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# ACCIONA'S Commitment

## a. Good governance

b. People

c. Innovation

d. Environment

e. The value circle

f. Society

g. Stakeholder engagement

h. Dissemination and Leadership

i. Accountability

# Good governance

## 2012

CHALLENGES	ADVANCES	HIGHLIGHTS
<ul style="list-style-type: none"> <li>■ Launch of the online training course on the Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>■ Course launched, with more than 6,600 employees invited in 2012</li> </ul>	<ul style="list-style-type: none"> <li>■ More than 2,200 employees completed Code of Conduct training</li> <li>■ The ACCIONA Bonus sustainability targets include one related to the dissemination and awareness of the Code of Conduct</li> </ul>
<ul style="list-style-type: none"> <li>■ Approval of the ACCIONA Policy Book</li> </ul>	<ul style="list-style-type: none"> <li>■ Policy Book written and revised; submitted for formal approval</li> </ul>	
<ul style="list-style-type: none"> <li>■ Consolidation of corporate policy on structuring of powers of attorney</li> </ul>	<ul style="list-style-type: none"> <li>■ Preparation and approval of corporate and division-level flowcharts of powers of attorney</li> </ul>	
<ul style="list-style-type: none"> <li>■ Preparation of business division and country-level Risk Maps</li> </ul>	<ul style="list-style-type: none"> <li>■ Risk Maps drawn up, by division, for the following countries, among others:               <ul style="list-style-type: none"> <li>- Infrastructure: Canada, Australia and Mexico</li> <li>- Energy: United States, Australia and Canada</li> <li>- Agua: Australia and Mexico</li> </ul> </li> </ul>	

2013

**CHALLENGES**

- Launch of training on the Code of Conduct in English, French, Polish, German, Italian, and Brazilian Portuguese
- Formal adherence to an anticorruption initiative

→ Good governance indicators

	2011	2012
Total no. of members of the Board of Directors	13	13
% of independent Board members	61.5	61.5
No. of women Board members	4	4
No. of persons who completed the Code of Conduct course	n.a.	2,259

## Corporate governance

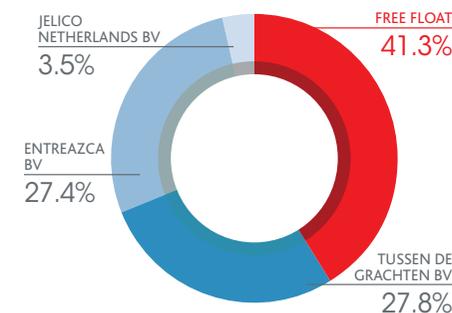
ACCIONA is firmly committed to improving its corporate governance on a continuous basis. Consequently, the Company will comply with the main milestones of the future reform to corporate governance and the changes introduced through Ministerial Order 461/2013, determining the contents and structure of annual corporate governance reports, annual remuneration reports, and other reporting tools of listed companies.

The **Electronic Forum** guarantees and facilitates the exercising of the **rights of all shareholders, including minorities**

### 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 corporate 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, 22.03.2013.

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 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**

ACCIONA's Board of Directors has 13 members, of whom eight are independent directors, two are executive directors, two are proprietary directors, and one is an external director. That is, 84.6% are external directors and 61.5% are independent.

The Board of Directors' Regulations contain the board's explicit commitment to "foster gender and age diversity, personal training, and other factors within the process of selecting its own members, ensuring that there is no implicit bias hindering diversity". Currently, four directors, or 30.7% of the board, are women. The Regulations also call for an annual evaluation of the quality and efficiency of the board's operations, both overall and in terms of each director.

In accordance with good corporate governance practices and applicable legislation, in 2012 the Report on the Remuneration Policy for Directors was submitted for approval by the Shareholders' Meeting. The report contains an application 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 90.75% of the shareholders in attendance or represented at the Shareholders' Meeting.

The Board of Directors has three committees: Audit, Appointments and Remuneration, and Sustainability.

## Integrity framework

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

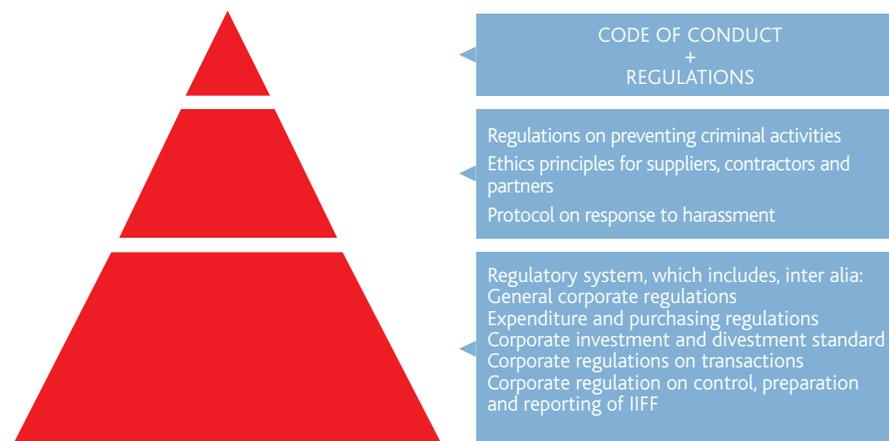
In order to strengthen this structure, in 2012 ACCIONA reviewed its policies and drafted new ones covering the Company's economic, social, and environmental commitments. The Policy Book that was approved by the Sustainability Committee in April 2013, comprises four sections:

- Sustainability and Innovation, with particular emphasis on Sustainability policy; the latter acts as an overall policy that lays down the framework of principles that guide the rest of ACCIONA's policies.
- The Economic Sphere and Good Governance. Includes Anti-corruption, Antitrust, Risk Management and Quality policies.

- Society. Includes Human Rights, Human Resources and Occupational Risk Prevention, and Social Action policies.

- The Environment. Includes policies covering the environment, biodiversity and the fight against climate change.

The Company thus complied in 2012 with applicable internal control of financial reporting rules and standards. This system was reviewed by an external auditor.



### CODE OF CONDUCT

ACCIONA's Code of Conduct, amended in 2011, sets forth the values that are to guide the behavior of all companies in the Group. The purpose of the Code is to help consolidate business behavior that will be accepted and observed by all employees and members of management. The Company's actions are based on respect for the values of honesty, integrity, transparency, and safety.

In addition, ACCIONA encourages all of its suppliers and partners to bring their behavior

into line with action guidelines similar to those set forth in the Code.

Through the Code, ACCIONA assumes a commitment to carry out its business and professional activities in accordance with the legislation in effect wherever it operates, observing a high degree of ethical behavior, in accordance with internationally recognized standards such as the United Nations Universal Declaration on Human Rights, the ILO Tripartite Declaration, the OECD Guidelines for Multinational Enterprises, and the Global Compact of the United Nations.

The Code clearly and precisely sets forth the commitment of ACCIONA and its employees to act with respect for legality, for people, and for the environment, and to establish measures to prevent bribery and corruption as well as to promote control over sponsorship and donations.

The Code of Conduct committee ensures compliance with the code. It is the body

to which all parties should report possible cases of non-compliance with the Code of Conduct, whether such infringements affect them personally or they affect third parties.

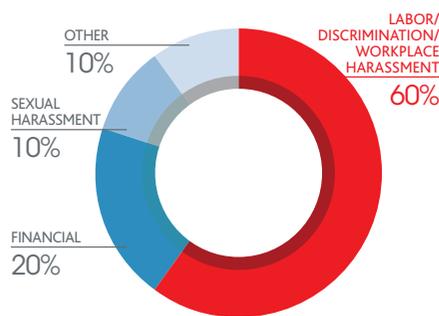
In addition, ACCIONA has established an ethics channel allowing irregular conduct related to accounting, control, audits, or any alleged non-compliance with, or violation of, the conduct set forth in the Code of Conduct to be reported confidentially by email or regular mail. The channel can be accessed

by the Company's employees, suppliers, and contractors.

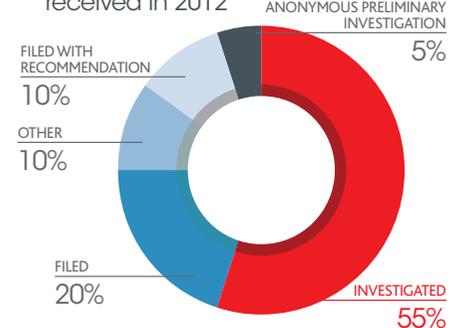
In 2012, the Code of Conduct Committee received 20 complaints, which were processed in accordance with the characteristics of each specific case.

ACCIONA also has a protocol which employees are to abide by in the event of harassment (complaints are filed through the ethics channel and studied by the committee,

→ Complaints received in 2012



→ Processing of complaints received in 2012



which evaluates each case or establishes the actions to be taken). Through the protocol, the Company has put on record that it has the intention to adopt, within the framework of its responsibilities, all measures needed to promote a harassment-free workplace, and that it does not approve of, and will not permit, behavior of this nature.

In order to strengthen the awareness of the Code of Conduct and the corresponding regulations, both documents have been written in seven languages: Spanish, English, Polish, Italian, Portuguese, French, and German. In addition, in 2012, two Company-wide campaigns were carried out in seven languages to increase awareness of the Code of Conduct among the employees. The campaign was disseminated over the intranet and through posters in the work areas and bulletins circulated in hard copy for employees without access to the Company intranet. Employees were asked to formally agree to abide by the Code. This was complemented by top-down dissemination through the chain of command in the final quarter of the year.

To reinforce awareness of the Code of Conduct and ensure that employees internalize their awareness of it, in 2012 an online training course on the Code and regulations was designed and implemented. This program included, among other items, the following content:

- Respect for legality and ethical values
- Respect for people
- Effective equality
- Cooperation and dedication
- Safety and health in the workplace
- Use and protection of assets
- Corporate image and reputation
- Loyalty to the Company and conflicts of interest

- Anti-bribery and corruption measures
- Handling of information and knowledge
- Customer relations
- Relations with suppliers, contractors, and partners
- Respect for the environment
- Commitment to society
- Securities market conduct
- Ethics channel and procedure for handling irregular actions.

Initially, invitations to the course were sent out to more than 6,000 people in Spain, and it was completed by 2,259 Company employees. Work began on preparing the material in a further six languages (English, French, Polish, Italian, German, and Brazilian Portuguese), and the course

will be launched throughout 2013, in order to promote awareness of the Code among all Company employees. In addition, the course is included in the Training Pack for suppliers and contractors.

The training program emphasizes, in particular, anti-corruption and bribery measures, which are presented in detail through examples of specific situations and indications on the proper responses.

As a member of the United Nations Global Compact, ACCIONA states that it is opposed to influencing people outside of the Company in order to obtain any benefit through unethical practices, and that it will not permit that other people or entities resort to such practices with its employees. The guidelines in the Code of Conduct include anti-corruption and anti-bribery measures and require employees to act in accordance with applicable law, and state that, in no case, may they resort to or tolerate bribery from third parties towards the Company and its

employees, nor bribery by the Company or its employees towards third parties.

In order to make progress in complying with the Company's goal, as set forth in the 2015 Sustainability Master Plan (SMP), of formally adhering to anti-corruption initiatives and implementing an anti-corruption plan, in 2012 various existing initiatives and standards were studied. Using Transparency International data for 2012, a preliminary analysis of the perception of corruption was carried out in 30 of the main countries where ACCIONA has a permanent presence and/or where ongoing projects are being carried out by its different divisions.

The Company's integrity framework is reinforced by the risk management system, which has been designed to identify situations that could potentially affect the organization and to manage such risks through the establishment of internal response and control systems making it possible to limit the probability of an

occurrence of such events as well as the impact of any events that do arise.

The following parameters are taken into account to define a risk: likelihood, economic-financial consequences, impact on image, negative impact on sustainability and development, the Company's ability to manage the risk, and risk management established by the Company.

The risk evaluation criterion, referred to as "Negative impact on sustainability and development", includes parameters such as: lack of ethics and business transparency, failure to comply with stakeholder expectations, and negative impact on communities located within the sphere of influence of the Company's operations.

ACCIONA Infrastructure International carries out risk and opportunity identification and evaluation procedures at works and projects where specific sustainability criteria are also included.