

Remuneration policy report 2012

Introduction

In accordance with Article 54 of the Regulations of the Board of Directors and Article 61 ter of the Securities Market Act, this body must approve an Annual Report on remuneration for directors that shall be made available to shareholders upon the call for the general meeting. The report shall be issued and submitted for consultative voting as a separate point on the agenda at the Annual General Shareholders' Meeting.

The structure of the report follows the systematic structure applicable to remuneration for the members of the Board of Directors.

Bylaws and Regulations of the Board of Directors

According to Article 31.2 of the Company Bylaws, the annual remuneration of the Board of Directors shall be 5% of profits once the parties referred to in paragraphs 1, 2 and 3 of Art. 47.2 of said Bylaws have been compensated, unless a lower percentage is determined at the General Shareholders' Meeting at the proposal of the Board of Directors when approving of the annual financial statements.

The remuneration shall be distributed among the Directors in the proportion agreed by the Board.

By agreement at the General Shareholders' Meeting within the legally established limits, executive directors may also be paid in shares or share option rights or any other remuneration system linked to the value of the shares.

Therefore, the maximum amount that the Board may receive is 5% of profits after: a) contributing to the legal reserve; b) applying as a statutory reserve the amount necessary to bring the total amount of the legal reserve up to 10% of the profits for the fiscal year; and c) applying a minimum of 4% (four percent) of the nominal share value to the payment of shareholder dividends.

Article 55 of the Regulations of the Board also regulates the remuneration of the directors and establishes the following:

- The Board of Directors shall determine the distribution of the remuneration of directors within the framework established by the Bylaws;
- The decision shall take into account the report issued by the appointments and remuneration committee on this matter;
- The Board of Directors shall ensure that the remuneration of Board members is moderate and in accordance with market rates in companies of a similar size and activity, favoring systems that link a significant part of the remuneration to their dedication to ACCIONA;
- The Board of Directors shall also ensure that current remuneration policies always include precise technical cautionary measures for variable remuneration so that such remuneration is linked to the professional performance of the beneficiaries and not simply to general trends in the Company's sector, markets or other similar circumstances;

- The remuneration system shall assign similar remuneration to comparable duties and dedication;
 - The remuneration system for independent directors shall aim to provide sufficient incentive to ensure their dedication without compromising their independence;
 - Remuneration of shareholder representatives for their work as directors must be proportionate to that of other directors, and shall not entail favorable treatment in the remuneration of the shareholder who has appointed them;
 - For executive directors, remuneration for sitting on the Board of Directors shall be compatible with other professional or job-related payments received for their executive or advisory duties for ACCIONA or the ACCIONA Group;
 - Executive directors may be beneficiaries of remuneration systems including shares or share option rights, or any other remuneration system linked to the value of shares. In this case, the Board must submit the corresponding proposal for determination at the General Shareholders' Meeting;
 - The remuneration of directors shall be transparent;
 - The Board of Directors shall take the measures necessary to ensure that the annual report details the remuneration paid to directors for sitting on the board and for each payment category, as well as each payment category for directors with executive responsibilities.
 - It shall also detail the relationship, in the year covered by the report, between the remuneration received by executive directors and the Company's profits or other performance measurements;
 - ACCIONA may purchase liability insurance and a pension system for its directors.
- ACCIONA has purchased liability insurance for directors and executives, but has not established a pension scheme for its directors or any other type of long-term saving scheme (including retirement benefits, early retirement or any other type of deferred capital or income) on behalf of its directors.

2012 remuneration

The Directors have not received any kind of remuneration in the form of advances, credits or guarantees.

REMUNERATION FOR SUPERVISORY AND JOINT DECISION-MAKING DUTIES ASSOCIATED WITH SITTING ON THE BOARD OF DIRECTORS

The total remuneration of the Board of Directors for the performance of its duties as the Company's governing body was €1,670,000 in 2012. This amount is broken down according to the director's membership of the different committees as follows:

- €75,000 for sitting on the Board of Directors;
- €25,000 for an independent vice-chairman;
- €50,000 for sitting on the executive committee;
- €50,000 for sitting on the audit committee;
- €40,000 for sitting on the appointments committee;
- €40,000 for sitting on the sustainability committee.

These are all fixed annual amounts paid quarterly regardless of the number of meetings held during the year. There are no specific allowances for attending meetings.

Executive directors who are members of the executive committee did not receive remuneration for sitting on said committee as it is deemed to be included in the remuneration of their professional services as directors.

The amounts indicated were set during the second quarter of 2009 and have remained unchanged up to 2013. The appointments and remuneration committee, after a

detailed study of the remuneration received in international and Ibex 35 companies, prepared a proposal in the above terms, which was submitted to the Board of Directors and approved at its meeting on 1 July 2009. In its proposal, the committee considered that the remuneration is in line with that paid in the market in companies of a similar size and activity, that it is paid similarly for comparable duties and dedication and that it is an appropriate

incentive to encourage greater involvement, if possible, among the directors in the different committees without compromising their independence.

The individual distribution per director of the amounts received in 2012 for their supervisory and joint decision-making duties is as follows:

INDIVIDUAL DISTRIBUTION PER DIRECTOR OF THE AMOUNTS RECEIVED IN 2012

	For sitting on the Board of Directors	For sitting on the executive committee	Audit committee	Appointments committee	Sustainability committee	Total amount for management duties
Mr. Daniel Entrecanales Domecq	75,000 €				40,000 €	115,000 €
Mr. Juan Manuel Urgoiti López-Ocaña	100,000 €	50,000 €		40,000 €	40,000 €	230,000 €
Mr. Carlos Espinosa de los Monteros	75,000 €	50,000 €	50,000 €			175,000 €
Mr. Jaime Castellanos Borrego	75,000 €		50,000 €	40,000 €		165,000 €
Mr. Fernando Rodés Vila	75,000 €			40,000 €	40,000 €	155,000 €
Mr. José Manuel Entrecanales Domecq	75,000 €					75,000 €
Mr. Juan Ignacio Entrecanales Franco	75,000 €					75,000 €
Ms. Miriam González Durántez	75,000 €		50,000 €			125,000 €
Mr. Javier Entrecanales Franco	75,000 €					75,000 €
Mr. Valentín Montoya Moya	75,000 €	50,000 €	50,000 €	40,000 €		215,000 €
Ms. Belén Villalonga Morenés	75,000 €					75,000 €
Ms. Consuelo Crespo Bofill	75,000 €				40,000 €	115,000 €
Ms. Sol Daurella Comadrán	75,000 €					75,000 €
TOTAL	1,000,000 €	150,000 €	200,000 €	160,000 €	160,000 €	1,670,000 €

REMUNERATION FOR THE PERFORMANCE OF EXECUTIVE DUTIES IN THE COMPANY

This includes remuneration paid to directors for the performance of duties as company or Group executives other than the supervisory and decision-making duties they perform jointly on the Board or its committees.

This is covered in Article 55.6 of the Regulations of the Board of Directors, which establishes that remuneration of executive directors for sitting on the Board shall be compatible with other professional or job-related payments they receive for the executive or advisory duties they perform for ACCIONA or the ACCIONA Group.

The Board of Directors shall also ensure that current remuneration policies always include precise technical cautionary measures for variable remuneration so that such remuneration is linked to the professional performance of the beneficiaries and not simply general trends in the Company's sector, markets, or other similar circumstances.

The remuneration policy related to executive directors for the performance of their executive duties is based on the following premises:

- Having a competitive overall level of remuneration compared to comparable institutions in the sector;
- Maintaining a significant annual variable component compared to the fixed component, linked to personal performance and the achievement of objectives in line with the interests of shareholders;
- Retaining critical personnel, executive directors and directors committed to those objectives;
- Incorporating medium-term, multi-year variable remuneration systems that encourage sustained achievement of objectives over time (2009-2013 Action Plan).

The remuneration components essentially distinguish between fixed remuneration and variable remuneration, which includes part of the payment in ACCIONA shares, in share options and in kind.

A. Fixed remuneration

The aggregate amount of fixed remuneration received in 2012 by directors who performed executive duties for the Company or its Group was €1.5 million. This amount is the same as what was paid in 2011. Executive directors also receive certain payments in

kind. Remuneration in kind falls into the following categories: vehicle use, health insurance policy for directors, life and accident insurance under the conditions for Group personnel. The total value of this category was €30,000.

Its individual distribution for 2012 was as follows:

- CEO: €1.016 million
- Executive vice-chairman: €514,000

B. Variable remuneration

In setting variable remuneration, the primary point of reference is the achievement of the economic objectives established in the annual budgets. Also essential to this process are the appraisal of the individual personal performance of each executive director according to an assessment by the appointments and remuneration committee and the final approval by the Board of Directors.

The aggregate amount of variable remuneration received in 2012 for the results achieved in 2011 by directors who performed executive duties during that year was €4.4 million.

Its individual distribution was as follows:

- CEO: €3.283 million
- Executive vice-chairman: €1.117 million

C. Remuneration linked to Company shares.

Finally, according to the provisions of Article 31.2 of the Bylaws and Article 55.6 of the Regulations of the Board of Directors, subject to resolution at the General Shareholders' Meeting, executive directors may be beneficiaries of remuneration systems in the form of shares or share option rights as well as any other remuneration system linked to the value of shares.

According to the law and the Bylaws, remuneration linked to Group shares may only be granted at the General Shareholders' Meeting, on the proposal of the Board of Directors following a report by the appointments and remuneration committee.

The awarding of shares and options to ACCIONA senior management, including executive directors, is regulated by the Regulations of the Plan for Awarding Shares and Options to Senior Management of ACCIONA and its Group 2009-2012 (the Plan Regulations). The term of the Plan was extended to 2013 at the General Meeting

on May 24, 2012, without prejudice to the fact that the specific agreement to award shares and options must also be approved each year at the General Shareholders' Meeting.

The Plan Regulations govern the annual awarding of the Share Bonus and the Individual Bonus according to the following terms:

a. Awarding Shares

Each year of the term of the Plan (2009, 2010, 2011, 2012 and 2013), the Board of Directors may assign to Beneficiaries a certain number of Company shares to be received without consideration as part of the variable remuneration for those Beneficiaries designated by the Board of Directors. The total Shares awarded to the Beneficiaries in a specific year shall be called the "Share Bonus". The Board of Directors shall also determine the number of Shares awarded to each Beneficiary, respecting the limits set forth in the Regulations. The part of the Share Bonus awarded to each Beneficiary in a specific year is called the "Individual Bonus".

The Board of Directors shall determine the Share Bonus and the Individual Bonus of each Beneficiary in March of each year, upon the proposal of the appointments and remuneration committee.

The Shares to be awarded may be newly issued shares, treasury shares or a combination of both.

b. Amounts in cash and Shares

The Share Bonus and Individual Bonus may be set by the Board of Directors as a cash amount, in which case they shall be converted into a specific number of Shares at a price per Share that shall be the opening price of the Company's shares on the Continuous Market on the first day of trading of the calendar year in which the Shares are awarded (the "Annual Reference Share Price"). The number of Shares shall be rounded down to a whole number.

c. Exchange ratio between Shares and Options

Once the Share Bonus is set each year, the Company's Board of Directors shall establish a fixed exchange ratio between Shares and Options. The ratio shall be set freely at the discretion of the Board of Directors after considering the Annual Reference Share Price and the potential market value of Options in arm's length transactions as defined in these Regulations. Options shall be subject to the system and conditions set forth in this section and other provisions of the Regulations.

d. Partial exchange of Shares for Options at the choice of the Beneficiary

Once the Beneficiary is notified of the Individual Bonus awarded and the exchange ratio between Shares and Options, the Beneficiary may decide to exchange part of the Shares awarded - no more than fifty per cent (50%) - for Options.

The Beneficiary's decision must be notified within the fifteen (15) calendar day period set forth in paragraph 8.a) of these Regulations. In the absence of this notification, it shall be assumed that the Beneficiary does not wish to exchange any Shares and shall receive the whole Individual Bonus in Shares.

The CEO, as part of his variable remuneration, received 1,124 Shares and 9,995 Share Options under the conditions established in the Regulations of the Plan for Senior Management of ACCIONA. The reference value and price, if applicable, for exercising the Options shall be €66.73 per share according to the provisions of the Plan, as this is the opening share price on the Continuous Market on the first day of trading of the year. Options awarded in 2012 may be exercised from 31 March 2015 until 31 March 2018.

The executive vice-chairman, as part of his variable remuneration, received 2,247 Shares

under the conditions established in the Regulations of the Plan for Awarding Shares to Senior Management of ACCIONA 2009-2013.

The following table shows the Options held by each of the executive directors according to the awards for each year under the Plan for 2009-2012:

OPTIONS AT THE END OF THE YEAR					
Name	Name of the Plan and date of implementation	No. Options	No. Shares affected	Price for year (€)	Term for year
Mr. José Manuel Entrecanales	Plan 2009	2,529	2,529	89	04/12 to 03/15
	Plan 2010	4,342	4,342	91.1	04/13 to 03/16
	Plan 2011	4,874	4,874	53	04/14 to 03/17
	Plan 2012	9,995	9,995	66.73	04/15 to 03/18
Mr. Juan Ignacio Entrecanales	Plan 2009	1,013	1,013	89	04/12 to 03/15
	Plan 2010	3,600	3,600	91.1	04/13 to 03/16
	Plan 2011	-	-	-	-
	Plan 2012	-	-	-	-

The summary of remuneration for 2012 (in thousands of euros) for all the above items is reflected in the following table:

The individual amounts of remuneration shown in this report are the result of decisions taken by the Board and proposals by the appointments and remuneration committee in its overall evaluation of the

fulfillment of the economic objectives established in the annual budgets and the evaluation of the individual professional performance of each executive director.

Name	Total remuneration in currency	Amount of shares awarded	Remuneration in kind	Total
Mr. Daniel Entrecanales Domecq	115			115
Mr. Juan Manuel Urgoiti López-Ocaña	230			230
Mr. Carlos Espinosa de los Monteros	175			175
Mr. Jaime Castellanos Borrego	165			165
Mr. Fernando Rodés Vila	155			155
Mr. José Manuel Entrecanales Domecq	4,358	51	16	4,425
Mr. Juan Ignacio Entrecanales Franco	1,692	102	14	1,808
Ms. Miriam González Durántez	125			125
Mr. Valentín Montoya Moya	215			215
Ms. Belén Villalonga Morenés	75			75
Ms. Consuelo Crespo Bofill	115			115
Ms. Sol Daurella Comadrán	75			75
Mr. Javier Entrecanales Franco	75			75
TOTAL	7,570	153	30	7,753

D. Term, notice periods and compensation clauses in the event of termination of contract of directors who perform executive duties

The term of Executive Director Contracts for the performance of executive duties is indefinite.

In any case, executive directors must tender their resignation to the Board of Directors and, if the Board deems necessary, formally resign when they leave the executive positions for which they were appointed as directors.

The notice periods required for termination of the employment relationship shall be as set forth in the employment contract or, in the absence of an agreement, current labor legislation.

Regarding compensation clauses for the termination of executive director contracts, executive directors have no specific agreed clauses for termination of their contracts.

E. Relationship between director remuneration for the performance of executive duties and Company profits

Director remuneration for the performance of executive duties in 2012 represented 3.1 % of the profits attributed to the Parent

Company. In 2011, it represented 3.07% of the profits attributed to ACCIONA.

F. 2013 remuneration policy

a) For supervisory and joint decision-making duties

At the meeting of the Board of Directors on February 28, 2013, it was agreed to reduce the amounts paid for sitting on the Board of Directors and the committees by 10%, thereby setting these amounts as follows for 2013:

- €67,500 for sitting on the Board of Directors.
- €22,500 for an independent vice-chairman.
- €45,000 for sitting on the executive committee.
- €45,000 for sitting on the audit committee.
- €36,000 for sitting on the appointments committee.
- €36,000 for sitting on the sustainability committee.

Furthermore, the Board of Directors, at the proposal of the appointments and remuneration committee, proposes a General

Meeting resolution to amend Article 31 of the Bylaws regarding the remuneration of directors for their supervisory and joint decision-making duties, changing from the current profit-sharing system to the remuneration of a fixed amount to be set at the General Meeting.

The amendment proposed aims to adapt the Bylaw system to the remuneration policy for directors that has been applied for years in practice.

Finally, it is proposed for the General Meeting to set the annual amount for the remuneration of directors for 2013, which shall remain in force until such time as a General Meeting resolution amends it. This amount is set at €1,503,000.

b) For performing executive duties

The fixed remuneration to be received by executive directors in 2013 shall not be subject to any amendment.

In 2013, if so agreed at the General Meeting, the executive directors are to be awarded 2,668 Shares each under the conditions established in the Plan Regulations. The Beneficiary may decide to exchange part of the Shares awarded - no more than fifty per cent (50%) - for Options, at an exchange ratio of 7.6 Options per Share. These Options may be executed from April 2016 to March 2019 at a price of €56.21.

Regarding the Plan Regulations, the Board of Directors has agreed to:

- Submit for approval at the General Shareholders Meeting the extension of the Plan to the year 2014, setting the maximum number of shares to be awarded for all the years of the Plan at 335,000, without prejudice to the fact that the specific agreement to award Shares and Options must also be approved each year at the General Shareholders' Meeting; and
- Set, as the value of the shares to be awarded to participants in 2014, the closing price on the last day of trading in March of

the year in question, which shall also be the purchase price on exercise of any Options awarded.

Finally, it is noted that the report on the remuneration policy for the Board of Directors submitted for consultative voting at the General Shareholders Meeting held on 24 May 2012 was approved with a favorable vote of 90.75% of the equity capital entitled to vote present or represented at the meeting. The report included individual information on remuneration during the year.

This is the report prepared by the Board of Directors at the proposal of the appointments and remuneration committee in compliance with the provisions of Article 61 ter of the Securities Market Act, to be submitted for consultative voting at the General Shareholders' Meeting.