



© MARÍA SANCHEZ MATEOS 'A stroll through Sindara'

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

Stakeholder engagement

2012

CHALLENGES

- Stakeholder consultations on relevant themes in the Sustainability Master Plan.

ADVANCES

- Identification, preparation and drafting of stakeholder questionnaire.

HIGHLIGHTS

- Establishment of mechanism for compiling information on divisional stakeholder initiatives.
- Stakeholder consultations within pilot projects to implement social impact evaluation methodology.

2013

CHALLENGES

- Specific consultations with, among others, Latin American customers and signatories to the Equator Principles.

Stakeholder engagement: Valuable opinions

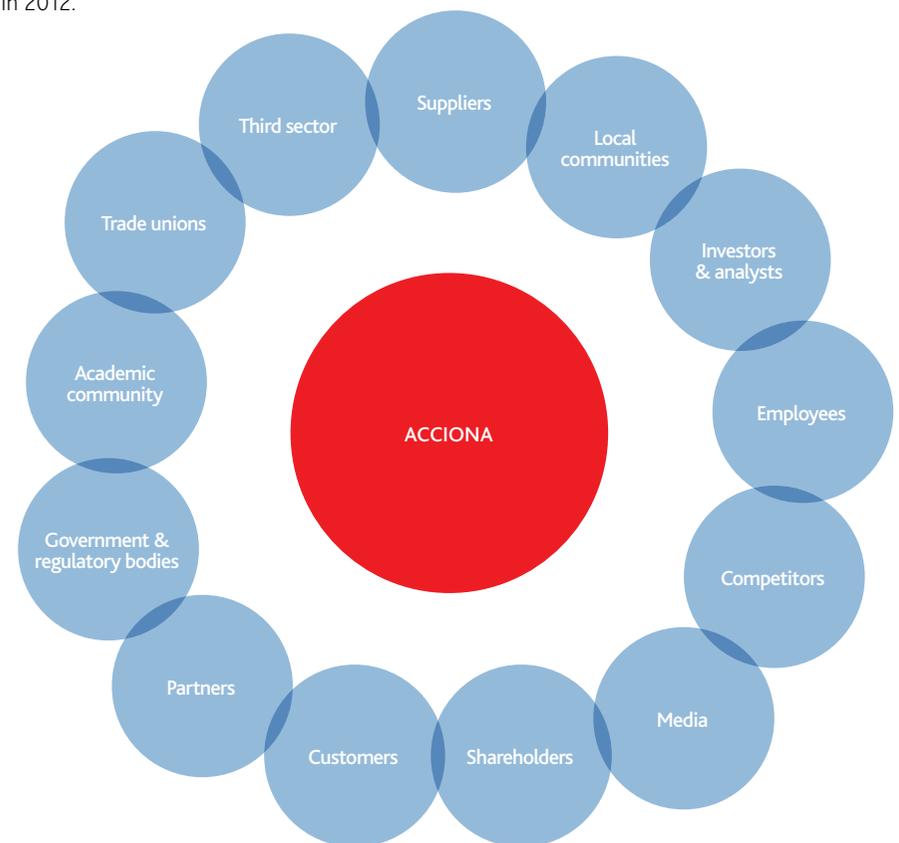
ACCIONA is aware that the success of its business requires establishing relationships of trust with its stakeholders; accordingly, it identifies them and is committed to engaging in an ongoing dialogue with them.

The Company has structured its process of stakeholder engagement to give it a twofold focus:

- Review of ACCIONA's Sustainability Master Plan (SMP): periodic consultations with stakeholders to discuss, review and update important themes in the SMP.
- Consultations on business projects: stakeholder consultations integrated into the systematics for evaluating the social and environmental impact of its projects. The pilot projects for implementing the social impact evaluation methodology launched in 2012 include the validation of dialogue mechanisms with local communities.

Some of the main initiatives with different stakeholders, which have enabled the Company to generate additional value through trust and dialogue, are highlighted

below. In addition, the remaining chapters of this report include further examples on the different actions conducted in 2012.



GOVERNMENT AND REGULATORY BODIES

Policy decision-making requires responsibly taking into consideration the positions of affected parties. For this reason, it is essential to encourage the participation of the companies and actors in the sector through dialogue among competitors and/or with the authorities involved in decision-making.

To facilitate and take part in this dialogue, ACCIONA is present in, and collaborates actively 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, in particular in the water and energy sectors.

ACCIONA plays an active role in all European Wind Energy Association (EWEA) efforts in favor of developing wind power, and renewable energy in general, in Europe. It also participates by sitting on the managing bodies of different national associations promoting renewables, such as the Association of Renewable Energy Producers (APPA), the Wind Power Business Association (AEE), and Protermosolar, as well as in local associations (EolicCat, APECYL, EGA, AEPA, APREAN, etc.) and in others focused more on energy efficiency.

ACCIONA also takes part in national water associations and plays a role in relevant European Union-level regulatory projects.

The Company is involved in actions intended to promote regulations consistent with the sustainable development of the water and energy sectors by submitting proposals, comments or arguments to the different

hearing procedures. It also promotes, both individually and in conjunction with other actors, the conducting of studies and the circulation of the results of those studies.

ACCIONA and the European Wind Energy Association (EWEA)

ACCIONA, as a member of EWEA's executive committee, actively participated in drafting the document sent by the association to the European Commission on the guide to good practice on mechanisms to support renewable energies published by the Commission as part of its work for the communication entitled, "Renewable Energy: Progressing towards the 2020 target."

EWEA sees merit in this guide, which offers a great opportunity for players in the wind power sector, allowing them to identify and transmit the critical aspects

of success that need to be taken into account in designing an efficient national policy to encourage renewable energies.

Salient points to take into account in designing support mechanisms include: promoting long-term stability, visibility and transparency in administrative procedures; avoiding regulatory retroactivity; guaranteeing economic sufficiency of support mechanisms; guaranteeing simplicity of design, and, lastly; ensuring newly installed capacity is available, hence guaranteeing fulfillment of the 2020 objectives.

European Commission public consultation on plan to safeguard water resources in Europe (Water Blueprint)

In light of its current review of water legislation, the European Commission is identifying various policy options to better protect the aquatic environment at EU level. These options have been disseminated and submitted for public consideration via a consultation on the plan to safeguard European water resources, known as the “Water Blueprint.”

ACCIONA took part in the public consultation, proposing the lines of action that it considers the most suitable for dealing with each of the issues that has been brought up, thus tabling proposals on the following topics: (i) tools for sustainable resource management; (ii) ways to overcome obstacles to applying proposed measures; (iii) economic incentives to attain set objectives; (iv) governance

or administrative management criteria, and; (v) information-sharing formulae.

Following the public consultation, the Commission drafted a Blueprint to Safeguard Europe’s Water Resources in which it proposed prioritizing issues such as economic water management, institutional coordination, and placing greater emphasis on reuse. In addition, the Commission recommended drawing up guidelines allowing Member States to comply with the requirements of the Water Framework Directive on pricing, in particular regarding the polluter pays and cost recovery principles and thus guaranteeing both the environmental and economic sustainability of water management.

INVESTORS AND ANALYSTS

In 2012, 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.



In addition, a themed breakfast program was launched for analysts in order to expand on information provided about the Company’s strategic businesses.

In 2012, analysts and investors were concerned with the macroeconomic outlook in Europe and especially in Spain. At ACCIONA Energy, regulatory uncertainty around the Spanish power sector was the main concern during the first eight months of the year. Both

factors led the market to delay decisions on investing in the electricity sector and especially in renewables.

Although the energy reform announced on 14 September 2012 had a very significant impact on ACCIONA, this impact caught the market by surprise and improved the sector’s visibility, temporarily alleviating the regulatory uncertainty that had weighed on the Company’s value in preceding months.

Investors' regulatory concerns were rekindled by the passing of Law 15/2012 on Fiscal Measures for Energy Sustainability at the end of the year, and, in February 2013, another package of measures with a negative impact on the renewables sector and ACCIONA was approved.

Other topics of interest for the markets last year included the Company's level of financial leveraging against the backdrop of the regulatory reforms and ACCIONA's strategy to reduce it, the outlook for growth of the different strategic businesses, the Company's investment plans, and its possible sale of assets.

To bring the expectations of analysts and investors in line with those of ACCIONA's top management, a video was made for ACCIONA's Top 100, mirroring how the Company is perceived by the community of analysts and investors. In video interviews, four analysts and six investors, all of whom are very familiar with ACCIONA, identified the most positive aspects of the Company, the market's concerns, as well as areas for improvement.

MEDIA

ACCIONA maintains an active policy of engagement with the media, circulating information on its activities and responding to requests it receives. The Company sent the media more than 100 releases on its achievements, in addition to other less prominent stories published in the "Press" section of its website (www.acciona.es), with information on its economic, social, and environmental activities.

This information policy has been complemented with face-to-face meetings to bring ACCIONA's reality to society through the media, for example with the presentation of its 2011 balance sheet, visits to renewable energy facilities and the launch of the 2015 Sustainability Master Plan.

In the latter case, various media were invited to the presentation. The journalists - specialists in sustainability and environmental matters - exchanged impressions with ACCIONA's management. Their interest centered mainly on the application of the SMP in the Company's different spheres of action, its investment

in innovation, its commitments to reduce polluting emissions, ethical requirements in supplier contracts, accountability, and the inclusion of sustainability targets in the remuneration of ACCIONA employers and management.

**ACCIONA exchanged points
of view with the media
during the presentation of
the SMP 2015**



EMPLOYEES

ACCIONA has a broad variety of channels for information to be exchanged to improve knowledge of the Company and for employees to establish contact and forward and share their ideas, comments, doubts, and questions. The following channels are highlighted:

- **Interacciona.** This is ACCIONA's corporate intranet, available in Spanish and English. In 2012, the number of potential unique Interacciona users ranged from 9,838 to 10,437, with an average of 3,272 unique users per day in December 2012. Interacciona received 885,800 visits in 2012, with an average duration of 12 minutes per visit. Also in 2012, 266 items were published in Spanish and 132 in English, while 52 videos in Spanish and 20 in English were uploaded to the Interacciona TV channel.

Seven interviews of ACCIONA employees were published in the *Gente ACCIONA* section, which shed light on Company developments, its services and main initiatives.

For all news items, pages, internal notes, and information elements (videos, etc.) published on the intranet, users are allowed to vote "like" or to make a public comment. In 2012, the number of "likes" for news items in Spanish came to 3,782 in all, far higher than the 200 in English, while there was a total of 285 comments. In addition,

the intranet has a forum section for employees to comment on different issues.

The *Your Club* section of Interacciona offers special discounts on services and products for ACCIONA employees. In 2012, a total 150 different offers were updated, some of which had been negotiated with Company suppliers, but many generated directly by employees themselves and their professional or personal networks.

- **Meeting points.** These are face-to-face, theme-based meetings with managers or experts that are retransmitted by video. They allow employees in attendance to ask questions about points of interest related to the topic of the meeting. In addition, the videos

are later made available to all employees. In 2012, four meeting points took place.

- **Online surveys and barometers.** The aim of these tools is to obtain input from employees or confirmation that they will take part in certain initiatives. They consist of online surveys within the intranet.
- **Internal communications mailbox.** This mailbox is open for employees' questions and comments regarding published information, intranet features, concerns on the communication processes, or for specific requests. In 2012, a total of 152 requests for information, questions or suggestions were received through the mailbox, and all of them received an answer.

Interacciona Survey 2012

In 2012, the survey on the Interacciona intranet, in which 1,706 employees took part in Spanish and 63 in English, was based on information and rating comments provided by users, in order to identify strengths and areas for improvement.

Nearly 80% of those who responded to the survey gave it a high rating - either good or very good. The sections rated highest by users included the Press Summary, Services, Virtual Campus, the Bulletin Board and *Your Club* offers. Areas for improvement included Who Is Who and Intranet Connectivity.

■ **Email platform.** In 2012, a total of 316 emails were sent to Company employees through this platform, an average of more than 26 mailings per month. Most noteworthy was the mailing of the “Weekly Newsflash” bulletin in Spanish (with a monthly average of 7,716 and 8,849 recipients, and between 3,835 and 5,239 messages opened), and of the *Enews* monthly bulletin in English (between 1,112 and 1,732 monthly recipients on average, and between 524 and 1,068 messages opened). This is one of the main internal communication tools due to its audience segmentation capacity.

Climate and Engagement 2012 Survey

In the final quarter of 2012, a Climate and Engagement Survey was carried out in seven languages and in all of ACCIONA’s divisions and companies throughout the world. The survey was available online, as well as in hard copy format, for all employees with an email address. It focused on statistically representative groups in the organization.

As in previous years, in order to guarantee confidentiality throughout the process and the anonymity of responses, support was received from a consulting company that specializes in workplace climate and employee commitment measurement. The questionnaire content was designed to make it possible to determine trends in climate and satisfaction regarding issues that were measured in previous surveys. In addition, this year’s survey included questions to delve further into issues related to employees’ engagement and commitment. Ascertaining the perception

and level of satisfaction of employees enables ACCIONA to identify the strong points and main areas for improvement in each division, position, or geographic area.

With 6,483 responses, participation was 56.13% of potential respondents. In addition to closed-ended questions, the survey included an open-ended question for employees to bring up qualitative matters not covered elsewhere in the survey (a total of 1,199 written responses were received).

Although all the information and responses will be analyzed in detail during the first half of 2013, preliminary studies indicate that the best results in terms of satisfaction were obtained for topics related to engagement and emotional commitment to the Company, and the recommendation of ACCIONA as a good company to work for.

CUSTOMERS

ACCIONA's divisions have various two-way communication channels with their customers, in line with the unique nature of the different types of customers of the Company.

- Websites. On their web pages, the divisions have enabled - in some cases, in several languages - an area for communication with customers.
- Call centers and customer service telephones. Through these channels, the Company provides around-the-clock service to customers in various time zones, and 24/7 telephone service in the case of some companies (such as ACCIONA Green Energy Developments and ACCIONA Concessions). ACCIONA also has customer service phone lines to allow customers to file complaints, report service failures or put forward their queries.
- Periodical publications. ACCIONA's publications keep its customers informed on current events related to the sector and on the services that the Company provides. In particular, the ACCIONA Reports magazine, which provides current information on the Company; the monthly reports that ACCIONA Green Energy sends its customers with information on energy prices and the main regulatory changes in the market; the magazine *Azul Marino*, which ACCIONA Trasmediterranea distributes on board to its passengers; and the monthly bulletins emailed to certain customers of ACCIONA Service.
- Face-to-face communication. Several of the Group's companies (ACCIONA Windpower, ACCIONA Energy and ACCIONA Agua) work at client facilities and thus have a direct relationship with them and communicate face to face.
- Other unique channels. The businesses have also devised other channels for communication in order to receive feedback and get closer to their customers:
 - ACCIONA Agua has "Agua Offices", which are sales offices providing personalized customer care.
 - AFS's Facility Management Technology Platform allows customers to receive information online on the traceability of the services they receive.
 - Because it deals with end customers, Hijos de Antonio Barceló carries out market studies among its customers every two to three years.

LOCAL COMMUNITIES

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 of projects by the Company's different divisions are given below:

ACCIONA Energy Mexico

In 2012, two ethnographic studies were conducted in the state of Oaxaca, Mexico (Santo Domingo Ingenio and La Venta). The aim of these studies was to gather more in-depth information on the social environment of the local communities in order to evaluate the community social projects implemented thus far by ACCIONA Energy Mexico, and to determine the result of the image projected by the Company in those communities.

ACCIONA Energy Australia

The wind farm project in Waubra, Australia, has a Community Reference Group formed by employees of ACCIONA Energy and members of the Waubra community. The group aims to serve as a forum for dialogue and communication between the local community and the project team in the wind farm. The group, which was formed more than two years ago, meets regularly at the Waubra facilities, allowing community

residents to become familiar with ACCIONA and ask employees questions on any matters related to the wind farm. In addition to holding regular meetings, ACCIONA publishes a quarterly bulletin with information on the most relevant news related to the project.

At the wind farm in Mortlake South, Australia, ACCIONA is working on another community engagement project. Through periodical publications, the local communities are informed of the events that ACCIONA Energy is carrying out in the area, and a postal address, email address and telephone number are provided for anyone with questions regarding the project.

In April, ACCIONA Energy held a series of closed-door seminars in Mortlake and Noorat to inform the community about the wind farm. Some 50 people attended the four sessions that were held. The main concerns expressed referred to noise, traffic and the way in which these matters are to be handled during the execution of the project. The Company answered questions on the project's impact on highways, employment opportunities and whether wind farms affect human health, among other issues that were brought up.

ACCIONA Infrastructure Chile

As an important partner in the Ruta 160 project in Chile, ACCIONA's concessionaire company, Ruta 160, has given a series of presentations on the project for the community, most of which were sponsored by neighborhood councils and social organizations. In these talks with the local community, specific issues related to the project were discussed, and note was taken of the questions or concerns of the persons in attendance. The Company has kept the local population abreast of the project through brochures on the initiation of work in the area concerned, as well as on the environmental measures to be adopted.

At www.ruta-160.cl and through [twitter@acciona_ruta160](https://twitter.com/acciona_ruta160), information is provided on the Company, along with news, information on the status of the road, contingency plans, the progress of the project, and items of general interest for the community. Through the Contact link, users may ask questions and request and express their concerns. In communiqués on regional and local radio, the concessionaire company provides information on the progress of the construction work, detours and other incidents that might arise relating to the road.

ACCIONA maintains communication channels with the communities in which it is operating, to get to know their needs and opinions, and respond to concerns



Materiality analysis

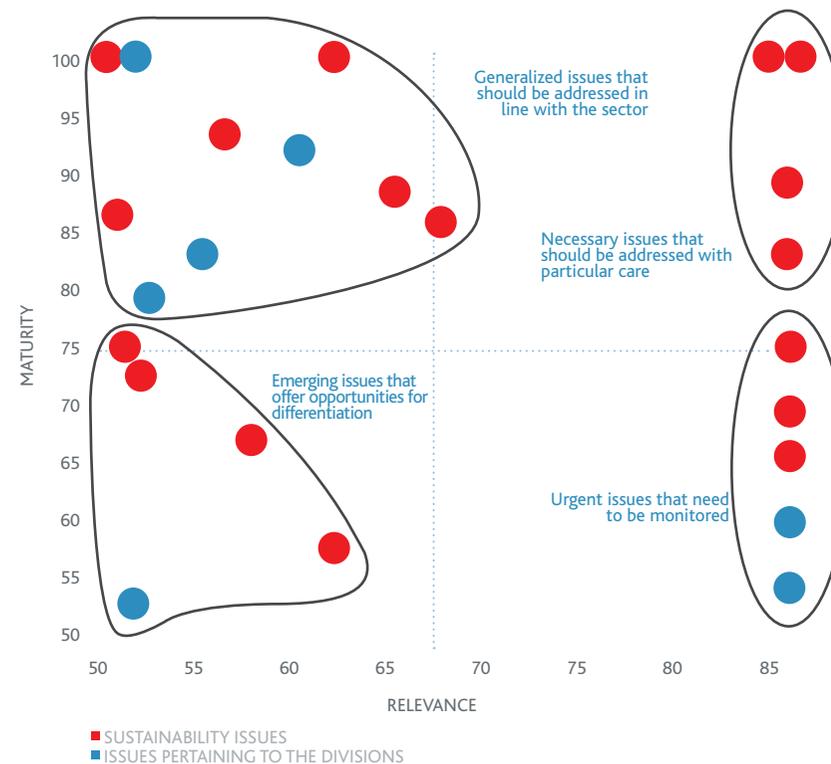
In order to remain vigilant on new market trends and challenges regarding sustainability and dispose of a more complete picture of sustainability issues relevant to the business, ACCIONA carries out materiality studies.

The latest study, carried out in early 2012, began with an analysis of various key sources of sustainability information: stock indexes based on sustainability criteria; environmental, ethical and social resolutions proposed at the shareholder meetings of leading companies; recent trends in integrating sustainability into business models presented by international organizations; specific requirements in government procurement rules worldwide; and, finally, the media impact of key questions in this area.

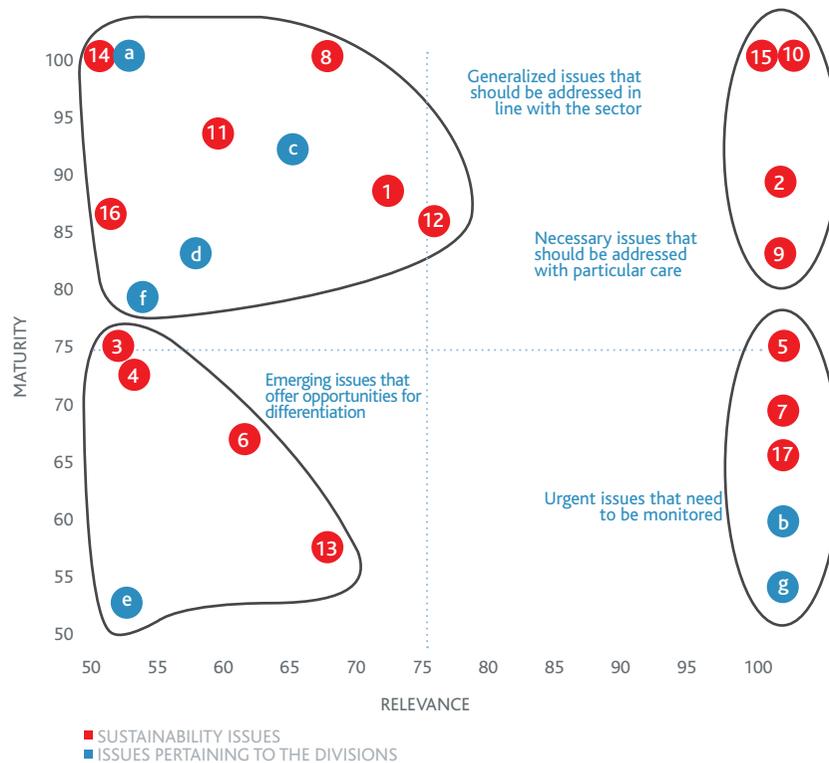
Issues identified were classified according to the commitments set out in the Sustainability Master Plan 2015, in order to be reviewed and continually updated. In addition, a specific analysis was conducted, on important matters related to sustainability, for the Company's main divisions: Infrastructure, Energy and Water.

Using this information, the Company has identified elements that define the material issues through an evaluation of relevance-maturity, and has defined the materiality

of the priority issues for sustainability. This makes it possible to facilitate decision-making according to the distribution of issues in the quadrants shown below:



Specifically, the important issues for a sustainable company as identified in the 2012 Materiality Analysis were:



Note: Only those issues with a maturity and relevance above 50 are shown.

SUSTAINABILITY ISSUES
INNOVATION
1. Roadmap to sustainable innovation
2. Use of the best technologies available
ENVIRONMENT
3. Environmental policy
4. Life cycle analysis of products and services
5. Climate change strategy
6. Climate change reporting
7. Climate change risks and opportunities
SOCIETY
8. Social action policy
9. Impact of the Company's operations on local communities
PEOPLE
10. Sustainability performance
11. Attracting and retaining talent
12. Equality and diversity of the Company
13. Global policy on health and safety
VALUE CIRCLE
14. Policy formalizing the social, environmental and ethical commitments suppliers are required to comply with
CORPORATE GOVERNANCE
15. Ensuring shareholder rights
16. Code of conduct
17. Human rights policy

ISSUES PERTAINING TO THE DIVISIONS
WATER
a. Taking steps to reduce the environmental impact of extracting seawater
b. Developing a Company-wide policy on access to water
INFRASTRUCTURE
c. Including sustainability criteria in each stage of the project (design, construction, maintenance and restoration)
d. Using sustainability criteria when selecting materials (certified wood, recycled concrete, etc.)
ENERGY
e. Involving local communities in, and informing them at, every stage of renewable energy projects
f. Taking measures to raise the efficiency of the Company's renewable energy generation equipment
g. Identifying and managing environmental and social risks of offshore energy

