



JOSÉ MANUEL ENTRECANALES  
ACCIONA CHAIRMAN & CEO

# Chairman's Statement

Dear friends,

Overall, 2012 was a year fraught with difficulties for the business community worldwide. Positive events were few and far between, economic activity weakened throughout the year and Europe saw its member nations either teeter on the brink of recession or succumb to it directly; the situation was not only adverse but also volatile, marked by increased financial market instability during the first half of FY2012.

Even so, our Company ended the year with increased revenues and profits. As

a result of this positive performance, and thanks to our progress in Sustainability practices and the international recognition that we have garnered, I am pleased to confirm, for yet another year, that we remain firmly committed to waging this war and that, despite all adversity, we have attained good results that I am proud to present in this Annual Sustainability Report 2012.

## ABOUT OUR PERFORMANCE

No vision of the future would be complete without a strong driving force for innovation. Accordingly, and despite a scenario that called for cost-cutting, ACCIONA continued to invest heavily

in R&D and Innovation (RDI) projects, assigning 166.2 million euros to direct projects. Along these same lines, I'd like to highlight our firm commitment to the open participation of our employees in the "IMMAGINE" online internet 2.0 platform as a means of channeling ideas, projects and initiatives.

One of the key components for sustainability is Occupational Risk Prevention (ORP), and especially so in our strategic sectors, namely energy, water or infrastructures. I am particularly pleased to be able to announce that the Company's accident rates are down, especially fatal

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accidents: 2012 was a year in which no member of the ACCIONA workforce suffered a fatal accident in the workplace.

On another note, 2012 saw the introduction of a percentage of ACCIONA executives' and managers' variable pay linked to the results of the Company's Sustainability Master Plan; this helps to tighten the link between the Organization and our business model's commitment to Sustainable Development.

Our business activities continue to display our concern for the Environment: this is particularly evident in the fact that our renewable energy production enabled

us to avoid 14 million metric tons of carbon emissions to the atmosphere, an improvement of nearly 20% compared with 2011. Similarly, we reduced the metric tons of carbon emissions by 6%, as well as lowering our energy consumption by 1.5%. Stepping-up our commitment to fighting climate change, in 2012 we implemented an emissions offset policy for events organized by the Company. The first cases of ACCIONA-organized zero-emissions events were the General Shareholders' Meeting and the Annual Directors' Meeting.

In the realm of Sustainable Development, ACCIONA strives particularly hard to

establish and maintain an excellent relationship with the local communities where we operate. In 2012 we stepped up our efforts further by implementing our Social Impact Assessment methodology, launching pilot projects in Chile, Costa Rica, Brazil and South Africa. Similarly, our employees make up a great community, and their concerns for social issues led us to organize the first "ACCIONA Volunteering Day" in which 300 corporate volunteers took part.

On another note, Peru's "Luz en Casa" (Light in the Home) project was replicated in Mexico through ACCIONA Microenergy

"This report reflects the strength of commitment of all of us at ACCIONA to a business model that has close ties to the environment, is responsible with society and is an economic success"



Mexico: both initiatives have consolidated the Company's commitment to providing universal access to sustainable energy. It is worth noting that Spain's "SERES" Foundation gave its 2012 Award for Innovation and Social Commitment to the "Light in the Home" project.

In corporate terms, supply chain management is seen as the "new frontier of sustainability" and, in this respect, ACCIONA committed to an ambitious program aimed not only at risk management but also at meeting the needs of the supply chain in terms of evaluation, training and innovation. We drew up our

first Supplier Sustainability Risk Map, and now all our orders include Ethical Principles for Suppliers, Contractors and Collaborators. In addition, to ensure responsible consumption, we compiled our first Catalog of Sustainable Products and Services, listing 435 products and services. In short, we have set our sights on making the supply chain a part of our commitment to sustainability in the long term.

Accountability should not be seen as something static, but rather as an essential component for making progress in transparency. The year 2012 will be remembered as the first

time that ACCIONA's Sustainability Report was submitted to the approval of the Company's Annual Shareholders' Meeting. Similarly, the coherence of our practices has been underscored by our sixth successive year as a component of the Dow Jones Sustainability Index, our second year in the FTSE4Good sustainability index, our presence in the Carbon Performance Leadership Index-CPLI, compiled by the Carbon Disclosure Project (CDP), and by attaining, for the second time, the "Advanced" level in the United Nations Global Compact Communication on Progress. These recognitions are irrefutable proof of the

fact that, today, ACCIONA ranks among the world's corporate front-runners in sustainability.

At the internal level, and for the third year in a row, we carried out the annual review of the ACCIONA Sustainability Master Plan 2015, a road map that points the way forward for the entire Organization. However, it is not enough for us to reflect sustainability in our internal practices or in those directly related to our businesses: we are duty-bound to take sustainability to the public arena and promote it by taking part in forums that further the principles and practices that we defend. Accordingly, we

took an active part in the UN Conference on Sustainable Development "Rio+20" and, alongside the Corporate Leaders Group on Climate Change (EUCLG), we met with the European Commission and stood by our commitment to economic growth based on a low-carbon economy. In Spain, we assisted the Parliamentary Commission on Climate Change (Lower House). In New York, at UN headquarters, we were presented with the "Women Together" award for our Sustainable Development strategy. And the annual ranking of the "Global 100 Most Sustainable Corporations in the World 2013" put us in 23rd place (37th in 2012) among the world's 100 corporate leaders in sustainability.

2012 has been a tough year. As well as reorganizing our activities in Spain, we responded successfully to new demands from such very different markets as Brazil, Australia, Ecuador and Poland.

The year 2012 placed exceptional demands on our team of professionals and personnel in general. I recommend you to read this Sustainability Report; its pages reflect the strength of commitment of all of us at ACCIONA to a business model that has close ties to the environment, is responsible with society and is an economic success.