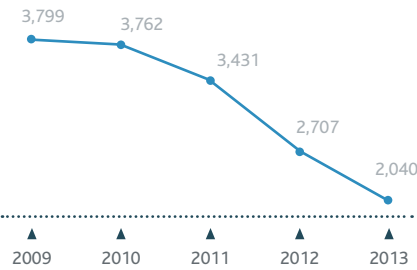
Other emissions

There was also a notable decrease in recent years in ACCIONA's NO<sub>x</sub> and SO<sub>x</sub> emissions related to fuel consumption (down 22% and 25% on the previous year, respectively).

→ NO<sub>x</sub> emissions (tonnes)



→ SO<sub>x</sub> emissions (tonnes)



Similarly, the amount of sulfur hexafluoride (SF<sub>6</sub>) emitted into the atmosphere was estimated based on the inventory taken of the Company's equipment that contain this type of compound. In 2013 these emissions were estimated at 0.4 tonnes.

Lastly, ACCIONA's biogenic emissions in 2013 amounted to 469,347 tonnes of CO<sub>2</sub>.

Plans to reduce energy consumption and emissions in all business divisions

Within the framework of its Climate Change Policy, the Company prepares plans and programs for reducing energy consumption and emissions which include two phases:

PHASE 1: INITIAL STUDIES AND ANALYSIS OF MEASURES TO BE IMPLEMENTED

**OBJECTIVE:**  
To identify the activities with the greatest potential for emissions reduction

**CASE STUDY**  
As a result of the ISO 50001 energy certification obtained with regard to the activities of ACCIONA Agua, the Company identified opportunities for optimizing energy consumption at all types of activity centers.

As a result of implementing measures such as resizing the pumps and aerators, changing the control systems or contracting electricity from certified renewable energy sources, two of the centers analyzed (Amorebieta wastewater treatment plant and Úbeda Service in Spain) expect to reduce emissions by up to 185 metric tons of CO<sub>2</sub> per year.

PHASE 2: IMPLEMENTATION AND MONITORING OF MEASURES

**OBJECTIVE:**  
To attain maximum efficacy in the actions implemented

**CASE STUDY**  
In 2013 ACCIONA Trasmediterranea completed the project to paint its ships using fluoropolymer paints. The purpose of this project, which took three years, is to reduce fuel consumption.

This type of paint has a finish that is much less rough than that of traditional paints, which enables the vessels to glide more easily through the water. It is estimated that this measure will have an annual savings of more than 17,000 tonnes of CO<sub>2</sub> and more than 60,000 MWh in energy consumption, having amortized the initial investment within a short period of time.

Sustainable mobility

ACCIONA structures its actions to reduce emissions with regard to mobility in three different areas: logistics chain, business trips and employee commutes to work.

In 2013, ACCIONA reduced mobility emissions by 2%. The target is to bring about a 10% reduction, by 2015, of the 141,675 tonnes of CO<sub>2</sub> generated in 2011. To this end, specific measures are being carried out in each of the three areas.

|                           |   |
|---------------------------|---|
| Employee commutes to work | The Company promotes collective transportation and the use of transportation means that are respectful to the environment, such as the bicycle. Emissions of this kind increased slightly in 2013 (up 5%) due to the increase to the Company's workforce.   |
| Business trips            | Emissions resulting from business trips in 2013 decreased by 3% compared to the previous year as a result of restrictions with regard to renting vehicles for individual trips. With the incorporation of 141 new eco-efficient vehicles in 2013, in addition to the vehicles of this kind which the Company already owns, the emission of almost 780 tons of CO <sub>2</sub> was avoided. 2% of the vehicle fleet is made up of hybrid vehicles. ACCIONA continues to focus on the use of electric vehicles, and already has a total of 179 vehicles of this type, including rental cars and vehicles for industrial purposes. |
| Logistics chain           | In order to renew the Company's collective transportation service agreement, one of the technical requirements when assigning the contractor is that the transportation offered must generate less atmospheric emissions. It is estimated that this method of contracting will give rise to an 8% reduction in carbon monoxide (CO), a 35% drop in NO <sub>x</sub> , and a 76% decrease in particles.   |

Use of flexible mechanisms of the carbon markets

ACCIONA actively participates in the development of projects associated with the fight against climate change in developing and emerging countries, and supports the transfer of clean technologies through the use of flexible mechanisms, such as the Clean Development Mechanism (CDM). In 2013, a total of nine projects were undertaken in Mexico, India, South Korea and Costa Rica, which together amount to more than 700 MW of renewable installed capacity.

Similarly, ACCIONA continues to take part in the voluntary carbon market through the Verified Carbon Standard (VCS) program, with two wind power projects in the US with a joint capacity of 255 MW. Since their start-up and until the end of 2013, these projects generated an emissions savings of more than 4.5 million tonnes of CO<sub>2</sub>.

Voluntary CO<sub>2</sub> emissions offsetting

Within the framework of ACCIONA's environmental commitment, in 2013 the Company undertook actions to offset its own CO<sub>2</sub> emissions and those of its customers.

With regard to its own emissions, ACCIONA offset the emissions from three of the Company's representative events:

- The General Shareholders' Meeting
- The monthly Process, Quality and Environment Committee meetings
- The monthly Innovation Committee meetings.

In these cases, voluntary carbon credits from the "Mirador Project" in Honduras, which has a Gold Standard certificate, were acquired in order to offset emissions.

ACCIONA Corporate University - Carbon Neutral in 2013

The Company voluntarily offset the emissions associated with all hours of training given by ACCIONA's Corporate University in 2013 (more than 65,000 hours).

The emissions were offset through two projects located in the provinces of Anhui and Hebei in China, which implied an energy consumption reduction in facilities of the steel and cement sectors, in addition

to a reduction in water consumption and the training and creation of employment in local communities.

12 carbon-neutral events for customers

ACCIONA Producciones y Diseño (APD) has been developing carbon neutral events for its customers since 2012 ([www.eventossostenibles.com](http://www.eventossostenibles.com)). In addition to minimizing and offsetting emissions, in these events the Company focuses on selective waste management, promoting accessibility, or contracting fair trade catering and organic food.

In 2013, 100% of the events organized for customers by APD were carbon neutral, thereby avoiding the emission of up to 500 tons of CO<sub>2</sub>.

In addition, APD obtained international acknowledgements for the sustainability of its events such as the gold or silver elephants of the "European Best Event Awards" or silver or bronze medals of the "Evento Plus" awards.

Water management and treatment

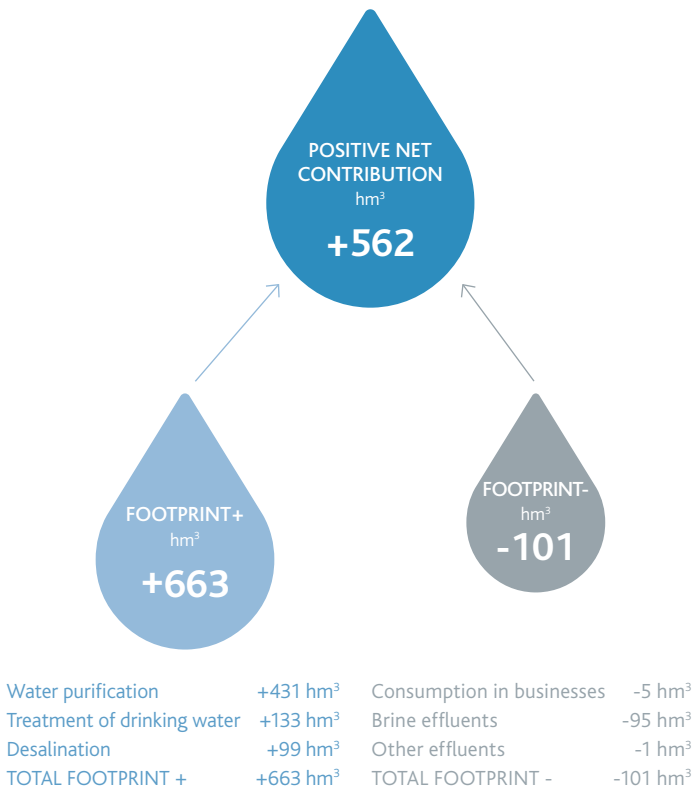
With regard to water management and treatment, ACCIONA's strategy is based on promoting innovative processes and solutions in order to provide a response to the growing social demands for products and services that optimize water use and management. ACCIONA purifies, desalinates and makes drinkable water for more than 70 million inhabitants worldwide.

Water footprint

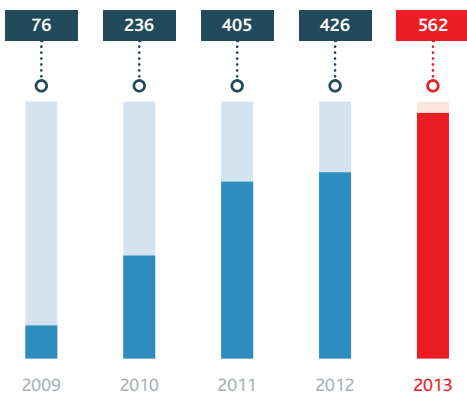
The Company calculates its water footprint on the basis of two international methodologies: Water Footprint and Global Water Tool from the World Business Council for Sustainable Development, which consider both the impact on reserves of water resources and the change in water quality.

In 2013, ACCIONA's balance sheet clearly favors the environment, with a positive water footprint on the planet of 562 hm<sup>3</sup>, a figure which is equal to an annual domestic consumption of seven million inhabitants and which represents a 32% improvement compared to 2012.

ACCIONA Agua has contributed considerably to the Company's positive water footprint, given that purification and drinking water activities represent an improvement in the quality of the water, without a significant impact on the water resources.



→ ACCIONA's positive net contribution (hm<sup>3</sup>)

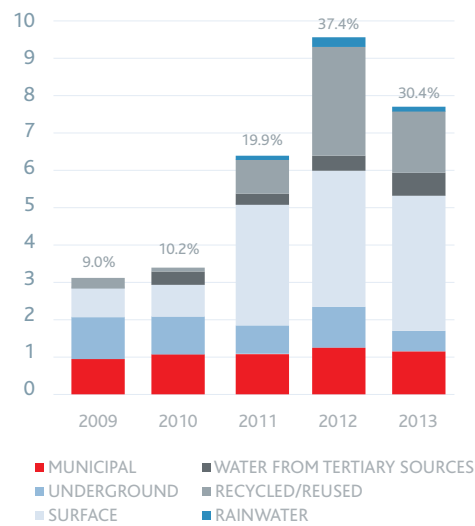


In 2013, the treatment plants managed by ACCIONA desalinated, made drinkable and purified 663 hm<sup>3</sup> of water, up 29% on 2012, mainly as a result of water purification.

With regard to water consumption, in 2013 ACCIONA reversed the growing consumption trend of recent years, as there was a 19% decrease compared to 2012 as a result, among other actions, of the water consumption reduction programs implemented in the facilities.

In addition, the Company remains steadfast in its commitment to use recycled water, reused water, water from tertiary sources and rainwater. Therefore, water from these sources rose to 30% of total consumption in 2013.

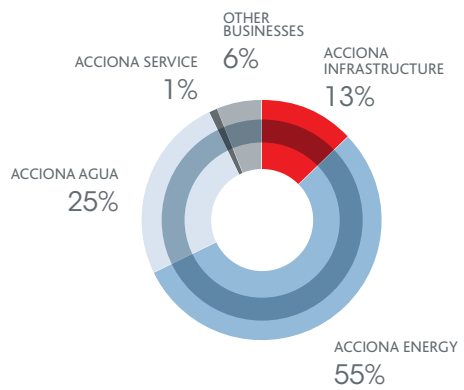
→ Water consumption trend (hm<sup>3</sup>)



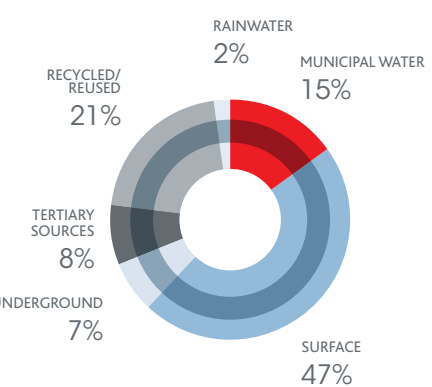
→ ACCIONA's managed water volume evolution (hm<sup>3</sup>)

| Type                 | 2010       | 2011       | 2012       | 2013       |
|----------------------|------------|------------|------------|------------|
| Desalinated water    | 104        | 98         | 121        | 99         |
| Drinking water       | 27         | 35         | 51         | 133        |
| Treated sewage water | 182        | 376        | 396        | 431        |
| <b>TOTAL</b>         | <b>313</b> | <b>509</b> | <b>568</b> | <b>663</b> |

→ Distribution of water consumption by line of business, 2013



→ Water consumption by source, 2013



ACCIONA has focused its efforts on reducing the water consumption of those activities that have proven to be the most water intensive in terms of use. The following actions for reducing consumption in 2013 are worthy of note:

#### ■ REUSE OF TREATED WATER IN THE CONSTRUCTION OF TUNNELS

ACCIONA Infrastructure uses systems to optimize water use in its projects, which considerably contribute to reducing their consumption. Drilling tunnels with a roadheader is one of the most water-intensive operations.

For example, in 2013, during the construction of the tunnels of Antzuola, Spain, ACCIONA reused 34,000 m<sup>3</sup> of water obtained in the project's sludge treatment plant. Reused water represented 73% of the total water consumed. This practice helped to reduce both the volume of water obtained and the volume of purified water poured into the Deskarga river.

#### ■ GARDEN SERVICES WITH EFFICIENT WATER USE

ACCIONA Service carried out actions to offer garden services that use less water, including the following:

- Use of plants that require less water in the Martorell parks and in the green

areas of AENA Barcelona (an estimated savings of 35%).

- Planting of native species that are more adapted to the environmental conditions.
- Implementation of localized, programmed and automated irrigation systems in the gardens in León and Lorca in Murcia (Spain). There was a 25% savings in water consumption in the case of localized systems and 10% as a result of planning measures.

With regard to water capture and spills in the Company's facilities, these activities are carried out under circumstances that do not significantly affect the water resources in terms of water quality and volume.

In order to measure the impact on the bodies of water, certain biodiversity criteria are also taken into account. Accordingly, more than 40 water bodies located in protected areas were affected by ACCIONA's activities. 86% of these activities involve hydroelectric plants, 5% drinking water treatment plants and 8% infrastructure construction. In all cases, the environmental water flow system established by the water authorities is respected.

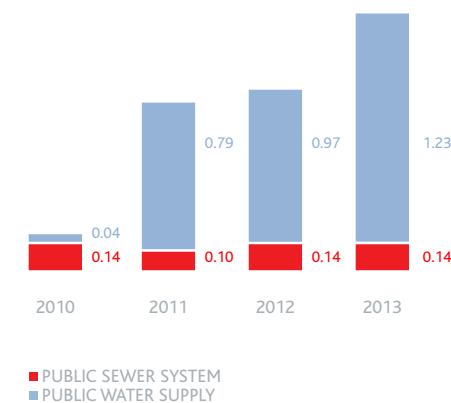
It is important to note that ACCIONA's main actions in water capturing and spilling are tied to renewable energy output and to water purification and making water drinkable, which have an overall positive impact on the environment.

#### Discharges

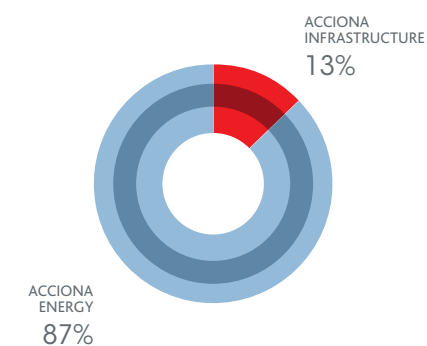
Almost 99% of ACCIONA's discharge volume relates to brine from the desalination plants. The physical-chemical and microbiological conditions of the receiving water body are constantly controlled in these types of plants, and Environmental Supervision Plans are implemented in all plants that pour water out into protected areas or areas of great biodiversity value.

The effluents from the Company's other facilities are poured out into the public sewer system or into the public water supply, while strictly complying with that specified in the related water disposal authorization.

#### → Effluents trend (hm<sup>3</sup>)



#### → Distribution of discharges into the public water supply and the sewer system by line of business



### NANOBAK: a new tertiary treatment to eliminate emerging pollutants

Emerging pollutants include the remains of pharmaceutical products or other chemical substances, the presence of which is growing in surface water, which may have harmful effects on the environment and on human health, and which are not currently eliminated in traditional purification processes.

Despite the fact there is no regulation regarding concentration limits, ACCIONA Agua's Technology Center is already researching new technologies to eliminate such chemicals including, among others, the development of a tertiary treatment that eliminates these pollutants at a competitive price.

NANOBAK focuses on the development of new nanostructured materials (zinc oxide, titanium dioxide, and ternaries of the Bi-Ti-O family) which may be used as catalyzers in photocatalytic disinfection processes. Based on these processes, a photo reactor prototype is being designed, which will take into account all parameters that affect the industrial operation of the system.

Risks and opportunities associated with the use of water resources

ACCIONA incorporates the analysis of risks and opportunities associated with this resource in its activities and in its supply chain.

The Company identifies water consumption and the availability of water resources in those countries in which it operates. The Water Tool of the World Business Council for Sustainable Development (WBCSD), which incorporates FAO and UNESCO databases regarding the scarcity of water in different countries, makes it possible to determine this availability.

In those countries affected by water stress in which the Company operates, various lines of action were developed that are aimed at minimizing water consumption, preventing operating risks arising therefrom, and promoting businesses that improve the quality and availability of water resources.

→ Consumption of municipal, surface and groundwater in 2013

| WATER-STRESSED COUNTRIES               |                      |   |
|--|----------------------|---|
| Country                                | Volume of water (m³) | Company projects  |
|  |                      | Wastewater treatment plants (Haddah 1 and Arana 1) and construction of a desalination plant (Al Jubail) |
| Saudi Arabia                           | 570                  |   |
| South Korea                            | 50                   | Wind farms  |
| India                                  | 99                   | Wind farms  |
| Poland                                 | 64,023               | Wind farms and other projects   |
| COUNTRIES NOT AFFECTED BY WATER STRESS |                      |   |
| Country                                | Volume of water (m³) |   |
| Australia                              | 78,052               |   |
| Brazil                                 | 9,007                |   |
| Canada                                 | 7,032                |   |
| Chile                                  | 77,933               |   |
| Colombia                               | 909                  |   |
| Croatia                                | 90                   |   |
| Ecuador                                | 2,888                |   |
| USA                                    | 425,546              |   |
| Spain                                  | 4,427,162            |   |
| Gabon                                  | 19,089               |   |
| Greece                                 | 22                   |   |
| Italy                                  | 117,830              |   |
| Mexico                                 | 88,951               |   |
| Panama                                 | 375                  |   |
| Peru                                   | 1,048                |   |
| Portugal                               | 518                  |   |
| Dominican Republic                     | 300                  |   |
| Venezuela                              | 14,198               |   |

Assessment of the exposure of the supply chain to water-stressed areas

ACCIONA analyzed its exposure to risks arising from critical suppliers of its facilities that are located in water-stressed areas, in accordance with the following procedure:

- a) Identify the supply activities necessary to carry out construction activities and operations, wind energy output and water desalination.
- b) Analyze the water intensity of the supply activities and identify those activities with higher water consumption.
- c) Select the most water-intensive supply activities necessary to carry out the aforementioned operations in ACCIONA's facilities.
- d) Identify those suppliers, by billing level, with the greatest exposure to water risks as a result of its water-intensive

supply activities in areas affected by water stress in those countries in which ACCIONA carries out its activities.

The purpose of managing these risks in the supply chain is:

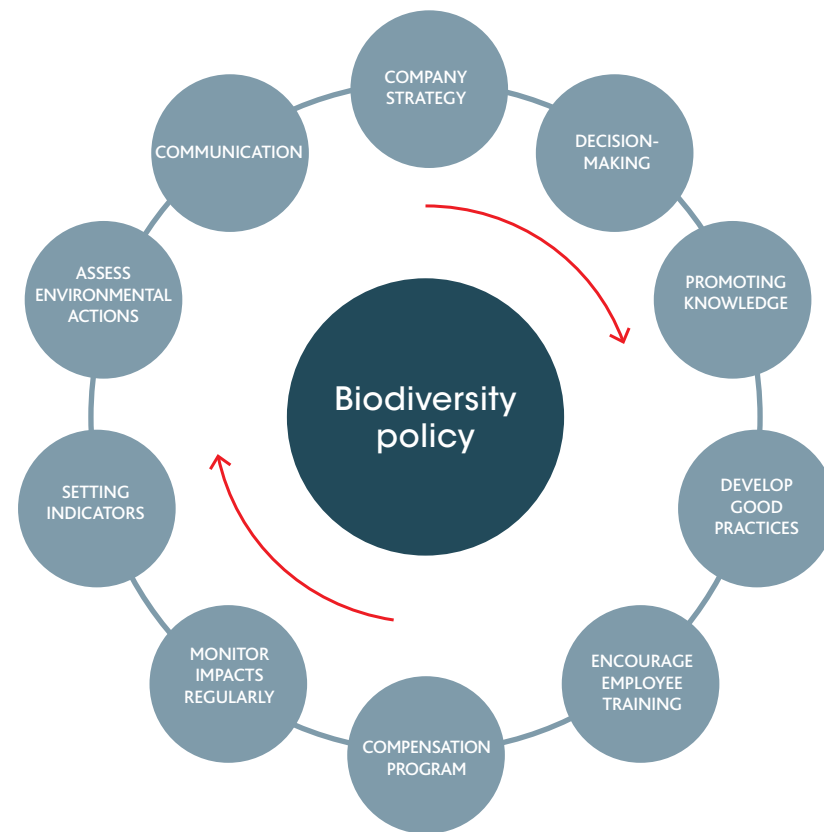
- To gain knowledge about the supply chain, its scope and its critical suppliers.
- To be aware of its degree of exposure to risk, identifying both operational risks and those related to sustainability.
- To launch training and awareness-raising initiatives and actions in order to improve the degree of collaboration between the Company and its suppliers.
- To incorporate sustainability criteria in the management strategy and in the purchase processes.

- To obtain benefits from the responsible and sustainable management of purchases (cost reduction and increase in income for the business).
- To establish performance indicators that allow this management to be assessed.
- To strengthen transparency and ethics in the purchase processes.

## Environmental protection and biodiversity

In each of the phases relating to the design, construction, operation and maintenance of its activities, the Company identifies and assesses possible impacts on the biodiversity in order to adequately manage these activities. In this regard, ACCIONA has a specific Biodiversity Policy, the principles of which are continuously being developed.

Accordingly, in 2013 the Environmental and Biodiversity Expert Panel promoted relationships with various stakeholders and was the main driver of the Environmental Compensation Program, initiating and developing new projects that increased the scope from a geographical point of view and from the point of view of preservation methodologies and of the favored species. The Panel's new responsibilities include assessing and providing advice on specific environmental problems related to the activities of the various businesses.



### Main action lines carried out in 2013

- ACCIONA Compensation and Biodiversity Improvement Program.
- Promotion of important nature prevention and conservation actions carried out by each business line.
- Development of the Communication regarding biodiversity:
  - Updating and renewal of biodiversity content on the corporate website.
  - Creation of *Our Environmental Commitment* iBook.
- Participation in the *2013 Catalog of Best Business Biodiversity Management Practices*, by the Sustainability Excellence Club, in collaboration with the Spanish Agriculture, Food and Environment Ministry and the Biodiversity Foundation.
- Actions with respect to minimizing noise pollution.
- Collaboration with stakeholders in the development of conservation, awareness-raising and research actions in the biodiversity domain.

### Assessment of the main risks and opportunities associated with biodiversity

ACCIONA's activities depend on products and services from local, regional and/or global ecosystems and, therefore, their degradation entails an economic risk for the Company, as well as new business opportunities.

As preventive measures, ACCIONA works to identify the biodiversity risks arising from its activities and to improve its capacity to mitigate these risks. The risk analyses serve as a tool to anticipate possible impacts on biodiversity by determining and implementing prevention, control and mitigation measures, which can be incorporated into the project management.

The main risks associated with biodiversity are managed by selecting the sites of the facilities, controlling the construction procedures and adopting preventive and correction measures in order to reduce the impact of these risks. A control and oversight plan is in place in the majority of the projects and facilities in operation which allows the Company to carry out adequate environmental follow-up, establishing an action protocol for cases in which any problem may arise.



Biodiversity protection in the area surrounding the facilities

Prior to selecting the final location of the activities or projects, ACCIONA analyzes the surroundings such that its activities have as little effect as possible on the environment.

The Company works with experts in the various areas and a complete environmental surveillance plan is established which controls the implementation of preventive and corrective measures assigned to the project.

The main actions carried out in 2013 to preserve the biodiversity in the area surrounding its facilities include the following.

■ ENVIRONMENTAL INTEGRATION MEASURES IN THE MUNDARING DRINKING WATER TREATMENT PLANT IN AUSTRALIA

This water treatment project in the state of Western Australia requires the elimination of 12 hectares of vegetation, the majority of which were already altered previously, and is located at a site where there are no protected species of flora or environmentally sensitive plant communities.

ACCIONA drafted a plan for controlling invasive plants by exhaustively monitoring the projects and the presence of undesired seeds or propagules in each vehicle that was in contact with the project.

A complete protocol regarding the arrival and use of pine wood was also drafted since the *Hylotrupes bajulus* beetle was detected in the area, a plague which has affected pine wood as well as structures and buildings.

No significant species of native fauna were found in the area, except for the occasional presence of black cockatoos, which were included in a surveillance and control plan that included stopping the project if any nests were observed in the area until the offspring were weaned. No significant impacts on the fauna are expected, however a protocol for capturing and relocating the fauna, if necessary, has been drafted.

Lastly, given that there are residential and recreational areas near the site, ACCIONA drafted a plan for minimizing disturbances from noises and vibrations in order to make the activities of the project compatible with the residents' normal activities.

ACCIONA also focuses its efforts on controlling, in particular, matters relating to the contamination of land and water, and the risks of fires, which are particularly significant in this area of Australia.

■ RECOVERY OF FLORA AND FAUNA ON THE JALA HIGHWAY IN PUERTO VALLARTA, MEXICO

Within the framework of the "Jala highway – Puerto Vallarta" project in Mexico, ACCIONA Infrastructure was

able to reduce the impact of its activities through various environmental measures, including the protection and relocating of species of wild flora and fauna.

With regard to flora, more than 1,000 plants were recovered and relocated, which were selected as a result of their legal protection status, their botanical and ethnobotanical interest, their environmental value, the difficulty of their species to reproduce or their slow growth or as a result of their importance from a commercial or cultural point of view. This is the case of the prickly pear, cactus trees or epiphytic orchids. Some of the recovered plants were taken to a temporary nursery so they could be adapted and cared for in order to be later used in various reforestation projects. Other plants were relocated within areas nearby the extraction site with the same characteristics.

In the case of fauna, the Company rescued various species of arthropods, reptiles and mammals, some of which are threatened, such as the false coral snake, the black iguana and the pygmy spotted skunk.

In addition to its administrative requirements, the Company recorded the fauna using camera traps in order to increase the sightings of certain species with nocturnal habits or little tolerance to human presence and activity. Species such as the raccoon, the collared peccary, the coati and the ocelot (in danger of extinction) were identified.

Facilities in areas of high biodiversity value

All of the Company's facilities located within protected areas and not protected ones but of high biodiversity value were identified, and the following aspects of each of them were reported: type of facility, protected area affected by the facilities, geographical location, surface area, species affected by the facility, most significant impacts, etc. (see the Biodiversity Appendix for more information).

→ Installations in areas of high biodiversity value, 2013

| Lines of business      | No. of facilities in protected areas and not protected areas of high biodiversity value | Surface area of the facilities in protected areas and not protected areas of high biodiversity value (ha) | No. of facilities adjacent to protected areas and not protected areas of high biodiversity value |
|------------------------|---|---|--|
| ACCIONA Energy         | 142   | 613   | 1  |
| ACCIONA Agua           | 8   | 15  | 26   |
| ACCIONA Infrastructure | 40  | 1,135   | 15   |
| ACCIONA Service        | 6   | 33,389  | 1  |
| Other businesses       | 11  | 4   | 0  |
| <b>TOTAL</b>           | <b>162</b>  | <b>35,156</b>   | <b>43</b>  |

→ Number of protected species affected by ACCIONA's facilities in 2013

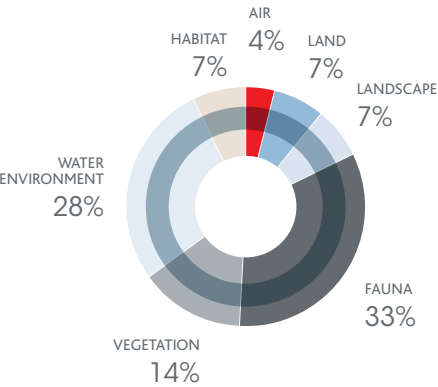
| Protection category | IUCN* Red List        | No. of species |
|---------------------|-----------------------|----------------|
| CR                  | Critically endangered | 2              |
| EN                  | Endangered            | 5              |
| VU                  | Vulnerable            | 12             |
| NT                  | Near threatened       | 16             |
| LC                  | Least concern         | 113            |
| <b>TOTAL</b>        |                       | <b>148</b>     |

\* International Union for Conservation of Nature.

Identification and valuation of the most significant impacts

It should be noted that ACCIONA has identified and assessed the most significant impacts at each of the Company's facilities located adjacent to or within protected areas and not protected areas of high biodiversity value. The valuation took into account the species affected, the surface area of the facility within the protected area, the duration of the impacts, and whether they were reversible or irreversible.

→ Nature of the impacts, 2013



Restoration and protection of habitats

En 2013, ACCIONA protected and restored almost 8,000 hectares in the areas surrounding its projects and, in virtually all cases, the measures carried out were verified by external professionals and were carried out in collaboration with third parties.

The plantings carried out by ACCIONA in 2013 will absorb more than 3,000 metric tons of CO<sub>2</sub>/year<sup>2</sup>, equivalent to the CO<sub>2</sub> emissions produced by the use of 1,300 cars.

| Location   | Surface area (ha) |
|------------|-------------------|
| Australia  | 0.45              |
| Brazil     | 28.6              |
| Canada     | 32.7              |
| Chile      | 15                |
| Costa Rica | 17                |
| Croatia    | 0.95              |
| Spain      | 7,888.67          |
| TOTAL      | 7,983.37          |

Biodiversity compensation and enhancement program

In 2013, ACCIONA continued working on the biodiversity compensation and enhancement program, which is included in the Company's Environmental Compensation Plan. These initiatives go beyond administrative requirements in offsetting impacts generated by the business activities:

Regional Network for the Protection of Threatened Species

This is an initiative driven and carried out by ACCIONA, in collaboration with the government of Extremadura, and consists of establishing and maintaining three supplementary food points, one of which is located in the Monfragüe Natural Park in Spain, which was declared a biosphere reserve by UNESCO. The purpose of the project is to find a method that allows for the selective feeding of certain threatened bird species with necrophagous habits: red kite, cinereous vulture and Egyptian vulture.

This initiative has been described in UNESCO's Man and the Biosphere Programme. The Decennial Revision Report of the Monfragüe Biosphere Reserve (MBR), drafted for UNESCO, reports on ACCIONA's desire to be innovative and is included in the report on the Main Preservation Programs that were carried out in the MBR over the last ten years.

ACCIONA's facilities for the preservation of wild fauna

In 2013, ACCIONA developed an environmental research project regarding the behavior of wild fauna in the surroundings of the Company's 27 facilities by using a total of 33 camera traps that have movement-activated sensors.

Observation is aimed especially at detecting land mammals that are difficult to study due to a lack of knowledge regarding their biology, distribution, habitat use and state of preservation.

Until now the Company has photographed 70% of the carnivorous mammal species that inhabit the Iberian peninsula at only a few meters from its facilities.

Breeding in captivity and behavioral study of the European mink

ACCIONA is collaborating with the Foundation for Ethology and Biodiversity Research in a European project to develop a center for breeding in captivity and perform a behavioral study of the European mink, a critically endangered species.

The purpose of the project, which is also supported by the Biodiversity Foundation and the Spanish Ministry of Agriculture, Food and Environment, is to increase the number of animals in view of possible drastic reductions in the species living in the wild and to generate animals capable of surviving in their natural environment, in order to be subsequently reintroduced into the wild.

The project has significant international impact, since there are only three European mink populations in the world, one of which is in Spain.

2. Source: "Carbon Sinks", Climate Change Office of the Ministry of Environment.  
Considering the maritime pine (Pinus pinaster) as the typical tree, and based on the assumption that bushes absorb one-tenth as much as a tree.

Sustainable resource use and waste management

ACCIONA incorporates in its activities all methodologies, processes, technologies, and good practices aimed at minimizing waste generation and the use of natural resources.

Similarly, the Company advocates the use of tools to assess its impacts on the entire value chain and the selection of products and processes that most respect the environment.

→ Resource consumption

|                                      |    | 2011        |            | 2012        |            | 2013        |            |
|--------------------------------------|----|-------------|------------|-------------|------------|-------------|------------|
|                                      |    | Consumption | Efficiency | Consumption | Efficiency | Consumption | Efficiency |
| ACCIONA Infrastructure               |    |             |            |             |            |             |            |
| Wood                                 | t  | 9,268       | 0.00       | 2,263       | 0.00       | 120,576     | 0.04       |
| Land reused from another project     | m³ | 535,811     | 0.15       | 1,607,840   | 0.48       | 934,014     | 0.34       |
| Concrete and mortar                  | m³ | 2,467,067   | 0.70       | 2,046,521   | 0.62       | 1,807,898   | 0.66       |
| Cement                               | t  | 268,522     | 0.08       | 213,455     | 0.06       | 232,867     | 0.09       |
| Aggregates and breakwaters (natural) | t  | 18,400,079  | 5.22       | 10,710,985  | 3          | 6,337,446   | 2.32       |
| Aggregates from recycled material    | t  | 571,770     | 0.16       | 253,391     | 0.08       | 469,752     | 0.17       |
| Steel                                | t  | 713,598     | 0.20       | 443,879     | 0.13       | 291,406     | 0.11       |
| ACCIONA Energy                       |    |             |            |             |            |             |            |
| Biomass                              | t  | 374,690     | 0.23       | 376,346     | 0.18       | 389,752     | 0.18       |
| Sodium hydroxide                     | l  | 152,329     | 0.09       | 199,158     | 0.09       | 43,663      | 0.02       |
| Sodium hypochlorite                  | l  | 229,704     | 0.14       | 252,150     | 0.12       | 80,203      | 0.04       |
| Hydrochloric acid                    | l  | 576,801     | 0.35       | 235,716     | 0.11       | 79,609      | 0.04       |
| HTF (Solar thermal)                  | kg | 49,640      | 0.03       | 131,302     | 0.06       | 53,080      | 0.03       |
| ACCIONA Agua                         |    |             |            |             |            |             |            |
| Sulfuric acid                        | l  | 729,311     | 1.05       | 597,042     | 1.18       | 140,844     | 0.24       |
| Sodium hydroxide                     | l  | 167,849     | 0.24       | 274,718     | 0.54       | 372,671     | 0.64       |
| Sodium hypochlorite                  | kg | 1,132,750   | 1.63       | 1,395,669   | 2.76       | 1,440,012   | 2.46       |
| Polyelectrolyte                      | kg | 292,558     | 0.42       | 379,487     | 0.75       | 366,699     | 0.63       |
| Calcium hydroxide                    | kg | 937,780     | 1.35       | 963,025     | 1.90       | 872,752     | 1.49       |
| Carbon dioxide                       | kg | 871,627     | 1.25       | 796,242     | 1.57       | 566,271     | 0.97       |
| Alumina sulfate                      | kg | 511,839     | 0.73       | 1,208,309   | 2.39       | 1,463,370   | 2.50       |
| ACCIONA Service*                     |    |             |            |             |            |             |            |
| Oils                                 | l  | -           | -          | -           | -          | 37,123      | 0.06       |
| Non-chemical cleaning consumables    | kg | -           | -          | -           | -          | 34,700      | 0.05       |
| Chemical cleaning consumables        | kg | -           | -          | -           | -          | 26,489      | 0.04       |

Efficiency ratio: consumption unit / revenue in thousands of euros.  
\*Until 2012, the data relates to the joint report of ACCIONA Agua and ACCIONA Service.  
Note: The table includes information on the relevant consumption based on the following criteria: greater than 100,000 t or m³ in Infrastructure, greater than 20,000 t or m³ in Energy, greater than 100,000 t or m³ in Agua, greater than 10,000 t or m³ in Service.

Minimization of waste generation through reuse and recycling

ACCIONA assumes the management and prevention of waste generation as part of its Environmental Policy.

The Company carries out actions to prevent, reuse, recycle and/or assess its waste as priority actions prior to its elimination. In this regard, some of the measures carried out by the Company are as follows:

- **Tire renewal** in Trasmediterranea and ACCIONA Infrastructure. In 2013 the Company renewed a total of 1,724 tires, which avoided the emission into the atmosphere of more than 137 metric tons of CO<sub>2</sub>, which at the same time avoided the generation of almost 90 tonnes of waste. Similarly, the use of renewed tires led to a savings of between 35% and 50% in replacement costs.
- **Revaluation of slag and ashes** in biomass plants. In 2013, 100% of the ashes and 66% of the slag produced was used as agricultural fertilizer and construction material. With these measures, almost 2,575 tonnes of waste generated was revalued.
- **Hazardous waste reduction plan** of the land facilities of ACCIONA Trasmediterranea in Barcelona. In 2013, the objectives and measures proposed were as follows: a 30% reduction in the oily charge from washing tractor heads through the use of tanks with hydrocarbon separators, a 15% reduction in

→ Waste generation (†)

|                                      | 2010       | 2011      | 2012      | 2013      |
|--------------------------------------|------------|-----------|-----------|-----------|
| ACCIONA Energy                       |            |           |           |           |
| Non-hazardous waste                  | 9,177      | 30,997    | 26,018    | 35,059    |
| Hazardous waste                      | 0.73       | 0.83      | 1.13      | 0.84      |
| ACCIONA Agua*                        |            |           |           |           |
| Non-hazardous waste                  | 144,679    | 190,115   | 251,761   | 183,179   |
| Hazardous waste                      | 33         | 35        | 39        | 46        |
| ACCIONA Infrastructure               |            |           |           |           |
| Non-hazardous waste: Land and debris | 14,944,551 | 9,487,644 | 7,914,619 | 6,767,742 |
| Non-hazardous waste: Other           | 7,035      | 9,007     | 7,938     | 6,516     |
| Hazardous waste                      | 269        | 195       | 185       | 170       |
| ACCIONA Service*                     |            |           |           |           |
| Non-hazardous waste                  | N/A        | N/A       | N/A       | 13,617    |
| Hazardous waste                      | N/A        | N/A       | N/A       | 15,403    |
| Other businesses                     |            |           |           |           |
| Non-hazardous waste                  | 10,051     | 7,574     | 7,141     | 6,602     |
| Hazardous waste                      | 8,489      | 8,232     | 7,669     | 6,116     |

\*The data from ACCIONA Agua in 2012, 2011 and 2010 includes ACCIONA Service.

the amount of absorbents and contaminated cloths, and a 40% reduction in the amount of mineral oils used.

- **Land reuse** in ACCIONA Infrastructure. As a result of ACCIONA's collaboration with local government, the project for the execution of the new section of Ribeira, A Coruña, will use a total of 7,800 m³ of earth excavated to restore a former quarry owned by the municipality located in the immediate surroundings.

Life cycle analysis

In 2013, ACCIONA increased its interest in carrying out life cycle analysis (LCA) studies in the various business divisions. Evidence of this is shown in the initiatives carried out in:

■ **ACCIONA Infrastructure:** an environmental product declaration (EPD) was obtained for the railway viaduct carried out in the North-Northwest corridor of the AVE Otero section of Bodas-Cernadilla, Spain.

■ **ACCIONA Energy:** In 2013 the greenhouse gas emissions balance of the process for using wheat straw to generate electricity in Sangüesa and Briviesca biomass plants was analyzed as part of its LCA, based on the criteria set out by the European Directive Proposal on Sustainability Criteria for solid and gaseous biomass. The results obtained exceeded a 98% reduction in GHG emissions.

■ **ACCIONA Agua:** LCA of four types of wastewater treatment plants.

■ **Hijos de Antonio Barceló:** EPD of the 750 ml Viña Mayor Crianza bottle of wine.

**Prevention and control of significant accidental spills**  
ACCIONA adopts the measures necessary to prevent, control and minimize accidental spills through incident information systems and plans to minimize the risk of discharges.

In 2013, the Company recorded 8 incidents that have entailed significant spills<sup>3</sup> with a total discharge volume of 64.5 m<sup>3</sup>. All cases were satisfactorily resolved by adopting the corrective and compensatory measures necessary to rectify the situation.

→ Management of non-hazardous waste

|          | 2011     |           |       | 2012     |           |       | 2013     |           |       |
|----------|----------|-----------|-------|----------|-----------|-------|----------|-----------|-------|
|          | Landfill | Recycling | Reuse | Landfill | Recycling | Reuse | Landfill | Recycling | Reuse |
| Debris   | 37%      | 49%       | 14%   | 51%      | 44%       | 5%    | 82%      | 13%       | 6%    |
| Wood     | 19%      | 78%       | 2%    | 16%      | 72%       | 12%   | 28%      | 63%       | 9%    |
| Metals   | 5%       | 90%       | 5%    | 6%       | 90%       | 4%    | 4%       | 95%       | 1%    |
| Plastics | 31%      | 68%       | 0%    | 42%      | 56%       | 2%    | 27%      | 67%       | 6%    |
| Land     | 36%      |           | 64%   | 50%      |           | 50%   | 52%      |           | 48%   |

Sustainable construction and efficient building management

The search for solutions that minimize the environmental impact throughout the life cycle of a project is the pillar on which ACCIONA bases the development of its sustainable building construction and efficient management projects.

**Sustainable Office Management Plan**  
ACCIONA continues to implement the Sustainable Office Management Plan, which is in force until 2015 and seeks to reduce overall energy consumption and CO<sub>2</sub> emissions of offices by 15% and water consumption by 7% compared to 2009.

On average, in 2013 the energy consumption, CO<sub>2</sub> emissions and water consumption per square meter of the offices amounted to 210 kWh/m<sup>2</sup>, 23 kg CO<sub>2</sub>/m<sup>2</sup>, 0.5 m<sup>3</sup>/m<sup>2</sup>, respectively.

**Eco-efficient construction**  
The systems certifying sustainability in construction, such as LEED and BREEAM, seek to implement measures aimed at improving efficiency in water and energy consumption, the use of renewable energies and the use of materials with low environmental impact.

ACCIONA has acquired significant experience in carrying out projects with sustainability certification in construction, such as LEED or BREEAM, both within Spain and internationally. In 2013, the list of completed projects of this type in which ACCIONA has participated is as follows:

→ Sustainable Office Management Plan lines of action

|             |  |
|-------------|--|
| Real estate | Reduction of water and energy consumption and emissions of the buildings: in 2013, the Company carried out energy audits on its main real estate properties and implemented measures such as improved lighting in garages (which will provide annual savings of up to 35,000 kWh) or contracting certified renewable energy supplies (which will represent savings of 366 tonnes of CO <sub>2</sub> ). |
| Processes   | Definition of savings in office-related services: in 2013, ACCIONA implemented clean points in order to collect waste selectively in the Company's main buildings and implemented a pull printing system which allowed more than 260,000 unnecessary print-outs to be avoided.   |
| People      | The measures in this area, which seek to decrease consumption, will begin to be undertaken in 2014.  |

3. A "significant spill" is defined as that which causes damage to the environment outside the facility or represents a significant risk that must be reported to the Administration.

Non-compliance and environmental penalties

- Tripark Las Rozas Business Center (Madrid, Spain): LEED GOLD.
- Plot T10 Iveco-Pegaso building (Spain): LEED GOLD.
- Plot T11 Iveco-Pegaso building (Spain): LEED GOLD.
- UC3M Getafe lecture hall-library (Spain): LEED SILVER.
- Fort St. John (Canada): LEED GOLD.
- Royal Jubilee Hospital (Canada): LEED GOLD.
- Campinas Technology Center (Brazil): LEED CERTIFIED.
- BBVA headquarters in Las Tablas district (Madrid, Spain): LEED GOLD.
- New San Mames-Barria Soccer Stadium (Bilbao, Spain): LEED SILVER.
- Vigo Hospital (Spain): BREEAM.
- Windsor Essex Parkway (Canada): Greenroad GOLD CERTIFICATION.
- Campinas Technology Center (Brazil): LEED.

Lastly, the Infanta Sofía Hospital in Spain obtained the BREEAM certification in the use and operation category.

In 2013, ACCIONA Energy was fined €1,000 for an oil spill in the El Escepar wind farm in Cuenca (Spain). Penalty proceedings were brought against the company as a result of the release of water from the Escarra dam, and are currently being processed. In addition, a ruling has yet to be handed down regarding the proceedings that were brought as a result of the emptying of the Cohilla reservoir in Cantabria (Spain). Internationally, a penalty of €12,360 was imposed in the US as a result of damage to agricultural crops arising from the Pioneer experimental wind farm.

In Spain, ACCIONA Infrastructure ended the year with 20 environmental penalty proceedings relating to the 2007-2013 period, for a total amount of €26,988. In 2013, 10 new penalty proceedings were opened, three of which have already been resolved, and another 13 proceedings have been open prior to 2013 and have yet to be resolved. Outside of Spain, ACCIONA Infrastructure was subject to two economic penalties, one in Gabon amounting to €1,524 and another in Chile for €1,990. Two proceedings were opened this year in Brazil, which have yet to be resolved and another two proceedings that were brought prior to 2013 have also yet to be resolved.

Penalty proceedings were brought against ACCIONA Trasmediterranea for €600 and this company was fined €365 as a warning penalty as a result of respective incidents at the Port of Algeciras. Both proceedings are currently still in process.

ACCIONA Service was subject to administrative penalties amounting to €3,000 due to an environmental assessment and license problem in Sant Cugat, Barcelona (Spain).

A total of €46,863 in penalties were issued in 2013.

→ APPENDIX: Facilities in protected areas and not protected areas of high biodiversity value in 2013

| Facility                                       | Protected Area (PA) affected by the facilities                                  | Geographical location |
|--|---|-----------------------|
| Lineal infrastructure (roads) (3)              | Mazzeпа National Park, Bee Creek  | Australia             |
| Drinking water treatment plant (1)             | NP  | Australia             |
| Lineal infrastructure (roads) (2)              | PPA, Estadual da Cantareira Park, Paraíba do Sul Hydrographic River Basin - PPA | Brazil                |
| Port (1)                                       | Protected marine areas, PPA   | Brazil                |
| Lineal infrastructure (roads) (2)              | PL  | Canada                |
| Aqueduct Oreduct (1)                           | Ecological Protection Area  | Chile                 |
| Improvement actions on roads and parking (1)   | SPA, SCI  | Spain                 |
| Photovoltaic (1)                               | SPA, SCI  | Spain                 |
| Lineal infrastructure (pipes) (9)              | SPA, SCI, BR, IBA, HCI, NP, NR, Ramsar  | Spain                 |
| Lineal infrastructure (railroads) (5)          | SCI, HCI, PL  | Spain                 |
| Lineal infrastructure (roads) (12)             | SAC, SPA, SCI, HCI, PL, NP, NR, SEPP, SPEPP, ACI                                | Spain                 |
| Electricity line (6)                           | SPA, SCI, IBA   | Spain                 |
| Solar thermal maintenance (1)                  | IBA   | Spain                 |
| Road maintenance (3)                           | SPA, SCI, NP  | Spain                 |
| Habitat improvement (1)                        | SPA, SCI, NRMP  | Spain                 |
| Wind farm (44)                                 | SPA, SCI, BR, NP, NM, IBA   | Spain                 |
| Dam (1)  | SPA, SCI  | Spain                 |
| Port (1)                                       | SCI, HCI  | Spain                 |
| Pier rehabilitation (1)                        | SPA, SCI  | Spain                 |
| Forestry treatment (4)                         | SPA, SCI, NP  | Spain                 |
| Surveillance and research (1)                  | NP  | Spain                 |
| Wastewater treatment plants (16)               | SPA, SCI, BR, NP, PL, Ramsar  | Spain                 |
| Batch III wastewater treatment plant           | SCI   | Spain                 |
| Batch V wastewater treatment plant             | SPA, SCI  | Spain                 |
| Media Pirineos wastewater treatment plants     | SPA, SCI  | Spain                 |
| Priorat wastewater treatment plant             | SPA, SCI  | Spain                 |
| Cañón del Río Lobos wastewater treatment plant | SPA, NP   | Spain                 |
| Drinking water treatment plant (4)             | SPA, SCI  | Spain                 |
| Seawater desalination facility (5)             | SPA, SCI, PL, NP, NR, Ramsar  | Spain                 |
| Comprehensive service (3)                      | SPA, SCI  | Spain                 |
| Wind farm (2) and Electricity line (1)         | GR2320007   | Greece                |
| Wind farm (2) and Electricity line (1)         | Selva Baja Caducifolia, SBC   | Mexico                |
| Wind farm (1)                                  | PTCON0025   | Portugal              |

SAC: Special Area of Conservation; SPA : Special Protection Area for birds; SCI: Site of Community Importance; BR: Biosphere Reserve; IBA: Important Bird Area; HCI: Natural Habitat of Community Interest; NR: Natural Reserve; NP: Natural Park; PL: Protected Landscape; NM: Natural Monument; SEPP: Special Environmental Protection Plan; NRMP: Natural Resource Management Plan; SPEPP: Special Physical Environment Protection Plan; PPA: Permanent Protection Area; ACI: Asset of Cultural Interest.



# Value circle, sustainability management

ACCIONA continues to be committed to extending sustainability to its suppliers, contractors and collaborators, as well as to its processes, products and services. Our customers’ satisfaction is a top priority.

## 2013

| Challenges  | Advances  |
|---|---|
| ■ Consolidate the scope of the self-evaluation questionnaire to international suppliers.  | ■ Self-evaluation questionnaire sent to 395 international suppliers.  |
| ■ Broaden the scope of the questionnaire verifications as set out in the 2013 Audit Plan.   | ■ Questionnaire audits and verifications in CR and sustainability for more than 300 suppliers of all divisions.   |
| ■ Consolidate OHS Bulletin initiative for international suppliers.  | ■ Newsletter sent to more than 13,500 suppliers, some 1,600 of which are international suppliers.   |
| ■ Distribute the Sustainable Products and Services Catalog to divisions' procurement personnel, broadening its scope and using it as the basis for bidding processes. | ■ Distribution in January 2013. Inclusion of 87 new sustainable products and/or services in the catalog, the criteria of which were incorporated in the rules of the bidding processes. |
| ■ Produce a draft of rules for the Annual Sustainable Practices Award for suppliers, to be launched in 2014.  | ■ Drafting of the rules of the suppliers’ Annual Sustainable Practices Award for review and approval in 2014.   |
| ■ Obtain certification in ISO 20121, Sustainable Event Management System, for APD.  | ■ Documentation in the process of being produced.   |
| ■ Obtain Wineries for Climate Protection certification for Hijos de Antonio Barceló.  | ■ Definition of certification requirements along with Spanish Wine Federation (requirements not yet officially approved).   |

## 2013

| Highlights  |
|---|
| ■ ACCIONA has approved the Supplier Qualification and Evaluation Procedure.   |
| ■ More than 1,200 hours of training have been given to suppliers, with the addition of a new international OHS course.  |
| ■ ACCIONA has increased hiring with special employment centers to facilitate incorporation of differently-abled people in the labor market.   |
| ■ Progress has been made in the implementation of SAP with the inclusion of the Service division, ACCIONA Agua in Italy and ACCIONA Energy in Italy and Germany.  |
| ■ Additional tools implemented to strengthen assessment of both economic risk of supplier portfolio and degree of suppliers’ dependence on the Company.   |
| ■ 93% of Company suppliers are local.   |
| ■ ACCIONA procurement staff in the main divisions have sustainability-related targets in their performance assessment.  |
| ■ Customer satisfaction levels have increased to a global percentage of 86.4% (83.4% in 2012).  |
| ■ More than 16,000 direct customer surveys were received in order to ascertain their levels of satisfaction (23% more than in 2012).  |
| ■ ACCIONA has continued to carry out process monitoring and measuring processes: 42% more internal audits than in 2012, 53 operating improvement groups, and 49 lesson-learned proposals in ACCIONA Infrastructure. |

## 2014

| Challenges   |
|--|
| ■ Assign a sustainable development rating to suppliers who complete the questionnaire in 2014.   |
| ■ Broaden the scope of the self-evaluation questionnaire verifications in all divisions within the framework of the audit plan under environmental, social and good governance criteria. |
| ■ Broaden the international scope of the courses available in the Supplier Campus, adding a new environment course to the training package.  |
| ■ Include new products and services in the Catalog to reach a total of at least 600 sustainable products and services.   |
| ■ Broaden the scope of the energy management system in ACCIONA Agua.   |
| ■ Unify the quality and environment management systems of ACCIONA Service companies into a single integrated system.   |



## ACCIONA's commitment to its supply chain

ACCIONA promotes initiatives with its suppliers, contractors and collaborators to convey sustainability criteria to its supply chain. It is committed to implementing a responsible management process that will favor the acquisition and contracting of environmentally friendly products and services manufactured or rendered under socially fair conditions.

By improving its management systems and its risk analysis, the Company ensures transparency in its contracting processes, evaluates the capacities and practices of its suppliers and safeguards their compliance with minimum principles to ensure a responsible supply chain.

### ACCIONA'S suppliers, contractors and partners

One of ACCIONA's priority objectives was to have sound knowledge of its supply chain. It has done this by identifying the main suppliers with which it may sign comprehensive agreements and the suppliers with the largest sales volume with the Group and by becoming familiar with such suppliers' location, while bearing in mind those suppliers who are critical to the smooth operation of the business, and thus improving their management and control.

In 2013, ACCIONA had a total of 29,552 suppliers, with approximate sales to the Company of €3.5 billion.

#### → Supplier breakdown per division in 2013

| Division             | Spain         | International | Total         | % of Total Suppliers |
|----------------------|---------------|---------------|---------------|----------------------|
| ACCIONA S.A.         | 623           | 11            | 634           | 2.1%                 |
| Infrastructure       | 13,401        | 290           | 13,691        | 46.3%                |
| Energy               | 2,918         | 163           | 3,081         | 10.4%                |
| Water                | 1,133         | 291           | 1,424         | 4.8%                 |
| Services             | 7,218         | 437           | 7,655         | 25.9%                |
| Other businesses     | 2,945         | 122           | 3,067         | 10.4%                |
| <b>ACCIONA Total</b> | <b>28,238</b> | <b>1,314</b>  | <b>29,552</b> | <b>100%</b>          |

ACCIONA communicates sustainability criteria to its suppliers, contractors and collaborators, promoting a responsible management process in the supply chain

More than 10% of the suppliers that worked with ACCIONA in 2013 had a business relationship with the Company amounting to more than €100,000 a year. These suppliers account for more than 80% of sales to ACCIONA.

ACCIONA has identified several classes of critical suppliers under the following risk criteria:

- Economic risk: suppliers with a total sales volume above €300,000.
- Country risk: suppliers or sources of supply not belonging to the OECD.
- Activity risk: nature of critical supply or service for the Company.
- Other risks: degree of technological or economic dependence; irreplaceable suppliers, etc.

#### → Critical suppliers per division, 2013

| Division             | Critical     | % of Total Suppliers |
|----------------------|--------------|----------------------|
| ACCIONA S.A.         | 71           | 11.2%                |
| Infrastructure       | 2,031        | 14.8%                |
| Energy               | 982          | 31.9%                |
| Water                | 123          | 8.6%                 |
| Services             | 844          | 11.0%                |
| Other businesses     | 133          | 4.3%                 |
| <b>ACCIONA Total</b> | <b>4,184</b> | <b>14.2%</b>         |

Further, through the Supplier Qualification and Evaluation Procedure approved in March 2013, the Company includes environmental, social and corporate governance criteria when determining the criticality of its suppliers. Risk suppliers are considered to be those that obtain a C or D level in the results of the assessments of the supplies or services rendered. Risk suppliers in corporate responsibility and sustainability are considered to be those which obtain a high or very high risk level in the annual risk map.

Nearly 93% of the suppliers in 2013 with which ACCIONA worked were local suppliers, i.e. contracted in the country or region in which the activity is carried out.

→ Local suppliers by division in 2013

| Division         | % Total |
|------------------|---------|
| ACCIONA S.A.     | 98.26%  |
| Infrastructure   | 94.23%  |
| Energy           | 84.65%  |
| Water            | 80.20%  |
| Service          | 94.49%  |
| Other businesses | 96.22%  |
| Total            | 92.91%  |

The international expansion of ACCIONA's business brings with it the international expansion of its supply chain, and that of Spanish suppliers in countries where the Company operates, which boosts local

contracting. In such a setting, and to be able to convey its values and positioning to suppliers in the communities where it operates, both the Code of Conduct and the ethical principles for Company suppliers, contractors and partners are available in seven languages: German, Brazilian Portuguese, Spanish, French, English, Italian and Polish.

Moreover, ACCIONA positively values in bids and tender processes the contracting of suppliers that have quality, environment and health and safety certifications.

In 2013, ACCIONA carried out audits and verifications of suppliers to check the validity of their certifications.

| Company                                   | ISO 9001 | ISO 14001 | OHSAS 18001 |
|---|----------|-----------|-------------|
| A. WINDPOWER*                             | 92.78%   | 45.88%    | 25.77%      |
| A. AIRPORT SERVICES*                      | 100.00%  | 100.00%   | N/A         |
| BESTINVER GROUP                           | 20.00%   | 8.00%     | 4.00%       |
| A. ENGINEERING*                           | 75.00%   | 75.00%    | 38.00%      |
| A. INSTALLATIONS*                         | 100.00%  | 50.00%    | 50.00%      |
| A. REAL ESTATE                            | 21.00%   | 14.00%    | N/A         |
| A. INFRASTRUCTURE*                        | 7.81%    | 4.11%     | 1.71%       |
| SOCIEDAD CONCESIONARIA HOSPITAL DEL NORTE | 15.15%   | 15.15%    | 15.15%      |
| ACCIONA CONCESSION SERVICES               | 71.42%   | 71.42%    | 30.61%      |
| A. AGUA                                   | 55.77%   | 10.30%    | 2.02%       |
| A. ENERGY*                                | 64.15%   | 42.45%    | 27.83%      |
| H. A. BARCELÓ                             | 40.74%   | 15.74%    | 1.39%       |
| ACCIONA S.A.*                             | 63.08%   | 40.00%    | 38.46%      |

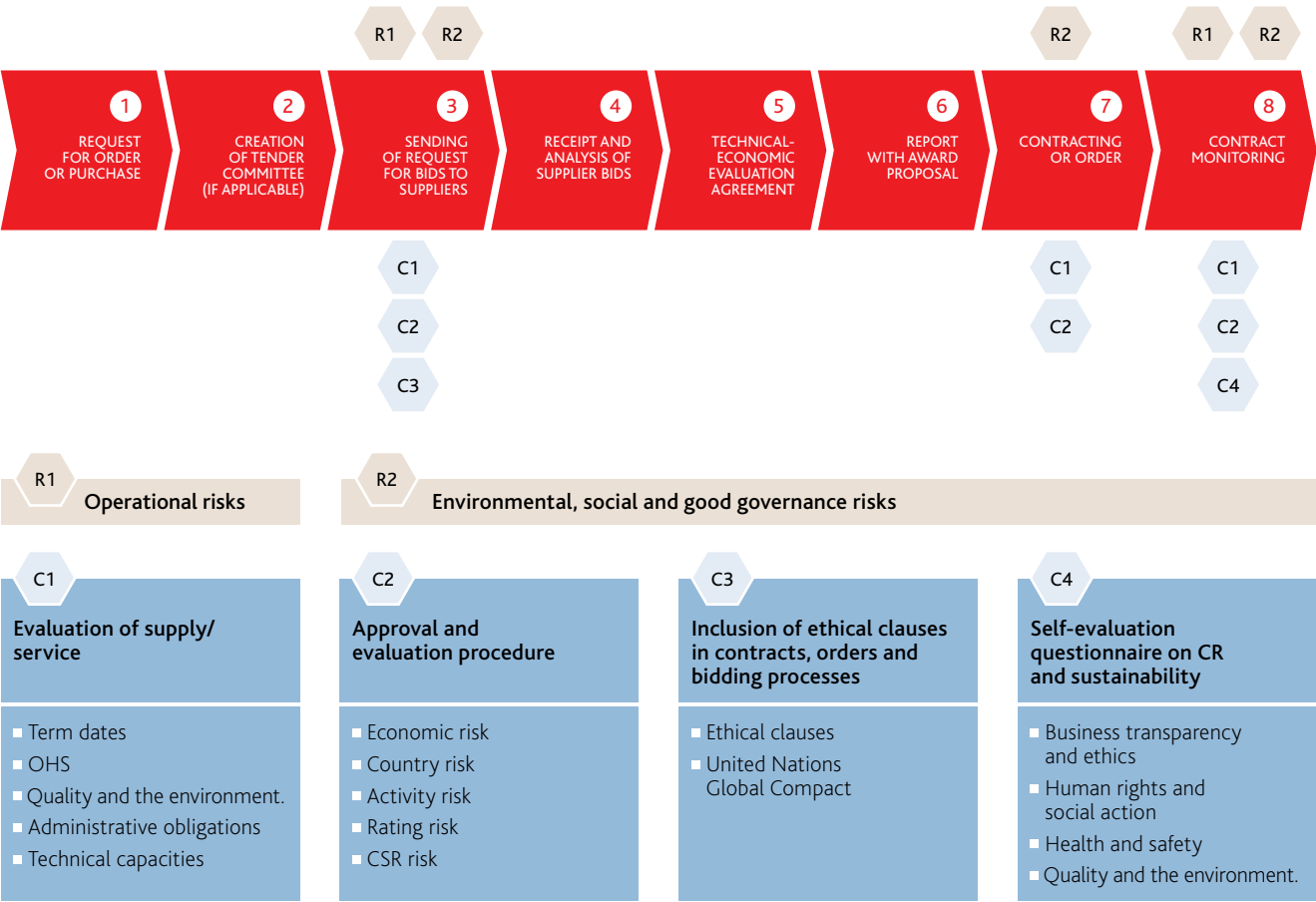
\* % of main suppliers, critical suppliers and/or contractors with which the Company worked in 2013, and on which control and monitoring of certifications is performed.

RISK IDENTIFICATION AND RESPONSIBLE MANAGEMENT ACTIONS IN THE SUPPLY CHAIN

ACCIONA identifies two types of risks in procurement processes:

- **Operational:** Related to business results, it refers to the supplier-customer relationship during the procurement process: missing deadlines, disruption of supply and service, quality of supply or service, dependence or economic risks.
- **Social:** Related to Corporate Responsibility and sustainability, such as reduction of environmental impact, respect for internationally-recognized human and labor rights, and transparency and ethics in procurement processes.

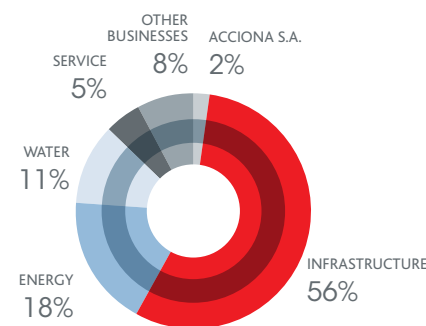
→ ACCIONA procurement process: R Risks and C Controls



### Supply chain risk map

In 2013, ACCIONA developed a risk map of its supply chain that included 98% of the suppliers with whom it had a business volume above €100,000 in 2012.

#### → Risk map (2013): breakdown by divisions



To create this map, the following factors were taken into account:

- Economic risk (i.e., level of economic dependence)
- Activity risk (i.e., OHS and environment)
- Country risk (i.e., global, corruption, human rights and environmental legislation)
- Supplier type risk (i.e., supplier or contractor in the field of OHS).

The majority of ACCIONA's suppliers are at a medium-to-low risk level and no high-risk suppliers were found.

Economic risk has the greatest influence in the final assessment of general risk due to the degree of dependence in the current crisis. Accordingly, in 2013 ACCIONA contracted a management tool that assists in monitoring the supplier portfolio, which incorporated more than 12,500 suppliers in this tool. ACCIONA has created an additional economic risk map and a dependence risk map of the supply chain, thus monitoring more than 95% of the Company's expenses. These maps again show a medium-to-low risk level in economic terms, and a very low dependence level for most.

### CR and sustainability self-evaluation questionnaire in the supply chain and supplier ratings

The self-evaluation questionnaire analyzes four key areas: transparency and business ethics; human rights and social action; health and safety, and quality and the environment.

In 2013, the questionnaire was sent to a total of 2,121 new suppliers, some 395 of which were international suppliers. A total of 522 suppliers responded, of which 63 were international.

Since the rollout of this initiative in 2010, 2,099 suppliers have filled out the self-evaluation questionnaire, which amounts to an average participation of 38% between 2010 and 2013.

Based on the results of the self-evaluation, suppliers are assigned a rating in CR and sustainability. At present, 2,099 suppliers have an average rating of A-.

In addition, 857 suppliers of ACCIONA Energy, registered in the external ACHILLES-REPRO certification system, also have a Corporate Social Responsibility rating assigned in the scoring process. In addition, ACCIONA Agua has just joined this system.

### Ethical principles for suppliers, contractors and partners

In 2013, ACCIONA has focused its efforts on the massive dissemination of Ethical Principles, with more than 130,000 communications to suppliers through orders, contracts, bidding rules and newsletters.

ACCIONA thus aims to foster an alignment of its suppliers with principles of transparency and ethics, human and social rights, health and safety, and quality and the environment.

### Supplier qualification and evaluation procedure

In 2013, following the approval of the Supplier Qualification and Evaluation Procedure, which derives from the Corporate Procurement Standard, the main business lines have begun to adapt their own procedures to the Procedure. The Procedure defines the supplier types that must be qualified (according to five risk factors set forth therein), the

## Ethical clauses

More than 100,000 orders and contracts included ethics clauses in 2013. With the aim of creating a multiplier effect, ACCIONA also includes such clauses in its bidding rules. The Company has included these clauses in more than 20,000 requests for offers and tenders.

For ACCIONA, breach of any of these obligations constitutes fair grounds for termination of the contract. In 2013, no suppliers or contracts have been found to violate or jeopardize compliance with these clauses in any of the Group's divisions. No significant adverse impacts have been found in the chain in relation to human rights, labor, environmental or social practices.

The clauses also call for making the Ethics Channel available to suppliers and contractors so as to allow them to report any irregular practice constituting a violation of these principles.

One of the ethics clauses also refers to the Company's commitment to the Ten Principles of the United Nations Global Compact. In 2013, 99.57% of total orders included this clause. In addition, in the final phase of negotiations with suppliers, the Company places special emphasis on encouraging supplier adherence to the Global Compact.

forms of qualification and the process of evaluation of a supply or service.

The state of qualification and its controls, as well as the system of evaluation, are parameterized and automated in SAP. In 2013, in the ERP Vendor Master Record (integrated management system) in force for ACCIONA S.A., ACCIONA Energy, ACCIONA Service and ACCIONA Real Estate, 1,341 registered suppliers were qualified and 99 in the process of qualification.

This procedure also includes external supplier classification and qualification systems authorized by ACCIONA and carried out by independent companies or bodies. Some 915 ACCIONA suppliers have been certified by these systems.

The evaluation is conducted according to criteria based on timeliness, occupational health and safety, quality, the environment, compliance with administrative requirements, and technical capacities. In 2013, more than 6,200 supplies and/or services, from more than 3,800 different suppliers, were evaluated. The majority of these evaluations resulted in A and B scores.

2013 Audit Plan and verification of questionnaires

In 2013, ACCIONA carried out an Audit Plan in which more than 300 suppliers were audited and verified according to sustainability criteria.

**External audits:** during the year, 225 suppliers from all divisions were selected, 148 of which were audited by external auditors, while another 51 audits are underway. The average score was 6.88 (out of 10). A total of more than 1,000 positive elements were found in these audits. The number of major non-conformities was not very high, and when they were detected, affected suppliers were given three months to resolve them.

In addition, ACCIONA Infrastructure conducted 56 audits on suppliers in 2013 based on the qualification questionnaire.

**Questionnaire verifications:** in addition to the audits, 168 of 522 suppliers who had responded to the CR self-evaluation questionnaire were selected for verifications of the responses and asked for evidence backing their answers. In the last quarter of 2013, 88% of the selected suppliers had been verified, while the rest are still underway.

→ Number of audits & questionnaire verifications, 2013

| Division           | Audits performed | Verifications performed |
|--------------------|------------------|-------------------------|
| ACCIONA S.A.       | 12               | 9                       |
| Infrastructure     | 66               | 27                      |
| Energy             | 25               | 44                      |
| Water              | 6                | 27                      |
| Service            | 20               | 29                      |
| Other businesses   | 23               | 12                      |
| Several divisions* | 52               | 0                       |
| Total              | 204              | 148                     |

\* Suppliers of more than one division.

In addition to the Audit Plan, internal audits were carried out on suppliers by the divisions' quality departments. For example, ACCIONA Windpower conducted 54 audits on critical suppliers and 130 on assembly processes, and ACCIONA Blades conducted a process audit on a glass fiber supplier in China in order to certify it for the supply of this material for its blades.

Supplier communication and training

Launched in 2011, the Suppliers Campus of the ACCIONA Corporate University offers suppliers and contractors online courses in order to enhance their knowledge of and foster good practices in social responsibility and sustainability.

In 2013, four training initiatives were launched, and a multilingual International Occupational Health and Safety course was added.

| Course                                    | Suppliers registered | People registered |
|---|----------------------|-------------------|
| CR and sustainability in the supply chain | 193                  | 254               |
| Equality and prevention of discrimination | 178                  | 229               |
| OHS in the supply chain                   | 150                  | 179               |
| International OHS                         | 51                   | 82                |
| Disability                                | 201                  | 255               |
| Code of conduct                           | 209                  | 272               |
| Total                                     | 982                  | 1,271             |

Some 43.49% of invited suppliers participated. Also notable is the international expansion of this initiative.

ACCIONA offers these courses to its suppliers free of charge, as an incentive. Moreover, 45 people in procurement participated in the online corporate responsibility (CR) and sustainability course.

Further, the dissemination of good practices consolidated in 2013 through the sending of four issues of the quarterly, bilingual (Spanish and English) OHS Bulletin to suppliers of all divisions. The bulletin was sent to more than 13,600 supplier e-mail addresses, of which more than 1,600 were international, in addition to more than 3,000 employees of ACCIONA.

With respect to communication, suppliers have different e-mail accounts from which they can convey to the Company any matters they deem to be of interest and any comment or explanation they wish to provide (e.g., [proveedores@acciona.es](mailto:proveedores@acciona.es)).

SUSTAINABILITY CRITERIA IN PROCUREMENT PROCESSES

ACCIONA fosters the purchase of products and contracting of services based on

sustainability criteria through tools like the Sustainable Products and Services Catalog.

In 2013, ACCIONA disseminated the catalog to all procurement personnel and added 87 new products and/or services, giving the catalog a total of 522 products and services.

Below are some examples of how the sustainability criteria set out in the catalog were incorporated into procurement and contracting, and different actions carried out by the main divisions in this area.

Responsible procurement

ACCIONA selects products and services on the basis of these three types of responsible procurement:

- **Green Procurement:** Environmental criteria for reducing to a minimum the impact of the Company's activity.
- **Social Procurement:** Social criteria for ensuring quality and employment, favoring the hiring of people with different capacities, and eliminating discrimination.
- **Ethical Procurement:** Criteria that ensure decent working conditions, and respect and support for local communities where the Company's activity is carried out (fair trade) and that promote anti-bribery and anti-corruption efforts.

RENEWABLE ENERGY

In 2013, ACCIONA increased by 4% its contracting of green energy in Spain for 717 low and high-voltage points of supply. Of the 485 GWh purchased, 61% came from a green source. This commitment to the contracting of renewable-source energy brought an average savings of just above 7%.

In the tender process for the renewal of the ATLL electricity supply of January 2014, a clause was included requiring all energy supplied by the bidder to bear a Certificate of Guarantee of Renewable Origin issued by Spain's National Markets and Competition Commission (CNMC).

ECO-EFFICIENT VEHICLE FLEET

ACCIONA has added 141 eco-efficient vehicles to its service fleet, some 28% of the vehicles contracted in 2013, which also brought a 28% saving in new vehicle fees. Also, 31 low-emission vehicles were added to the executive fleet, with a 5% saving in rental costs.

PERSONNEL TRANSPORT

As a result of the tender process for buses to transport ACCIONA personnel, a more environmentally sustainable vehicle fleet has been achieved, which also resulted in a 25% total annual savings in this service compared to the previous contract.

SUSTAINABLE WOOD

In 2013, 1,039 metric tons of wood consumed by ACCIONA Infrastructure was certified.

ACCIONA, S.A., ACCIONA Energy and ACCIONA Service include in their enterprise resource planning (ERP) a clause applicable to all wood and wood-derivative orders requesting the certificate of the forestry product custody chain (FSC, PEFC or similar organization).

ACCIONA Service purchased 4,054 tonnes of certified wood cylinders for the construction of fenced-in walkways and parapets in a number of environmental projects, and ACCIONA Energy declared 18,809 metric tons of wood to be from an energy crop.

CONTRACTING OF SPECIAL EMPLOYMENT CENTERS

In 2013, contracting special employment centers in the supply of products and services was a priority in order to facilitate the incorporation of differently-abled people in the labor world. The tender process of the ACCIONA global agreement for the supply of work clothing and personal protection equipment (PPE) took into account whether the winning bidders were special employment centers.

At a division level, for example, in 2013 ACCIONA Agua increased by 83% the amount contracted with special employment centers for supplies of work clothes, PPE, laundry services, gas detectors and ancillary administrative work.

Beyond excellent management

In 2013, ACCIONA continued to work on developing ever more sustainable products and services, progressing in its commitment to excellent management and customer satisfaction, in line with the principles of the Company's Quality Policy.

With the aim of ensuring that people in the Company possess the proper skills to perform their duties and that they are familiar with such commitments and the most suitable manner of realizing them, 21,146 hours of training in processes and quality were given in 2013 (17% more than in 2012).

ACCIONA's divisions establish an annual program of objectives for continual improvement.

| Some objectives for 2013   | Degree of compliance                        |
|--|---|
| Improve customer satisfaction  |   |
| ACCIONA Energy. Surpass the 3.8 score in satisfaction surveys received for the sales service provided in 2013.   | 124%  |
| ACCIONA Energy. Obtain global satisfaction of >85% for quality of service in energy sales.   | 101.4%                                      |
| ACCIONA Concessions. Ensure that the maximum average waiting time permitted for requests in the appointments system does not exceed 20 minutes in 90% of cases <sup>1</sup> .                                      | 100%  |
| Improve processes  |   |
| ACCIONA Agua. Decrease energy consumption in Abrera, Spain, wastewater purification plant by 1% through co-digestion of sludge.  | 100%  |
| Hijos de Antonio Barceló: improve performance, reduce losses and optimize energy consumption in the production process.  | 80%   |
| Reduce environmental footprint   |   |
| ACCIONA Agua. Energy savings through the installation of solar panels and wind turbine in the Cieza wastewater treatment plant (Spain).  | 100%  |
| ACCIONA Infrastructure (Machinery). Retreading tires of trucks, forklifts and truck trailers in at least 30% of the total refurbishments in 2013. Attainment of economic saving of 35% and waste reduction of 75%. | 100%  |
| Improve the quality of products and services   |   |
| ACCIONA Agua. Improve conditions of supply by installing seven flow and pressure control systems in the Úbeda service.   | 100%  |
| ACCIONA Service. Reach 96% efficiency of Lost & Found service (passengers) in airport services Palma, Ibiza and Menorca airports.  | Palma: 103%<br>Ibiza: 102%<br>Menorca: 104% |
| Make progress in the certification of management systems   |   |
| Hijos de Antonio Barceló. Obtain certification under ISO 22000 for all wineries.   | 100%  |

1. Degree of compliance up to December 2013, given the objective is currently still in process.



Certified management systems

All divisions of ACCIONA have implemented management systems in accordance with the requirements of the corresponding international standards. In 2013, 90% of activity is certified according to ISO 9001 and 87% conforms to ISO 14001.

| Division         | Activities, products and services certified according to ISO 9001 and ISO 14001 in 2013 (%)  |
|------------------|--|
| Infrastructure   | <ul style="list-style-type: none"><li>100% of construction activity in Abu Dhabi, Australia, Brazil, Canada, Chile, Colombia, Spain, Mexico and Poland</li></ul>   |
| Energy           | <ul style="list-style-type: none"><li>99% MW installed</li><li>100% of wind turbines and blades produced</li><li>100% of green energy sales</li></ul>  |
| Water            | <ul style="list-style-type: none"><li>92% of treated water (100% in Australia, Spain and Italy)</li><li>100% of water management services</li></ul>  |
| Service          | <ul style="list-style-type: none"><li>100% of activity in environmental, urban and facility services</li><li>100% of activities of handling, walkway movement and services for people with reduced mobility in Spain (100% in Germany under ISO 9001)</li><li>100% of set-up of exhibitions and museums</li><li>100% of event organization</li></ul> |
| Trasmediterranea | <ul style="list-style-type: none"><li>100% of transport and international logistics activities under ISO 9001</li><li>100% of passenger and cargo transport activities</li></ul>   |
| Other businesses | <ul style="list-style-type: none"><li>100% of wines produced in Peñascal, Viña Mayor, Caserío de Dueñas and Palacio wineries (also under ISO 9001: 100% of Viñedos Viña Mayor, Caserío de Dueñas and Finca Anzil)</li><li>100% of real estate development and real estate asset management in Spain (100% in Poland under ISO 9001)</li></ul>        |

In 2013, ACCIONA Agua broadened the scope of certification of its activities of operation and maintenance and of drinking water supply and sewage management services, as per the UNE-ISO 50001 standard, to three new facilities: the Abrera and Amorebieta waste purification plants and the Ubeda service (Spain). This certification has enabled it to optimize processes by minimizing the consumption of energy and efficient use of resources, among other aspects.

### Triple certification of ACCIONA Infrastructure R&D Technology Center

Having attained certification of its Energy Management System (ISO 50001) and of its Environmental Management System (ISO 14001) in 2012, the ACCIONA Infrastructure R&D Technology Center obtained Interior Environmental Quality Management System certification to the UNE 171330 standard in 2013.

This certification ratifies the Center's excellence as a leader in eco-efficiency and sustainability research in the infrastructure sector and it constitutes recognition of the Company's commitment to use resources efficiently, improve employees' working conditions and reduce greenhouse gas emissions. ACCIONA estimates a 2 kg reduction of CO<sub>2</sub> per person working in the Technology Center.

Process monitoring and measurement



In 2013, 593 internal audits were performed, compared to 418 in the previous year (a 42% increase). ACCIONA also received 86 audits of customers and other institutions (7.5% more than in 2012).

**Tools for continuous improvement**  
Along with the performance of internal and customer audits, and certification processes, ACCIONA implements other mechanisms that assist in identifying opportunities for improvement: working groups or improvement groups, and "Lessons Learned" and "Good Practices" in the Company, linked to the dissemination of results.

In 2013, ACCIONA implemented 53 improvement groups (31 more than in the previous year).

| 2013 improvement groups by division |    |
|-------------------------------------|----|
| Water                               | 7  |
| Energy                              | 34 |
| Infrastructure                      | 11 |
| Service                             | 1  |

In 2013, ACCIONA Infrastructure devised 49 lesson-learned proposals that reflect the experience of any person of the division in the performance of their duties and may be useful for the organization. Once analyzed, 17 proposals were approved as a lesson learned or good practice, and another 27 of the proposals were classified as "other experiences".

**ACCIONA'S COMMITMENT TO ITS CUSTOMERS**  
ACCIONA's customers are mainly large companies in both the public and private sectors (governments, public administrations and other public bodies; private companies, financial investors, among others). However, the Company has domestic customers in the case of Hijos de Antonio Barceló, Trasmediterranea and ACCIONA Real Estate.

In addition to direct customers, the general public are the main users of some of ACCIONA's services:

**ACCIONA Agua**  
Users of services of: water supply, sanitation, water purification and meter reading. 7,294,373 users in Spain.

**ACCIONA Service**  
■ Collection and treatment of urban solid waste. 302,024 users in Spain.

■ Handling services. 11,947,363 passengers (incoming + outgoing).

■ Services for people with reduced mobility. 11,439 passengers (incoming and outgoing).

ACCIONA's divisions personalize customer services through a number of channels of communication: websites, specific software, customer service, direct dialogue, among others. The following advances were made in 2013:

■ **The Trasmediterranea web page** has been updated with new applications, such as a new travel search engine.



■ **ACCIONA Infrastructure** developed an innovative website for the Zaragoza tramway, a project that was inaugurated in 2013.

■ **ACCIONA Green Energy:** the customers of energy comercialization can download electricity bills and meter readings, while a new customer website for checking and uploading data has been rolled out.

■ For the **solar farm business**, ACCIONA provides its customers service by telephone, fax, e-mail, in person at its offices and through a specific online application, through which incidents are resolved, in addition to billing, tax management, collections and arrangements with public bodies.

ACCIONA Agua: virtual office

ACCIONA Agua has implemented a virtual office in several of its concessions in Spain. In this virtual office, the majority of the usual transactions customers require can be executed telematically: applications for activations, deactivations, transfers and subrogations; viewing rates and news related to the service; satisfaction surveys; notification of alerts or claims.

At present, a total of 196,689 customers have access to the virtual office (3% of ACCIONA Agua's total customers). The virtual office is expected to be fully deployed in all services managed by ACCIONA Agua by 2015.

Customer satisfaction as a key objective

Customer satisfaction is one the most important indicators used by ACCIONA to measure Company performance and undertake the necessary improvements.

In 2013, ACCIONA kept up its effort to ascertain customers' degree of satisfaction with its products, services and customer care, using a wide variety of channels for this purpose.

Surveys

Surveys are the most frequent method of evaluation used by ACCIONA, with more than 16,000 direct customer surveys conducted in 2013, some 23% more than in 2012.

Approximately 10% of satisfaction surveys received were conducted with new questionnaires and with new approaches in systems of capturing customer perceptions of quality, with 7% of surveys conducted online.

Customer service

All ACCIONA divisions have customer service, in the form of a post-sales department, project manager, sales representatives, in-person offices or call centers. The Company also has contact inboxes on the websites of the various companies to receive all complaints, claims or suggestions for improvement.

Periodic meetings

The main responsibility of the customer care managers in each of the ACCIONA divisions (sales representatives and project managers, among others) is to maintain constant communication with customers.

ACCIONA has advanced in meeting customers' and users' requirements and expectations for the services it provides, having attained an overall satisfaction rate of 86.4%, up from 83.4% in the previous year.

The following results are particularly noteworthy:

- ACCIONA Blades conducted a satisfaction survey following complete delivery of 1.5 MW blades to Chiripa, Costa Rica, and 3 MW blades for the Prince Edward Island Wind Farm in Canada (first phase), receiving a score of 4 out of 5, and classification as a "very good supplier".
- Hijos de Antonio Barceló has increased the overall satisfaction of customers with the product and service, attaining an 87% score in overall satisfaction.

- ACCIONA Service obtained a high score in the service for passengers with reduced mobility at Menorca

airport, which was evaluated through a questionnaire delivered to 100% of passengers assisted (11,739), with a score of 4.96 out of 5.

The feedback received by the Company from its customers is used to improve its products, processes and services. The Company works to incorporate suggestions that enable it to meet their needs, expectations and concerns, and to eliminate the root causes of any complaints and claims.

Further, ACCIONA's divisions have procedures for the receipt and handling of complaints and claims, where the

| ACCIONA Products and Services   | Satisfaction Index (%) |       |       |
|---|------------------------|-------|-------|
|   | 2011                   | 2012  | 2013  |
| Domestic construction works   | 84.9%                  | 83.0% | 83.0% |
| International construction works  | 85.0%                  | 76.0% | 81.0% |
| Concession services   | 77.8%                  | 86.9% | 87.1% |
| Customers of ACCIONA Engineering  | 87.0%                  | 87.8% | 99.9% |
| Customers of ACCIONA Installations <sup>1</sup>   | 76.0%                  | 73.7% | 70.0% |
| Infrastructure maintenance services <sup>2</sup>  | 81.6%                  | 84.0% | 78.0% |
| Renewable electricity   | 94.0%                  | 90.0% | 94.0% |
| Operation and maintenance services for water treatment plants                                       | 86.2%                  | 89.9% | 82.2% |
| Construction and maintenance of parks and gardens   | 71.0%                  | 81.5% | 86.4% |
| Real estate assets  | 63.3%                  | 63.3% | 71.9% |
| Handling and walkway services   | 82.6%                  | 84.9% | 88.3% |
| Maritime transport services   | 81.5%                  | 77.3% | 77.8% |
| Collection and treatment of urban solid waste   | 90.0%                  | 75.2% | 84.0% |
| Export, direct sale and sale through food and beverage channels and HORECA of wine from Bodegas HAB | 82.0%                  | 85.9% | 87.0% |
| Installation and maintenance of security devices and systems  | -                      | 75.0% | 79.1% |
| Operation and maintenance of renewable energies (EROM)  | -                      | 80.9% | 83.4% |
| Design and execution of museums, exhibitions, events and multimedia shows (APD)                     | 92.2%                  | 93.4% | 91.4% |

1. Does not include international works and energy activities.  
2. Survey 17% larger.  
Not included: ACCIONA Service (Facility Services and Forwarding).

The Company works to incorporate accessibility in its products and services

ACCIONA Concessions: Infanta Sofía Hospital

Following the analysis of the responses in the satisfaction surveys in the Infanta Sofía Hospital, several improvement actions were taken:

- Actions aimed at reversing the percentage of telephone appointments compared to in-person appointments (2013-2014 target).
- Implementation of signing (appointments, entrances from parking, emergency room, etc.).
- Actions aimed at reducing the number of calls lost in the switchboard (preparation of specific procedure).
- Actions aimed at improving and/or maintaining average waiting times in appointments (2013-2014 target).

customer's degree of satisfaction with the solution is verified after the fact. Annual targets are set in relation to the number of complaints. In 2013, the Company resolved 98% of the complaints and claims received (without taking into account the claims of ACCIONA Trasmediterranea). ACCIONA has no record of complaints related to customer privacy or data loss during the year.

Customer health and safety

ACCIONA safeguards the health and safety of its customers through a number of actions related to its products and services:

- Regulatory inspections and compliance with applicable requirements (regulations, best practices available, etc.).
- Incorporation of components to strengthen security.
- Analysis of product critical points and quality controls.
- Implementation and certification of safety management systems.
- Information to customers for safe use of products and services.

In 2013, ACCIONA has no record of the occurrence of any incidents related to compliance with regulations or voluntary codes related to the impact of its products and services on customers.

The safety management systems implemented by the Company ensure that activities are carried out in accordance with the international standards of each sector.

It should be noted that ACCIONA also works to incorporate accessibility in the Company's products and services.

For example, in January 2014, ACCIONA Producciones y Diseño offered Fuengirola, Spain, the first mapping show accessible to people with disabilities. For the first time in a show of this kind, blind people could download a free mobile application to listen to a detailed audio description of what was being projected. A space was reserved near the sound system for hearing-impaired people to enable them to perceive the intensity of the original soundtrack that accompanied the images, while users with physical disabilities were granted a preferential location among the public.

The tram of Zaragoza, Spain, built by ACCIONA Infrastructure, won the 2012 Zangalleta Award granted by the DFA foundation, for its work in support of universal accessibility and for its initiative of including accessibility experts in the tram technical team.

|                          |  |
|--------------------------|--|
| ACCIONA Concessions      | The road infrastructures managed by ACCIONA Concessions are equipped with support teams available 24 hours that are in constant contact with emergency services and traffic authorities, with the aim of immediately resolving any incidence that might arise. In addition, all the websites of the road infrastructures under management include advice on road safety. |
| ACCIONA Service          | In 2013, ACCIONA Service (Airport Services) obtained the IATA Safety Audit for Ground Operations certificate (ISAGO) for its Palma de Majorca base, ensuring the development and implementation of the system in accordance with the standards of the International Air Transport Association (IATA).  |
| Hijos de Antonio Barceló | Hijos de Antonio Barceló has certified its four wineries as per the international food safety standard ISO 22000.  |

# Society, commitment to progress

ACCIONA contributes to the sustainable development of the communities in which it operates by assessing and managing the social impact of the Company's projects and through an extensive social program.

## 2013

| Challenges   | Advances  |
|--|---|
| ■ Implementation of social impact methodology in 50% of the projects of ACCIONA Agua and ACCIONA Energy, and in 30% of the projects of ACCIONA Infrastructure, within established criteria.  | ■ Social impact management methodology implemented in 30% of the projects of ACCIONA Energy and in 40% of the projects of ACCIONA Infrastructure, within the criteria established.                              |
| ■ Consolidation of ACCIONA Microenergy Foundation's activity in Mexico and Peru:<br><b>Peru:</b> installation of 1,700 domestic photovoltaic systems.<br><b>Mexico:</b> installation of 1,500 small domestic photovoltaic systems. | ■ Completion of the installation of 1,700 domestic photovoltaic systems in the "Light at Home Peru" project and supply of the first 180 small domestic systems in the "Light at Home Oaxaca" project in Mexico. |
| ■ Annual social contribution equal to 5% of dividend.  | ■ Annual contribution of €18 million.   |
| ■ Consolidation of the Sustainability Workshop in an international environment, in Mexico and widening it to three Autonomous Regions in Spain.  | ■ Implementation of the Workshop in Mexico, with 27 schools registered, and in the Spanish Autonomous Regions of the Canary Islands, Murcia and Valencia.   |
| ■ Widening the scope of Volunteer Day to activities in Australia, Brazil, Canada and Poland.   | ■ The second Volunteer Day was held in 7 countries.   |
| ■ Definition and execution of social volunteering actions.   | ■ Five volunteering initiatives carried out: Volunteer Day, Junior Achievement, Prince of Gerona Foundation, También Foundation and Shall We Donate? Campaign in Brazil and Spain.                              |

## 2013

| Highlights  |
|---|
| ■ New social impact assessments initiated in Brazil, Morocco, Mexico and South Africa.  |
| ■ ACCIONA has devised a social impact management guide of the projects for internal and external communication.   |
| ■ In the second ACCIONA Volunteer Day, 15% more volunteers participated than in the previous year.  |
| ■ ACCIONA Microenergy Peru brought into service the first installations of the "Cajamarca Community Light" program in 12 educational institutions and 5 churches in Peru.           |
| ■ In Spain and Brazil, the second Shall We Donate? campaign was carried out, and four times more food and toys were donated by employees and the Company than in the previous year. |

## 2014

| Challenges  |
|---|
| ■ Make progress in the development of initiatives of the ACCIONA Microenergy Foundation, with the installation of 500 domestic photovoltaic systems in Peru and 1,500 small domestic systems in Mexico. |
| ■ Launch the EDUpack educational package, comprising the Sustainability Workshop, competitions and scholarships, and a course in road safety education in at least two countries.                       |
| ■ Implement the social impact management methodology in new projects: 65% of Infrastructure, 75% of Water and 75% of Energy projects.   |
| ■ Give training workshops on social impact management in Infrastructure, Water and Energy.  |
| ■ Update and launch initiatives included in the Annual Volunteering Program.  |

## Social impact management of ACCIONA's projects

ACCIONA's projects must be consistent with the Company's sustainable business model. Therefore, a methodology has been developed for the identification, assessment and management of the social impact of its projects across different businesses and geographic areas.

Within the framework of the Sustainability Master Plan (SMP) 2015, ACCIONA is committed to implementing a social impact management methodology in 100% of the projects of the main divisions that meet certain required conditions.

In each project, implementation of the methodology - which is based on international standards - begins within an analysis of social risks, followed by a study of the region and of the stakeholders. Meetings are also held with stakeholders to gain first-hand knowledge of their opinions, proposals and needs.

On the basis of this information, the Company designs a plan with social actions that minimizes the negative impacts and maximizes the positive impacts of its activity.

Characteristics of the ACCIONA social approach:

- **Positive:** The Company not only prevents and mitigates negative impacts, but also strives to strengthen the positive impacts.
- **Balanced:** ACCIONA carries out an individual study of each project within its own specific setting, using the appropriate resources in accordance with its level of social risk.
- **Initiative:** ACCIONA believes in dialogue, and it seeks to take the initiative in defining its commitment to the community.
- **Shared value proposal:** The Company presents its proposal to the community, shareholders and customers, with a view to achieving a consensus.
- **Management plan:** The management plan comprises the execution and follow-up of social actions with the ultimate aim of enhancing the well-being of the local community.

### Advances achieved in 2013

Following the start-up of pilot projects in 2012, in 2013 ACCIONA improved its social impact management methodology, having developed a procedure to be applied in the earliest stages of its projects. Therefore, the identification and management of social impacts will be systematically integrated throughout the process of identifying opportunities, contracting and execution of projects of ACCIONA.

Linked to this procedure, the Company has developed a series of tools and guides for the purpose of enhancing understanding of the management process, aimed at different internal and external stakeholders, as well as customers, employees and partners.

At present, the procedure is under revision and pending final approval.

In 2013, the Company has advanced in its commitment, applying the impact management methodology in a number of ACCIONA Infrastructure projects in different countries: Brazil (ring road and marina), Chile (building of a desalination plant), Morocco (construction of a solar thermal plant) and Mexico (equipment

to produce electricity in a dam). For its part, ACCIONA Energy implemented the process in a photovoltaic plant and wind farm in South Africa and in a wind farm in Costa Rica. For ACCIONA Agua, the new projects in 2013 fell outside the minimum criteria for being subject to the implementation of the methodology.

During 2013, ACCIONA improved the social impact management methodology, applying it to the earliest project phases

SOCIAL IMPACT MANAGEMENT  
IN SOME OF THE PROJECTS

|  |  |
|--|--|
| ACCIONA Energy:<br>Chiripa, Costa Rica                 | <p>To carry out social impact management of the wind farm of Chiripa, Costa Rica, in 2012 ACCIONA held meetings to inform the affected population about the project, educate them on the importance of the fight against climate change and to listen to people's comments, complaints, suggestions and questions.</p> <p>As a result of the consultations with the community, a deficiency was found in the drinking water supply. ACCIONA therefore established a plan for improvement that included the drilling of a well in the town of Monseñor Morera.</p> <p>In 2013, a technical consulting firm was contracted to prepare feasibility and hydro-geological studies and to arrange a well-drilling permit for the use of underground water. At present, the terrain is available and the drilling permits are being arranged.</p> <p>At the same time as the improvement plan, the following social initiatives have been carried out:</p> <ul style="list-style-type: none"><li>■ Improvement of community infrastructures: setting up of sports facilities; a playground at a school; paths adjacent to the community and the installation of sewers.</li><li>■ Donation of material to schools in the project's area of influence.</li><li>■ Information meetings with the community on the project.</li></ul> |
| ACCIONA Infrastructure:<br>Rodoanel, São Paulo, Brazil | <p>ACCIONA is working on the construction of two sections of one of the main ring roads of São Paulo, Brazil, the aim of which is to ease traffic congestion, reduce pollution and prevent the passage of heavy vehicles within the city center.</p> <p>In 2013, ACCIONA carried out a preliminary study of the social impact of the project in the communities affected by the ring road, which includes information on the region and on stakeholders. The report is to be presented to the customer, and a joint decision is to be made on the proposal of social actions in the community.</p> <p>The project is considered an example of good social management practices in Brazil, due both to the initial implementation of the social impact assessment methodology, and because of the launch of a series of policies and plans that foster communication regarding the works, dialogue with concerned parties and the execution of social initiatives (such as the inclusion of inmates in the works) and environmental initiatives (from educational programs to the restoration of plant life).</p>   |
| ACCIONA Energy:<br>Facilities in South Africa          | <p>In 2013, ACCIONA completed its studies regarding the impact on the communities of the photovoltaic plant project of Sishen and the wind power facilities of Gouda, South Africa.</p> <p>These studies revealed a high rate of poverty and unemployment in the projects' areas of influence. ACCIONA will work on these variables by fostering local employment through the state program Black Economic Empowerment (BEE), which strives to achieve racial equality in South Africa.</p>  |

ACCIONA's social commitment

|  |   |
|--|---|
| <p>ACCIONA believes that it must take a leading role in contributing to sustainable development in the communities where it operates.</p> <p>Within the framework of the Sustainability Master Plan, the Company aims to achieve a 100% alignment of the social contribution in accordance with its Social Action Plan, setting out strategic action lines through medium and long-term sustainable projects wherever ACCIONA is present.</p> <p>In 2013, the Company's social contribution reached more than €18 million, which represents 1.46% of EBITDA<sup>1</sup>.</p> <p>To measure and assess its social action, ACCIONA has been using the international methodology of the London Benchmarking Group (LBG) since 2010 to achieve an overall view and compare its results with those of other companies that also apply the same methodology.</p> <p><b>ACCESS TO BASIC SERVICES:<br/>ACCIONA MICROENERGY<br/>FOUNDATION</b></p> <p>In 2013, the ACCIONA Microenergy Foundation continued its activities of raising awareness and promoting</p> | <p>universal access to energy through the implementation and consolidation of the "Light at Home" program in Peru and Mexico.</p> <p>In Peru, ACCIONA Microenergy Peru, backed with financing from the FOMIN-IDB (Multilateral Investment Fund-Inter-American Development Bank) obtained in 2012, brought into service 1,700 domestic photovoltaic systems (DPS), with a total number of 3,000 DPS in operation, with which the project was able to reach the economic break-even point. This is how the ACCIONA Microenergy Foundation attains its objective of showing the viability of the model of providing basic electricity service with renewable energies in a manner that is sustainable and affordable for very low income rural communities.</p> <p>In 2013, the Foundation also made advancements in the Community Light Program-Cajamarca, installing 17 community photovoltaic systems (CPS) in twelve schools and five churches. The program is backed by the ACCIONA Microenergy Foundation, the ICAI Engineers' Foundation for Development and the Energy without Borders Foundation, with ACCIONA Microenergy Peru as a local partner, and</p> |
|--|---|

1. This year, the social contribution figure is reported as a percentage of EBITDA, given that in December 2013 the Company's Board of Directors decided to cancel the 2013 interim dividend.

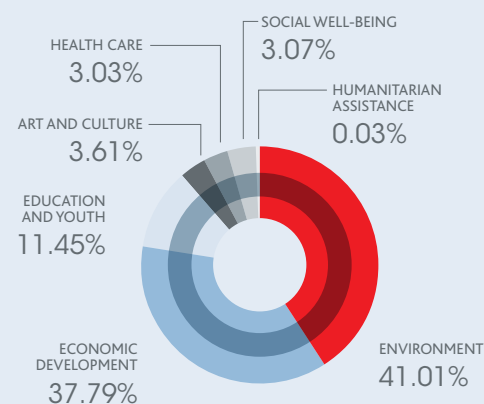
## 2013 Social Action Plan

100% of the Company's social contribution is aligned with the Social Action Plan.

→ Contribution by activity area, 2013  
(LBG methodology)

### BASIC SERVICES (ENERGY AND WATER) THROUGH ACCIONA MICROENERGY FOUNDATION

- 1,700 new families with access to basic electricity in Cajamarca, Peru, and the first 180 small photovoltaic systems installed in Oaxaca, Mexico.



### FOSTERING SUSTAINABILITY EDUCATION: SUSTAINABILITY WORKSHOP

- Education of children in sustainability issues

### SOCIAL INVESTMENT RELATED TO PROJECTS

- Projects in Australia, Brazil, Chile, Colombia, Mexico, etc.

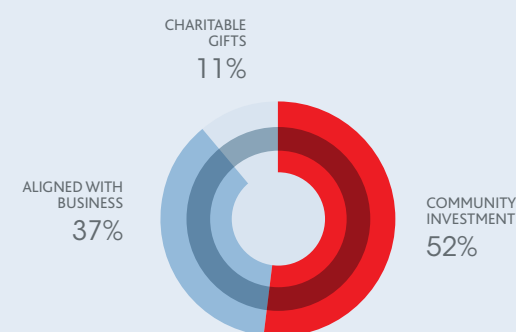
### SPONSORSHIPS AND PATRONAGE

- HEALTH, EDUCATION AND CULTURE
- El Greco 2014 Foundation, ProCnic, etc.

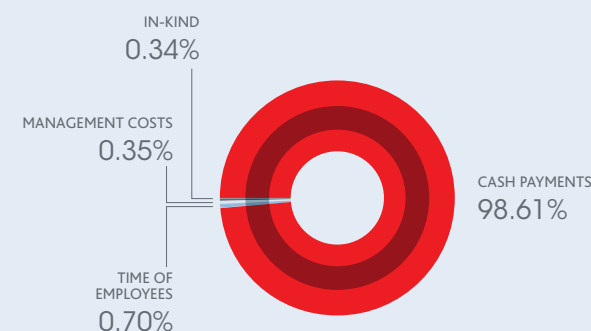
### VOLUNTEER PROGRAM

- More than 540 volunteers in different countries and initiatives

Motivate of 2013 initiatives  
(LBG Methodology)



Type of Contribution in 2013  
(LBG Methodology)



Five years after it was set up, ACCIONA Microenergy Peru has achieved economic sustainability

it is co-financed by the Madrid Regional Government for 10 of the facilities, and the donation on the part of ACCIONA Solar of 17 installed photovoltaic panels.

In Mexico, the year 2013 marked the official launch of the Oaxaca Light at Home Program, which was carried out in the form of a Public-Private Development Partnership between the Government of the State of Oaxaca, the Spanish Agency for International Development and ACCIONA Microenergy Mexico. The aim is to provide, in the 2012-2016 period, access to electricity to some 9,500 homes in priority towns of less than 100 inhabitants where there are no plans for electrification with conventional grids.

In 2013, the pilot project was carried out for 180 families in 10 villages in Tehuantepec to learn the acceptability by users of both the supplied equipment - which include the latest innovations in electric lighting and energy storage - and of the management model. Small domestic photovoltaic systems (SDPS) are compact and easily installed. These characteristics enable trained users to transport and install the units, which also enables the units to be taken to the Customer Care Center (CCC) in the case of a breakdown, where they may

also purchase electrical equipment that is compatible with the SDPS. ACCIONA Microenergy Mexico will train CCC personnel to provide advisory services, and to repair and sell the products compatible with these systems.

In addition, ACCIONA Microenergy Mexico launched the Oaxaca Light at Home 2013 project by identifying, holding a presentation meeting, and forming photovoltaic electrification and geo-referencing committees of 1,500 homes to be serviced in 115 new towns.

### FOSTERING SUSTAINABILITY Sustainability Workshop

The Sustainability Workshop program aims to train youngsters between the ages of 10 and 16 in subjects such as water conservation and quality, energy saving and efficiency, mobility and sustainable building.

In June 2013, ACCIONA presented in Galicia the Sustainability Workshop during the First Iberian Youth Meeting for Sustainability and the Environment, organized by ESenRED, a network of educational institutions for sustainability. The network comprises approximately 1,100 educational institutions in Spain and more than 23,000 students.

### Sustainability Workshop: 2013 in numbers

- The Sustainability Workshop increased the number of schools taking part in the program by 143% through its online platform ([www.sustainability-workshop.com](http://www.sustainability-workshop.com)).

- More than 2,800 students from local schools visited ACCIONA centers in the provinces of Navarre and Catalonia.

- Initiatives related to the Sustainability Workshop were carried out in the following places:

→ Schools of communities adjacent to the wind farms of Eurús, Oaxaca II, Oaxaca III and Oaxaca IV, in Mexico.

→ In Caldera, in the Atacama region of Chile.

→ In the provinces of Soria and Caceres in Spain.



**SOCIAL INVESTMENT ASSOCIATED WITH PROJECTS**

ACCIONA's commitment to the communities in which it operates is to take on responsibility in the search for solutions that improve people's lives.

■ **Wind farms in Australia, Canada, the United States and Poland**

ACCIONA has a number of channels open for smooth communication with communities in the vicinity of wind farms. The Company holds periodic meetings with different stakeholders of the community and organizes guided tours of facilities, including educational programs and the promotion of renewable energies to different groups.

By creating a benefit fund for the community, ACCIONA offers assistance for studies through scholarships, leads environmental initiatives, collaborates in promoting sports and supports the work of local associations, among other actions.

■ **Atotonilco WWTP (Mexico)**

In this project, which includes the construction, operation and maintenance of the Atotonilco wastewater treatment plant, ACCIONA has launched a number of initiatives to improve the life of the community, under the "Value Engineering" philosophy. The Company's initiatives in 2013 included:

- Restoration of the computer wing of a school and the remodeling of the garden.

- Rehabilitation of local infrastructures.

- Education aids.

- Participation in environmental fairs.

- Reforestation of areas near the work site.

- Irrigation of planters and of trees.

- Donations of PET, cardboard, trees, wood, electronic waste containers and portable radios to a number of community schools and organizations.

■ **La Chira treatment plant, Peru**

ACCIONA Agua is undertaking the design, construction, financing, operation and maintenance of this treatment plant to help find a solution to the health and environmental problems of Lima, Peru.

In 2013, ACCIONA worked on three types of initiatives that directly benefit about 300 inhabitants of the community where the project is being carried out. These areas are:

- Skills and labor market entry workshops.

- Workshops to foster communication and integration in the community, and to achieve family awareness and risk prevention, among other goals.

- Visits to homes in the community in the project's area of influence.

- Informational talks to the community on the scope of the project.

■ **Bello WWTP, Colombia**

The plant project of the towns of Medellin and Bello for the treatment of wastewater prior to its discharge to the River Medellin will allow for the recovery of space on the river banks, thereby reducing the number of water-borne diseases and allowing for the use of wastewater in industrial activities. In 2013, more than 700 people benefited from ACCIONA's environmental education initiatives in the project's area of influence.

■ **La Ruta 160, Chile**

Within La Ruta 160 project, ACCIONA carried out a number of activities in 2013 as a continuation of activities in previous years:

- For the fourth consecutive year, financing was provided to entrepreneurs and micro-entrepreneurs in the area through the Pro-Enterprise Fund.

- Backing for a number of social initiatives in support of children or the most underprivileged members of the community.

- Wide dissemination of safety measures and road layout to all affected

communities and the implementation of safety plans.

- Environmental education campaign among children.

- Training La Ruta staff to assist users in the event of accidents.

■ **Waterdale Bridge (Canada)**

Prior to beginning construction on the Waterdale bridge, ACCIONA held meetings with the indigenous communities descending from the aboriginal tribes of Canada in order to draft a specific policy for this group that includes the Company's commitment to creating opportunities that are mutually beneficial, specifically job creation and community development.

The Company held meetings that were open to the public to inform the community about the project, and about the need to change the location of an aboriginal cemetery and of a monument that was located in the construction area. The community was consulted and actively participated in making decisions regarding the new location of both the cemetery and the monument.

It should also be noted that specialized companies were contracted in order to care for plants that have special importance for the descendants of these aboriginal tribes.

In addition, ACCIONA carries out social initiatives that benefit the local communities surrounding the project, such as support for disadvantaged children in collaboration with NGOs and local organizations.

■ **BR-393 highway, Brazil**

As part of the project of designing, building, financing and operating the BR-393 toll highway between the states of Minas Gerais and Rio de Janeiro in Brazil, the Company undertook the following initiatives in 2013 aimed at communities affected by the works and users of the highway or contract personnel:

- Volunteer campaigns and social actions to benefit the most underprivileged, including the delivery of tools and school implements by 15 Company volunteers to needy children in a neighborhood of the city of Vassouras.

- Informational campaigns on how to use the highway, aimed at users and members of the affected community, with the distribution of about 10,000 brochures.

- Awareness raising and training through environmental campaigns for the reduction of carbon monoxide, fire prevention, or waste management on work sites.

ACCIONA's commitment to the communities in which it operates lies in the search for solutions that improve people's lives

BENEFITS ASSOCIATED WITH SOCIAL INVESTMENT PROJECTS

Benefits for the Community

- Better living conditions for communities.
- Economic improvement for the community.
- Creation of local employment and fostering of local self-employment through micro-enterprises.
- Labor-market entry of people at risk of social exclusion.
- Access to electrical lighting.
- Improvement in health of communities.
- Access to education.
- Improvement of public infrastructure.
- Increase in awareness raising on the environment and the mitigation of impacts.
- Fostering of sports.
- Smooth communication between the community and ACCIONA to resolve any complaints and questions.
- Community involvement in project initiatives.
- Preservation of local identity.

Benefits for the Company

- Establishment of alliances and links with local institutions and bodies.
- Dissemination of the project in local media.
- Collaboration with international and national institutions.
- Increase in employees' pride in being a part of the Company.
- Improved image and corporate reputation.

SPONSORSHIP AND PATRONAGE

ACCIONA's commitment also takes the form of extensive work in sponsorships, patronage and collaborations that are channeled through agreements with key institutional representatives of society, with initiatives in health, education and culture seen as a priority.

Further, ACCIONA collaborates with other associations, both financially and materially, such as Proyecto Hombre, the Asociación Corazón y Vida de Canarias, the Asociación de Celiacos, the Fundación Síndrome de Down and the Fundación Malagueña de Asistencia a Enfermos de Cáncer, among others.

|         |  |
|---------|--|
| Culture | ACCIONA is backing the El Greco 2014 Foundation exhibition, contributing to the production of the cultural project. This ambitious initiative, which is being pursued in Toledo with a regional, national and international scope, will be inaugurated in 2014.                                      |
| Health  | ACCIONA is upholding its commitment to supporting research initiatives aimed at improving the quality of life of the sick and their family members, as in the ProCnic Foundation or the CITA Alzheimer Research and Advanced Therapy Center.   |
|         | ACCIONA Service signed an agreement with the SEUR Foundation to launch the "Lids for a new life" campaign. The project aims to assist poor children with health problems who need medical treatment or an orthopedic solution through the collection of plastic lids in Andorra, Spain and Portugal. |

CORPORATE VOLUNTEERING

The objective of the ACCIONA Volunteering Program is to channel employees' volunteering concerns through initiatives aligned with the Social Action Plan, and to generate a culture of collaboration and solidarity that raises awareness among employees of the needs of other social groups.

■ ACCIONA Volunteer Day

A total of 346 Company employees - 15% more than in 2012 - in Australia, Brazil, Canada, Chile, Spain, Mexico and Poland held sustainability workshops in schools.

Workshops were given to approximately 7,000 school children between the ages of 7 and 11, on subjects such as climate change, energy saving and efficient water management, among other topics.

■ Serrano También Solidario Race

Five ACCIONA volunteers participated in the second edition of the Serrano También Solidario race organized by the También Foundation. The aim of the race

was to collect funds to support projects for the social integration of differently-abled people.

■ Partners for a day - Junior Achievement

ACCIONA volunteers participated in the eleventh edition of the Partners for a Day program, an initiative that seeks to provide an initial experience in the labor world for young people between the ages of 15 and 18. Five volunteers hosted a number of students who spent the working day with the volunteers and had the opportunity to see how daily activity proceeds in different divisions and departments of the Company.

■ Shall We Donate? Campaign

In this campaign, ACCIONA managed to send, with the help of 81 volunteers, four tons of food to the Food Bank, in addition to nearly 100 boxes of new toys, baby food and school supplies for the Spanish Red Cross, and used toys for a number of non-governmental organizations. ACCIONA made a donation that matched the quantity of food and toys contributed by employees.

■ Prince of Gerona Foundation

Fifty-one ACCIONA volunteer mentors participated in the "Mentoring Talent" project led by the Prince of Gerona Foundation. The objective is to increase the employability of young people with a higher education degree who come from difficult social surroundings, to ensure equality of opportunities in access to the labor market.

■ Volunteers of ACCIONA Microenergy Foundation

In 2013, seven ACCIONA volunteers traveled to the Cajamarca region of Peru, during their vacation time, to participate in the training of users and the distribution of photovoltaic systems, and to supervise previously installed systems to ensure their functioning.

# Stakeholder engagement, their opinion matters

Direct dialogue with customers, with the communities in which we operate, and with investors and authorities involved in decision-making, allows us greater constructive proximity to the different expectations and interests, making a strategy that offers practical and sustainable responses possible.

## 2013

| Challenges   | Advances   |
|--|--|
| <ul style="list-style-type: none"><li>Specific consultations with, among others, Latin American customers and signatories to the Equator Principles.</li></ul>   | <ul style="list-style-type: none"><li>Meetings with customers, including CAP, Codelco, CEMEX, Dersa and Tetrapak, in which their opinion was sought on the Sustainability Master Plan.</li></ul> |
| Highlights   |  |
| <ul style="list-style-type: none"><li>ACCIONA has conducted consultations on relevant topics in sustainability with the Company's internal stakeholders (through the Sustainability Committees of the business divisions) and external opinion leaders (representatives of international organizations, analysts and investors, the academic world, NGOs, etc.).</li></ul> |  |

## 2014

| Challenges   |
|--|
| <ul style="list-style-type: none"><li>Engage with the main stakeholders in key markets for the review and update of the SMP.</li><li>Carry out consultations with Company customers.</li></ul> |

# Stakeholder engagement

G4-25, G4-26 and G4-27

ACCIONA identifies its stakeholders and is committed to a continuous dialogue with them, and to consider their expectations in the management of the Company's sustainability practices. ACCIONA approaches the dialogue process with a two-fold focus:

- Periodic consultations with stakeholders to discuss, review and update important themes in the SMP.
- Stakeholder consultations integrated into the systematics for evaluating the social and environmental impact of its projects.

Some of the main initiatives with different stakeholders are highlighted below. In addition, the remaining chapters of this report include further examples on the different actions conducted in 2013.



### GOVERNMENT AND REGULATORY BODIES (G4-26 AND G4-27)

ACCIONA advocates for the dialogue between companies and the authorities involved in decision-making as the basic formula for becoming acquainted with different options and adopting measures with full awareness of their effects for companies, the sector and even for a country. To actively take part in this dialogue, ACCIONA is present in, and collaborates with, different associations in the sectors in which it works, always with a view to assuming positions that are in line with ACCIONA's vision, which necessarily implies a stance in favor of sustainability.

As a general rule, ACCIONA supports, both individually and in partnership with other actors, the preparation of studies and the dissemination of their results. The Company is also involved in actions intended to promote regulations consistent with the sustainable development of the sectors in which it operates, by submitting proposals, comments or arguments to different hearing procedures.

#### ■ Regulatory framework in energy and climate for 2020-2030 of the European Commission

Within the process of preparing the regulatory framework of energy and climate for 2020-2030, the European Commission launched a consultation in March 2013 with the aim of identifying the diverse energy and environment policy options in the European Union.

ACCIONA took part in the public consultation, proposing policy lines relating to the need for a new stable legal framework, binding targets in renewable energies and reduction of greenhouse gases, economic incentives to reach targets, matching taxation and better infrastructures and interconnections between Member States for the best integration of renewable energies and the implementation of the interior market.

At the same time, ACCIONA, individually and jointly with other actors and prominent sector associations in Spain and the EU, has conveyed to European institutions what it considers to be its priorities in energy and environmental policy in the aforementioned line, through direct communication, participation in press conferences and other actions.

In response to the consultation, the Commission recently published its communication on the 2030 regulatory framework, proposing a 40% reduction in greenhouse gas emissions and an increase in the EU renewable energy quota to at least 27% (the latter is not mandatory for individual member States).

In contrast to the Commission, the European Parliament has proposed binding renewable energy targets at a national level within the framework of goals for 2030. Although, at its meeting in March 2014, the European Council postponed a decision on defining the new EU 2030 regulatory framework until October 2014, it did highlight the need to

develop a supporting framework to make progress in renewable energies.

#### ■ Guidelines on state aid for environmental protection and energy 2014-2020

ACCIONA has participated both directly and in collaboration with Spanish and European associations in a number of public consultations initiated by the European Commission within the applicable review process of public aid in energy and environment.

The Company advocates regulation that does not hinder, but rather facilitates incentive systems that strengthen the penetration of renewable energies throughout the EU.

ACCIONA also took part in a public consultation on generation capacity and adequacy mechanisms, and its proposals were reflected in the Guidelines published by the Commission.

Guidelines have also been elaborated systems of incentives of renewable energies that generally favor support systems that are flexible but also stable and predictable, in line with the approach proposed by the Company as the basis for developing renewable energies in Europe.

### INVESTORS AND ANALYSTS (G4-26 AND G4-27)

In 2013, ACCIONA maintained ongoing and smooth communication with analysts and investors in order to keep them up-to-date with the Company's results and strategy, and to answer their questions, always with a view to providing the information needed for decisions on investing in the Company:

■ 11 roadshows.

■ 9 conferences.

■ 5 reverse roadshows.

■ Visits to leading financial centers: London, Paris, Milan, Frankfurt, Zurich, Geneva, Brussels, Amsterdam, Rotterdam, The Hague, New York, Chicago, Minneapolis, Toronto, Montreal and Madrid/Barcelona/Zaragoza.

■ Meetings and conference calls.

■ Themed and general breakfasts aimed at analysts in order to expand on information provided on the Company's businesses and its overall strategy (themed breakfasts on ACCIONA Agua and Concessions).

Contact was maintained with a total of 296 investors in 2013 (13% more than in 2012).

In addition, in order to make communication with the market more smooth and direct, in 2013 ACCIONA launched an open group in the investors' social network (<https://www.unience.com>), through which investors have the

opportunity to follow the share price and interact with the Company. The platform offers information that may prove to be interesting for the investment community and for analysts (significant events, presentations, results, press releases, etc).

Themes of interest for the market in 2013 included the attempt to estimate the impact in ACCIONA of the regulatory changes of the electricity sector in Spain, both in terms of Company results and in the finance structures and value of assets and the plans to mitigate such impact. This led to the presentation of a detailed Action Plan that addressed actions such as reduction of costs, cutbacks in investment, sales of assets, cancellation of interim dividend, diversification of sources of finance (launch of first convertible bond) and an internal reorganization accompanied by changes in senior management.

In addition, the Group's level of financial leveraging caused certain concern, especially in the setting of cutbacks, which raised questions about ACCIONA's strategy to reduce this level, the expected leveraging targets and the timeline for achieving such targets. The Company's investment plans was also a recurring concern.

### MEDIA (G4-26 AND G4-27)

ACCIONA has enhanced its relationship with the media and broadened the scope of the information it circulates to them. In addition to informing on its own business activities, the Company has also helped to disclose in the media the positioning and importance of renewable energies in the energy mix, especially in Spain and the other countries of the European Union, which are highly dependent on fossil fuel imports.

The introduction of metrics provides more detailed knowledge of the interests of the media to improve management of the agenda of information the Company releases. This set of metrics includes an analysis of the specific messages more directly linked to the Sustainability Master Plan (SMP), which allows for analysis of the degree of dissemination of the Company's policies and advances made therein. Hence, more than 230 news items directly linked to SMP policies were published in the media.

In 2013, the Company continued to issue, in a regular and steady fashion, communications to the media through a total of 115 press releases, and it strengthened direct dialogue with each medium in order to attend to their interest in a more personalized way. The Company's press appearances increased by 9%.

EMPLOYEES  
(G4-26 AND G4-27)

In 2013, ACCIONA maintains constant lines of communication and dialogue with employees through internal channels of communication. First, knowledge of the Company and its activities is provided, and collaboration and participation is facilitated and sought.

Through the emailing tool, 373 e-mails were sent to Company employees in 2013, where the most significant mailings were the following: weekly newsletter in Spanish –Flash; weekly newsletter in English- Enews, and a specific newsletter for Brazil published in Brazilian Portuguese that is sent to all employees in Brazil since September. In addition, the internal communications inbox, which is open to employees questions and comments, received 1,098 e-mails and sent 838 in 2013.

ACCIONA INTERNAL COMMUNICATION NETWORK

|   |   |
|---|---|
| Interacciona:<br>ACCIONA's<br>corporate<br>intranet | <p>In 2013, the number of employee visits to the Spanish-language intranet doubled, exceeding 1,600,000 (in 2012 there were 885,000). The English-language version received an increase of more than 120%, reaching a total of 20,000 up from 9,000.</p> <p>All news, pages, internal notes and information items (videos, etc) published on the intranet allow users to vote “like” or make a comment. In 2013, employees’ interaction level with company information increased: the number of “likes” in news items published in Spanish reached 5,901 (56% more than in 2012) and, in English, they exceeded 276, with 319 comments in Spanish and 6 in English.</p> |
| Internal TV<br>channel                              | <p>In 2013, the Company uploaded 56 videos in Spanish and 41 in English to the Interacciona TV channel.</p>   |
| Meeting<br>points                                   | <p>In 2013, access was provided to employees through Interacciona to Company results presentations and to a specific session on the application, challenges and possibilities of Building Information Modelling technology (BIM). These single-themed meetings may be attended in person or by video, through the intranet.</p>   |
| Gente<br>ACCIONA                                    | <p>Interviews with ACCIONA employees that provide insight into Company news, its services and main projects. In 2013, the Company published six <i>Gente ACCIONA</i> interviews.</p>  |
| Interacciona<br>Survey 2013                         | <p>More than 1,680 people took part in its survey on the Company Intranet, in both Spanish and in English. Nearly 80% of those who responded to the survey gave Interacciona a high rating - either good or very good. The new sections rated highest by users included the International Press Summary, Learn in ACCIONA, the Health and Well-being program and also the employer brand, while the aspects to be improved included the Who is Who section.</p>   |

CUSTOMERS  
(G4-26 AND G4-27)

In addition to the communication channels described in the Value Circle chapter herein, it should be noted that ACCIONA held specific meetings in 2013 with customers of ACCIONA Energy and Infrastructure with a view to seeking out opportunities for collaboration in undertaking joint actions in the field of sustainability.

These meetings sought to elicit the customers’ opinion of ACCIONA’s Sustainability Master Plan. One of the main areas of interest in the meetings were projects related to the assessment of the social impact of the projects, with options discussed for carrying out joint initiatives in management of such impact. For example, matters such as the creation of plant nurseries and the hiring of disabled personnel were discussed. The possibility was discussed of how to collaborate with a customer in one of their social projects in order to analyze possible synergies that may arise with FUNDAME. Another meeting addressed the possibility of publicizing ACCIONA’s activity as an agency of carbon-neutral events whose services may be of interest to a customer in one of their own events, and to maintain a line of communication to share updated information on the Company’s sustainability activities.

LOCAL COMMUNITIES  
(G4-26 AND G4-27)

In order to become fully acquainted with the needs and opinions of the local communities where it operates and to respond to their concerns, ACCIONA has established various channels of communication and dialogue with them. Some examples within the projects by the Company’s different divisions are given below (also see Society chapter herein):

- **Berrimal wind farm, Australia:** in November 2013, ACCIONA Energy invited members of the Charlton and Wedderburn communities to two open-house sessions in order to bring the community and Company representatives together and discuss the planning of the Berrimal park. The sessions dealt with matters related to work opportunities, community sponsorship and the location of the turbines.
- **Environmental awareness initiatives with local communities in Brazil:** in the project for the construction of the BR-393 road, ACCIONA Infrastructure carried out an environmental awareness campaign under the slogan “*Respire melhor-Você escolhe o ar que respira*” (Breathe better - You choose the air you breathe), to raise drivers’ awareness of the importance of properly maintaining

and using their vehicles in order to reduce emissions of polluting gases and improve the quality of the air they breathe.

- **Tram concession of Zaragoza, Spain:** in the Zaragoza tram concession, ACCIONA Infrastructure network launched a series of initiatives aimed at informing the citizens of the key points related to the safety and coexistence with the new means of transport. Talks were held in 51 city schools near the tram route, with dynamic activities that focused attention on road safety, in which some 8,547 children participated. Twenty-one talks were also held for adults in collaboration with “Stop Accidents” at the Information Point of the Tram, neighborhood associations, district councils and senior citizen centers. Lastly, technical talks were given to more than 1,200 local policemen and firefighters.

# Dissemination and leadership, best practice model

The Company has positioned itself as a benchmark in sustainability on supplementing its management commitment with the dissemination of a business model based on sustainable development and best practices.

## 2013

| Challenges   | Advances  | Highlights  |  |
|--|---|---|--|
| <ul style="list-style-type: none"><li>■ Continually participate in benchmark organizations, investor forums, local networks, etc.</li></ul>                                  | <ul style="list-style-type: none"><li>■ Active participation in national and international forums: Global Compact, WBCSD, EUCLG.</li></ul>                                  | <ul style="list-style-type: none"><li>■ ACCIONA is the only Spanish company on the annual list of the "Global 100 Most Sustainable Corporations in the World 2014".</li></ul>   | <ul style="list-style-type: none"><li>■ The Chairman of ACCIONA, Jose Manuel Entrecanales, was elected a member of the Advisory Board of the United Nations "Sustainable Energy for All" initiative.</li></ul> |
| <ul style="list-style-type: none"><li>■ Carry out a roadshow about the Sustainability Master Plan for customers.</li></ul>   | <ul style="list-style-type: none"><li>■ Presentations and interviews with customers in different sectors, such as mining and construction, among others.</li></ul>          | <ul style="list-style-type: none"><li>■ ACCIONA received the RobecoSAM Bronze Class 2013 Award, according to the 2013 Sustainability Yearbook prepared by the responsible investment company RobecoSAM, which recognizes companies with the best sustainability practices in each sector.</li></ul> | <ul style="list-style-type: none"><li>■ ACCIONA joined the CSR Innolabs project, with the assistance of the Inter-American Development Bank (IDB) and Forética.</li></ul>                                      |
| <ul style="list-style-type: none"><li>■ Update the dissemination items (a new microsite for sustainability, prospectuses, videos, etc.).</li></ul>                           | <ul style="list-style-type: none"><li>■ Updated dissemination tools: websites (corporate and country sites); launch of sustainability dissemination website; etc.</li></ul> | <ul style="list-style-type: none"><li>■ ACCIONA is one of the 25 companies that best communicate sustainability in social media at a worldwide level and is a social media leader among construction companies on the IBEX-35.</li></ul>  |  |
| <ul style="list-style-type: none"><li>■ Holding talks and workshops about the Sustainability Master Plan with internal audiences. Brazil, Chile, Spain and Mexico.</li></ul> | <ul style="list-style-type: none"><li>■ Talks held to present the Sustainability Master Plan in different countries.</li></ul>  | <ul style="list-style-type: none"><li>■ ACCIONA participates in the European Summit for Green Growth and supports the draft directive of the European Commission on Climate and Energy for 2030.</li></ul>  |  |

## 2014

| Challenges  |
|---|
| <ul style="list-style-type: none"><li>■ Continually participate in benchmark organizations.</li><li>■ Strengthen international position in sustainability through dissemination in social media.</li><li>■ Develop new audiovisual items.</li></ul> |

## Dissemination of ACCIONA's principles

One of the objectives of the 2015 Sustainability Master Plan (SMP 2015) is to strengthen ACCIONA's position as a benchmark for sustainability among its stakeholders.

Being recognized as a benchmark in sustainability must be supplemented by disseminating a business model based on the opportunities provided by sustainable development. That is why ACCIONA has carried out different activities through various internal and external communication channels: audiovisual items, prospectuses, publication of new content, management of editorials and news on the website and the intranet, launch of an educational website on sustainability, internal and external newsletters, collaborations in the in-house magazine, talks to employees, presence in external publications and in social media, and participation in national and international events, among others.



## Active presence in organizations and initiatives

ACCIONA is a part of international initiatives that strengthen its commitment to sustainable development, the fight against climate change and the dissemination and spread of best practices in these areas.

### UNITED NATIONS GLOBAL COMPACT

Since 2005, ACCIONA has been an active member of the United Nations Global Compact. The Company undertakes to include the Ten Principles of the Global Compact in the fields of human and labor rights, environment and the fight against corruption in its daily activities, reporting the Company's progress to society. Since early 2014, ACCIONA has also been a member of the Advisory Group of the Global Compact LEAD.

In 2013, ACCIONA participated in a number of initiatives led by the Global Compact, as follows:

#### ■ UN Global Compact Leaders Summit 2013

ACCIONA actively participated in round tables and working groups during the UN Global Compact Leaders Summit 2013, a meeting at the highest level held every three years, under the chairmanship of the UN Secretary General, Ban Ki-Moon. More than 1,000 CEOs or senior executives of private companies, government representatives, civil society and other organizations attended this summit and addressed as the main subject the proposal for a new roadmap for companies to contribute

to the global priorities of sustainable development. Under the rubric, The Post-2015 Business Engagement Architecture, work is underway to establish the goals that will replace the Millennium Development Goals as of 2015. The new goals will be called Sustainable Development Goals (SDG) and will address issues such as access to energy, water, food, equality, work and education.

#### ■ Global Compact LEAD

During the 2013 Leaders Summit, a Board of Directors Education program was launched to promote sustainability management in Boards of Directors as a way of working on the competitiveness of companies.

ACCIONA collaborated in drafting the reference document, "A New Agenda for the Board of Directors", which reflected the suggestions and recommendations offered to Board of Directors on their role in improving the sustainability performance of their companies.

#### ■ United Nations Private Sector Forum: Africa

The Chairman of ACCIONA attended the "United Nations Private Sector Forum 2013: Africa", where more than 150 business leaders and members of governments and representatives of civil society from throughout the world gathered to discuss the private sector focus on strategic questions in Africa. José Manuel Entrecanales presented ACCIONA's commitment to launch the

"Light at Home" for 2015 in Africa, specifically in South Africa and Gabon.

#### ■ Sustainable Energy for All

In April 2013, the Chairman of ACCIONA, José Manuel Entrecanales, was elected to be a member, as the sole Spanish representative, for the next two years of the new Advisory Board of the "Sustainable Energy for All" initiative supported by the UN and the World Bank.

The creation of the Advisory Board gives fresh impetus to an initiative that seeks to combine the efforts of governments, the private sector and civil society in achieving three main goals by the year 2030:

- Achieving universal access to modern energy services.
- Improving energy efficiency by 40%.
- Producing 30% of world energy through renewable resources.

In addition, the objective is to create a platform for sharing efforts and commitments, and define new forms of public-private partnerships to overcome challenges at a local level.

#### ■ Initiative to foster sustainability in construction and real estate sectors

Since January 2014, ACCIONA has been a member of the Executive Group of a new initiative led by the Global Compact and the Royal Institution of Chartered

Surveyors (RICS) that seeks to develop best sustainability practices for the construction and real estate sectors.

The RICS project, in which 15 signatory companies of the Global Compact are participating, aims to identify the main challenges and opportunities of the United Nations goals and establish best practices in applying and implementing the Ten Principles of the Global Compact.

#### ■ Spanish Global Compact Network

In 2013, ACCIONA participated in online training on responsible management of the supply chain. During this training, a presentation was given on ACCIONA as a case study, with an emphasis on the selection of suppliers and the Company's experience in its implementation.

### WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (WBCSD)

The Chairman of ACCIONA, José Manuel Entrecanales, is a member of the Executive Committee of the World Business Council for Sustainable Development (WBCSD): the committee oversees the long-term strategy and vision of the WBCSD.

ACCIONA was the first Spanish company of the IBEX 35 to form part of this worldwide network, and it is an active member therein, having participated in activities regarding education, training and research in many fields.

ACCIONA is leading the communication of the Urban Infrastructure Initiative (UII), which is centered on business' contribution to creating more sustainable cities. The UII has worked with 9 cities on 4 continents. At present, the release of the final report is being prepared for April 2014.

Also, in April 2013, the Company participated in publishing the "*Eco4Biz: Ecosystem Services and Biodiversity Tools to Support Business Decision-Making*" guide. The guide contains a catalog of computer tools for the assessment and management of business' impact on ecosystems.

### CORPORATE LEADERS GROUP ON CLIMATE CHANGE (EUCLG)

ACCIONA joined The Prince of Wales's EU Corporate Leaders Group on Climate Change (EUCLG) in 2009 as the only Spanish representative. The EUCLG's objective is to work with the leaders of the European Commission in order to take more effective measures in the fight against climate change and create a low-carbon economy, rooted in the conviction that there is an urgent need to develop new policies with long-term approaches to combat climate change.

#### ■ European Green Growth Summit

The summit in October 2013 was attended by the representatives of a number of companies and the thirteen environment and energy ministers of Germany, Spain, France, Italy and the United Kingdom, among others.

#### ■ European Commission 2030 Climate and Energy Directive

ACCIONA supported the draft of the Directive of the European Commission on Climate and Energy for 2030. The document proposes a 40% domestic reduction in greenhouse gases by the year 2030, while it warns that current proposals cannot be reduced.

### CSR INNOLABS

ACCIONA joined the CSR Innolabs project, a network of companies whose goal is to foster Corporate Social Responsibility (CSR) in Latin America, with the support of the Inter-American Development Bank (IDB).

This network seeks to go beyond conventional models and strives to create innovative systems of knowledge generation, specific solutions for the challenges of sustainable management, while seeking to integrate CSR in all facets of companies' operations.

ACCIONA has incorporated the Ten Principles of the Global Compact on human and labor rights, environment and the fight against corruption, into its daily activities

ACCIONA is also a member and/or partner of various Spanish and international associations, including the following:

- European Wind Energy Association (EWEA)
- Global Wind Organization (GWO)
- Spanish Windpower Business Association
- SEOPAN. Quality Commission and Environment Commission
- Spain's Higher Council for Scientific Research (CSIC)
- Spain's Center of Energy, Environment and Technology Research (CIEMAT)
- Spain's National Renewable Energy Institute (CENER)
- European Construction Technology Platform (ECTP)
- European Network of Construction Companies for Research and Development (ENCORD)
- International Water Association
- Spanish Association of Executives for Social Responsibility.

EXTERNAL DISSEMINATION OF OUR SUSTAINABILITY PRINCIPLES

Throughout 2013, the Company has had a presence in forums, conferences and meetings with different organizations, such as universities, media outlets, customers, business schools, among others, thus consolidating ACCIONA's position as a benchmark and fostering the external dissemination of sustainability practices

Conferences

Notable conferences include the following:

- Social network meeting for Earth Day.
- Presentation before the International Development Commission of the Spanish Parliament.
- Conference on Integrated Reporting (Dircom).
- Presentation of ACCIONA Sustainability Master Plan 2015 at the University of Texas.
- "Spanish and Mexican Energy Companies' Work for Sustainability" at Foresme, the Spain-Mexico Corporate Social Responsibility Forum.
- "Social Impact Assessment," CSR Innolabs and Seres Foundation.
- Corporate Responsibility and Social Action on Spanish National Radio (RNE).

- ACCIONA's social projects in Mexico on Spanish National Radio 5 (RNE).
- "La Sostenibilidad en el Nuevo Marco Global de Desarrollo" [Sustainability in New Global Development Framework] at the Universidad Politécnica of Madrid.

Publications

- "Innovación y Sostenibilidad" [Innovation and Sustainability], in La Vanguardia newspaper.
- "Reporting Integrado" [Integrated Reporting] in El Economista newspaper.
- "El cambio climático como factor económico" [Climate change as economic factor], in La Razón newspaper.

AWARDS FOR SUSTAINABILITY LEADERSHIP

■ The only Spanish company among the 100 most sustainable corporations in the world.

ACCIONA is the only Spanish company on the annual list of the Global 100 Most Sustainable Corporations in the World 2014, presented by Corporate Knights in January 2014.

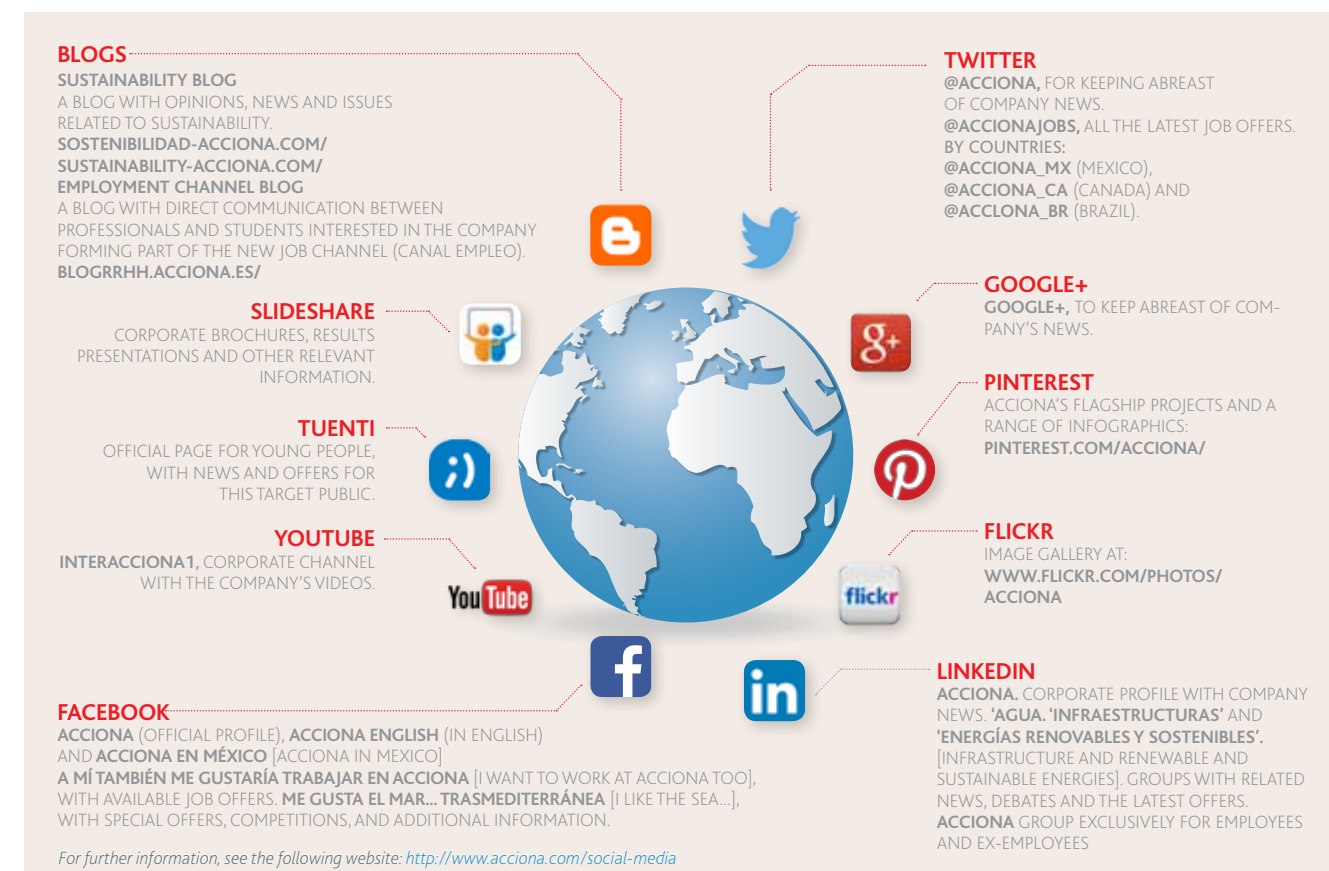
The selection for inclusion in the ranking is based on twelve quantitative indicators that measure performance related to the environment, innovation, management of human capital and corporate governance, among others.

■ ACCIONA, one of the most sustainable utilities in the world.

In late 2013, Corporate Knights released its first ranking of Top 10 Most Sustainable Utilities in the World, in which ACCIONA was ranked second. The ranking measures the sustainable performance of companies in this sector.

## ACCIONA in the social media

ACCIONA's presence in the social media continues to grow, with new channels and exponential growth of followers.



## ... 2.0 presence of ACCIONA in numbers ...

VISITS TO THE CORPORATE WEBSITE:  
**23%**  
 INCREASE IN TIME SPENT ON THE WEBSITE

Opening of new international channels  
 IN SOCIAL MEDIA

THE NUMBER OF ACCIONA'S FOLLOWERS IN ALL SOCIAL MEDIA IN 2013 GREW BY  
**201%**

Leadership in Twitter  
 AMONG COMPANIES IN ITS SECTORS

MORE THAN  
**26,000**  
 MEMBERS IN ACCIONA GROUPS IN LINKEDIN

### ACCIONA is committed to raising awareness and education through the Sustainability for All website

ACCIONA has launched the "Sostenibilidad para todos" [Sustainability for All] microsite (<http://www.activesustainability.com>) in order to educate on the challenges of sustainability and create a public space for dialogue on how to combine economic and social development with the preservation of natural resources.

The web contains four main sections:

- **Learn more**, with general information on sustainability-related issues.
- **What about tomorrow?**, which addresses what will happen in the future if no solutions are found for today's problems.
- **Save now or never**, with tips on achieving greater efficiency and saving in the use of resources in our own surroundings.
- **How it works**, with an explanation of the factors related to sustainability.

In each of these sections, ACCIONA offers education and information in a simple tone and format that is accessible and practical, with a focus on visions for the future, what the limits are to natural resources, and what alternatives may arise in the medium and long term to solve the major challenges of social progress.

### ACCIONA in the top 25 worldwide of the Social Media Sustainability Index

ACCIONA is one of the top 25 companies in the index, prepared by the SMI-Wizness consulting firm, of companies with the best-practice social media sustainability communication.

In 2013, the Company improved its position over the previous year and is now 23rd, and the third ranked Spanish company, and one of the featured companies in the "new emerging channels" section.

### ACCIONA, social media leader among Ibex-35 construction companies

ACCIONA is a leader in social media among construction companies listed in the IBEX 35, and it is 4th in the overall ranking prepared by Alianzo in 2013.

The study variables selected for analysis are activity in blogs, Twitter, Facebook, LinkedIn, Google +, Wikipedia, YouTube and iOS and Android applications.

# Accountability, with transparency

ACCIONA provides detailed information on its actions, strategy and sustainability practices in accordance with the most advanced international reporting standards.

## 2013

| Challenges  | Advances   | Highlights  |
|---|--|---|
| <ul style="list-style-type: none"><li>■ Prepare a summary pilot report in accordance with the integrated reporting approach, based on the model of the International Integrated Reporting Council (IIRC).</li><li>■ Increase the level of verification of information in the Sustainability Report.</li></ul> | <ul style="list-style-type: none"><li>■ The 2012 Integrated Report delivered at the 2013 General Shareholders' Meeting and published on the corporate website.</li><li>■ A number of environmental and labor indicators were verified by a third party with a higher degree of assurance (reasonable level) within the information verification process of the 2012 Sustainability Report.</li></ul> | <ul style="list-style-type: none"><li>■ The 2013 General Shareholders' Meeting approved, for the second consecutive year, the ACCIONA Sustainability Report, with a vote in favor from 99.97% of the capital in attendance.</li><li>■ ACCIONA confirmed its presence in the Dow Jones Sustainability Index for the seventh year running, joining the Electric Utilities sector.</li><li>■ The Communication on Progress, in which the Company explains advances in furthering and implementing the Ten Principles of the UN Global Compact, qualified for Advanced Level for the third consecutive year.</li><li>■ ACCIONA received the highest grade as a sustainable supplier in the CDP evaluation and it became part of the new CDP Supplier Climate Performance Leadership Index (SCPLI) 2013.</li><li>■ ACCIONA is second-ranked among Spanish companies with the highest information quality in its accounting information, according to the 2013 <i>Reporta</i> Report.</li></ul> |

## 2014

| Challenges  |
|---|
| <ul style="list-style-type: none"><li>■ Prepare the 2013 Sustainability Report according to guidelines of the new Global Reporting Initiative G4 guide.</li><li>■ Verify key indicators of the 2013 Sustainability Report with a reasonable level of assurance.</li><li>■ Prepare the 2013 Integrated Report in accordance with the integrated reporting framework approved by the International Integrated Reporting Council (IIRC).</li></ul> |

## Commitment to transparency

Transparency includes accountability for the monitoring and progress of the initiatives contained in the Sustainability Master Plan. This is one of the Company's main areas of work, as it involves Company accountability to its stakeholders in the degree of fulfillment of the commitments it has undertaken with them.

ACCIONA is accountable to its stakeholders through a number of channels, notably the following:

### Sustainability Report

Every year, ACCIONA's Sustainability Report offers detailed information on its performance and practices in social, environmental, and corporate governance matters, reporting the advances made in meeting its targets in SMP 2015, as well as the challenges to be overcome.

In 2013, the Company advanced in its commitment to transparency and stringency by asking the external verification company to review a battery of key indicators of the 2012 Sustainability Report, such as CO<sub>2</sub> emissions, energy consumption

and headcount figures, among others, with a higher level of assurance (reasonable level). Accordingly, during the revision of these data, procedures were applied to obtain evidence of the processes and controls used by the Company in preparing the Report, with a focus on internal controls. Furthermore, the external verification team visited nine ACCIONA facilities in Spain, Mexico and Poland to review operations on site and report on non-financial information at a project level.



Integrated Report

In 2013, ACCIONA prepared an Integrated Report in accordance with the framework proposed by the IIRC. The report sets its sights on the future and explains, in a simple and straightforward manner, the reason that leads to be committed to the Company.

The 2012 Integrated Report discloses the following:

- The business approach.
- ACCIONA's strategy.
- Risks and opportunities.
- The capital managed by the Company and how it supports the mission and strategy.
- The future outlook of the business.
- The key performance indicators.
- The governance system and its effectiveness.

The Integrated Report was delivered to attendees of the General Shareholders' Meeting held in June 2013.

Quarterly results report

Since 2011, ACCIONA has included a sustainability appendix in its quarterly results reports. The appendix reports on the Company's presence in sustainability indices and highlights some significant events in sustainability issues in each period.

Dow Jones Sustainability Index

Every year, ACCIONA provides the responsible investment company RobecoSAM with the necessary information so that it can be assessed in accordance with the economic, social and environmental criteria established for the Dow Jones Sustainability Index.

CDP (Carbon Disclosure Project)

Annually, ACCIONA provides detailed information about its strategy, practices, performance and objectives related to the fight against climate change. Additionally, it voluntarily informs about its water-related actions and water footprint through the CDP Water Disclosure questionnaire.

Global Compact Communication on Progress

Through the annual Communication on Progress, the Company explains the advances made in implementing and furthering the Ten Principles of the Global Compact and its related goals.

ACCIONA: ranked second-best Spanish company in quality of accounting information

ACCIONA is second-ranked among 111 Spanish companies evaluated (having moved up six positions over 2012) and is among the leading companies in good reporting practices, according to the results published in the 2013 *Reporta* report.

The report, prepared by the DEVA consulting firm, assesses the quality of public information (annual report, financial statements, corporate governance report, sustainability report) that companies in the general index of the Madrid stock exchange (IGBM) at 31 December 2012 had disclosed to shareholders for the 2013 General Shareholders' Meeting.

The report methodology is based on 35 indicators grouped according to three principles: transparency, salience

(i.e., relevance of subject matter) and accessibility (clear, comprehensible and easily accessible information).

ACCIONA is the best-rated company in social, environmental and corporate governance information, and it is the second-best rated among the most transparent companies. The Company also leads the construction sector, with very high scores in all principles.

The *Reporta* report does not assess companies' performance, but rather their willingness to disclose and provide sufficient information. Companies must not only be transparent and accessible, but they must also respond to the concerns of their stakeholders and address matters that are relevant to companies present and future.

PRESENCE IN SUSTAINABILITY INDEXES

The economic, environmental and social performance of companies is studied by a large number of specialist agencies, leading to the existence of specific indexes. ACCIONA'S presence in these selective

sustainability indexes demonstrates the trust it has earned with respect to the institutional investors who understand sustainability as a good indicator of a Company's quality of management and transparency. In 2013, ACCIONA's presence in the following indexes is noteworthy:

ACCIONA: recognized as leader in the fight against climate change and rated as a sustainable supplier by CDP

ACCIONA's leadership in the fight against climate change and the quality of its information in this field have been recognized by the CDP (Carbon Disclosure Project), which is one of the global systems for disclosing corporate environmental information with the largest impact among investors throughout the world. The Company won an award for its excellent rating in the Iberia 125 Climate Performance Leadership Index.

In 2013, ACCIONA confirmed its presence both in the performance index (Iberia 125 CPLI) and in the transparency index (Iberia 125 CDLI), consolidating in the former its first-ranking A grade, the highest possible, for the third year running and, in the latter, obtaining a score of 97 out of 100.

ACCIONA's inclusion in these indexes shows, in the opinion of CDP, that the Company integrates climate change in its strategy, as well as a high degree of transparency regarding its management of emissions.

Also noteworthy is ACCIONA's inclusion in the CDP Supplier Climate Performance Leadership Index which CDP elaborated for the first time in 2013. The index comprises the 80 best providers and suppliers of products and services based on low carbon-emission business models.

To elaborate the list, CDP assessed 2,868 companies that had responded to a specific questionnaire for the supply chain. Only companies that had obtained an A grade, the highest, were included in the index.

|   |   |
|---|---|
|    | The results of the 2013 review confirms ACCIONA' presence for the seventh year running in the Dow Jones Sustainability Indexes (DJSI World), which comprises the companies with the best social, environmental and corporate governance practices. This year, ACCIONA was assessed in the Electric Utilities sector for the first time. |
|  | Based on the half-yearly assessments conducted by FTSE4Good in 2013, ACCIONA confirmed its presence in this sustainability index.   |
|  | ACCIONA forms part of the MSCI World ESG <sup>1</sup> Index and MSCI Europe ESG Index, which include companies that obtain high scores in terms of environmental, social and corporate governance issues compared to others in the sector.  |
|  | Following the annual review in September 2013, ACCIONA has been selected as a component of the STOXX Global ESG Leaders Index, STOXX Global ESG Environmental Leaders Index, STOXX Global ESG Governance Leaders Index and STOXX Global ESG Social Leaders Index.   |
|  | ACCIONA forms part of the Climate Performance Leadership Index (CPLI) and Carbon Disclosure Leadership Index (CDLI), in accordance with the Iberia 125 Climate Change Report for 2013, published by the CDP. It is also included in the new Supplier Climate Performance Leadership Index.  |

1. ESG is an abbreviation for Environmental, Social, Governance.

# About this Report, statement of intent

The manner in which the sustainable development challenges are approached, and the performance of ACCIONA's activities in 2013, are included in this Sustainability Report for the purpose of offering stakeholders complete and reliable information.

This Sustainability Report attempts to offer the reader a true and balanced overview of ACCIONA's performance in relation to the sustainable development challenges facing the Company in 2013. The content of this report supplements other reports drafted by the Company: the Annual Report, the Annual Corporate Governance Report and the Annual Accounts (G4-17) and Integrated Report, as well as the content of its website.

This Sustainability Report emphasizes the advances made in 2013, based on information about the policies, actions and performance provided in the sustainability reports published in previous years. Likewise, it describes the annual progress made by the Company in implementing the Ten Principles of the United Nations Global Compact in terms of human and labor rights, the environment and the fight against corruption.

To draft this annual report, the Company followed the new G4 Sustainability

Reporting Guidelines of the Global Reporting Initiative (GRI). Following such guidelines ensures that the information contained in this report is reliable, complete and balanced. Hence, the Company believes that its 2013 Sustainability Report has been drafted in accordance with G4 at its *comprehensive* level.

In the same way, with the aim of aligning the information included in the report with stakeholders' expectations and concerns, ACCIONA has followed the guidelines established in the AA1000 APS standard.

To check the reliability of the information, the correct application of the AA1000 APS standard's principles and the consistency of the information that provides a response to the general basic content of the GRI Guide (G4), the Company has hired an independent external firm, KPMG Asesores S.L., to verify this. This year, ACCIONA has requested the verification company to review a number of relevant indicators,

with a reasonable level of assurance. As a result of the verification process, an Independent Assurance Report is drafted that includes the objectives and scope of the process as well as the verification procedures used and conclusions.

## THE BASIC PRINCIPLE OF INCLUSIVENESS (G4-18B)

ACCIONA adopts a double approach to the dialogue process with stakeholders: as part of the review process of the Sustainability Master Plan, and in consultations connected to the Company's business projects. Within the efforts to implement social impact management methodology in projects, ACCIONA includes consultations with local communities as part of the process. The specific chapter on Stakeholder Engagement describes in more detail the communication channels and the main initiatives in 2013 with the stakeholders.

Lastly, within the materiality analysis carried out for this report, the Company

analyzed the stakeholders' expectations, as indicated in the chapter on Materiality Analysis.

## THE PRINCIPLE OF MATERIALITY (G4-18B)

The 2013 Materiality Analysis conducted by ACCIONA in accordance with the guidelines in the G4 Sustainability Reporting Guidelines of the Global Reporting Initiative enabled the Company to identify social, ethical and environmental issues with the largest impact on ACCIONA's activity.

As a result of this study, ACCIONA believes that the information in this report is material to the Company and its stakeholders. The Materiality Analysis chapter describes the process of development and the methodology of the ACCIONA 2013 Materiality Analysis.

## THE PRINCIPLE OF RESPONSIVENESS (G4-18B)

This report is based on the structure of the Company's 2015 Sustainability Master Plan (SMP 2015), which shows ACCIONA's response to the main sustainability issues raised by its stakeholders

The SMP 2015 is based on clear principles and purposes that are stated in specific commitments and objectives that can be measured and assessed. The Plan establishes the policies, objectives and work lines to be carried out until 2015 in nine work areas: Innovation, Environment, Society, People, Value Circle, Good Governance, Stakeholders, Dissemination and Leadership, and Accountability.

## SCOPE (G4-22 AND G4-23)

The information shown in ACCIONA's sustainability reports since 2005 is detailed mainly by division but, as far as possible, it has also been broken down by geographical area. The scope has been

identified for each indicator. To provide a better understanding of the Company's performance, previous years' data have also been provided.

The environmental information published in the report comes from the Company's environmental reporting system, including the "Métrica" tool, which is the benchmark corporate tool for the centralized monitoring and control of the environmental performance of all the activities performed by ACCIONA. The scope of quantitative environmental information reported corresponds to 100% of ACCIONA's activities, both in Spain and internationally. As a general principle for consolidation of environmental reporting, included are 100% of the facilities and sites where ACCIONA holds a majority stake and, consequently, responsibility for operation and control.



# Materiality analysis, delving deeper into the activity

An analysis of the most important social, environmental and corporate governance matters, which allows us to identify and promote changes in areas regarding sustainability.

## Approach and scope

G4-18a

The main new feature of the ACCIONA Sustainability Report 2013 is its adaptation to the criteria, principles and content of the new G4 framework of the Global Reporting Initiative (GRI) for the preparation of sustainability reports.

This new version of the GRI guide requires that the Company performs a materiality analysis to identify aspects of a social, environmental and governance nature that have a significant impact on the Company's business and its stakeholders.

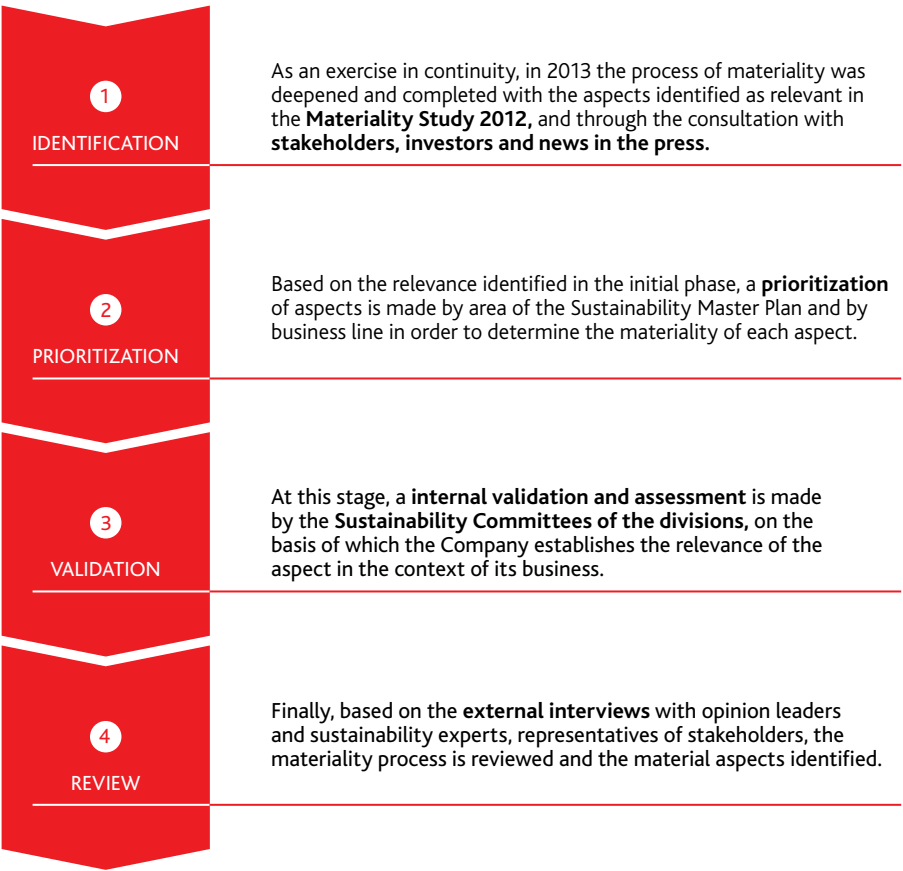
Hence, ACCIONA can focus the Sustainability Report 2013 in a way that responds more satisfactorily to the markets and the Company's different audiences. This approach also provides an opportunity to achieve greater depth and foster significant changes

in sustainability-related areas in which the Company is either a benchmark or possesses broad experience.

ACCIONA's Materiality Analysis 2013 places the focus on the six main countries in which ACCIONA operates - i.e., Spain, Brazil, Mexico, Australia, Chile and Canada - and on the Company's four main business lines (Infrastructure, Energy, Water and Service). However, it is important to note that the report also includes significant information on the Company's other activities.

## Methodology

G4-24



1. IDENTIFICATION OF MATERIAL ASPECTS (G4-24)

The Materiality Analysis 2013 cross-checks the areas of the ACCIONA Sustainability Master Plan against the Company's business lines in order to identify specific aspects for each of the organization's activities.

Aspects were determined on the basis of the ACCIONA Materiality Study 2012, with existing topics discussed in greater depth and new social, environmental and corporate governance topics added, in accordance with the following sources:

- For the identification of different stakeholders expectations in relation to sustainability, the report relies on one of the benchmark studies in the field, produced by the Global Reporting Initiative itself: *Sustainability Topics for Sectors: What do stakeholders want to know?*
- The *Dow Jones Sustainability Index* questionnaire revealed investors' new expectations and priorities in sustainability, with special interest in the Company's change of category from

*Heavy Construction* to *Electric Utilities*.

- Based on the analysis of news in the press, materiality also ensures the inclusion of topics that are of the greatest interest for society as a whole, in keeping with the relevance gained in the written media.

An examination of the aforementioned sources on each of these aspects led to the identification of sub-aspects that were divided into *Management-related aspects* and *New material aspects*, with the aim of achieving greater depth in relevant topics and facilitating the reporting process on the basis of the criteria and requirements of the G4 Guide.

2. PRIORITIZATION OF MATERIAL ASPECTS (G4-24)

The analysis of the aforementioned sources assigns a weight percentage to each aspect, allowing for their prioritization in terms of materiality for each business line, in accordance with the degree of relevance granted by stakeholders according to the analyzed sources.

In addition, pursuant to the organization of aspects and sub-aspects identified in each of the areas of the ACCIONA Sustainability Master Plan by business line, the following analyses were made:

- Identification of the stage of the value chain in which each of the sub-aspects has an impact.
- Identification of risks and opportunities with long-term trends for each area of the Sustainability Master Plan based on the described sub-aspects.
- Identification of good practices of other benchmark companies in each sector by area in the Sustainability Master Plan on the basis of the described sub-aspects.

3. VALIDATION OF MATERIAL ASPECTS (G4-24)

In order to carry out an internal assessment and validation of the identified material aspects, a series of meetings were held with the Sustainability Committees of ACCIONA businesses to enable them to provide an internal view of the Company. Along with the previously discussed external

results, this allows for the development of a matrix with material aspects ranked according to the importance of the aspect to the Company and for stakeholders.

4. REVIEW OF MATERIAL ASPECTS (G4-24, G4-25 AND G4-26)

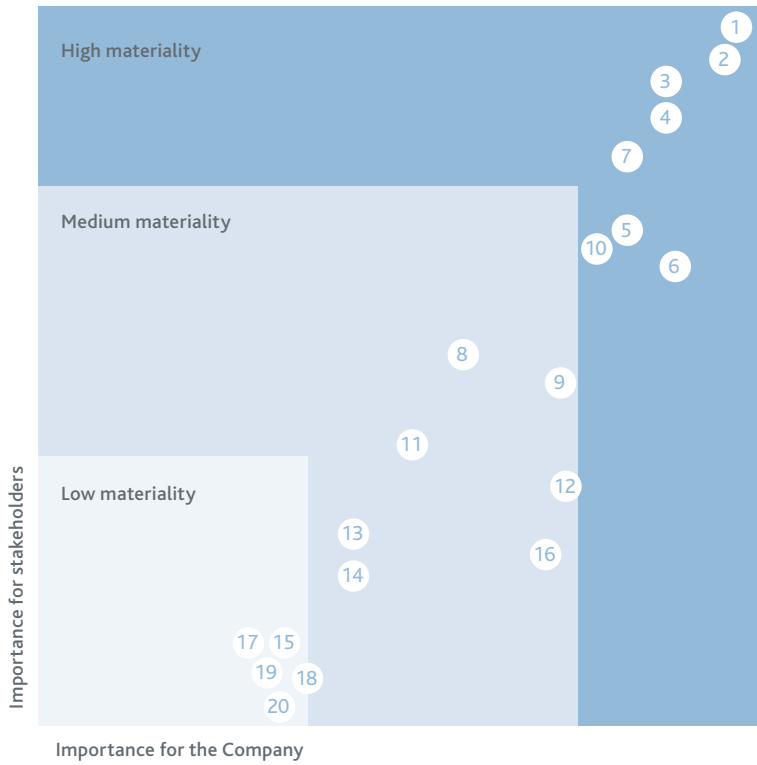
Finally, external consultations were undertaken to review the material aspects with different stakeholders making up the sustainability context for ACCIONA and its different business lines. Opinion leaders and sustainability experts contacted included representatives of benchmark organizations in sustainability at an international level and in countries where the focus lies; analysts and investors; public administrations; non-governmental organizations, the academic world; and suppliers. (G4-24).

Materiality analysis results

The material aspects for each of ACCIONA's main business lines (Infrastructure, Energy, Water and Service) are detailed below. The Company considers to be material all aspects that reached a medium or high materiality level in the analysis.

It should be noted that, even though the Materiality Analysis is limited to these four divisions, the Company considers that the activity of other business lines generates significant impacts of an ethical, environmental and social nature. Accordingly, the Company provides detailed information throughout the report on the management of such aspects in these additional divisions.

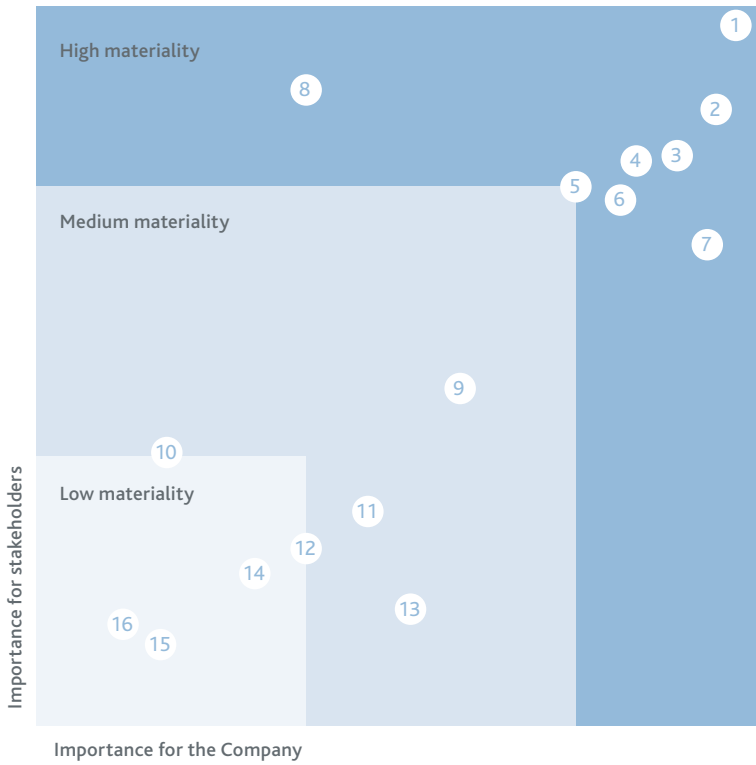
→ Material aspects of ACCIONA Infrastructure (G4-19)



Material aspects

- |   |   |
|---|---|
| 1. Health and safety  | 11. Equality and diversity              |
| 2. Climate change strategy                                    | 12. Customers                           |
| 3. Impacts of climate change                                  | 13. Materials                           |
| 4. Water  | 14. Waste                               |
| 5. Good governance  | 15. Social investment                   |
| 6. Suppliers  | 16. Job creation                        |
| 7. Talent attraction and retention/ Human capital development | 17. Life cycle of products and services |
| 8. Biodiversity   | 18. Sustainable innovation              |
| 9. Labor conditions   | 19. Environmental management            |
| 10. Impact on local communities and dialogue                  | 20. Sustainability performance          |

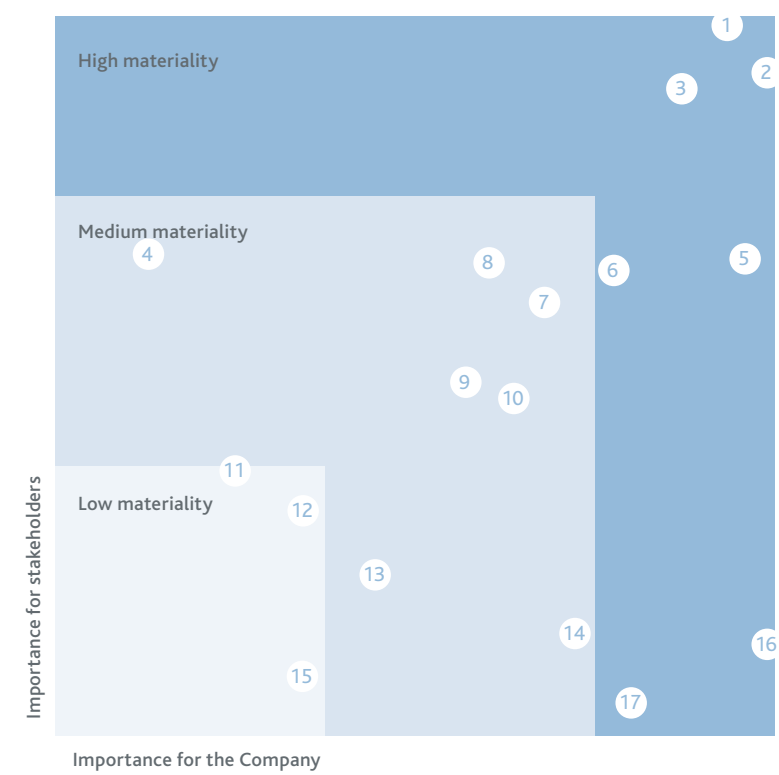
→ Material aspects of ACCIONA Energy (G4-19)



Material aspects

- |  |   |
|--|---|
| 1. Climate change strategy/impact                                | 9. Environmental management             |
| 2. Health and safety   | 10. Life cycle of products and services |
| 3. Dialogue and impact on local communities/Job creation         | 11. Good governance                     |
| 4. Innovation  | 12. Supply safety and quality           |
| 5. Biodiversity  | 13. Waste                               |
| 6. Suppliers   | 14. Equality and diversity              |
| 7. Talent attraction and retention and human capital development | 15. Sustainability performance          |
| 8. Water   | 16. Materials                           |

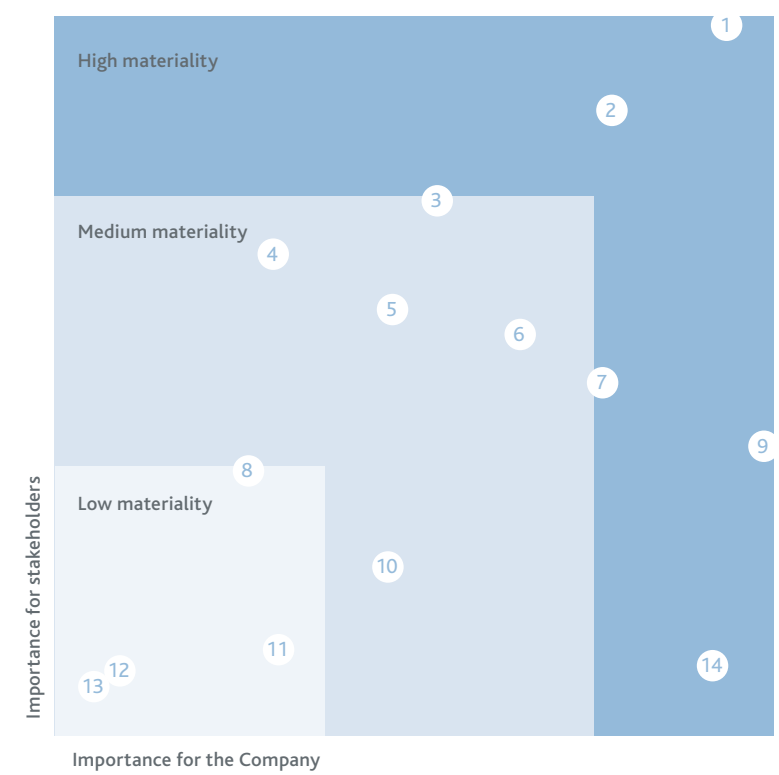
→ Material aspects of ACCIONA Agua (G4-19)



Material aspects

- |                                    |   |
|------------------------------------|---|
| 1. Water                           | 10. Climate change strategy             |
| 2. Water quality                   | 11. Life cycle of products and services |
| 3. Impact on local communities     | 12. Dialogue with local communities     |
| 4. Waste                           | 13. Good governance                     |
| 5. Health and safety               | 14. Human capital development           |
| 6. Customers                       | 15. Equality and diversity              |
| 7. Biodiversity                    | 16. Sustainable innovation              |
| 8. Talent attraction and retention | 17. Sustainability performance          |
| 9. Suppliers                       |   |

→ Material aspects of ACCIONA Service (G4-19)



Material aspects

1. Health and safety
2. Talent attraction and retention and Human capital development
3. Climate change strategy and impact
4. Biodiversity
5. Good governance
6. Environmental management
7. Equality and diversity
8. Suppliers
9. Customers and customer feedback mechanisms
10. Innovation
11. Impact on local communities
12. Waste
13. Sustainability performance
14. Dialogue with social actors

The representation matrices of material aspects by business lines identify global aspects. Each aspect for each division is defined below, specifying whether the aspect has an internal impact or affects external stakeholders and, consequently, its impact goes beyond the organization (G4-19, G4-20 and G4-21).

→ G4-19, G4-20, G4-21

→ G4-19, G4-20, G4-21

| ASPECTS   | MATERIAL ASPECT INSIDE THE ORGANIZATION  |  | MATERIAL ASPECT INSIDE THE ORGANIZATION  |   |  | MATERIAL ASPECT OUTSIDE THE ORGANIZATION |
|---|--|--|--|---|--|--|
|   | ACCIONA<br>(applicable to all business lines)  | ACCIONA<br>Infrastructure  | ACCIONA<br>Energy  | ACCIONA<br>Agua   | ACCIONA<br>Service   |  |
| Water   | <div>■ Management policies and systems</div> <div>■ Measurement of water footprint</div>   | <div>■ Water consumption in construction and throughout buildings' useful life</div>                               | <div>■ Impacts on water resources of hydraulic power generation</div>  | <div>■ Sea water extraction</div> <div>■ Risks in water stress zones</div>  | <div>■ Not applicable</div>  | ✓  |
| Talent attraction and retention and Human capital development | <div>■ Performance assessment</div> <div>■ Remuneration linked to personal and corporate targets</div> <div>■ Satisfaction surveys</div> <div>■ Turnover rates</div> | <div>■ No specific aspect</div>  | <div>■ Motivation</div> <div>■ Qualified workers</div>   | <div>■ Ensuring objectivity of promotion systems</div> <div>■ Training systems in 2.0 environments</div>                                  | <div>■ Availability gap of middle managers</div>                                   | ✗  |
| Biodiversity  | <div>■ Biodiversity policy</div> <div>■ Impacts on biodiversity</div>  | <div>■ Protection and restoration of damaged habitats</div>  | <div>■ Fragmentation of habitats</div> <div>■ Bio-remediation</div>  | <div>■ Photo-trapping mechanisms</div>  | <div>■ Not applicable</div>  | ✓  |
| Good governance   | <div>■ Human rights</div> <div>■ Risk management</div>   | <div>■ Payments to governments</div> <div>■ Antitrust</div>  | <div>■ Payments to governments</div> <div>■ Antitrust</div>  | <div>■ Payments to political parties and governments</div> <div>■ Antitrust</div>   | <div>■ Not applicable</div>  | ✓  |
| Water quality   | <div>■ Not applicable</div>  | <div>■ Not applicable</div>  | <div>■ Not applicable</div>  | <div>■ New quality improvement processes</div> <div>■ Water contaminant management</div>  | <div>■ Not applicable</div>  | ✓  |
| Life cycle of products and services                           | <div>■ Life cycle analysis</div> <div>■ Environmental impact in each stage</div>   | <div>■ Non-material</div>  | <div>■ Bio-fuels life cycle assessment</div>   | <div>■ Non-material</div>   | <div>■ Not applicable</div>  | ✓  |
| Customers   | <div>■ Customer satisfaction</div> <div>■ Receiving customer feedback</div>  | <div>■ Analysis of impacts on customers</div>  | <div>■ Not applicable</div>  | <div>■ Health risks</div>   | <div>■ Needs identification</div> <div>■ Generation of customer efficiencies</div> | ✓  |
| Labor conditions  | <div>■ Protection of employees' human rights</div>   | <div>■ Labor conditions of temporary and migrant workers</div>   | <div>■ Not applicable</div>  | <div>■ Not applicable</div>   | <div>■ Not applicable</div>  | ✗  |
| Job creation  | <div>■ Fostering local hiring</div>  | <div>■ Generation of direct and indirect local jobs</div>  | <div>■ Not applicable</div>  | <div>■ Not applicable</div>   | <div>■ Not applicable</div>  | ✓  |
| Sustainability performance                                    | <div>■ No common aspects</div>   | <div>■ Non-material</div>  | <div>■ Non-material</div>  | <div>■ Variable remuneration targets in OHS and gender equality</div>   | <div>■ Non-material</div>  | ✗  |
| Climate change strategy                                       | <div>■ Climate change policy</div> <div>■ Risk assessment</div>  | <div>■ Scope 3 emissions</div> <div>■ Customer requirements in projects</div>                                      | <div>■ Impact of clean energies</div> <div>■ Transparency in CO<sub>2</sub> trading</div>  | <div>■ ISO 50001 certification</div>  | <div>■ Customer requests for sustainable products and services</div>               | ✓  |
| Environmental management                                      | <div>■ Global environmental policy</div> <div>■ Certified management systems</div>   | <div>■ Non-material</div>  | <div>■ Environmental impact assessment in power generation plants</div> <div>■ Near misses</div>   | <div>■ Not applicable</div>   | <div>■ Environmental fines and sanctions</div>                                     | ✓  |
| Equality and diversity  | <div>■ Measures in work-life balance</div>   | <div>■ Diversity and equality policy</div> <div>■ Labor market access of people at risk of social exclusion</div>  | <div>■ Non-material</div>  | <div>■ Non-material</div>   | <div>■ Equality plan</div> <div>■ Equality seal of distinction</div>               | ✗  |
| Impact on local communities and dialogue                      | <div>■ Social action policy</div> <div>■ Volunteering program</div> <div>■ Partnering with sector platforms</div>  | <div>■ Construction deficiencies with health and safety impacts</div> <div>■ Measurement of projects' impact</div> | <div>■ Health risks to communities</div> <div>■ Resettlements</div>  | <div>■ Non-material</div>   | <div>■ Non-material</div>  | ✓  |
| Impact of climate change                                      | <div>■ Measurement of economic impact</div>  | <div>■ Energy efficiency in buildings</div>  | <div>■ Not applicable</div>  | <div>■ Not applicable</div>   | <div>■ Not applicable</div>  | ✓  |
| Innovation  | <div>■ Sustainable innovation roadmap</div> <div>■ R&amp;D investments</div>   | <div>■ Non-material</div>  | <div>■ Renewable energies <i>Smart technologies</i></div> <div>■ Public-private partnerships in R&amp;D</div>                                  | <div>■ Water reuse <i>Smart Water Grid</i></div> <div>■ Third party partnerships</div>  | <div>■ Integral and innovative services</div> <div>■ Process re-engineering</div>  | ✓  |
| Social investment   | <div>■ Infrastructure access projects</div>  | <div>■ Non-material</div>  | <div>■ Non-material</div>  | <div>■ Not applicable</div>   | <div>■ Not applicable</div>  | ✓  |
| Materials   | <div>■ No common aspects</div>   | <div>■ Labeling and certification of construction materials used</div>   | <div>■ Not applicable</div>  | <div>■ Not applicable</div>   | <div>■ Not applicable</div>  | ✓  |
| Suppliers   | <div>■ Policy of extending ESG commitments to suppliers</div> <div>■ Corrective measures for non-compliance</div>  | <div>■ Integration of sustainability criteria</div> <div>■ Measurement of water footprint of supply chain</div>    | <div>■ Requirements in environmental actions</div> <div>■ Safety practices for suppliers</div>   | <div>■ Integration of sustainability criteria</div> <div>■ Suppliers' water and carbon footprints</div>                                   | <div>■ Non-material</div>  | ✓  |
| Waste   | <div>■ Protocols of identification, separation, disposal, reuse and recycling</div>  | <div>■ Waste management in construction, demolition and excavation</div>   | <div>■ Not applicable</div>  | <div>■ Reporting on untreated wastewater</div> <div>■ Waste valorization</div>  | <div>■ Non-material</div>  | ✓  |
| Health and safety   | <div>■ Risk identification</div> <div>■ Awareness raising and training</div>   | <div>■ Disclosure of near misses</div> <div>■ Extension of good practices to customers and suppliers</div>         | <div>■ Safety practices in electrical power plants</div> <div>■ Incident monitoring and reduction</div> <div>■ Disclosure of near misses</div> | <div>■ Certified health and safety management system for employees, partners and contractors</div> <div>■ Disclosure of near misses</div> | <div>■ Certification of management system</div>                                    | ✓  |

Non-material: Aspect identified with low materiality. Not applicable: Aspect not identified in the study for business line.

GRI Index

| GENERAL STANDARD DISCLOSURES               |  |                |  |
|--|--|----------------|--|
| General standard disclosures               | Page (or link)   | Omissions      | External assurance                             |
| STRATEGY AND ANALYSIS                      |  |                |  |
| G4-1                                       | Chairman's Statement (p. 4-7)                                      | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-2                                       | ACCIONA's Commitment (p. 32-34)                                    | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| ORGANIZATIONAL PROFILE                     |  |                |  |
| G4-3                                       | Company Profile (p. 10)  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-4                                       | Company Profile (p. 11-12)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-5                                       | 2013 Corporate Governance Report (p.1)                             | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-6                                       | Company Profile (p. 8-9)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-7                                       | 2013 Corporate Governance Report (p. 1-2)                          | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-8                                       | Company Profile (p. 8-9;11); Value Circle (p. 139)                 | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-9                                       | Triple Bottom Line (p. 14; 17)                                     | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-10                                      | People (p. 51)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-11                                      | People (p. 60)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-12                                      | Value Circle (p. 128-132)  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-13                                      | 2013 Annual Accounts (p.156); Good Governance (p. 41)              | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-14                                      | Good Governance (p. 46-47)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-15                                      | Dissemination and leadership (p. 164-166); Good governance (p. 44) | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-16                                      | Dissemination and leadership (p. 164-166)                          | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES |  |                |  |
| G4-17                                      | About this report (p.174); 2013 Annual Accounts (p.130-149)        | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-18                                      | Materiality Analysis (p. 176);About this report (p. 174-175)       | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-19                                      | Materiality Analysis (p. 180-185)                                  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-20                                      | Materiality Analysis (p. 184-185)                                  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-21                                      | Materiality Analysis (p. 184-185)                                  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-22                                      | About this report (p. 175)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-23                                      | About this report (p. 175)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |

| GENERAL STANDARD DISCLOSURES |   |                |  |
|------------------------------|---|----------------|--|
| General standard disclosures | Page (or link)  | Omissions      | External assurance                             |
| STAKEHOLDER ENGAGEMENT       |   |                |  |
| G4-24                        | Materiality Analysis (p. 177-179)   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-25                        | Materiality Analysis (p. 179); Stakeholder engagement (p. 157)                                      | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-26                        | Materiality Analysis (p. 179); Stakeholder engagement (p.157-161)                                   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-27                        | Stakeholder engagement (p.157-161)  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| REPORT PROFILE               |   |                |  |
| G4-28                        | 2013  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-29                        | 2012  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-30                        | About this report (p. 174)  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-31                        | responsabilidadcorporativa@acciona.es   | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-32                        | About this report (p. 174); GRI Index (included at the end of the Sustainability Report every year) | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-33                        | About this report (p. 174); Independent Assurance Report (p. 195-197)                               | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| GOVERNANCE                   |   |                |  |
| G4-34                        | ACCIONA's Commitment (p. 38-39); Good governance (p. 42)  | Not applicable | Yes ( Independent Assurance Report p. 195-197) |
| G4-35                        | ACCIONA's Commitment (p. 38-39)   |                | Yes ( Independent Assurance Report p. 195-197) |
| G4-36                        | ACCIONA's Commitment (p. 39)  |                | Yes ( Independent Assurance Report p. 195-197) |
| G4-37                        | ACCIONA's Commitment (p. 38-39); Good governance (p. 41)  |                |  |
| G4-38                        | Good governance (p. 42)   |                | Yes ( Independent Assurance Report p. 195-197) |
| G4-39                        | Good governance (p. 42); 2013 Corporate Governance Report (p. 22-23)                                |                |  |
| G4-40                        | 2013 Corporate Governance Report (p. 20-21)   |                | Yes ( Independent Assurance Report p. 195-197) |
| G4-41                        | 2013 Corporate Governance Report (p. 40-41)   |                | Yes ( Independent Assurance Report p. 195-197) |
| G4-42                        | 2013 Corporate Governance Report (p. 16); ACCIONA's Commitment (p. 38-39)                           |                | Yes ( Independent Assurance Report p. 195-197) |
| G4-43                        | 2013 Corporate Governance Report (p. 16); ACCIONA's Commitment (p. 38-39)                           |                | Yes ( Independent Assurance Report p. 195-197) |



| GENERAL STANDARD DISCLOSURES |  |  |  |
|------------------------------|--|--|--|
| General standard disclosures | Page (or link)   | Omissions  | External assurance                             |
| G4-44                        | Good governance (p. 43); 2013 Corporate Governance Report (p. 21-22)         |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-45                        | ACCIONA's Commitment (p. 38-39); Good governance (p. 46-47)                  |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-46                        | Good governance (p. 46-47)   |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-47                        | ACCIONA's Commitment (p. 38-39); Good governance (p. 46-47)                  |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-48                        | ACCIONA's Commitment (p. 38)   |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-49                        | 2013 Corporate Governance Report (p. 51)                                     |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-50                        | ACCIONA's Commitment (p. 38-39)  |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-51                        | 2013 Annual Report on Remuneration of Directors                              |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-52                        | 2013 Annual Report on Remuneration of Directors                              |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-53                        | 2013 Annual Report on Remuneration of Directors; Good governance (p. 40; 43) |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-54                        |  | Due to the recent reorganization of the Company's business divisions and the effect that this reorganization has on the distribution of employees and executives, both in Spain and in our markets, the information on these ratios is still confidential and subject to changes that cause this data not to be available until this internal reorganization process is completed. | Yes ( Independent Assurance Report p. 195-197) |
| G4-55                        |  | Due to the recent reorganization of the Company's business divisions and the effect that this reorganization has on the distribution of employees and executives, both in Spain and in our markets, the information on these ratios is still confidential and subject to changes that cause this data not to be available until this internal reorganization process is completed. | Yes ( Independent Assurance Report p. 195-197) |
| ETHICS AND INTEGRITY         |  |  |  |
| G4-56                        | Good governance (p. 44)  | Not applicable   | Yes ( Independent Assurance Report p. 195-197) |
| G4-57                        | Good Governance (p. 45)  |  | Yes ( Independent Assurance Report p. 195-197) |
| G4-58                        | Good Governance (p. 45)  |  | Yes ( Independent Assurance Report p. 195-197) |

| SPECIFIC STANDARD DISCLOSURES          |  |           |  |
|--|--|-----------|--|
| DMA and Indicators                     | Page (or link)   | Omissions | External assurance                             |
| CATEGORY: ECONOMIC                     |  |           |  |
| Material aspect: Procurement practices |  |           |  |
| G4-DMA                                 | Value Circle (p. 131-135)                                      |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EC9                                 | Value Circle (p. 128)  |           | Yes ( Independent Assurance Report p. 195-197) |
| CATEGORY: ENVIRONMENTAL                |  |           |  |
| Material aspect: Materials             |  |           |  |
| G4-DMA                                 | Environment (p.120-122)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN1                                 | Environment (p.120)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN2                                 | Environment (p.121-122)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Energy                |  |           |  |
| G4-DMA                                 | Environment (p. 99-101)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN3                                 | Environment (p. 100)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN4                                 | Environment (p. 101)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN5                                 | Environment (p. 100)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN6                                 | Environment (p.100)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN7                                 | Environment (p.105)  |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE1                                   | Environment (p.123)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Water                 |  |           |  |
| G4-DMA                                 | Environment (p.108-113)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN8                                 | Environment (p.109)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN9                                 | Environment (p.110)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN10                                | Environment (p.109)  |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE2                                   | Environment (p.123)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Biodiversity          |  |           |  |
| G4-DMA                                 | Environment (p.114-119)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN11                                | Environment (p.117; 125)                                       |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN12                                | Environment (p. 118)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN13                                | Environment (p.118-119)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN14                                | Environment (p.117)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Emissions             |  |           |  |
| G4-DMA                                 | Environment (p.97-98; 102-106)                                 |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN15                                | Environment (p. 102)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN16                                | Environment (p. 102)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN17                                | Environment (p. 103)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN18                                | Environment (p. 102)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN19                                | Environment (p.102; 105)                                       |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN20                                | ACCIONA uses no ozone layer-depleting gases in its facilities. |           | Yes ( Independent Assurance Report p. 195-197) |

| SPECIFIC STANDARD DISCLOSURES                       |  |           |  |
|---|--|-----------|--|
| DMA and Indicators                                  | Page (or link)   | Omissions | External assurance                             |
| G4-EN21   | Environment (p. 105)   |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE3  | Environment (p. 123)   |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE4  | Environment (p. 123)   |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Effluents and waste                |  |           |  |
| G4-DMA  | Environment (p.110; 120-122)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN22   | Environment (p.111)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN23   | Environment (p.121-122)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN24   | Environment (p.122)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN25   | Environment (p.121-122)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN26   | Environment (p.110-111)  |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE5  | Environment (p.120-121)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Products and services              |  |           |  |
| G4-DMA  | Environment (p.105); Innovation (p. 86-87); Company Profile (p. 12)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN27   | Environment (p.105); Innovation (p. 86-87); Company Profile (p. 12)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN28   | In ACCIONA's activity, only three products are produced: wines bottled in reusable glass, wind turbines and dwellings, where the useful life of the latter two categories are long-lasting and have not reached their end-of-life. |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Regulatory compliance              |  |           |  |
| G4-DMA  | Environment (p.124)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN29   | Environment (p.124)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Transport                          |  |           |  |
| G4-DMA  | Environment (p.106)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN30   | Environment (p.106)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Overall                            |  |           |  |
| G4-DMA  | Environment (p.90-96)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN31   | Environment (p.90)   |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Supplier environmental assessment  |  |           |  |
| G4-DMA  | Value Circle (p. 131-134)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN32   | Value Circle (p. 132-134)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN33   | Value Circle (p. 133)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Environmental grievance mechanisms |  |           |  |
| G4-DMA  | Good Governance (p. 45); Society (p. 147-148)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-EN34   | Good governance (p. 45)  |           | Yes ( Independent Assurance Report p. 195-197) |

| SPECIFIC STANDARD DISCLOSURES                                     |  |           |  |
|---|--|-----------|--|
| DMA and Indicators  | Page (or link)   | Omissions | External assurance                             |
| CATEGORY: SOCIAL PERFORMANCE                                      |  |           |  |
| Sub-category: Labor practices and decent work                     |  |           |  |
| Material aspect: Employment                                       |  |           |  |
| G4-DMA  | People (p. 50); Value Circle (p. 133)                              |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA1  | People (p. 52; 60)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA2  | People (p. 57)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA3  | People (p. 52)   |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Occupational health and safety                   |  |           |  |
| G4-DMA  | People (p. 64-75)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA5  | People (p. 74)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA6  | People (p. 64; 69-70)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA7  | People (p. 70)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA8  | People (p. 74)   |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE6  | People (p. 71)   |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Training and education                           |  |           |  |
| G4-DMA  | People (p. 54-56; 67-68)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA9  | People (p. 55)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA10   | People (p. 56; 59)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA11   | People (p. 57)   |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Diversity and equal opportunity                  |  |           |  |
| G4-DMA  | People (p. 60-63)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA12   | People (p. 50; 60; 63); Good governance (p. 42)                    |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Supplier assessment for labor practices          |  |           |  |
| G4-DMA  | Value Circle (p. 131-135); People (p. 75)                          |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA14   | Value Circle (p. 132-134)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-LA15   | Value Circle (p. 132-134)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Sub-category Human rights   |  |           |  |
| Material aspect: Investment                                       |  |           |  |
| G4-DMA  | Society (p. 146-148); Value Circle (p. 132-134)                    |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR1  | Society (p. 146-148); Value Circle (p. 132-134)                    |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR2  | Good governance (p. 45)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Freedom of association and collective bargaining |  |           |  |
| G4-DMA  | People (p. 60); Good governance (p. 44); Value circle (p. 132-134) |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR4  | Value Circle (p. 133)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Forced or compulsory labor                       |  |           |  |
| G4-DMA  | Good governance (p. 44); Value circle (p. 132-134)                 |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR6  | Value Circle (p. 133)  |           | Yes ( Independent Assurance Report p. 195-197) |

| SPECIFIC STANDARD DISCLOSURES                     |  |           |  |
|---|--|-----------|--|
| DMA and Indicators                                | Page (or link)   | Omissions | External assurance                             |
| Material aspect: Indigenous rights                |  |           |  |
| G4-DMA  | Society (p.153)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR8  | Good governance (p.45)   |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Assessment                       |  |           |  |
| G4-DMA  | Society (p. 146-148)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR9  | Society (p. 145; 147)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Supplier human rights assessment |  |           |  |
| G4-DMA  | Value Circle (p. 132-134)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR10   | Value Circle (p. 132-134)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-HR11   | Value Circle (p. 133)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Sub-category: Society                             |  |           |  |
| Material aspect: Local communities                |  |           |  |
| G4-DMA  | Society (p. 146-153)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO1  | Society (p. 144; 146-153)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO2  | Society (p. 146-148)   |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE7  | According to the information available to the Company, no population displacements were necessary in projects currently under way. Some houses have been expropriated in specific cases, when they were not compatible with the construction of infrastructure, and compensatory measures were taken. In most of the projects, the expropriations and dislodgements are carried out by the Customer before the Company takes any action. |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Anti-corruption                  |  |           |  |
| G4-DMA  | Good Governance (p. 44-46)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO3  | Good governance (p. 44-46)   |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO4  | Good governance (p. 45)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO5  | Good governance (p. 45)  |           | Yes ( Independent Assurance Report p. 195-197) |
| Material aspect: Anti-competitive behavior        |  |           |  |
| G4-DMA  | Good governance (p. 44)  |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO7  | Between late 2010 and 2012, the Spanish National Competition Commission applied sanctions against the company "Compañía Trasmediterranea, S.A". Some of the time periods covered by the sanctions relate to dates in which ACCIONA did not manage that company. The Company also formally disagrees with the sanctions imposed, and it has filed an appeal against them in the Administrative Dispute Courts.                            |           | Yes ( Independent Assurance Report p. 195-197) |

| SPECIFIC STANDARD DISCLOSURES                               |  |           |  |
|---|--|-----------|--|
| DMA and Indicators  | Page (or link)                                 | Omissions | External assurance                             |
| Material aspect: Supplier assessment for impacts on society |  |           |  |
| G4-DMA  | Value Circle (p. 132-134)                      |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO9  | Value Circle (p. 132-134)                      |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-SO10   | Value Circle (p. 130; 133)                     |           | Yes ( Independent Assurance Report p. 195-197) |
| Sub-category: Product Responsibility                        |  |           |  |
| Material aspect: Customer health and safety                 |  |           |  |
| G4-DMA  | Value Circle (p. 142-143)                      |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-PR1  | Value Circle (p. 142-143)                      |           | Yes ( Independent Assurance Report p. 195-197) |
| G4-PR2  | Value Circle (p. 143)                          |           | Yes ( Independent Assurance Report p. 195-197) |
| CRE8  | Environment (p.123-124); Value Circle (p. 136) |           | Yes ( Independent Assurance Report p. 195-197) |



# Independent assurance report



KPMG Asesores S.L.  
Edificio Torre Europa  
Paseo de la Castellana, 95  
28046 Madrid

## Independent Assurance Report to the Management of Acciona, S.A.

(Free translation from the original in Spanish.  
In case of discrepancy, the Spanish language version prevails.)

We performed a limited assurance review on the non-financial information contained in the Sustainability Report of Acciona, S.A. (hereinafter Acciona) for the year ended 31 December 2013 (hereinafter "the Report"). The information reviewed corresponds to the contents marked as external assurance, as referred to in the section of the Report entitled "GRI Index".

Acciona management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) of the Global Reporting Initiative as described in item G4-32 of the section entitled "GRI Index", and following the Materiality Matters criteria, obtaining confirmation from the Global Reporting Initiative on the proper application of these. Management is also responsible for the information and assertions contained within the Report; for the implementation of processes and procedures which adhere to the principles set out in the AA1000 AccountAbility Principles Standard 2008 (AA1000 APS); for determining its objectives in respect of the selection and presentation of sustainable development performance; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a review to provide reasonable assurance on GRI indicators G4-10, G4-11, EC5, EN3, EN15, EN16, EN21, LA1, LA6, LA12, LA13, on the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and on the qualitative information related to the progress on complying with Sustainability Master Plan objectives, limited assurance on the rest of the indicators and information included in the engagement scope and express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement. It concerns a review performed according to KPMG assurance engagement independence rules, as well as the requirements from the International Ethics Standards Board for Accountants Code of Ethics on integrity, objectivity, confidentiality, professional behaviours and qualifications. We have also conducted our engagement in accordance with AA1000 Accountability Assurance Standard 2008 (AA1000 AS) (Type 2), which covers not only the nature and extent of the organisation's adherence to the AA1000 APS, but also evaluates the reliability of performance information as indicated in the scope.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore also the level of assurance provided. This report should by no means be considered as an audit report.

Our limited assurance engagement work has consisted of making inquiries to Management, primarily to the persons responsible for the preparation of information presented in the Report, and applying the following analytical and other evidence gathering procedures:

- Risk analysis, including media search to identify material issues during the period covered by the Report.



- Verifying the consistency of the information that responds to the General Standard Disclosures, with internal systems or documentation.
- Interviews with Management to gain an understanding of Acciona's processes for determining material issues, as well as the stakeholders engaged in these processes.
- Interviews with relevant staff concerning Acciona's policy and strategy application on sustainability, governance, ethics and integrity.
- Interviews with relevant Acciona staff responsible for providing the information contained in the Report.
- Visit to ten sites, selected based on a risk analysis considering quantitative and qualitative criteria.
- Analysing the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Reviewing the application of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines requirements for the preparation of reports in accordance with comprehensive option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Acciona.
- Verifying that the financial information reflected in the Report was taken from the annual accounts of Acciona, which were audited by independent third parties.

Furthermore, the review of the GRI indicators G4-10, G4-11, EC5, EN3, EN15, EN16, EN21, LA1, LA6, LA12, LA13, of the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and of the qualitative information related to the progress on complying with Sustainability Master Plan objectives, carried out with a reasonable level of assurance, has consisted in the application of additional procedures to those described earlier. The objective of these procedures was to obtain information on the processes and controls used by the company to prepare the Report. On performing the risk assessments, we considered internal controls relevant to the preparation and fair presentation by the entity of the information to be reviewed, in order to design the review procedures appropriate in the circumstances.

Our multidisciplinary team included specialists in AA1000 APS, stakeholder dialogue, social, environmental and economic business performance.

Based on the procedures performed, as described above, on the Sustainability Report of Acciona, S.A. for the year ended 31 December 2013, we conclude that:

- GRI indicators G4-10, G4-11, EC5, EN3, EN15, EN16, EN21, LA1, LA6, LA12, LA13, the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and the qualitative information related to the progress on complying with Sustainability Master Plan objectives, can be considered reliable and comply, in all significant aspect with the Sustainability Reporting Guidelines version 4.0 as described in item G4-32 of the section entitled "GRI Index".
- Regarding the rest of indicators and information reviewed with a limited level of assurance, nothing has come to our attention that causes us to believe that the data have not been reliably obtained, that the information has not been fairly presented, or that significant discrepancies or omissions exist, nor that the Report is not prepared, in all material issues with the Sustainability Reporting Guidelines version 4.0 (G4) as described in item G4-32 of the section entitled "GRI Index".

- Regarding Acciona's application of the Accountability AA1000 APS 2008 Principles Standard, nothing has come to our attention that indicates that Acciona has not applied the principles of inclusivity, materiality and responsiveness as described in the chapter of the report "About this Report".

Under separate cover, we will provide Acciona management with an internal report outlining our complete findings and areas for improvement. Without prejudice to our conclusions presented above, we present some of the key observations and areas for improvement below:

#### **In relation to the INCLUSIVITY principle**

Acciona, through its Sustainability Master Plan 2015 (hereinafter SMP 2015), identifies, considers and is committed to its main Stakeholders. The need for dialogue is included in the SMP 2015 and is made real through constant communication with Administrations, investors and analysts, media, employees, customers and local communities. However, there are no formal procedures setting common parameters applicable to all divisions as, for example, frequency of communications. Therefore, it is recommended to continue the progress on this regard, developing systematic communication processes with Stakeholders from all divisions as part of the parameters of this process. Furthermore, it would be recommendable for the participation process to be continuous in the organization and applied in all company levels, being the corporate level the nexus between them.

#### **In relation to the MATERIALITY principle**

Acciona carried out a new materiality test in 2013 covering the identification and priority of issues which are material for the company. This test, aligned with the SMP 2015, was developed for the company's four most relevant divisions (Infrastructure, Energy, Water and Services). Additionally, material issues were internally subject to a validation process involving each division's Sustainability Committee. It is recommended to continue this approach, including an assessment of material issues under medium and long term scenarios. This approach would allow the inclusion of a new variable in the assessment of issues, considering future trends identified within and outside the organization. Additionally, the test could be extended covering all geographical areas considered as strategic. Finally, it would be interesting to track the issues considered as critical and the impact they may have within the company and its value chain.

#### **In relation to the RESPONSIVENESS principle**

Acciona provides response to material issues and Stakeholders through the SMP 2015. This Plan, which is the road map of the company, sets specific, quantifiable and time-framed targets, which are detailed within the Sustainability Report as well as their associated level of compliance. Moreover, possible conflicts that could arise with Stakeholders, especially local communities, are managed through the social impact assessment methodology. This methodology has been updated in 2013 and is used by the Infrastructure, Energy and Water divisions. It would be recommended its progressive application to the other divisions, as well as setting limit impact values in some geographical areas. Additionally, it would be advisable to promote identified actions and check their effectiveness and how their identification reflects the needs demanded by the stakeholders involved.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

2 June 2014



**PUBLISHED BY:**

ACCIONA, S.A. Department of Corporate Image and Global Marketing  
Avda. de Europa, 18. Parque Empresarial La Moraleja. 28108 Alcobendas. Madrid. Spain



Twitter: @acciona



facebook.com/acciona



linkedin.com/company/acciona

[www.acciona.com](http://www.acciona.com)

**PRODUCTION:**

MRM Worldwide Spain, S.A.

**LEGAL DEPOSIT:**

M-15056-2014



© 2014 ACCIONA S.A. All rights reserved.





Avda. de Europa, 18  
Parque Empresarial La Moraleja  
28108 Alcobendas  
(Madrid). Spain



[www.acciona.com](http://www.acciona.com)



© 2014 ACCIONA S.A.  
All rights reserved.