

Corporate Governance



© FERNANDO CALVO CASTRO 'Scales'

A commitment to continuous improvement

The governance structure of the Company was designed to create long-term trust and commitment between ACCIONA and its investors.

MEMBERS OF THE BOARD OF DIRECTORS WORK AS A TEAM

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. A highly competent team that is diverse in gender, age and professional background.

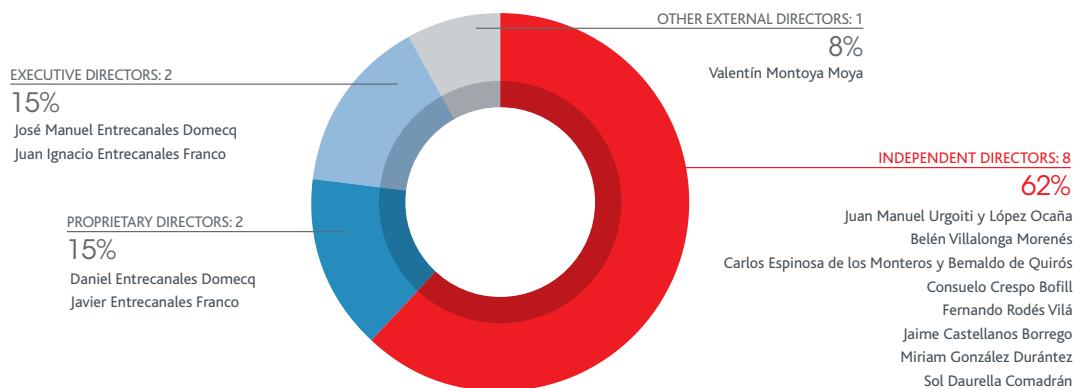
At present, the Board is comprised of thirteen directors, nine of which have been appointed as external, where another two represent significant portions of capital (proprietary), in addition to the Chairman and First Vice-Chairman, both executive.

The Company acknowledges that the combination of the functions of Chairman and first executive in the same person may be controversial, but the Article 19.4 of the

Board Regulation provides a compensatory mechanism by requiring that the post of Second Vice-Chairman should be held by an independent director, who shall act as the coordinator of all the foregoing, raising their concerns and directing the evaluation by the Board of its Chairman. Therefore, we are convinced that our governance model is presently the most suitable for the Company. We believe this structure is beneficial owing to the strength of a model with clear leadership, while maintaining adequate controls and counterweights in the Board.

The bylaws governing the way the Board functions are available on the corporate website, at the Corporate Governance section. (www.acciona.es).

Composition of the Board of Directors



NUMBER OF WOMEN ON THE BOARD OF DIRECTORS: 4

NUMBER OF INDEPENDENT DIRECTORS: 8

Source: 2012 Annual Corporate Governance Report.

A Board focused on efficiency

The Board held ten meetings in 2012. The most significant matters dealt with included the following:

1. Evaluation of the quality and efficiency of the Board's functioning, its posts and corporate bodies.
2. Analysis and preparation for issue of explanatory report of capital reduction through redemption of treasury stock and proposed amendments to Bylaws.
3. Preparation for issue of 2011 Sustainability Report for approval by General Meeting.

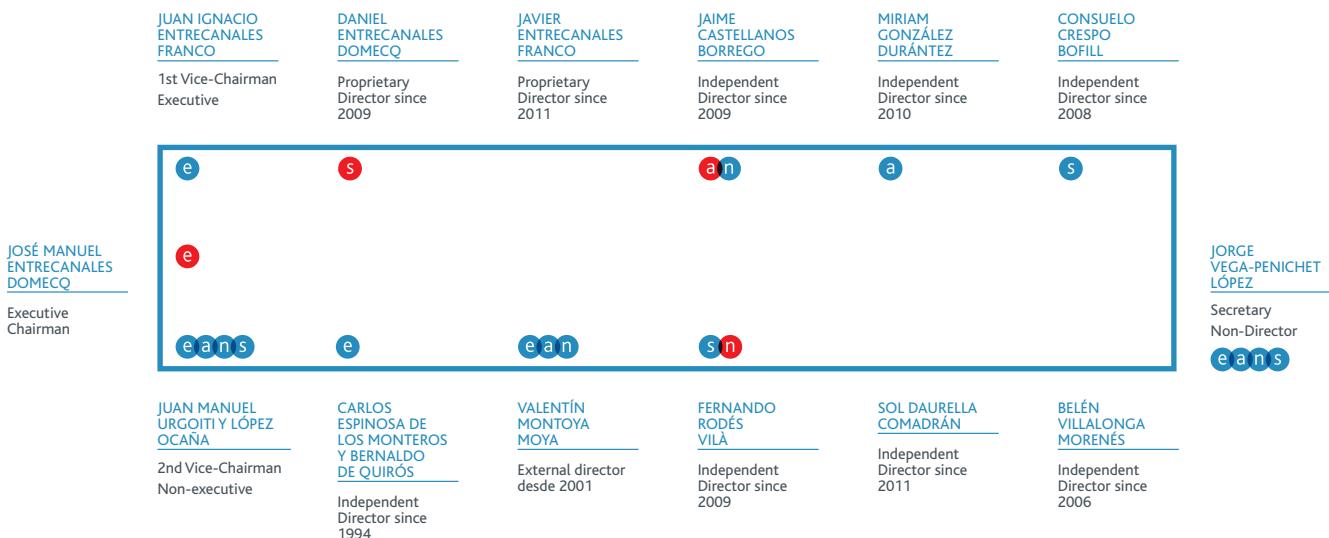
Meetings of Board of Directors	10
Meetings of Executive Committee	0
Meetings of Audit Committee	7
Meetings of Appointment and Remuneration Committee	8
Meetings of Sustainability Committee	3

e Executive Committee

Delegated all powers of the Board of Directors in exceptional circumstances.

a Audit Committee

Overriding function is to serve as an instrument of support to the Board of Directors in supervising the accounting and financial information, internal and external auditing services and corporate governance.



s Sustainability Committee

Meets quarterly to assess the level of compliance with the CSR and sustainability policies approved by the Board.

n Appointment and Remuneration Committee

Primary function is to assess the competences, knowledge and experience necessary at Board and Senior Management level, thus defining the functions and aptitudes needed by candidates for a vacant post, and to evaluate the precise time and dedication they need to perform the undertaking properly.

Supervision of performance and strategy

The Board holds an annual meeting dedicated solely to the supervision and monitoring of the Group strategy.

FOCUS

■ Short term

The Audit Committee annually supervises the risk management and mitigation plan of the most serious risks identified in the risk map.

■ Long term

The mission of the Sustainability Committee is to identify trends and prepare the organization better to face long-term challenges.

Risk management

The Board is responsible for orienting and supervising the risk management system.

The Risk Management System is designed to identify potential risks that may affect the organization, manage risk by means of internal treatment and control systems that can maintain the probability and impact of occurrence of such events within established tolerance levels, and to provide reasonable security on the achievement of the strategic business objectives.

FOCUS

■ Short and long term:

The Audit Committee is an instrument and provides support in supervision of that Company's risk management and in supervision of accounting and financial information, and internal and external audits.

In 2012, the risk map was completed and improved, as was the training of key executives in this area.

Further, advances in the identification of specific risks relating to the supply chain were notable.

Compliance

ACCIONA has corporate rules and regulations that establish guidelines for its companies, within a framework of ethics and integrity.

To strengthen this framework, existing policies have been reviewed and the new ones have been elaborated. The Policy Book, which was approved by the Sustainability Committee in April 2013, contains four sections: sustainability and innovation; economics and good governance; society, and; environment.

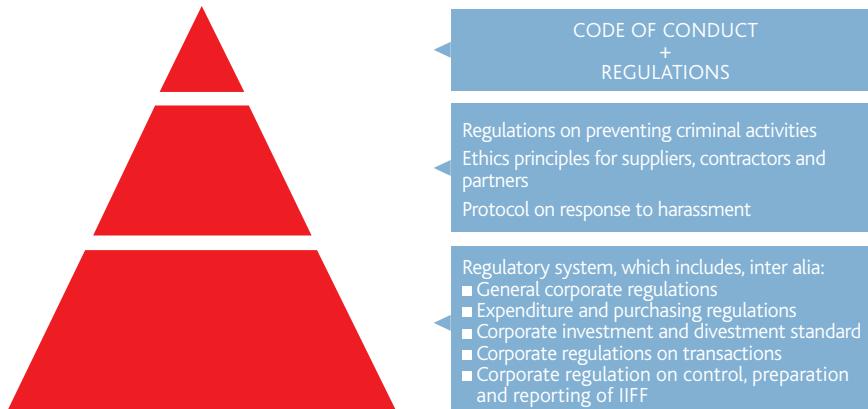
The Board of Directors is also responsible for assuring compliance with the ethical principles set forth in the ACCIONA Code of Conduct.

FOCUS

■ Short term

During 2012 ACCIONA has undertaken an extensive campaign for dissemination of its

Code of Conduct, which is available in seven languages, and the online training promoting the Code knowledge was completed by 2,259 employees (target: train 100% of the workforce).

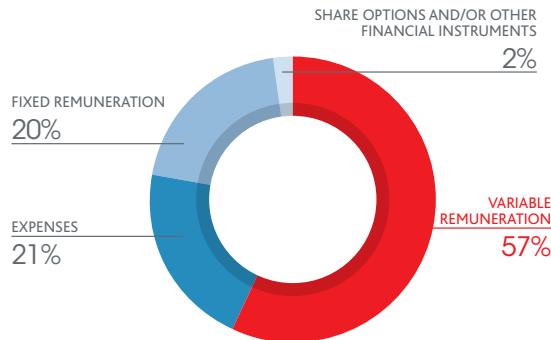


Remuneration

The 2011 Board's remuneration policy report was put to a vote of the 2012 General Meeting of Shareholders on a consultative basis and it was approved with the favorable votes of 90.75% of the capital with voting rights in attendance. The report specifies the individual remuneration of directors for their exercise of the functions of supervision

and collective decision-making deriving from their posts on the Board and on Committees.

Remuneration for performance of executive functions in 2012, indicating the different components, fixed, variable and the delivery of individual shares to each executive director, was as follows:



	REMUNERATION IN THOUSANDS OF EUROS
Executives	6,233
External proprietary	190
External independent	1,115
Other external directors	215
TOTAL	7,753

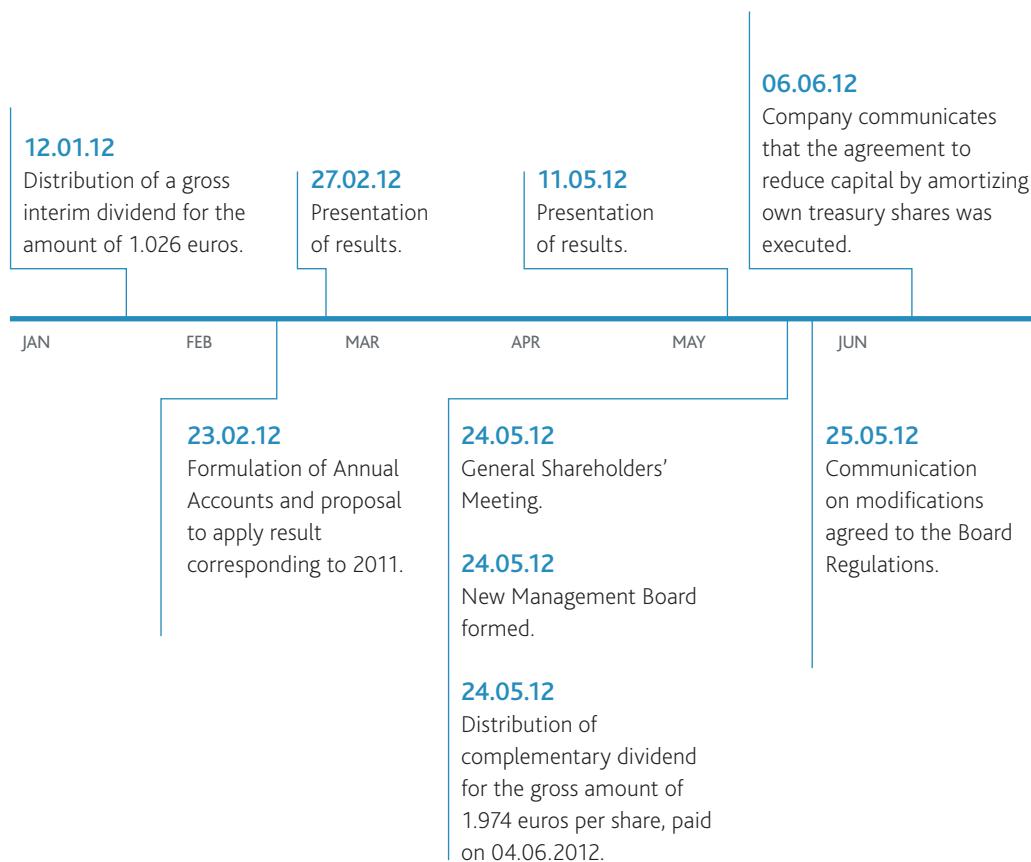
External auditor

In 2012, the fees for the account auditing services and other services performed by the auditor of the consolidated annual accounts of the Group, Deloitte, S.L., and for companies in the Deloitte network, and

fees for services billed by the auditors of the annual accounts of consolidated companies and for companies related to the latter through control, common ownership or management were as follows:

IN THOUSANDS OF EUROS	SERVICES RENDERED BY THE MAIN AUDITOR	SERVICES RENDERED BY OTHER AUDITING FIRMS
Auditing Services	2,899	1,605
Other Verification Services	486	395
TOTAL AUDITING AND RELATED SERVICES	3,385	2,000
Tax Advisory Services	927	908
Other Services	3,033	757
TOTAL PROFESSIONAL SERVICES	3,960	1,665

Main relevant events of year



31.07.12

Agreement with the Macquarie Infrastructure fund in Mexico for the transfer of shares in the concession company, Concesionaria Universidad Politécnica de San Luis Potosí, S.A. de C.V.

13.11.12

Presentation of results.

JUL

AUG

SEP

OCT

NOV

DEC

25.07.12

Presentation of results.

25.09.12

ACCIONA informs on a communication by the Moroccan Agency for Solar Energy.

06.11.12

The consortium that ACCIONA forms part of is awarded the public contract, Aigües Ter Llobregat.