

# SUSTAINABILITY REPORT 2009

# sustainability report 2009

**Access to all information at:**  
<http://annualreport2009.accion.com>

**Consult a dictionary of sustainability terms at:**  
<http://www.sostenibilidad.com/index.php/diccionario.html>

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## \* WHAT IS THE TRIPLE BOTTOM LINE?

The Triple Bottom Line is a new way of measuring business success. Developed by John Elkington, this philosophy refers to the need to measure and report together the economic, social and environmental results of companies. The Brundtland Commission report, published in 1987, was its starting point. This Commission consolidated the term, "sustainable development", which, in 1992, was redefined by the Earth Summit held in Rio de Janeiro. According to Elkington: "Leading companies are beginning to have a broader vision of accounting, auditing and the publication of information, which comprises financial, environmental, social and ethical aspects".

# chairman's statement



JOSÉ MANUEL ENTRECANALES  
CHAIRMAN & CEO OF ACCIONA

Dear Friends,

I am pleased to present ACCIONA's Annual Sustainability Report for 2009. I would like to take this opportunity to reiterate my confidence in the business project that ACCIONA embodies and in its commitment - based on the solid foundation provided by our businesses - to lead the response to future challenges to global sustainable development in an innovative and technologically advanced way.

ACCIONA's business strategy has progressed considerably in recent years: we have worked diligently to align our commitments, expertise, skills and endeavours with business models which are, by nature,

sustainable (primarily water, infrastructures, and renewable energies). The complexity of the current economic situation and the consequent difficulties have merely reasserted our objectives as a driving force behind our commitment to competition. We want to lead the way in coming up with ideas and innovative solutions which guide our business along the path of sustainable and profitable long-term growth.

We feel it is our duty to contribute, through our businesses, to bringing the World Business Council for Sustainable Development's 'Vision 2050' to fruition so that, by the year 2050, the Earth's

expected nine billion inhabitants can live within the planet's resource limits while also having access to basic goods and services. Therefore, our priority is to help decouple economic growth from resource consumption and ecosystem destruction and align it with environmental balance and social development.

We understand that this transformation is one of mankind's most daunting challenges, and we aim to participate responsibly in achieving it. But we also know that this transformation will be accompanied by significant business opportunities, which we are able and willing to seize.

'ACCIONA is a unique, profitable, global company dedicated to fostering economic development, social progress and environmental balance'



We believe that the companies that are best equipped for this challenge will ultimately be those that are most competitive and successful in the long term, insofar as they are the most agile and effective in capitalizing upon the business opportunities that a new, more sustainable context will provide. Here at ACCIONA, we have the values, know-how and technology required to face this challenge and steer this change, striking the right balance between business profitability, social needs and environmental factors.

In 2009, we set out our goals and convictions in the 2010-2013 Strategic Plan, the main

vector of our vision of the future. The Plan is there to help us seize opportunities arising from the change in the energy model, infrastructure needs and availability of water resources. The three pillars of the Strategic Plan - unity, profitability and an international approach - define who we are and they share a common foundation: sustainability. In this regard, ACCIONA is a unique, profitable, global company which seeks to foster economic development, social progress and environmental balance: those are the actual sectors in which we operate.

I would like to highlight the inclusion of the Sustainability Master Plan in the 2010-

2013 Strategic Plan. The Plan is based on six principal areas of interest - environment, value chain, people, society, corporate governance, and innovation - and focuses on ambitious objectives which are directly related to our businesses. I firmly believe that it will confirm, once and for all, our position as the benchmark company for the new model of sustainable development.

I am also pleased to report that ACCIONA is the first Spanish company to create a Board-level committee on sustainability issues. Our Sustainability Committee will assess the degree of compliance with Board-approved sustainability and social

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'Half of our Board members are independent directors, all of our Committees are chaired by independents and 18% of directors are women'

>> responsibility policies. With regard to the Board itself, it should be noted that 50% of its members are independent directors, all of its committees are chaired by independent directors, and 18% of directors are women.

In 2009, we worked even harder to propagate our values in an effort to enhance our accountability and integrity. To date, we have distributed 40,000 copies of the ACCIONA Code of Conduct in five languages, and further reinforced the functioning and transparency of the complaints network.

In terms of social development, we have come even further in understanding the impact of our businesses on society, and have included initial estimates of our results in this Report. Broadly speaking, our social investment as a

percentage of the dividend exceeds that of comparable companies in our sector; our goal in the next three-year period is to contribute the equivalent of 5% of the estimated annual dividend.

The year also saw significant progress in the implementation of ACCIONA's Environmental Efficiency Plan: we obtained our first positive results and maintained our target of improving the efficiency ratio by 10% over the next three years. We also gained ground in the net balance of CO<sub>2</sub> emissions: in 2009, we avoided 7.58 million metric tons of carbon emissions (up 35.5% on 2008 and 91% on 2006), and we aim to double that figure by 2013.

ACCIONA aspires to work with the best human capital. In 2009, we implemented a new plan to attract and hire employees, and we have

defined a new competency model based on the Company's vision and values. More precisely, we are working to integrate sustainability into our new training, skills and remuneration models. I am delighted to report that our workplace accident severity and frequency rates continue to improve in leaps and bounds.

At ACCIONA, innovation is the principal driver of sustainable growth. In 2009, we increased total direct investment in R&D and Innovation projects by 30% with respect to 2008, to 92.2 million euros. According to the 2009 EU R&D Industrial Investment Scoreboard, ACCIONA is the leader in the European electricity and construction industries in terms of innovation intensity, with investment amounting to 6.7% of EBITDA. After reviewing and updating our R&D and

Innovation Strategic Plan, we have set an investment target of 400 million euros for 2010-2013, twice the investment of the previous four-year period. The Plan is structured around three lines of strategic research: renewable energies, sustainable building, and water technology. Our goal is to advance in areas with future growth potential such as eco-efficient construction, sustainable mobility, water desalination and marine energies.

We believe that ACCIONA's partners and collaborators should be made aware of the Company's commitments to sustainability. Accordingly, we have begun implementing far-reaching effective measures to align the supply chain with ACCIONA's Corporate Social Responsibility and Sustainability standards. We continue to share our sustainability goals with

suppliers, and our procurement contracts contain clauses to ensure compliance with the principles of the UN's Global Compact and Spain's Equality Law.

The launch of our 'Re\_' communication campaign and particularly its method and message has once again made us trailblazers in promoting a culture of sustainability. Re\_'s message makes a public statement of our position and sends out a call to action to raise awareness and move society to respond to the challenges posed by the new sustainable development model. Its format turns traditional advertising on its head by utilizing the Internet and new digital media.

Another year has come and gone and we have once again fulfilled our sustainability commitments; moreover, for the third year in a row, ACCIONA is

the sector leader in sustainability in the Dow Jones Sustainability Index (DJSI). With profound conviction, tempered by humility and prudence in view of the long road ahead, I can affirm that ACCIONA is a company with a vision and that we are on the right track. That inspires us to continue, convinced that we are meeting the expectations of society and stakeholders.

I would like to extend my sincerest thanks to our entire workforce, to the women and men who work day in, day out to achieve ACCIONA's goals; I encourage them to continue to work with passion and like the true professionals they are so that our objectives, goals and commitments can truly contribute towards transforming lifestyles and social behaviour towards more sustainable models which enable us to embrace the future with optimism. ■





ACCIONA:  
**profile and  
strategy**

# ACCIONA: profile and strategy

ACCIONA's  
investment rose  
to over  
**4.2 billion**  
euros in 2009



ACCIONA is one of Spain's leading business groups. It is listed in the blue-chip IBEX 35 index. The group, which has over 33,000 employees, has been in business for over a century and operates on five continents.

In 2005, ACCIONA announced its commitment to sustainability with a view to aligning its growth and returns with the major challenges facing society. Its innovative strategy is supported by major investment and sound international expansion.

The content and strengths of its main business lines —water, infrastructures and energy— are focused on sustainability by nature. ACCIONA is in a privileged position to play a leading role in implementing change: responsibility combined with opportunity.

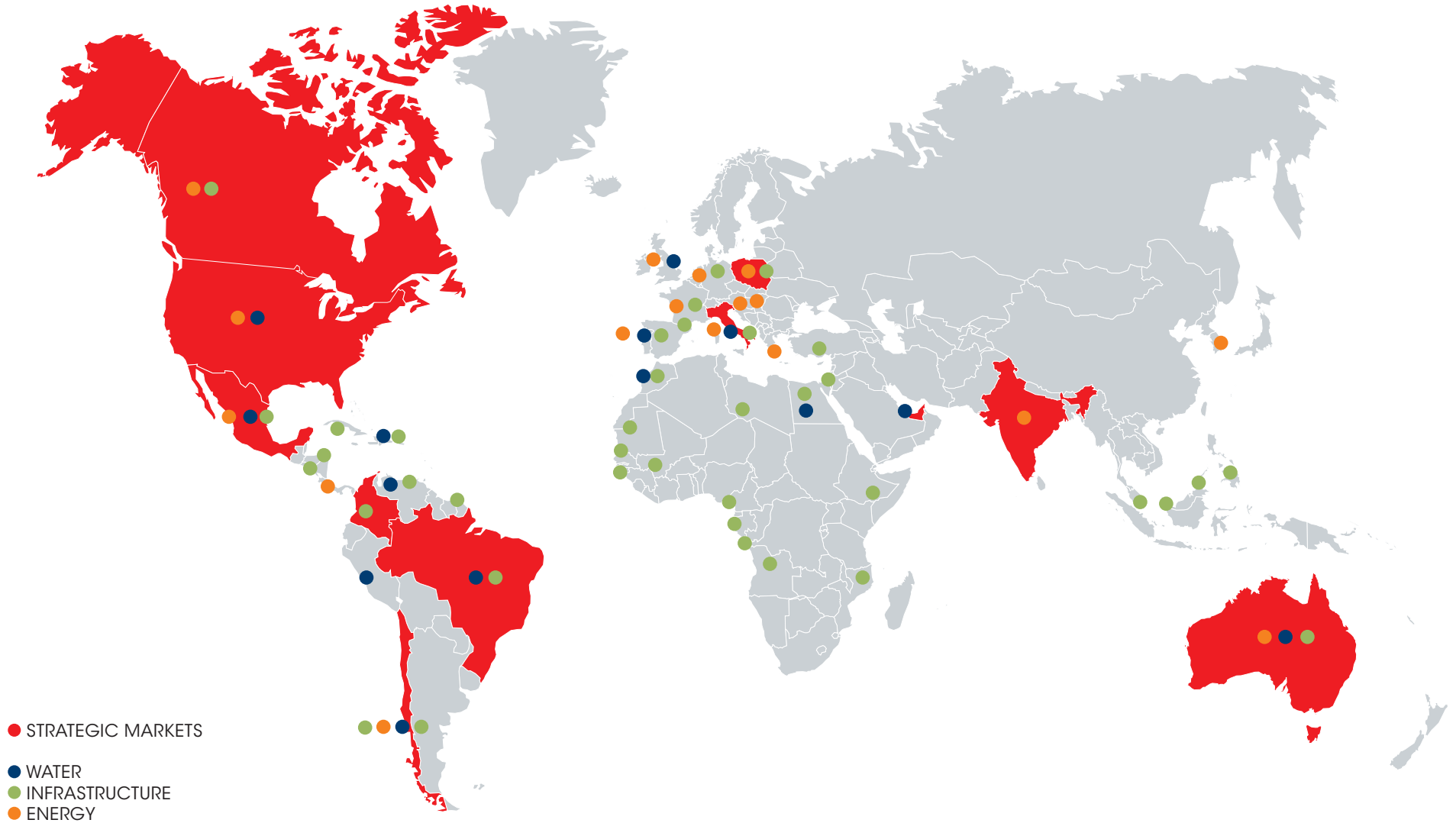
ACCIONA is staunchly committed to creating infrastructures for economic and social development, defining a new global energy architecture, and extending and improving water availability. Society needs answers, and ACCIONA

has them: its long-term approach is indisputable and is effective in both developed and developing countries.

In 2009, the Company reported: solid operating performance against an adverse economic backdrop; major investment, totalling more than 4.221 billion euros; the sale of 25.01% of Endesa to Enel and the acquisition of 2,079 MW of renewable energy assets from Endesa; and a significant reduction in net financial debt.

## SUSTAINABLE SOLUTIONS

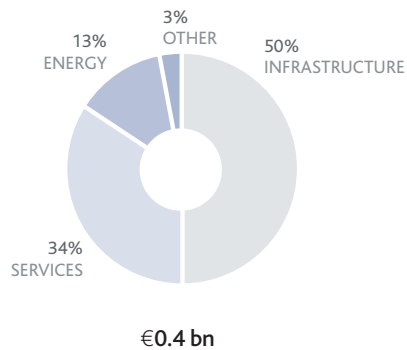
Global experience



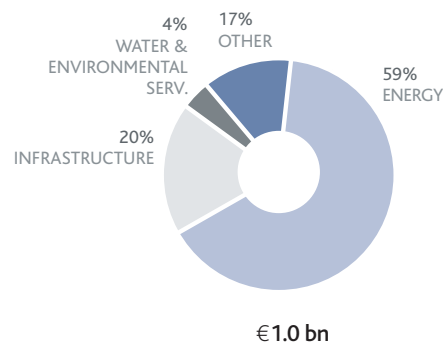
## Transformation since 2003

Diversification strategy to facilitate positioning in varied businesses and increasing the speed and sustainability of growth.

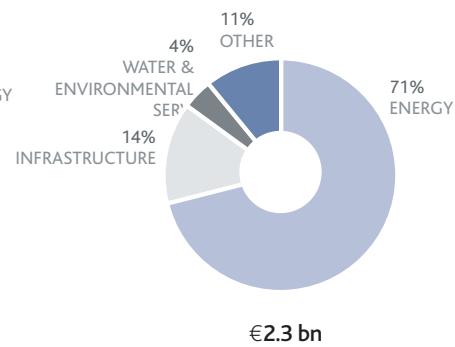
2003 EBITDA



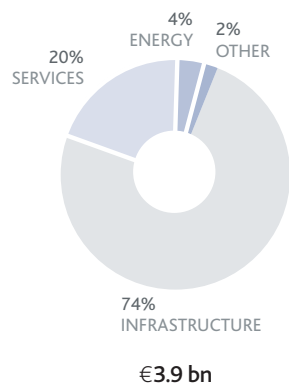
2009 EBITDA



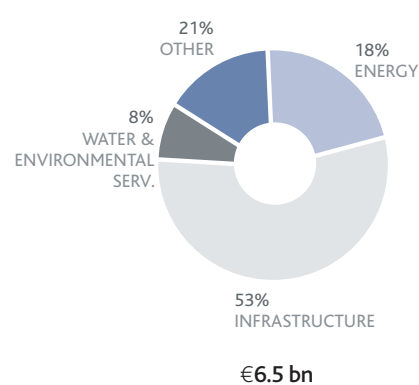
2013 EBITDA\*



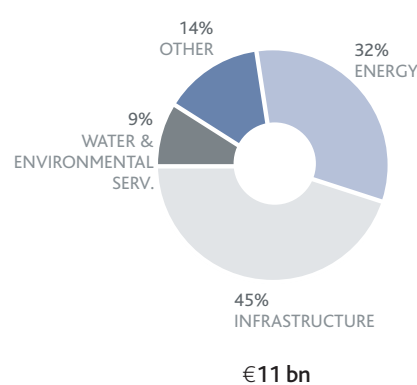
2003 REVENUES



2009 REVENUES



2013 REVENUES\*



### 2010-2013 Strategic Plan:

■ ACCIONA has implemented a prudent, realistic strategic plan. The 2010-2013 business model focuses on:

1. Three principal areas (Energy, Infrastructures and Water).
2. Deleveraging.
3. Global expansion.
4. A triple bottom line.
5. Technical and human capital excellence.
6. Profitability.

**\* Note:**

- Estimates are based on the current macroeconomic and credit context.
- The Business Plan does not include divestments of non-core assets.
- Rotation of mature concessions valued at €450m.
- Objective of reducing deleveraging ratio.
- Business Plan assumes gross annual investment of €1.6 bn.

## Global Market

ACCIONA has strengthened its international expansion as part of a three-pronged global strategy:

- Sustainable development, in response to the permanent and growing demand for water infrastructures and energy;
- Organic growth, through establishing the three divisions with a long-term commitment in all strategic countries;
- Being a global company.

ACCIONA has decided to concentrate its international expansion on 11 key countries, strengthening its activities in those countries where it has a long track record, such as Chile, Mexico, Italy and Poland; expanding in others where it has made significant inroads, such as Australia, Canada and the US; and entering new markets, such as Brazil, Colombia, India and the United Arab Emirates.

Those countries have considerable growth potential, their political and legal system is

stable, and - above all - they are aware of the vital need for social and physical infrastructure and of the possibilities of renewable energies that ACCIONA can provide.

ACCIONA's core capacities in technology and business mesh perfectly with the social, political and economic priorities of the world's leading economies.

**Our international strategy pivots around sustainable development, organic growth & global presence**



## INTERNATIONAL PLATFORM: Strategic countries

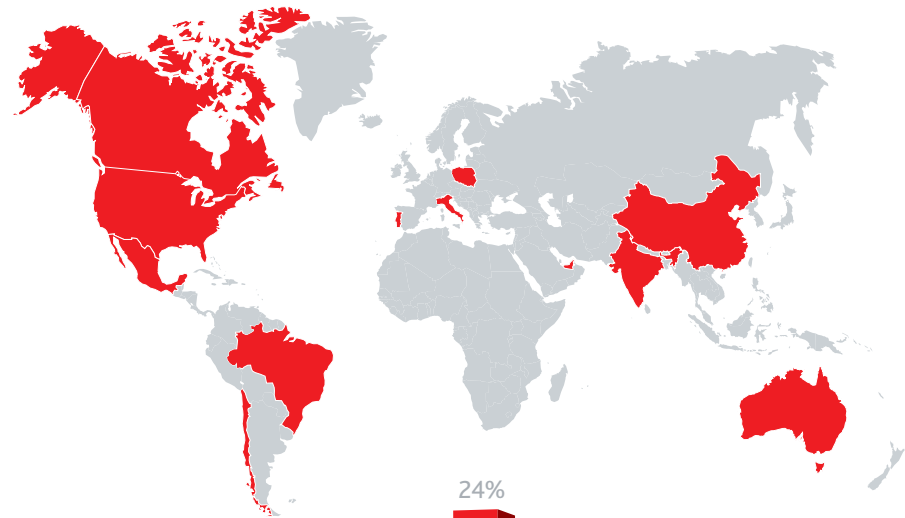
**2004**

Poland, Mexico, Chile.



**2009**

Canada, US, Mexico, Chile, Brazil, Portugal, Poland, Italy, United Arab Emirates, India, China, Australia.



% International sales

+ 125%



## 2009 Milestones

**JANUARY.** ACCIONA launched its Environmental Efficiency Plan, which seeks to increase the energy and water consumption efficiency ratios by 10%, minimize the production of waste and optimise its management and continue incorporating environmental aspects into all business lines.

**FEBRUARY.** ACCIONA obtained its first desalination contract in Australia. ACCIONA will lead the Adelaide Aqua consortium, design, build, operate and maintain a desalination plant in Port Stanvac for 20 years, and build a water transfer pipeline in Adelaide. The renewables-fired facility will supply one-quarter of the city's annual water needs, serving more than one million people. The estimated cost of the project is 700 million euros, and the plant will have a capacity of 274,000 m<sup>3</sup>/day, expandable in the future.

**MARCH.** ACCIONA opened a biodiesel plant in the Port of Bilbao (Spain) with an annual capacity of 200,000 metric tons, at a cost of 25 million euros. The fuel

produced will fulfil 27% of Spain's 2009 target for introducing biodiesel use.

**APRIL.** ACCIONA won the Global Water Intelligence (GWI) Most Sustainable Project Award for the Beckton desalination plant in London (UK). The plant serves a population of 900,000 and runs exclusively on renewable energies.

**MAY.** ACCIONA Trasmediterranea and the Port of Barcelona (Spain) presented a new 150,000 m<sup>2</sup> ferry terminal.

**JUNE.** ACCIONA successfully completed construction of the wind farm in Yeong Yang, South Korea. The facility has an installed capacity of 61.5 MW and cost 100 million euros; ACCIONA is the first Spanish company with a wind farm in the country, and it has been registered with the United Nations as a CDM project.

**JULY.** ACCIONA's Board of Directors created a Sustainability Committee comprising external directors; its main

functions are to identify, guide and oversee the Group's policies, objectives, best practices and programmes in the area of Sustainability and Corporate Responsibility.

**AUGUST.** ACCIONA built three hospitals and an outpatient clinic in Mexico valued at 30 million euros.

**SEPTEMBER.** For the third consecutive year, ACCIONA retained its position as Sector Leader in the Dow Jones Sustainability World Index (DJSI World) and the Dow Jones STOXX Sustainability Index (DJSI STOXX), international benchmarks of sustainability and socially-responsible Investment.

**OCTOBER.** ACCIONA signed a contract with the US Army to install a 500 MW solar power facility at Fort Irwin (California). The project has an estimated cost of 1.5 billion euros.

**NOVEMBER.** ACCIONA completed construction in Mexico of Latin America's largest wind farm; it is also

ACCIONA's largest wind farm, with an installed capacity of 250.5 MW, built at a cost of 366 million euros.

**DECEMBER.** ACCIONA participated in four new 'CENIT' R&D projects. The Company will allocate 23 million euros to the new projects over the next four years. ACCIONA is participating in a total of 12 CENIT projects.

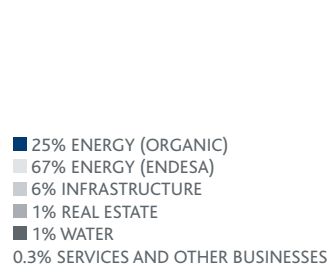
### EVENTS AFTER YEAR-END

- ACCIONA registered the first US wind farm under the Voluntary Carbon Standard (VCS) programme with a view to selling voluntary offset credits. The 123 MW farm cost 252 million dollars and will avoid the emission of 294,000 metric tons of CO<sub>2</sub>.
- The new Corporate Regulation was approved in March 2010 incorporating ACCIONA's stance on CSR in the supply chain.
- ACCIONA joins the Renault-Nissan Alliance to add momentum to the introduction of the electrical vehicle in Spain.

## Key Figures

### INVESTMENT BY DIVISION

€4.2 bn



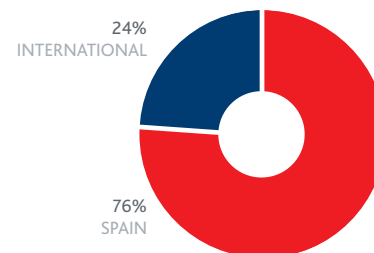
INVESTMENT (Million euros)	2008	2009
ACCIONA Infrastructure	206	233
ACCIONA Real Estate	100	32
ACCIONA Energy	1,762	1,070
ACCIONA Logistics & Transport Services	28	-4
ACCIONA Urban & Environmental Services	84	42
Other businesses and financial results	-	4
<b>TOTAL CAPITAL EXPENDITURE BY ACCIONA DIVISIONS</b>	<b>2,180</b>	<b>1,377</b>
Endesa assets	972	2,844
<b>TOTAL</b>	<b>3,152</b>	<b>4,221</b>

OPERATIONAL FIGURES	2008	2009
Infrastructure pipeline (million euros)	7,341	7,021
Residential property pre-sales (million euros)	35	90
Acquisition of land (million euros)	131	0
Attributable installed wind power capacity (MW)	3,699	5,364
Passengers attended	3,762,307	3,346,956
Cargo handled (linear metres)	6,040,883	5,877,351
Average no. of employees	34,562*	33,112

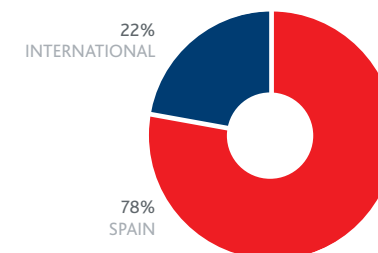
\* For the purposes of comparison, 2008 figures do not include Endesa employees

### 2009

#### SALES



#### EBITDA



INCOME STATEMENT SUMMARY (Million euros)	2008	2009
Net sales	7,208	6,512
Net domestic sales	5,577	4,927
Net overseas sales	1,637	1,585
EBITDA	1,069	1,043
Operating Profit (EBIT)	535	448
Net Profit	464	1,263

BALANCE SHEET SUMMARY (Million euros)	2008	2009
Net equity	6,319	6,064
Net debt	17,897	7,265
Financial leverage	283%	120%
Investment*	1,942	4,221

\* 2009 capital expenditure includes €2.844 billion for the acquisition of Endesa assets.



## ACCIONA Infrastructure

ACCIONA Infrastructure is the Group's longest-standing division. It has a solid foothold in strategic markets such as Brazil, Mexico and Chile, and it was recently awarded significant contracts in Canada. ACCIONA Infrastructure operates in two main business areas: civil engineering and building. This division's operations involve all areas of construction, from engineering to project execution and subsequent maintenance. The division also maintains an active R&D and Innovation policy which focuses on the search for new materials that are more efficient and environmentally-friendly. All actions are rated against global sustainability yardsticks, using the most appropriate technologies in each case.

### 2009 Milestones

- Constructed world-class motor racing and test circuit at Alcañiz (Teruel, Spain).
- Awarded contract to build stadium in Wroclaw (Poland) for 170 million euros.
- ACCIONA selected to build phase A of the Isla Verde Exterior container terminal (almost 300,000m<sup>2</sup>) in the Port of Algeciras Bay (Spain), for 34.8 million euros.

**ACCIONA**  
Infrastructure  
won the contract to  
build Wroclaw stadium  
in Poland for  
**170**  
million euros

FIGURES	2008	2009
NET SALES (MILLION EUROS)	3,592	3,613
EBITDA (MILLION EUROS)	243	209
EMPLOYEES	15,675	15,837
INFRASTRUCTURE PIPELINE	7,341	7,021

## ACCIONA Real Estate

ACCIONA Real Estate has more than 20 years of experience in the sector.

It operates in two main business areas: residential (housing development) and rentals (development and management of other properties). The real estate division incorporates sustainability into all of its projects, and one of its principal objectives is the development of

environmentally-friendly projects that reduce homeowners' costs.

The division's slogan, "Pioneers in eco-efficient housing", represents the company's staunch commitment to integrating environmental aspects into its projects and to building environmentally-friendly homes in harmony with their surroundings.

FIGURES	2008	2009
NET SALES (MILLION EUROS)	320	268
EBITDA (MILLION EUROS)	85	43
EMPLOYEES	420	362
RESIDENTIAL PROPERTY PRE-SALES (MILLION EUROS)	42.98	90

## ACCIONA Real Estate was awarded distinctions in Poland & Mexico for its CSR policies

### 2009 Milestones

- Delivered 144 eco-efficient homes in Warsaw.
- Recognised for its Corporate Social Responsibility policy in Poland and Mexico.
- Obtained certification to ISO 9001 and ISO 14001 standards from AENOR for its quality and environmental management systems, respectively.

## ACCIONA Energy completed construction of Latin America's largest wind farm, in Mexico, in 2009

## ACCIONA Energy

ACCIONA Energy is a world leader in renewable energies. It is the only company worldwide with significant activities in all the most viable renewable technologies, although its main focus is wind energy. It is one of the leading developers and operators of wind farms worldwide, and it designs and manufactures wind turbine generators using proprietary technology.

ACCIONA Energy uses other renewable energies to generate electricity, including

hydroelectric, solar thermal, solar photovoltaic, biomass and biofuel. All projects undertaken by this division utilize a methodology based on excellence and respect for the environment with a view to minimizing environmental impacts.

At 31 December, ACCIONA had acquired from Endesa a total of 2,078 MW of renewables assets (1,227 MW of wind and 852 MW of hydroelectric).

FIGURES	2008	2009
NET SALES (MILLION EUROS)	1,784	1,248
EBITDA (MILLION EUROS)	589	629
EMPLOYEES	1,309	2,147
ATTRIBUTABLE INSTALLED WIND POWER CAPACITY (MW)	3,699	5,364

### 2009 Milestones

- Obtained pre-assignment of 1,100 MW of renewable capacity in Spain (solar thermal projects, wind farms and biomass plants).
- Completed the construction in Mexico of Latin America's largest wind farm, with an installed capacity of 250.5 MW.
- Started up a wind farm in Australia with an installed capacity of 192 MW; investment totalled more than 270 million euros.
- Inaugurated the company's first solar thermal plant in Spain, in Extremadura. It has an installed capacity of 50 MW and will supply 28,000 households; investment totalled 236 million euros.

ACCIONA Agua  
won four new water  
management  
contracts in Spain,  
together worth  
**21.2**  
million euros



## ACCIONA Urban & Environmental Services

### 2009 Milestones

- Obtained its first contract in Nicaragua, valued at 74 million euros, to build a drinking water plant, supply main and distribution network.
- Obtained its first contract in Brazil, valued at 25 million euros, to provide technical assistance in the operation and maintenance of a wastewater treatment plant which will employ an innovative sustainable approach.
- ACCIONA Agua obtained four new water management contracts in Spain. The contracts, worth a total 21.2 million euros, will serve a population of more than 1.5 million.

The Urban and Environmental Services division includes ACCIONA Agua and activities related to cities and environmental protection.

ACCIONA Agua is a leading player in the water business, with capacity to design, build and operate plants for treating drinking water and wastewater, tertiary

treatment of wastewater for reuse, and reverse osmosis desalination.

It operates in the US, the UK, Italy, Australia, Egypt, Turkey and Algeria, as well as in Latin America, where it supplies water to more than 50 million people. The company aims to provide comprehensive solutions which contribute to sustainable development in the water business.

FIGURES	2008	2009
NET SALES (MILLION EUROS)	772	732
EBITDA (MILLION EUROS)	70	60
INVESTMENT (MILLION EUROS)	-55	42
EMPLOYEES	8,363	7,416

The main aim of ACCIONA Logistics & Transport Services is to contribute to sustainable mobility

## ACCIONA Logistics & Transport Services

ACCIONA Logistics & Transport Services includes companies such as ACCIONA Trasmediterranea (Spain's leading passenger and cargo shipping company), ACCIONA Airport Services (airport management and handling services), ACCIONA Logistics, ACCIONA Rail Services, ACCIONA Forwarding and ACCIONA Interpress (road and rail transport, logistics and distribution).

The division's main goal is the pursuit of sustainable mobility in all its activities by working to reduce accident rates, noise pollution and congestion.

### 2009 Milestones

- ACCIONA Trasmediterranea and the Port of Barcelona (Spain) unveiled the new 150,000m<sup>2</sup> ferry terminal; investment totalled 36 million euros.
- During the Easter holiday, ACCIONA Trasmediterranea increased ferry connections between mainland Spain and the Balearic Islands, transporting 65,000 passengers and 15,500 vehicles.

FIGURES	2008	2009
NET SALES (MILLION EUROS)	914	811
EBITDA (MILLION EUROS)	39	86
EMPLOYEES	5,463	4,789
CARGO HANDLED (LINEAR METRES)	6,040,883	5,877,351
PASSENGERS SERVED	3,762,307	3,346,956



# economic dimension

- a. transparent businesses
- b. sustainability in the supply chain
- c. innovation at the service of people and the environment

# transparent businesses

## 2009 milestones

- Sustainability Committee established within the Board of Directors.
- Strategic Business Plan 2010-2013 presented.
- Risk Map updated.
- Crisis Management Plan designed.

## 2010 goals

- Include sustainability criteria in the Company's risk assessment.
- Adopt more demanding international standards with regard to integrity and transparency.



## A year of economic uncertainty

The year 2009 was marked by uncertainty: in the markets, in companies, and in society as a whole.


ACCIONA is convinced that the response to the crisis lies in strengthening the economy through transparency, responsibility and integrity, where success is measured and rewarded according to one's ability to contribute to global progress.

ACCIONA's strong diversification, its solid business foundations and the principles

guiding its commitment to development and sustainability are helping it to weather the consequences of the economic slowdown.

ACCIONA's long-term approach is set out in the Strategic Plan 2010-2013, which is a continuation of the current business strategy in order to respond to the needs of a global model of sustainable development, thereby assuring long-term growth and profitability.

Half of ACCIONA's Board directors are independent, compared to an average of **37.3%** in the Ibex 35 as a whole



## Good governance, the key to transparency and integrity

ACCIONA understands that transparency and building a relationship of trust with all its stakeholders are essential to fulfilling its business commitments.

In the last few years, ACCIONA has gradually adopted the corporate governance recommendations and complies with the bulk of the Unified Code of Good Governance.

Key issues:

- Independent directors account for 50% of the Board of Directors (compared with an average of 37.3% in the IBEX 35 companies);
- Women represent 18% of the Board of Directors (IBEX 35 average = 8.7%);
- Three committees (Audit, Appointments and Remuneration, and Sustainability) are chaired by independent directors. ACCIONA also has an Executive Committee made up of independent directors.

In pursuit of rigorous compliance with all the recommendations in the Unified Code of Corporate Governance, ACCIONA has amended its Articles of Association, Shareholders' Meeting Regulation and Board of Directors Regulation to adapt

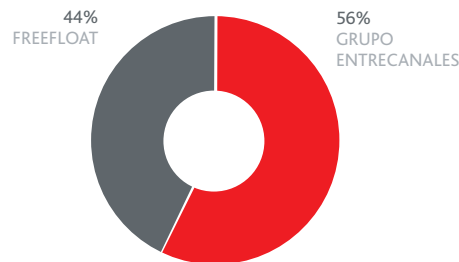
them to those recommendations, and it has also incorporated some of them into its internal rules, such as eliminating the limitations on attendance and voting at Shareholders' Meetings.

### ACCIONA on the financial markets

ACCIONA has been traded on the Madrid Stock Exchange since 1997. The Company's shareholder structure is as follows:

SHARE CAPITAL (Euros)	NUMBER OF SHARES
63,550,000	63,550,000

### ACCIONA's ownership structure

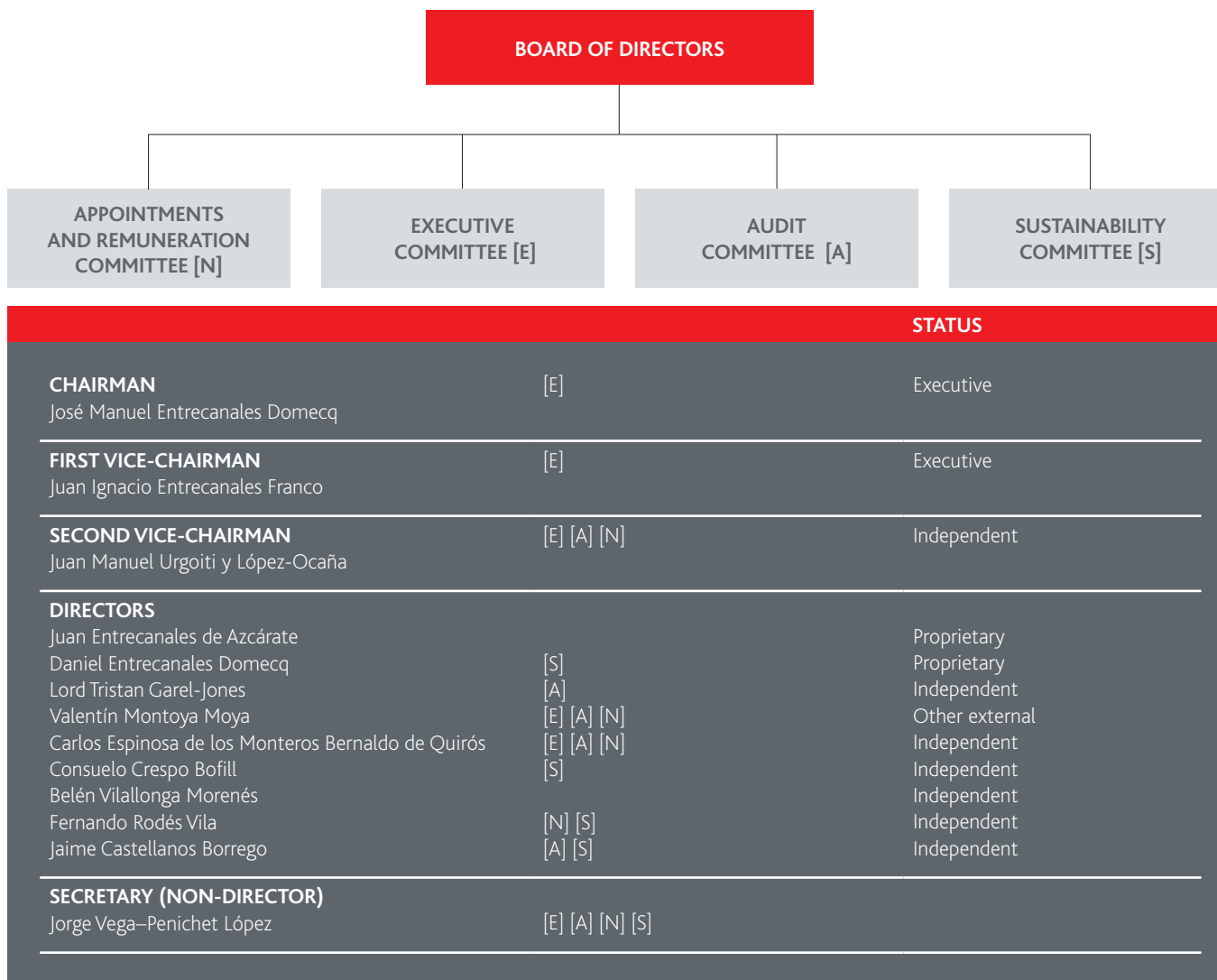


## Sustainability Committee, involvement and commitment at the highest level

In 2009, the Board of Directors of ACCIONA approved the creation of a Sustainability Committee to guide and supervise policy, objectives and programmes in the area of Sustainability and Corporate Social Responsibility, to evaluate their implementation, and to periodically review compliance.

The Sustainability Committee is chaired by Fernando Rodés, who is an independent director, and it has three other members: independent directors Jaime Castellanos and Consuelo Crespo and proprietary director Daniel Entrecanales. The Sustainability Committee meets once a quarter to assess the degree of compliance with the Sustainability and Social Responsibility policies approved by the Board of Directors, and also when required to issue an opinion or a specific decision.

ACCIONA is the first Spanish company to have a specific Corporate Responsibility Committee within the Board of Directors, the Company's highest management body. This high-level involvement reflects the importance attached by ACCIONA to its commitment to sustainable development.



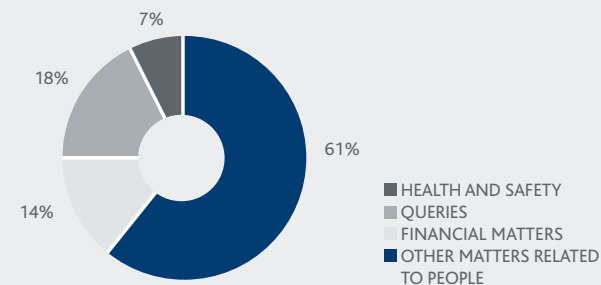
Three of ACCIONA's Committees are chaired by independent directors

## The Ethical Channel, a tool for safeguarding integrity

In 2007, ACCIONA's Board of Directors approved the company's Code of Conduct with the goal of guiding the conduct of all employees by establishing a corporate culture based on integrity. The approval of the Code of Conduct led to the establishment of a Code of Conduct Committee and the creation of the Ethical Channel, through which ACCIONA employees can raise queries about the Code or provide strictly confidential reports on potential breaches of the Code. In order to guarantee absolute confidentiality of the reports received via the Ethical Channel, the Code of Conduct file was registered in 2009 with the General Data Protection Register, with ACCIONA S.A. as the responsible party, in accordance with the provisions of Act 15/1999, of 13 December, on the Protection of Personal Data.

### Reports and investigations

A total of 28 reports were received through the Ethical Channel in 2009. The reported breaches were investigated and proposals for decision were drafted by the Code of Conduct Committee and presented to the Audit Committee at three meetings of the latter in 2009.



## Detection and investigation of irregular conduct

The functions of the Code of Conduct Committee include investigating reports of irregular conduct, such as corruption and bribery. Based on the established procedure, investigation can be conducted by any of the following means:

- Appointment of an internal or external investigator to gather evidence.
- Personal interviews with the employees involved.
- Obtainment of evidence, reports and other documents.
- Engagement of internal or external expert consultants (e.g. IT professionals).

- Reporting the investigation to senior management in the business line.

Once the evidence has been examined, the Code of Conduct Committee issues are reported detailing recommendations and/or punishments where breaches of the Code have been detected; the Committee's conclusions are referred to the Audit Committee, which makes a decision.

At the same time, ACCIONA has an internal audit team which performs regular systematic analyses, based on internal verification and audit plans, to detect financial and/or accounting irregularities.

**One of the Code of Conduct Committee's functions is to investigate allegations of corruption or bribery**

## Business Plans that create value

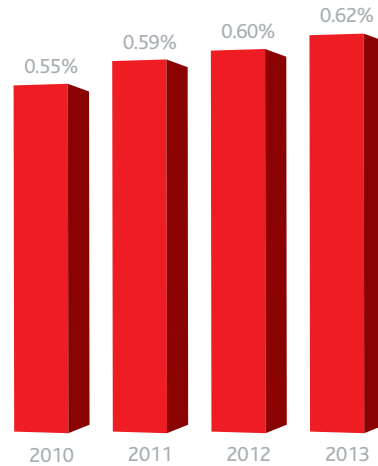
ACCIONA's business model, as set out in its 2010-2013 Strategic Plan, is the best response to the major challenges facing society now and in the future and it assures the Company's growth and profitability.

### In terms of wealth creation

■ In 2013, ACCIONA will contribute 0.6% to Spain's GDP (based upon total revenues, in 2013 ACCIONA will generate business equivalent to 1% of Spain's GDP).

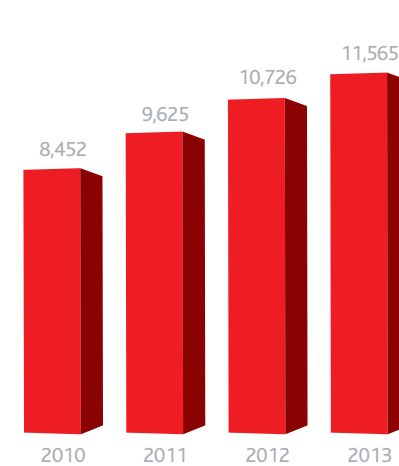
■ And it will create wealth to the tune of 40 billion euros of income over the next four years.

ACCIONA's forecast contribution to Spain's GDP



\* Revenues in Spain with respect to GDP projections by the IMF (2010-2011) and Spain's Ministry of Economy and Finance (2012-2013).

Income forecast to be distributed (Million euros)



\* Aggregate expenditure on suppliers and services, capital remuneration (dividends and interest expenses), personnel expenses, taxes and investment in social projects (donations and sponsorship), calculated on the basis of 2006-2009 revenues.

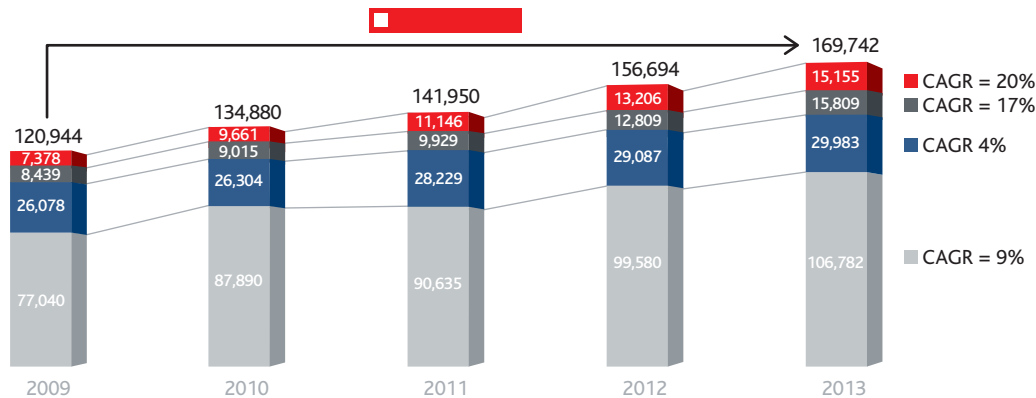
**In terms of services offered and customers served**

■ The users of ACCIONA's services will increase by 9% in all business areas, from

over 120 million users at present to nearly 170 million in 2013, with significant growth in energy (20%) and water (17%).

**Users of ACCIONA services will reach 170 million in 2013, an average annual increase of 9%**

Forecast users of ACCIONA services (thousands)



■ ENERGY ■ WATER ■ LOGISTICS ■ INFRASTRUCTURE

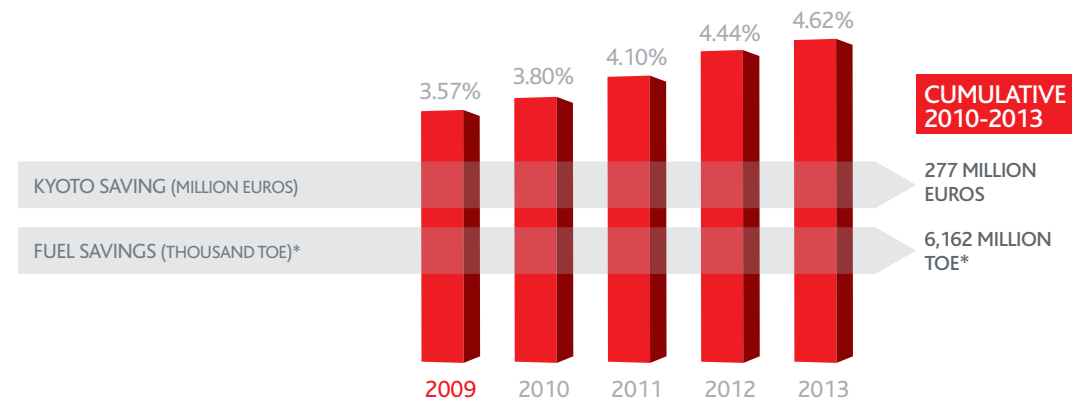
- Energy: Total energy produced on the basis of 2007-2008 investment and in line with the business plans and Spain's average household energy consumption (2007 figure from the Environment Ministry taken as a conservative estimate).  
 Estimated number of households in 2013 as a linear extrapolation of growth between 2001 and 2007 (Source: INE).  
 Average household size based on 2007 figure (Source: INE).  
 - Water: Number of persons served by ACCIONA with services and water, based on 2007-2009 revenues.  
 - Logistics: Projected trend in Trasmediterranea passenger numbers and in number of passengers served by Airport Services based on 2006-2008 revenues of the Logistics & Transport Services division.  
 - Infrastructure: Concession users estimated from ratio to 2009 infrastructure revenues (only one year's figure is available).  
 \* CAGR: Compound Annual Growth Rate.

**In terms of positive environmental impact**

Through renewable energy production, ACCIONA makes a very significant contribution to meeting electricity demand in all the territories where it operates. It aims to provide 4.6% of Spain's electricity demand by 2010; because its output will be renewable and due to its effect of reducing CO<sub>2</sub> emissions, that will represent a saving of 277 million euros in 2010-2013 in Spain's expenditure to purchase emission allowances in order to fulfil the Kyoto protocol. The renewable energy that ACCIONA produces worldwide will save over 6 million metric tons of oil equivalent (toe) in the same period.

**Clean energy forecast contribution to energy demand**

ACCIONA Spain renewable output (GWh)/Spain's energy demand (GWh)



\* Projected emission avoidance (net) based on projected capital expenditure and business plan through 2013. Saving based on average price of CO<sub>2</sub> in 2009 (Source: SENDECO2).

\* Electricity generation in Spain based on planned capital expenditure in line with the business plan through 2013.

\* TOE: Tonnes of Oil Equivalent.



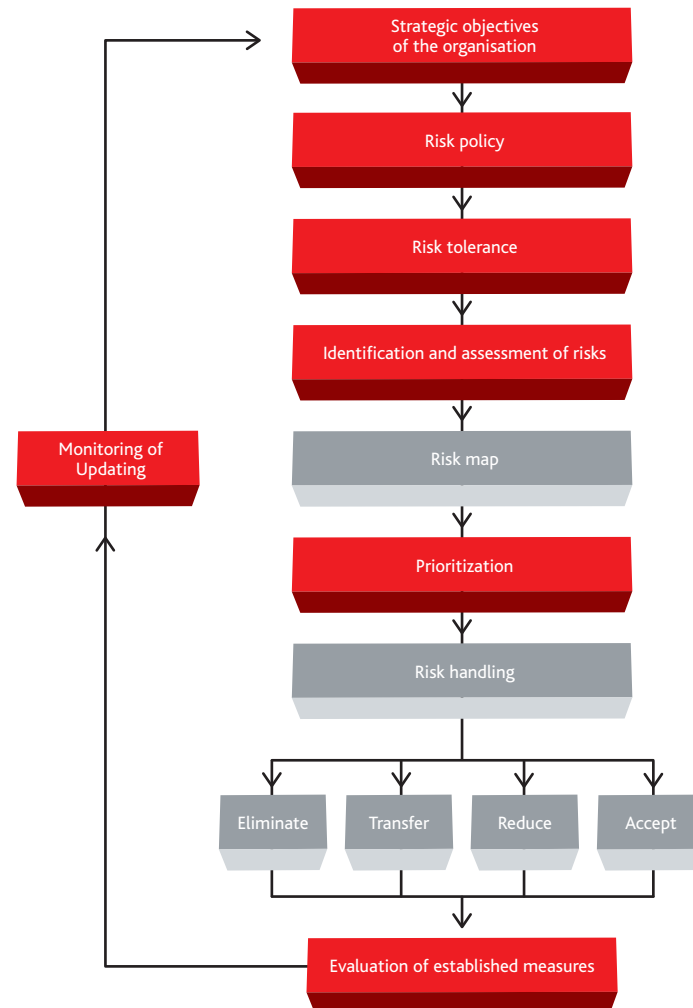
## Risk management at ACCIONA

The purpose of ACCIONA's Risk Management Policy is to integrate risk management into the Company's strategy and ensure that risks are properly understood and addressed in order to attain the established objectives.


### Risk Management System

ACCIONA's Risk Management System establishes the necessary mechanisms for attaining the Company's objectives within the established levels of tolerance, which also complies with recommendation 49 of the Code of Corporate Governance, on the basis of the following criteria:

- Identification of the risks to attaining the objectives of each business area and of the business as a whole.
- Appraisal and prioritization of each identified risk.
- Response to each risk according to its assessment, establishing an approach to eliminate or minimise the risk profile.
- Information to the members of the organisation about the status and evolution of the risks that have been identified and the related control measures.
- Optimisation of efforts and resources devoted to managing and controlling risks.



Given its presence in different countries worldwide, ACCIONA is exposed to a variety of risks



## Types of risks

ACCIONA's main business areas operate in countries with different regulatory, political and social systems, resulting in very varied risks. ACCIONA divides its risks into the following groups:

■ **FINANCIAL RISKS:** Risks that have a direct impact on the Company's bottom line.

■ **STRATEGIC RISKS:** Risks the main impact of which are a reduction of the Company's growth rate due to failure to meet its

strategic objectives and to an inability to respond to a dynamic competitive environment.

■ **OPERATING RISKS:** Risks related to the Company's dependence on specific processes, people or products. These risks generally have an impact on efficacy and efficiency.

■ **UNEXPECTED RISKS:** Risk related to damage to assets and civil liability, which may impair the Company's returns.

## The Crisis Management System was optimized in 2009 to deal with and neutralize potentially harmful situations



### Main milestones in the year

In 2009, ACCIONA's Board of Directors and its Audit Committee continued to promote Risk Management as a management tool.

The Company's risk map was updated on the basis of probability, economic impact, impact on image, the Company's ability to manage the risk, and the approach established for each risk.

Each business line identifies and assesses its risks in coordination with a corporate-level team, which establishes the acceptable risk tolerance level and coordinates actions to ensure that the risk management approach is coherent with Group policy.

The Crisis Management System was formalized and optimized in 2009 by establishing mechanisms for action in crisis

situations which guarantee a framework for rapid, consistent action to neutralize such situations.

### 2010-2013 Objectives

In order to standardize risk management approaches at corporate level and attain excellence in risk management, ACCIONA plans to continue improving its Risk Management System along the following lines:

- Extend existing risk maps.
- Extend the scope of the Company's risk maps to other countries.
- Include sustainability as part of risk assessment.
- Re-assess the Company's risk tolerance, i.e. acceptable changes for certain economic variables.
- Optimize and monitor risk management measures.

## Sustainability Risks

With the commitment to understand better the risks related to sustainability, the Company is working in two main directions:

- It has identified the risk scenarios related directly or indirectly to social, environmental and corporate governance issues.
- It has included a new risk assessment criterion in its risk management systems - Sustainability and Development - in addition to the existing factors: Probability, Economic Impact, Impact on Image, the

Company's ability to manage risk, and the Approach established for each risk.

This new Sustainability and Development factor refers to such aspects as: lack of ethics and transparency in business, failure to fulfil stakeholders' expectations, and any negative impacts upon local communities.

In this way, the Infrastructure area already uses specific sustainability criteria in its procedures for identifying and assessing risks in its projects.





# economic dimension

- a. transparent businesses
- b. sustainability in the supply chain
- c. innovation at the service of people and the environment

# sustainability in the supply chain

## 2009 milestones

- New Corporate Procurement Standard developed which set out ACCIONA's position with regard to sustainability in the supply chain.

## 2010 goals

- Plan to implement sustainability model among suppliers.
- Include a clause on hiring workers with disabilities in all procurement orders.



## Sustainability in the supply chain

ACCIONA's commitment to sustainability must necessarily extend to its supply chain. The Company created the Corporate Procurements Division in 2009, commencing a new phase focused on improving management and implementing new corporate responsibility standards throughout the supply chain.

The main goals in this area for the coming years are as follows:

- Improve procurement processes to align the

supply chain with more sustainable models.

- Require FSC or similar certification for suppliers of timber and timber-related products.
- Encourage business lines to work with suppliers that are certified to ISO 9001 and ISO 14001 standards for quality and environmental management, respectively.
- Pass on to ACCIONA's business lines any new international initiatives and trends in the area of sustainability and corporate responsibility in the supply chain (e.g. advances in ISO 26000).

Excerpt from an internal memorandum to all ACCIONA procurement departments with a view to promoting sustainability across the value chain:

"... ACCIONA's commitment to Sustainability includes having a supply chain that is also sustainable. To that end, we aim to continue improving our procurement processes in an effort to bring the supply chain into line with more sustainable models."

**ACCIONA's  
commitment to  
sustainability  
extends necessarily  
to its supply chain**

## New Corporate Procurement Standard

With a view to improving procurement processes and adapting them to ACCIONA's sustainability commitments, in 2009 the Corporate Procurements Division developed a Corporate Procurement Standard, whose broad lines were approved by the Management Committee. The Standard reflects ACCIONA's position with regard to disseminating corporate responsibility in the supply chain. The Management Committee is expected to approve the Standard in the first quarter of 2010.

To disseminate the content of the Standard, 22 informational sessions were held, which were attended by 228 people, 197 of whom perform procurement functions.

The Standard was also distributed to the Company's various business areas with a view to collecting additional information and reaching a broad consensus on the wording and content. Following approval and publication of the Standard, its implementation and compliance will be monitored in detail and results will be disclosed both internally and externally.

The Standard reflects the goal of establishing relationships of trust and cooperation based on transparency and objectivity, focusing on workplace safety, ensuring the supply of goods and services and, most importantly, extending ACCIONA's commitment to sustainability across the supply chain.

The Standard covers important issues such as: ethical conduct by the personnel who participate directly or indirectly in procurement processes; action in the event of a conflict of interests; the procurement policy in terms of encouraging suppliers to adopt measures regarding quality, the environment, safety and social responsibility, in line with ACCIONA's strategic principles and objectives; management of suppliers using quality and service controls and evaluations, with a view to maintaining an up-to-date registry of acceptable suppliers and contractors; clauses and general and specific terms and conditions that should be included in all contracts, etc.

**The new Corporate Standard drafted by the Corporate Procurements Division demands transparency and objectivity throughout the supply chain**



## An Awareness-Raising Plan for Sustainability in the Supply Chain

As part of its 2010 goals, the Company will develop a plan to implement a Corporate Responsibility and Sustainability Model for Suppliers, which sets out to identify best practices, evaluate supplier compliance with those practices, and develop relations between ACCIONA and its suppliers based on trust, cooperation and mutual benefit. The goal is to manage the supply chain more responsibly in an effort to generate a sustainable profit in all business areas, while also avoiding situations which may give rise to imbalance.

The Plan seeks to define Corporate Responsibility and Sustainability criteria for rating ACCIONA's top suppliers; ultimately, the goal is to bring suppliers gradually into line with ACCIONA's policies, codes of conduct and values.


The Plan will benefit ACCIONA (through production improvements, sustainable production, stable relations with suppliers, the creation of competitive advantages, improvements in image

and reputation, decline in risk) and benefit the supplier (via financial stability, increase in productivity, and priority over other suppliers). There will also be shared benefits for ACCIONA and its suppliers, such as safeguarding corporate image, improvements in internal management, and the provision of specific, effective answers to society's current demands.


With this Plan, ACCIONA is proactively raising awareness in its supply chain about the competitive advantages of being socially responsible and about the guarantee such a stance offers in times of economic turbulence.

ACCIONA aims to be a role model for its suppliers in view of the challenges of transparency and sustainable development faced by companies today, and the Company is reviewing its value chain and suppliers, and updating related indicators. Sustainable management of the value chain is increasingly important in changing economic scenarios.

**ACCIONA wants its relations with suppliers to be based upon confidence and cooperation**



**In 2009, ACCIONA  
progressed in fulfilling  
the principles  
of the United Nations  
Global Compact**



## Commitment to the Global Compact

As a signatory of the United Nations Global Compact, ACCIONA is committed to promoting and raising awareness of the principles of the Compact among its suppliers and subcontractors.

Subsequently, the Company includes in its contracts a clause requiring compliance with the 10 principles in its orders and contracts.

Additionally, all orders/contracts, of whatever type of work, that are subcontracted always carry a clause requiring compliance with the principles and obligations established in Spain's Gender Equality Law with a view to preventing sexual harassment and any other direct or indirect form of discrimination.

ACCIONA advances every year in including this requirement in the contracts for all of its business lines. All procurement orders issued by ACCIONA Infrastructure, ACCIONA Agua, ACCIONA Installations, ACCIONA Urban Services and ACCIONA Environment now include this clause. ACCIONA Agua only uses suppliers that meet this requirement.

As regards monitoring compliance with the principles, the Company reported in 2009 that no supplier was turned down for breaching the clause.


The following table reflects the number of orders/contracts in 2009 which included the Global Compact compliance clause (5% more than in 2008).

GLOBAL COMPACT CLAUSE IN GENERAL PROCUREMENT CONDITIONS			
BUSINESS AREA	COMPANY	ORDERS THAT INCLUDED THE CLAUSE	
ACCIONA	ACCIONA, S.A.	326	326
	ACCIONA Infrastructure	35,870	
INFRASTRUCTURE	ACCIONA Installation Services	5,619	43,258
	ACCIONA Infrastructure Maintenance	291	
	AEPO	135	
	IBERINSA	87	
	ACCIONA Security Systems	356	
ENERGY	ACCIONA Energy	7,136	7,136
REAL ESTATE	ACCIONA Real Estate	3	3
WATER	ACCIONA Agua	2,696	2,696
	ACCIONA Trasmediterranea	10,826	
LOGISTICS & TRANSPORT SERVICES	ACCIONA Forwarding	29	10,857
	ACCIONA Airport Services	2	
	ACCIONA Facility Services, S.A.	16,556	
URBAN & ENVIRONMENTAL SERVICES	Setesa Mantenimiento Técnico, S.A.	888	21,364
	ACCIONA Facility Services, S.A. (Portugal)	2,741	
	Setesa Mantenimiento Técnico, S.A. (Portugal)	4	
	ACCIONA Car Parks	30	
	ACCIONA Environmental Services	941	
	ACCIONA Urban Services	204	
	Hijos de Antonio Barceló, S.A.		
OTHER	Bodegas Palacio, S.A.	2,409	3,608
	Caserío de Dueñas, S.A.		
	General de Producciones y Diseño	1,199	
<b>TOTAL</b>			<b>88,348</b>

NOTE: As regards supplier numbers, only suppliers billing over 3,000 euros are counted at companies with the largest volume of outsourcing (e.g. ACCIONA Infrastructure, ACCIONA Facility Services, etc.).

The **10** Global Compact Principles are based upon human, workplace and environmental rights and tackling corruption

ACCIONA has included in all its orders and contracts a clause relating to the recruitment of disabled people



## Supporting social integration

ACCIONA will make major advances with regard to supplier compliance with the Spanish Act on the Social Integration of People with Disabilities (LISMI). The Act requires that 2% of the workforce be made up of disabled people, in both public and private companies in all sectors.

To this end, all ACCIONA group companies will include a clause in the orders/contracts regarding hiring people with disabilities.

Now, all orders/contracts must include the following clause:

*"If Company X has a staff of 50 or more, it undertakes to comply with the regulation in force regarding the*

*minimum requirement that 2% of its workforce consists of people with disabilities. Within six months from the signature of this contract, Company X agrees to present a statement of compliance with the regulation in force for the direct or indirect hiring of people with disabilities".*

The Procurements Department is promoting this measure, and it expects all orders/contracts to include this clause by the end of 2010.

ACCIONA expects this clause to raise awareness among its suppliers as to the importance of complying with the related regulation in force, with a view to fostering a greater commitment from its suppliers and subcontractors.

## Sustainable timber

In 2009, ACCIONA continued to require that its suppliers of timber, or any other product involving timber, provide a Forest Stewardship Council (FSC) or similar certificate to the effect that the wood was obtained through environmentally-friendly stewardship.

The greatest progress was made in the paper segment: all ACCIONA companies gradually replaced their office paper with FSC-certified paper.

ACCIONA Urban Services and ACCIONA Environment also requested FSC certification from all their suppliers.

### Certified timber in real estate developments

ACCIONA Real Estate's sustainability check-list includes a section on materials, which requires the use of FSC-certified timber.

When ACCIONA Real Estate begins a project, the Sustainability Department submits a sustainability check-list to the architect, indicating that the timber

used must be FSC-certified, and it checks compliance during various phases of the project.

Three of the developments delivered in 2009 complied with the requirement in their design and used FSC-certified timber.

**ACCIONA built three real estate developments in 2009 in which wood bearing the FSC mark was used**



## An increasingly sustainable value chain

ACCIONA's commitment to excellence vis-à-vis its customers requires that all its products and services comply with the highest standards of quality and sustainability. To this end, ACCIONA has established mechanisms to control and monitor the supply chain in all of its projects. Each business line applies its own criteria adhering to group policies.

ACCIONA Infrastructure implemented a campaign to rate its suppliers; last year, it rated 70% more than in 2008. Additionally, all orders included the Global Compact compliance clause. The goal for 2010 is to

monitor compliance with FSC certification-related requirements. In 2009, 4,905 suppliers were evaluated, i.e. 75% of the total.

In 2009, ACCIONA Real Estate defined a system to manage quality and sustainability for the countries in which it operates; as a result, those systems now include the eco-efficiency requirements imposed on suppliers, and resources have been assigned to monitor compliance.

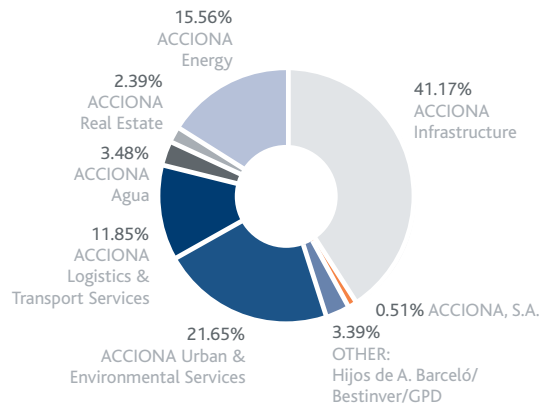
ACCIONA Installation Services applies the following criteria when selecting its suppliers: compliance with workplace

safety regulations and administrative obligations; technical capacity, delivery deadlines, and service and quality excellence.

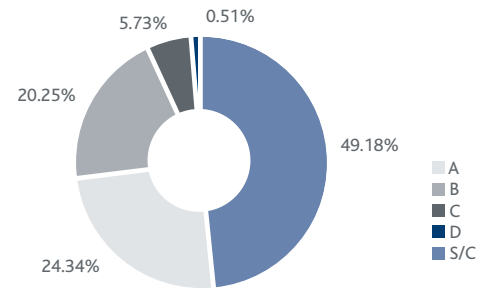
Suppliers are rated according to these criteria, and the best supplier for each project is chosen. ACCIONA Windpower rates its suppliers according to their criticality for the business. The company also encourages certification to the ISO 9001 quality standard. In 2009, 46% of suppliers were rated Class 1 and 2 (i.e., with ISO 9001).



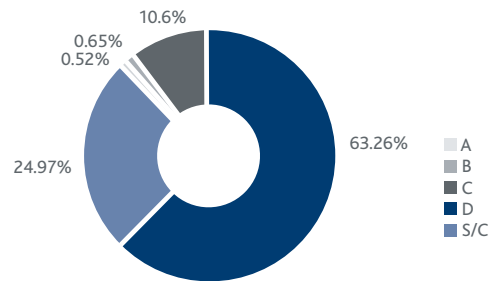
Breakdown of suppliers by business line



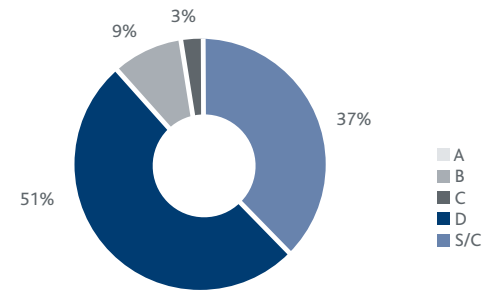
ACCIONA Installation Services supplier ratings



ACCIONA Agua supplier ratings



ACCIONA Infrastructure supplier ratings



NOTE: Rating rules differ between divisions. ACCIONA Installation Services, Agua and Infrastructure rate suppliers according to the specific criteria established by each business area, with A as the top rating and D as the lowest. ACCIONA Windpower, however, rates

suppliers according to their criticality for the business, i.e. whether proper performance by the supplier will affect the quality of the final product. If so, suppliers rated Class 1 are critical for the business, while those rated Class 3 are replaceable.

## DISTRIBUTION OF DOMESTIC AND INTERNATIONAL SUPPLIERS

	2009			2008			2007		
	TOTAL	SPAIN	INTERNATIONAL	TOTAL	SPAIN	INTERNATIONAL	TOTAL	SPAIN	INTERNATIONAL
ACCIONA, S.A.	113	104	9	247	244	3	204	203	1
ACCIONA INFRASTRUCTURE	9,047	8,942	105	9,296	9,183	113	11,545	11,429	116
ACCIONA ENERGY	3,419	3,177	242	4,038	3,803	235	3,379	3,120	259
ACCIONA REAL ESTATE	525	524	1	684	683	1	763	762	1
ACCIONA AGUA	765	724	41	731	694	37	618	597	21
ACCIONA LOGISTICS & TRANSPORT SERVICES	2,604	2,340	264	2,772	2,527	245	2,454	2,245	209
ACCIONA URBAN & ENVIRONMENTAL SERVICES	4,757	4,106	651	2,757	2,540	217	4,090	4,000	90
OTHERS: HIJOS DE A. BARCELÓ, GPD	744	629	115	1,667	1,563	104	249	232	17
<b>TOTAL</b>	<b>21,974</b>	<b>20,546</b>	<b>1,428</b>	<b>22,192</b>	<b>21,237</b>	<b>955</b>	<b>23,302</b>	<b>22,588</b>	<b>714</b>

## ACCIONA biofuels production

ACCIONA Energy has other plants with a total annual production capacity of 70,000 metric tons of biodiesel and 26,000 metric tons of bioethanol. The biodiesel is produced from canola, soy and palm oils. In line with its commitment to sustainability, ACCIONA Energy requires an express commitment to sustainable production from its suppliers. ACCIONA only buys soy from companies belonging to the Round Table on Responsible Soy (RTRS), and palm oil from companies belonging to the Roundtable on Sustainable Palm

Oil (RSPO). Both organizations aim to guarantee sustainable production of these raw materials. In 2009, the Company primarily used sunflower and canola oil. ACCIONA sources canola oil from Europe and it is therefore subject to EU environmental and social requirements. ACCIONA maintains its policy that diesel-powered vehicles at the Company's Head Office in La Moraleja, Madrid, run on B30 fuel (70% conventional diesel and 30% biodiesel). The table below shows oil imports by the Caparrosa biodiesel plant in 2009:

TYPE OF OIL	SUPPLIER	QUANTITY (METRIC TONS)	ORIGIN
REFINED SUNFLOWER OIL	CARGILL*	1,070	Milling of European and Spanish seeds, and raw oil imported from Argentina and Russia.
RAW CANOLA OIL	ACOR	96	Spanish. Seed delivered by ACCIONA.
RAW CANOLA OIL	BUNGE*	800	European and Spanish seeds.

\*BUNGE and CARGILL are members of the Round Table on Responsible Soy.

(1) Round Table on Responsible Soy HYPERLINK "<http://www.responsiblesoy.org>"<http://www.responsiblesoy.org>

(2) Roundtable on Sustainable Palm Oil HYPERLINK "<http://rspo.org>"<http://rspo.org>

**ACCIONA Energy  
demands sustainable  
production from its  
suppliers**



# economic dimension

- a. transparent businesses
- b. sustainability in the supply chain
- c. innovation at the service of  
people and the environment

# innovation at the service of people and the environment

## 2009 milestones

- Total direct investment in R&D and innovation projects increased by 30% with respect to 2008, to 92.2 million euros.
- The Revised Innovation Strategic Plan was ratified with major financial support from the European Investment Bank.
- Four new CENIT research projects awarded by CDTI, an agency of Spain's Ministry of Science and Innovation.
- ACCIONA was leader in the electricity and construction industries in terms of innovation intensity: 6.7% of EBITDA dedicated to R&D&I (data from the 2009 EU R&D Industrial Investment Scoreboard, published by the European Commission).
- ACCIONA Windpower successfully commissioned its first 3 MW prototype, which will be produced with three different diameter rotors. The machine, built in late 2008, began producing electricity in 2009.
- ACCIONA Agua created the SEPAFLOC® and NITROREMOVAL® brands in 2009 as a result of its research into desalination and sewage treatment.
- ACCIONA Installation Services obtained UNE 166002:2006 certification for its R&D and Innovation Management System.
- ACCIONA was appointed as a member of the CEN/TC389 Innovation Management Committee (European Committee for Standardization), which is working to internationalize the UNE 166002:2006 standard.

## 2010 goals


- Double the patent portfolio between 2010 and 2013 in all business units. Projected investment in R&D in the period is 400 million euros.
- Develop a research project into the elimination of emerging micro-pollutants in water.
- Research the development of deep water structures for harnessing energy from wind, waves and sea currents by participating in the "Marina" (Marine Renewable Integrated Application Platform) project, which is part of the EU's 7th Framework Programme.
- Expand the Caparroso microalgae plant, which started up in 2009, to one hectare by installing new photo-bioreactors to improve performance.
- Develop a new plant to use corn stalks for energy production. The plant must overcome the problems associated with the chlorine content and alkalinity of corn waste.
- Develop and implement technologies for the design and construction of new types of pedestrian overpasses using leading-edge materials.

## Innovation, competitiveness and success

As a pioneering force in innovation, ACCIONA has a responsibility to place innovation at the heart of all of the Company's activities. We view it as a factor for competitive differentiation and we orient it towards sustainability.

ACCIONA's concept of innovation is not confined strictly to technology but also extends to operations and the development of new business models. One of ACCIONA's objectives for the coming years is to step up its efforts to incorporate innovative solutions into its business processes so as to enhance sustainability and maximize cost and resource efficiency.

**Innovation is a  
differentiating factor  
for ACCIONA and  
is oriented towards  
sustainability**



ACCIONA  
set a new record  
in R&D&I investment  
in 2009:  
**92.2**  
million euros



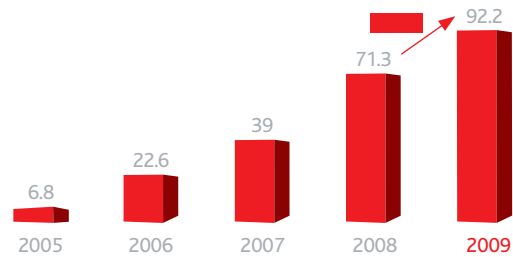
## Investing in R&D to drive forward our growth model

ACCIONA set a record in R&D investment in 2009. This included the review of the R&D Strategic Plan and the closure of a financing deal with the European Investment Bank. The main events were as follows:

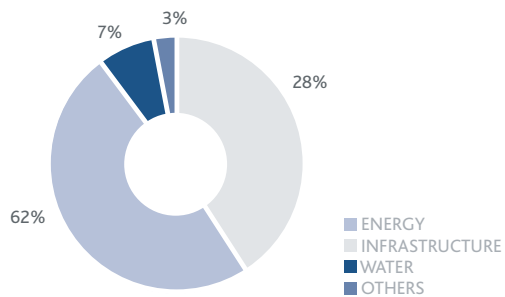
- Investment of 92.2 million euros in direct R&D and innovation projects, i.e. 30% more than in 2008; the energy and infrastructure divisions accounted for 90% of total innovation work.
- Implementation of 114 research projects grouped into 15 lines of research connected to ACCIONA's business areas.
- A total of 377 professionals involved in R&D, 2.7% more than in 2008.
- The industrial property management model was enhanced and continues to produce results. ACCIONA now holds 52 patents.



Investment in R&D (Million euros)



Breakdown of R&D investment by area



## Leader in R&D

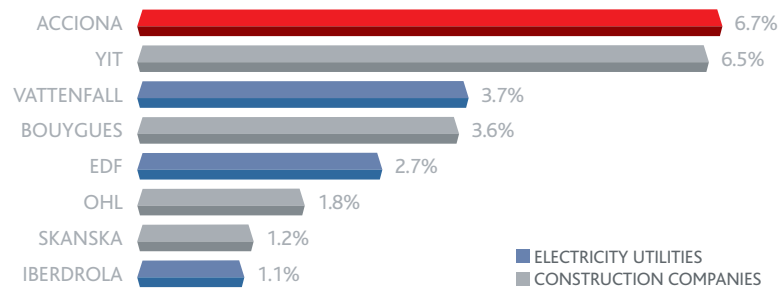
ACCIONA's efforts to innovate, strengthened by the projects that got under way in 2009, are illustrated by following:

- ACCIONA is the leader in the European electricity and construction industries in terms of innovation intensity, according to a survey by KPMG based on data from the EU R&D Industrial Investment Scoreboard 2009.
- ACCIONA ranked third among Spanish companies in terms of participation in the EU's 7th Framework Programme, with 48 projects, and it ranked first in the NMP programme.
- ACCIONA was the Spanish company with the most CENIT projects (13), having obtained four new projects in 2009.

- ACCIONA continued to focus on cutting-edge cleantech by investing in Nth Power Fund IV, managed by Nth Power. The fund invests only in clean energy projects.
- ACCIONA is a member, collaborator or leader of the following initiatives:
  - Chair of the E2B Energy Efficient Buildings Public Private Partnership - E2B PPP.
  - Member of the High Level Group of the European Construction Technology Platform.
  - Collaborator of the European Hydrogen and Fuel Cell Technology Platform.
  - Participant in the European Solar Thermal Technology Platform.
  - Member of the International Desalination Association.

## Leader in innovation intensity

R&D and Innovation investment/EBITDA 2008



Source: KPMG, 2010, based on data from the EU R&D Industrial Investment Scoreboard 2009. Construction companies and electric utilities (revenues > €1bn).

## ACCIONA'S Cenit R&D Programmes

- **BIOSOS:** sustainable technology for producing biopolymers.
- **ATON:** architectural integration of thin-film photovoltaic solutions.
- **CETICA:** integration and management of renewable energy in buildings.
- **EOLIA:** foundations, environmental impact, evaluation of wind resources, planning and synergy with seawater desalination and aquaculture, for offshore wind farms.
- **MEDIODIA:** renewable energy systems to cover energy needs for climate control, process electricity and control of agricultural applications, on a centralised and distributed basis.
- **SPHERA:** production of hydrogen for energy, and the associated reconversion.
- **CLEAM:** new models of linear transport infrastructure based on techniques for managing waste, atmospheric pollution, high-performance green construction materials, and reduction of the environmental impact.
- **DOMINO:** development of construction materials with enhanced properties due to the addition of nanocharges, for use as multifunctional materials.
- **TECNOCAI:** providing a healthy indoor atmosphere in buildings, ensuring occupants' comfort.
- **TIMI:** intermodal transport that is sustainable from the economic, social and environmental standpoints.
- **PIIBE:** seeking new raw materials to reduce the cost of producing biodiesel.
- **OCEANLIDER:** to develop floating windpower meters for offshore use with a view to developing a methodology for operating offshore wind farms (farm certification and staff training) that allows for a life-cycle analysis.
- **PROMETEO:** use of nanotechnology and composite materials in construction.

## ACCIONA chairs the Energy Efficient Building Association (E2BA)

The E2BA was founded in 2008 as a not-for-profit trade group whose goal is to be the private component of a PPP (Public-Private Partnership) with the European Commission.


The E2BA arose from a prioritization exercise by the European Construction Technology Platform (ECTP), where ACCIONA is a member of the High-Level Group (HLG) and the Executive Committee (Excom). The ECTP members voted energy-efficient buildings as the top priority.

The goal of the ECTP is to initiate a procedure for establishing a PPP for the development of energy-efficient buildings, with two priorities:

- Develop, implement and optimize building and district concepts that have the technical, economic and societal potential to reduce drastically the energy consumption and CO<sub>2</sub> emissions from existing and new buildings in the European Union.
- Speed up research on key technologies and develop a competitive industry in the fields of energy efficient construction processes, products and services, with the main purpose of reaching the goals set by the EU.

This initiative is also part of the "European Economic Recovery Plan", which includes a proposal to create a PPP in the construction industry to research energy-efficient buildings, which has a budget of 1 billion euros for 2010-2013.

**Energy-efficient buildings represented the option most voted by ECTP members**



## R&D and Innovation Strategic Plan

The revision of the R&D and Innovation Strategic Plan covers 2009-2013 and involves doubling the investment of the previous

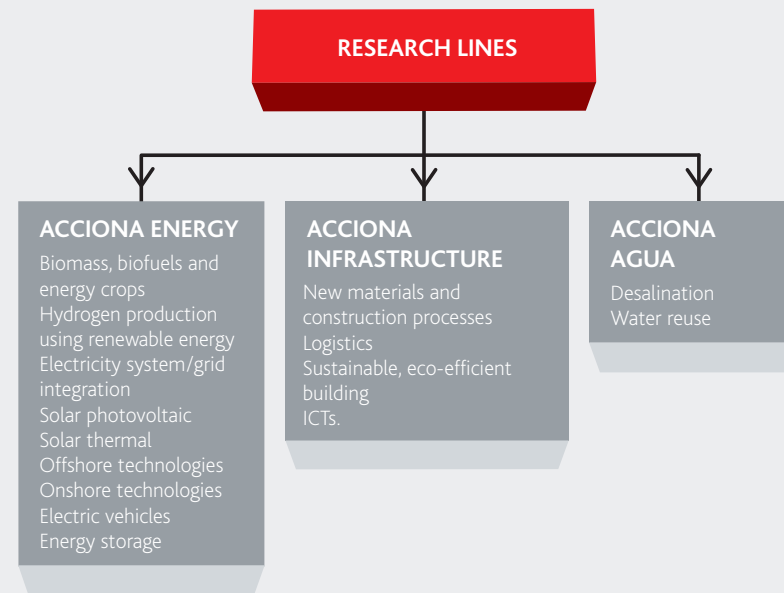
four years to 400 million euros. The plan is structured into three strategic lines of research: Energy, Infrastructure and Water.

### Increasing competitiveness in Europe

To finance the Strategic Plan, ACCIONA obtained a loan of 185 million euros from the European Investment Bank (EIB). The EIB's objectives include supporting investment that aims to improve the European economy's competitiveness by supporting R&D and Innovation projects and giving priority to organisations that contribute to the creation of a sustainable economy.

The operation is unique in that the EIB is financing not one project but an entire programme of R&D and innovation projects covered by ACCIONA's Strategic Plan until 2013.

The funding agreement covers 15 lines of research within the Strategic Plan, in the Energy, Infrastructure and Water business units.

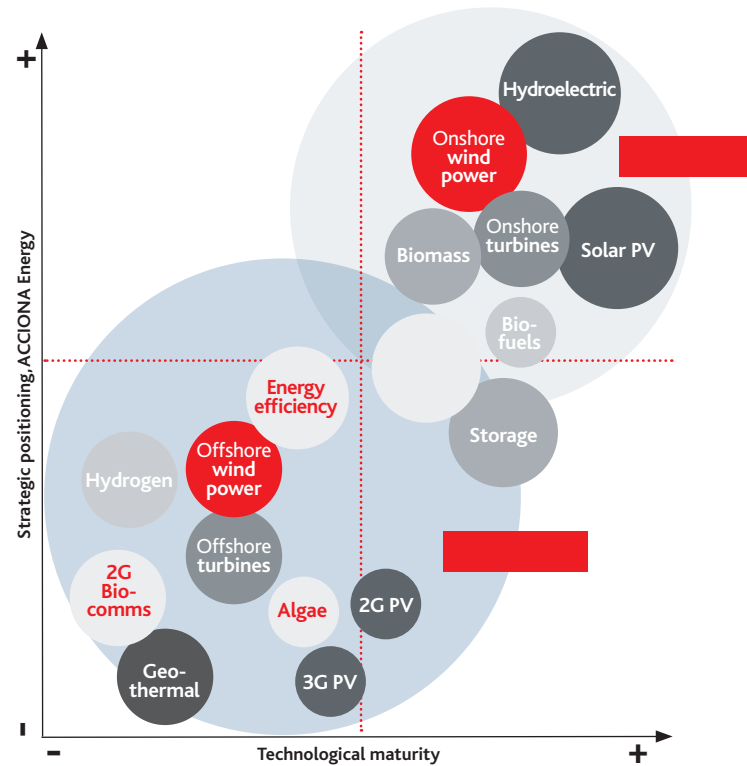


**Renewable energy**

In the area of renewable energy, ACCIONA's goal is to anticipate, develop and validate robust portfolios of technology to promote a sustainable energy model in each of its research lines. The main goals pursued by the defined research lines are as follows:


- Optimization of onshore wind power and development of offshore technologies (in combination with other maritime renewable energy sources: wave, current, tidal, etc.).
- Promote competitiveness in solar photovoltaic and solar thermal energy.
- Develop technologies for generating power from biomass, and for obtaining biofuels from algae.
- Promote research into energy storage as a means of integrating renewable energies and improving their efficiency.
- Promote research to prove the technical viability of electric vehicles and search for solutions to the problems of integrating them into the electricity grid on a large scale.

Technology map of ACCIONA's renewable energy 2009:  
ACCIONA's position vs. maturity of available technologies



**ACCIONA's mission is to promote sustainable energy models in each of its research lines**

## ACCIONA seeks to demonstrate the technical feasibility of Electric Vehicles



### Promoting Electric Vehicles: The Smartcity project

ACCIONA wishes to show that grid-rechargeable electric vehicles are a technically viable approach to sustainable mobility.

This requires it to analyse and determine the requirements for integrating electric vehicles' micro-storage systems into existing electricity systems and to analyse their benefits and drawbacks and their effects on the electricity grid.

With this objective, ACCIONA is participating with 11 other companies in

the Smartcity consortium, whose aim is to implement a new energy management model that will provide greater efficiency, reduce CO<sub>2</sub> emissions and increase the use of renewable energies. This pioneering project pursues the development of infrastructures for electric cars.

The batteries in electric vehicles can constitute a storage system enabling large-scale management of renewable supply and demand by drawing on stored power when renewable output is lower than that demanded.

## ACCIONA, leader in marine energy

ACCIONA heads a European research consortium (comprising 17 companies, technology centres and universities in 12 European countries) whose objective is to lay the technological foundations for viable, competitive deep-water integration of a range of renewable energies such as wind, wave and ocean currents.

The project, named MARINA (Marine Renewable Integrated Application Platform), has a total budget of 12.8 million euros and is co-financed by the European Commission as part of the EU's 7th Framework Programme (FP7).

Until the project is finalized in June 2014, the MARINA consortium will analyse a range of aspects related to harnessing offshore wind power in order to promote integration with other marine renewable energy technologies on deep-water platforms (depths of over 40 metres) tens of kilometres from the coast.

The MARINA project will research ways of harnessing renewable energies at sea, focusing particularly on synergies between different technologies in order to reduce costs and enhance economic viability.

MARINA involves a multi-disciplinary consortium specialised in various areas such as wind power, marine energy, offshore oil and gas infrastructure, oceanography, meteorology and marine biology, among others. It will involve over 30 researchers in twelve European countries working full-time for four years.

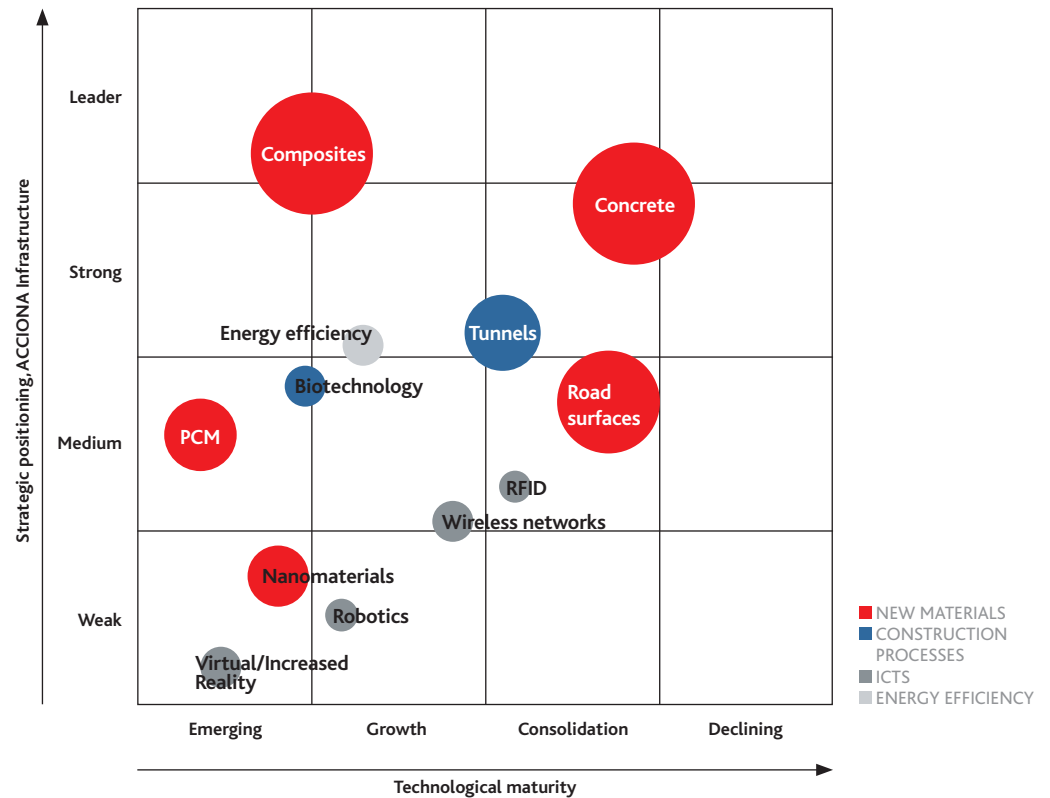
ACCIONA's ability to head this top-level consortium is evidence of its international prestige in the field of marine wind power technology and its leading position in these technologies in Spain.

**Sustainable building**

ACCIONA's strategy in the area of infrastructure construction is focused upon environmental impact abatement, energy efficiency and productivity enhancement in all the Company's projects. The defined lines of research pursue the following objectives:

- Development and application of more sustainable, powerful and durable materials in place of traditional materials.
- Design of more sustainable and efficient construction processes through the application of biotechnology and the reuse of waste materials.
- Promotion of energy-efficient building through the application of bioclimatic architecture, the inclusion of renewable energies, and the control and efficient use of energy.
- Application of leading-edge information technology to enhance construction process efficiency.

Technology map of sustainable construction 2009:  
ACCIONA's strategic position vs. maturity of available technologies





## New generation of lightweight concrete

ACCIONA's research projects into more sustainable construction materials include a new lightweight concrete made with fly ash from coal-fired power plants. This new material's main advantage is the low cost and the fact that its raw material is industrial waste. This lightweight concrete is more cost-effective than cellular concrete, phenolic core and polyurethane.

Lightweight concrete provides lighter structures, easier use on site and faster execution.

This material's potential uses include:

- Core for composites.
- Thermal and acoustic insulation.
- Roof panels and floor slabs.

## Vibration-damping railway line using tyre waste

Another of the innovative projects developed by ACCIONA in 2009 involves the reuse and treatment of end-of-life tyres for use in railway lines.

This solution enhances modern slab track systems (in contrast with the classic ballast and sleeper system) by damping the vibration caused by passing trains.

The new ACCIONA-developed system coats the rail with a mixture of

used tyre and a polymer matrix.

The environmental advantage is that this system uses 15 tyres per linear metre of single track.

The system is particularly suited to urban environments, particularly in areas with heavy vehicle traffic and in areas susceptible to the transmission of vibration from the track to nearby homes and buildings.

**ACCIONA has developed photocatalytic, intelligent façades which reduce polluting substances**



## Smart façades that reduce pollution and are self-cleaning

Many building façades produce pollutants as a result of the incident sunlight, in a photochemical process called photocatalysis.

Photochemical reactions can play a major role in the environmental balance; consequently, it is essential to reconsider the use of light for environmental purposes in building design.

To address this problem, ACCIONA has developed photocatalytic or "smart" façades, which can maintain their appearance for long periods of time and contribute to reducing the amount of noxious substances that pollute the atmosphere.

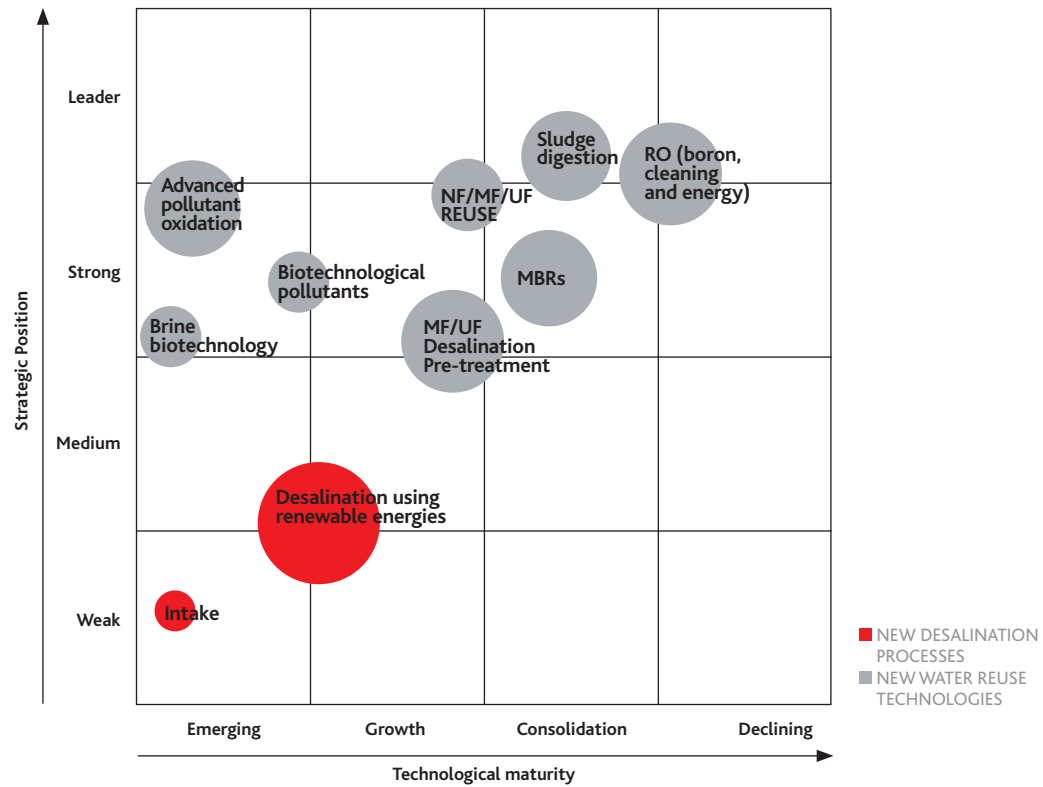
**Water technology**

ACCIONA's R&D and Innovation activities in the water business continue to focus on maintaining our technological lead in water treatment, purification and reuse while pursuing energy efficiency and environmental sustainability.

The main goals pursued by the research lines defined by ACCIONA Agua are as follows:

- Reduce energy consumption in desalination and develop natural, non-chemical treatments.
- Extend the application of reused water through membrane technology.

Water technology map 2009:  
ACCIONA's strategic position vs. maturity of available technologies



## SEPAFLOC® and NITROREMOVAL®, excellent results in desalination and water treatment

In 2009, ACCIONA registered the SEPAFLOC® trademark for advanced pre-treatment in seawater desalination that consists of a compact microfiltration membrane system using up to 9% less space and reducing the energy cost of desalination. The pre-treatment enhances the quality of the water intake, which reduces the cost of running the reverse osmosis membrane operation.

ACCIONA has also applied to register the NITROREMOVAL® brand for a new process to eliminate nitrogen from return water in sewage sludge processing lines; by enhancing nutrient elimination efficiency, this process can reduce capital costs by up to 25%.

## ACCIONA to use leading-edge sustainable treatment techniques at the Arrudas sewage plant in Minas Gerais state, Brazil.

ACCIONA's experience and R&D are being applied to save 1.5 million euros of electricity per year and reduce CO<sub>2</sub> emissions by 6,400 metric tons per year at the Arrudas sewage plant in Minas Gerais, Brazil.

ACCIONA will incorporate an electricity cogeneration system using biogas-fired micro-turbines, plus ultrasound to optimize this fuel and an odour treatment system, the goal being to improve the environmental conditions for the local residents.

The main objectives of the 25-million-euros contract are to:

- improve sludge digestion, reducing final sludge volume and its pollutant load;
- reduce dry sludge output by around 10% using ultrasound, while also increasing biogas production by 10%;
- use the biogas to fire micro-turbines (the first application in Brazil of this technology, after the US, Spain and Germany), and;
- improve the area's environmental quality by avoiding the dispersal of unpleasant odours from untreated sewage.

ACCIONA seeks to reduce the plant's CO<sub>2</sub> emissions and electricity consumption using proprietary technology. The project will provide a clean source of energy.

## ACCIONA's research centres

ACCIONA has three Technology Centres which are the mainstays of its research activities: Madrid, Pamplona and Barcelona.

The **Madrid Technology Centre**, leads technology development in the infrastructure, real estate, transport and environment areas. Research conducted at the Centre aims primarily to: reduce natural resource and energy consumption; limit CO<sub>2</sub> emissions, and; mitigate the life-cycle costs of the Company's products and projects.

The Centre has 3,500m<sup>2</sup> of offices and laboratories, and a 1,200m<sup>2</sup> workshop to manufacture and test full-scale prototypes. There are 12 labs altogether, outfitted with cutting-edge equipment, which work on developing advanced materials, improving industrial processes and researching areas

such as eco-efficient construction and biotechnology. The Madrid Technology Centre employs more than 160 highly-qualified professionals from more than 10 countries. It also has two new laboratories, specialized in robotics and virtual reality, areas in which ACCIONA has already commenced research.

The **Pamplona Technology Centre** is the core of ACCIONA's R&D and Innovation activities in the field of renewable energies; most of the strategic research in this area takes place there. It also has facilities that specialize in wind turbine generator development (Barasoain), biofuels (Caparroso), biomass (Sangüesa), engineering maintenance (Mutilva), as well as experimental facilities at wind farms in Aizkibel, Aibar, Peñablanca, Codés, Moncayuelo and Vedadillo.

It also develops horizontal technologies with an impact on energy development (materials, nanotechnology, biotechnology, and information and communication technologies).

The **Barcelona Technology Centre** focuses on R&D and Innovation in the field of water management. These include applications of renewable energy in desalination, reuse of wastewater using membrane technology, and new, membrane-based pre-treatments and tertiary treatments. The Barcelona Centre has central laboratories in Prat de Llobregat and a number of pilot plants, most notably the La Tordera (Barcelona) facility for field tests. The Prat laboratory is a leading centre for research into membrane technology and is fitted out with the latest analytical methods and equipment.

## ACCIONA, striving for excellence in management

ACCIONA's innovation management systems are designed to coordinate and dynamize research throughout the company.

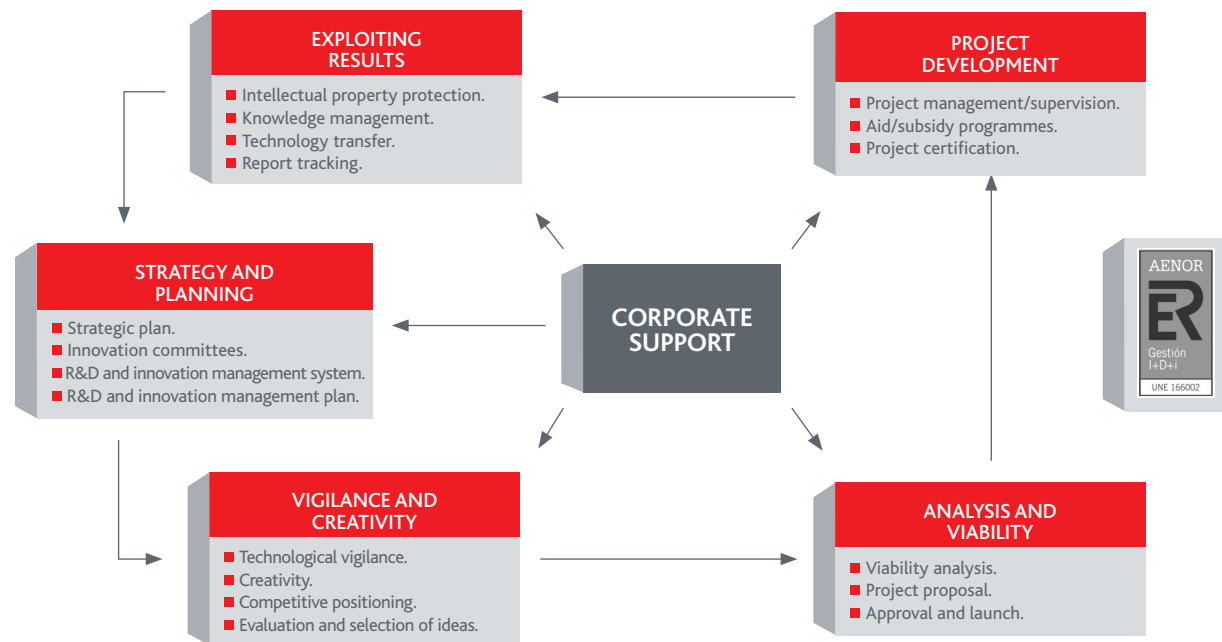
ACCIONA's R&D and Innovation management system conforms to the requirements of the UNE 166.002:2006 standard and is applied to all Research, Development and Innovation activities performed in the following Business Units:

- ACCIONA Infrastructure.
- ACCIONA Energy.
- ACCIONA Windpower.
- ACCIONA Agua.
- ACCIONA Installation Services.

In 2009, ACCIONA Infrastructure, ACCIONA Agua, ACCIONA Windpower and ACCIONA Energy renewed the R&D and Innovation management system's certification under the UNE 166.002:2006 standard. Additionally, ACCIONA Installations obtained certification from AENOR of its R&D and Innovation management system according to the standard.

ACCIONA is a member of The Corporate Executive Board, an executive network of contacts and best practices focused on R&D which was founded in 1983; over 80% of the Fortune 500 companies are members.

R&D and Innovation Management System









# social dimension

a. our people

b. safety, our priority

c. dialogue and cooperation

# our people

## 2009 milestones

- Implement a new system for attracting and selecting talent.
- Develop a new organisation model based on a hierarchy that is common to all companies, activities and countries where ACCIONA operates and clearly communicates career paths and standardizes job descriptions worldwide.
- Definition of a new model of skills and competencies based on the Company's vision and values.
- Development and implementation of the Virtual Campus.
- Implementation of the Learning Management System as a tool for managing training in all the business lines by integrating face-to-face and online training.
- Online training programme in Sustainability developed by Cambridge University and aimed at executives and middle managers.
- Signature of equality plans in the Infrastructure, Real Estate and Facility Services divisions.

## 2010 goals

- Launch the new ACCIONA Brand Strategy on Employment using Web 2.0 tools.
- Launch a new Career Plan to enable people to grow within ACCIONA.
- Develop a global Performance Assessment programme applicable in all ACCIONA divisions and companies.
- Develop a Potential Management Programme to identify and develop the Company's future leaders.
- Define and implement a single worldwide Training Itinerary System for all professionals at ACCIONA.
- Ensure that ACCIONA's entire workforce is covered by Equality Plans.

## New challenges in employee management

ACCIONA's people-management approach enables it to have the right human resources at the right time anywhere in the world in response to the business's strategic needs. The distinguishing feature in this approach is equality of opportunities in professional development within the Company.

These management models are at the forefront of the industry and make the Company a leader in attracting, managing and developing the best talent on the market by prioritizing and structuring resources to maximise growth.

ACCIONA wants its employees to have a productive, safe and highly positive working environment and it promotes respect, justice and fairness in pursuing comprehensive development of individuals.

In the current economic downturn, ACCIONA is maintaining its prudent approach by adopting new management mechanisms to provide immediate, effective responses to challenges arising in people management in the continuing unstable economy.


Unemployment continues to rise rapidly in Spain in 2009, forcing many companies to make lay-offs. The construction industry is among the hardest hit because of the real estate boom and subsequent slump in sales.

ACCIONA made some lay-offs in 2009, mostly as result of suspension of work contracts due to decisions and demands of our clients and concentrated in the construction services sector. In all cases, the mandatory period of consultations with

**The differentiating element in ACCIONA's management model is equal opportunities**



## Infrastructure, Energy & the International division were net job creators in 2009



the workers' representatives was respected and agreements were reached with them to minimize the economic impact and avoid traumatic social effects.

There are no signs that the labour market will improve in the short term; this is due to such factors as the reduction in investment as a result of the need to devote public expenditure to social services. ACCIONA seeks to prepare for these situations by using all resources at its disposal to reduce the negative impact on its workforce. Nevertheless, overall employment at ACCIONA in 2009 followed the general trend in the labour markets where the company operates, although there were differences between regions and businesses; in fact,

Infrastructure, Energy and the International area were net job creators. The Company also believes that adjustments in employment will be temporary and confined to areas that may be affected by client decisions.

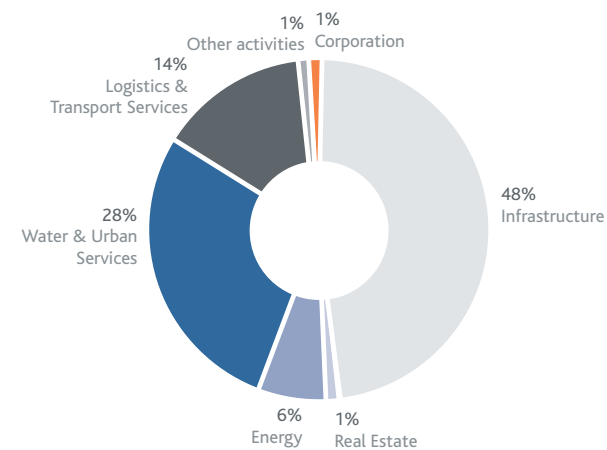
Average employee turnover was 6.82%; average seniority was 7.3 years; the average age of the workforce is 39.8 years; the percentage of employees on permanent contracts is 68%, rising to 98.49% if all ACCIONA companies to which the "Convenio de la Construction" (Construction Industry Agreement) applies are included; female employees account for 27%, and immigrants 5.32%, of the total workforce.

ACCIONA	2007	2008	2009
INFRASTRUCTURE	15,816	15,675	15,813
REAL ESTATE	401	420	362
ENERGY	1,309	1,981	2,147
WATER & URBAN SERVICES	10,556	10,360	9,382
LOGISTICS & TRANSPORT SERVICES	5,201	5,463	4,766
OTHER ACTIVITIES	447	486	439
CORPORATION	165	177	205
<b>TOTAL</b>	<b>33,895</b>	<b>34,562</b>	<b>33,114</b>

EMPLOYEES	SPAIN	INTERNATIONAL
2006	82%	18%
2007	79%	21%
2008	76%	24%
2009	70%	30%

BREAKDOWN OF WORKFORCE BY CONTRACT TYPE AT ACCIONA INFRASTRUCTURE				
	TEMPORARY	PERMANENT	PERMANENT ON-SITE	TOTAL
2005	1.11%	51.40%	47.48%	100%
2006	2.47%	58.14%	39.39%	100%
2007	3.02%	52.08%	44.90%	100%
2008	4.01%	47.47%	48.52%	100%
2009	1.51%	69.85%	28.64%	100%

Breakdown of employees by location



## Professional development at ACCIONA

One of the objectives of our people managers is to make ACCIONA the best place to work. To that end, the Company promotes leading-edge policies that enhance employees' development on both a professional and personal level.

This makes it necessary to provide appropriate, stimulating work environments so as to ensure that all employees can seize the career opportunities created by the Company's business plans worldwide.

These approaches hinge on the employee. He or she is responsible for pursuing a career, obtaining good results and developing skills. To that end, ACCIONA employees must always rely on the support of their superiors and of Human Resources.

Notable activities in this area in 2009 included the definition of a new competency model, a new system for attracting and selecting employees, and a new assessment and career management process, as well as career planning and a new internal mobility process.

### Competency Model

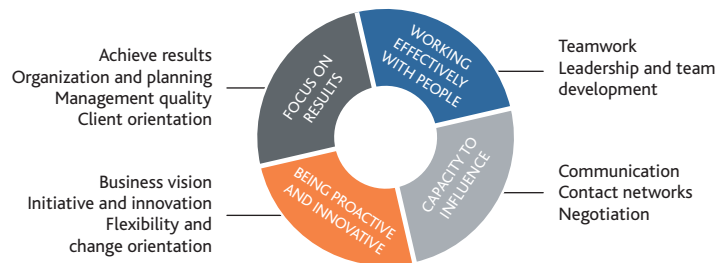
The human resources function defines competencies as the set of skills, attitudes and knowledge that ACCIONA wishes to attract, develop and recognize among its professionals.

At ACCIONA, competencies respond to the following challenges:

- How people contribute to achieving the Company's goals.
- What behaviours become characteristics of ACCIONA's identity.
- What behaviours become part of the human resources management policies.

Competencies are integrated into four performance areas made up of a number of capacities reflecting how professionals should perform:

ACCIONA Competency Model



Using this Competency Model, it is possible to:

- Rapidly fill a vacancy through the Selection Process.
- Align training so as to create value in the business, through the Training Policy.
- Ascertain whether a person is ready for promotion, through assessment.
- Offer long-term career prospects to outstanding performers, through the Career Plan.
- Facilitate mobility, through the Internal Mobility Plan.

## New Attraction and Selection Plan, using new technology

ACCIONA launched a new Attraction and Selection Plan in 2009.

The plan uses new technologies to publicize vacancies on various employment websites, conduct virtual interviews and, generally, manage the recruitment process.

The new strategy is based on the following principles:

- Providing talent for a knowledge-based business.
- Operating in a very competitive market.
- Seeking a rational and emotional commitment from employees.
- Promoting personal identification with the business project.
- Efficiently managing diversity.
- Operating in a situation where the employees are the ones who decide where to work.

These principles will be used to distinguish the launch in 2010 of the ACCIONA Brand Strategy on Employment.

Promotion of the ACCIONA brand by Human Resources is growing in importance within the Company. This consists of a set of strategies and initiatives aimed at building an "employer brand", so as to imbue the corporate identity with attributes that make ACCIONA an attractive place to work.

The main avenues for seeking excellence and diversity through processes to attract and retain talent are as follows: market intelligence, employer brand projects, the more than 110 framework agreements with universities and business schools, and agreements with secondary schools, foundations, public institutions and employment agencies.



### Assessment and career management

The purpose of assessment and career management processes at ACCIONA is to improve each person's performance and contribution to the Company's goals, and to promote each employee's professional development.

ACCIONA has two types of processes in this area:

- The first is the "Conversation on Development" process, which provides information on each professional's contribution to ACCIONA's goals and identifies his or her professional progress. Each of ACCIONA's business lines adopts its own processes for tracking, supporting and assessing employees, following the basic lines of the common model. Processes of this type now apply to over 40% of ACCIONA's employees.

In order to continue making ACCIONA the best possible place to work, a new global Performance Assessment process will be launched in 2010:

- > ACCIONA views Performance Assessment as an annual process of planning, evaluation and tracking of objectives that makes it possible to improve people's professional capacities and to define how they can best contribute to meeting the Company's goals.
- > The purpose is to facilitate communication between management and subordinates about the results that are being achieved, how people are performing, and how their professional profile is progressing.
- > Through this process, ACCIONA aims at improve the management quality of our executives so as to continue ensuring that ACCIONA is the best place to work.

**Evaluation & career management processes are not only focused upon performance but about motivating professional development**



Additionally, a process of 360° feedback will be initiated for ACCIONA's Management Committee.

■ The second is the People Planning Process, whose goal is medium- and long-term talent management so as to ensure that the Company always has the best professionals for each job. In 2009, the People Planning Process was launched at ACCIONA Infrastructure, involving over 1,200 people.

## People Planning Process

ACCIONA's People and Career Planning Process seeks to ensure that the best professionals are available to meet the strategic needs of the Company's business plans.

The model is based on an analysis of the people and organization, development of succession plans, and identification and development of key, high-potential individuals.

This approach will enable ACCIONA to:

■ Respond to challenges with the best available resources.

■ Improve management quality and facilitate leadership development.

■ Ensure retention of key personnel and succession processes.

■ Ensure proper assignment of people based on their potential and performance.

The programme begins by identifying the needs of the business in terms of professional profiles and a study of the various team and career paths available based on each person's potential.

### ACCIONA People and Career Planning Model



### Internal Mobility

Internal Mobility is the process by which employees can take advantage of vacancies or newly created posts in the Company, either at their own initiative or through internal recruitment.

ACCIONA views internal mobility as a key factor in developing, motivating and retaining the best professionals, based on open management of the professional opportunities that the Company offers.


ACCIONA's model of internal mobility is based on a number of principles in order to enable the Company's professionals to:

- Avail themselves of career opportunities arising in any of the divisions or business areas.
- Have priority over external candidates in recruitment processes, all other factors being equal.
- Participate in objective internal recruitment processes based on equal opportunities and professional merit.

### New challenges

These programmes enable the Company to have employees who are capable of assuming new responsibilities and addressing new challenges, with diverse, multi-faceted competencies and knowledge, and a broader, more structured vision of the business.

**ACCIONA views  
Internal Mobility  
as a key option in  
the development,  
motivation and  
retention of its best  
professionals**



## Compensation policy, a distinguishing feature

A key factor in ACCIONA's success is recognizing its professionals' contribution to the Company's strategic objectives. ACCIONA views this as a critical factor both in attracting and retaining talent and in its international expansion strategies.

ACCIONA uses an organizational analysis and global evaluation model for professional positions which was designed for the entire Company. Compensation levels are established so as to be competitive within the market while applying strict criteria of internal fairness. Variable remuneration is linked to objectives established by management. The weighting of a business's results in compensation is directly linked to the level of responsibility of the person being evaluated.

In 2009, ACCIONA worked to create an international compensation and organizational structure which includes job assessment. Salary bands for each country will

be reviewed in 2010, enabling remuneration to be managed in line with global corporate policies. The ratio between the standard starting salary in Spain was 141% in 2009.

### Flexible Compensation Plan

In order to maximize the economic and/or tax advantages available in Spain, a Flexible Compensation Plan was introduced in 2009 to adapt employees' compensation to their personal needs, enabling them to convert up to 25% of fixed salary into variable compensation. In the initial phase, the system was applied to a limited number of executives and managers; it will be extended to a broader group of employees in 2010.

**Benefits, competitive compensation**

ACCIONA offers employees more social benefits than required by current legislation. Most of these benefits are included in the collective bargaining agreements and apply to all employees. Employees enjoy the following benefits, among others:

- Flexible working hours at head offices and other office locations.
- Special offers on health insurance for employees and their families (discounts of up to 38% in 2009 and up to 43% in 2010).
- Free life and accident insurance.
- Guarantee of full salary during paternity/ maternity leave.
- Supplementary sick benefit up to 100% of salary for indirect labour.
- Crèche vouchers for employees with children aged under three.
- Free bus service to corporate headquarters.
- Travel agency for organizing personal trips.
- Discounts on food, cars, electronics, and leisure, health and beauty products.
- Sports club. Agreements with foundations.
- Special prices on summer apartment rentals, for employees who have been with the Company for a certain period of time.

**Company social  
benefits go further  
than current legislation  
and apply to  
100%  
of employees**



## Training, a key factor for innovation

In 2009, the Human Resources team continued to work towards the goal of keeping ACCIONA ahead of the field in its training policies, methods and tools.

ACCIONA has a modern 1,500m<sup>2</sup> Corporate Training Centre, where more than 10,000 employees have received training.

### Virtual Campus 2.0

The Company has also developed a new Virtual Campus using Web 2.0 technology. The Campus gives employees access to more than 1,500 training modules, structured in channels: competencies, languages, and functional and technical skills. Content is offered in a range of formats, and users can rate and comment on the content. Users can also choose areas of interest and receive updates when new content is added in those areas. The new Virtual Campus includes top-level training materials

developed by prestigious business schools and specialized consultants. The project to develop the Campus includes a Learning Management System that supports all training processes and management activities. There were over 60,000 downloads and more than 2,000 subscriptions in the first months after the Virtual Campus was launched.

The Campus is available, in both English and Spanish, to all Group companies in all countries.

Another notable project is the online induction course for all business lines. The purpose of this course is to provide standardized accurate information about the Company, its values, businesses and activities, as well as other notable information and figures. The programme focuses especially on social responsibility, sustainability and innovation as key underpinnings of ACCIONA's culture.

## 7.41 million euros in training

In 2009, 3,449 training courses were held at ACCIONA, costing a total 7.41m euros. Each employee received an average of 26 hours' training, at an average cost of 440 euros/employee (participant).

ACCIONA implemented other training programmes in 2009, including notably the third E-MBA, in which over 100 executives have been trained, and the Sustainability Training Programme, developed by Cambridge University.

**ACCIONA has a  
modern Corporate  
Training Centre where  
more than  
10,000  
employees have  
been trained**



### Innovative approaches to executive training

The approach to executive training was modified substantially in 2009 in terms of both content and format. In particular, it was decided to innovate by promoting the use of the new Virtual Campus.

The system focuses on developing the Company's senior management and also on the strategic need to convey cultural values, such as internal cohesion in a multi-business

organization, innovation as a distinctive feature of the Company's culture, and the leadership style befitting a global company.

ACCIONA's executive training programme is structured like a business school. The Company offers executives a range of programmes tailored to their level of professional experience and the organizational context, enabling them to manage their learning with the maximum degree of autonomy. Executive training programme content is highly relevant and kept constantly up-to-date.

ACCIONA executive training is structured in three stages





## ACCIONA to launch the ACCIONA Masters' in Sustainable Economy in 2010

ACCIONA plans to launch its first Masters' Degree in Sustainable Economy degree in April 2010.

This pioneering, innovative Masters programme seeks to train ACCIONA executives and pre-executives in issues that are priorities in the Company's business plans so as to give them an overview of sustainable growth patterns, promote quality employment, equal opportunities and social cohesion, and ensure respect for the environment and rational use of resources.

The combined methodology of the Executive MBA includes both face-to-face and online activities and lasts 12 months, involving a total of 645 hours.

ACCIONA is launching  
its first Masters' Degree  
in Sustainable  
Economy in  
**2010,**  
a pioneering, innovating  
programme



## Diversity and equality, the foundations for growth

A company's success hinges on its people. ACCIONA sees diversity and equality as pillars for growth and social progress underlying its corporate philosophy.

ACCIONA has established ethical principles and values so as to promote equal opportunities in all areas of people management. The Company has also implemented programmes, procedures and actions to create a workplace that is free of any type of discrimination and fosters diversity.

The application of these values is guaranteed by a constant dialogue with labour representatives. This has resulted in major progress being made in the area of equality and diversity, such as promoting female employment in areas where there are few women, and integrating people with disabilities. People with disabilities account for 2.47% of ACCIONA's workforce in Spain. In this field, ACCIONA works with the ONCE Foundation, sheltered workshops and the leading national organizations for people with disabilities.

ACCIONA views equality and diversity as an integral part of sound projects providing opportunities for professional development and promoting an effective policy of talent management and creation of opportunities for both women and men in all its lines of business.

Women accounted for 27% of ACCIONA's workforce in 2009.

## ACCIONA signed equality plans with labour unions UGT and CCOO in the Infrastructure, Real Estate and Facility Services divisions

In 2009, ACCIONA signed equality plans in the Infrastructure, Real Estate and Facility Services divisions with the two leading labour unions. The plans fall under the scope of Spain's current Gender Equality Act.

At the end of 2009, approximately 65% of the Company's workforce in Spain was covered by equality plans, and the Company expects that percentage to approach 100% in 2010.

The Plans' basic goals are as follows:

- To promote the effective application of the principle of equality between women and men, ensuring equal opportunities in terms of access, professional development and working conditions at all levels and in all areas of the organization.
- To ensure, as far as possible, a fairer and more balanced distribution of men and women across the workforce.

- To guarantee and improve working conditions for both men and women, taking steps to facilitate work/life balance.

- To strengthen the commitment to sustainability and responsibility across its entire workforce so as to nurture a corporate culture focused on equal opportunities and the avoidance of any kind of discrimination for gender-related reasons.

Annexed to the Plan is the "Protocol in the event of Workplace and/or Sexual Discrimination", which is already in place in ACCIONA companies across the globe. With this protocol, ACCIONA seeks, as part of its responsibilities, to take all necessary measures to foster a working environment free from all kinds of harassment, and to reject and combat behaviour of this kind.

The initiatives implemented by ACCIONA in the areas of equality and diversity make it a benchmark company in the labour market and strengthen its corporate responsibility strategy.

## Socially responsible recruitment

For many years, ACCIONA has worked with Integra Foundation, a not-for-profit group that promotes integration into the labour market of groups at risk of social exclusion.

In 2009, the Foundation acknowledged the training work performed by ACCIONA at the Infanta Sofia Hospital, through which the Foundation's candidates have received theoretical and practical training for their work directly on the job.

Through this type of initiative, ACCIONA seeks to identify new forms of working with the Foundation's candidates to help them normalize their lives through integration into society and the labour market.

A total of 13 people were hired under this programme in 2009, i.e. exceeding the initial objectives despite the adverse situation in the labour market.

To date, 101 people have been hired by ACCIONA in this way, giving them the opportunity to normalize their lives.

## Internal communication in ACCIONA is a critical factor for efficient management of people and business

## Transparency and participation

Internal communication is particularly important within ACCIONA for effectively managing the people and the businesses.

In recent years, the Company has focused its efforts on unifying cultures and making sure that all employees are integrated with, committed to, and motivated by the Company's projects.

Internal communication at ACCIONA aims to disseminate clear, simple transparent messages in real time.

In order to facilitate and promote two-way communication and participation, the Company strives to make dynamic

use of the intranet, Interacciona. In the last year, the number of activities inviting participation has increased, as has the use of Interacciona through competitions, surveys and thematic blogs.

Because of the geographical and sectoral diversity within ACCIONA, other communication tools had to be developed, such as the "ACCIONA Reports" in-house magazine, as well as other internal bulletins, reports, letters, brochures, etc. There are suggestion boxes and notice boards at work centres and on the intranet. The Company also produces procedure manuals, communiques and circulars and hosts regular meetings and events.

## Interacciona wins Best Employee Portal award

In 2009, Interacciona, ACCIONA's intranet, received the prestigious award for best practices in internal communication from Spain's Internal Communication and Corporate Identity Observatory, which recognizes the best internal projects at Spanish companies and public agencies.

A total of 53 organizations, representing around 80 candidates for the various categories, participated in this second edition of the awards, which were created jointly by Inforpress, IE Business School and Capital Humano magazine.

## ACCIONA's website – first in accessibility among Ibx 35 companies

The Company's website and those of its divisions play a very important role in external communication. True to its commitment to favouring the integration of people with disabilities and facilitating universal access to information, ACCIONA designs its websites according to AA <sup>(1)</sup> accessibility standard 1. In 2009, ACCIONA's website obtained AA certification from AENOR; it was the first Ibx 35 company to do so.

(1) The AA standard ensures accessibility on the part of people with physical, visual, auditory or cognitive disabilities.

## Digital communications

ACCIONA also greatly improved its digital communications: a new sustainability blog was created within the Press Room on the corporate website, and the first steps were taken in the use of social networks.

## Labour relations

Labour relations at ACCIONA are especially challenging given that the Company works in many countries, sectors and activities.

All employees have union representatives and are covered by collective agreements. None of the Company's divisions is considered to have risks with regard to freedom of association or collective bargaining. All employee health and safety matters are also covered by agreements with the unions.

Through the labour relation units of its divisions and its membership of industry associations, ACCIONA participates in negotiating collective agreements at provincial or industry level. A number

of collective agreements for specific companies or workplaces and numerous wage reviews were negotiated in 2009.

During the year, ACCIONA Concession Services signed the first collective agreement for non-medical employees at Madrid's Infanta Sofía Hospital. This was the first such agreement signed in the context of private management of the new public hospitals in the Madrid Region and will serve as a template for future negotiations.

ACCIONA encourages and promotes dialogue with workers' representatives. Organizational changes affecting employees are negotiated, and the periods

of advance notice stipulated by the law and by collective agreements are complied with strictly. There are currently more than 800 workers' delegates or representatives at ACCIONA (delegates, union committee members, union representatives, health and safety officers, personnel with complementary guarantees under the Trade Union Freedom Act, and personnel with union guarantee agreements).

ACCIONA frequently meets with representatives of the unions at federal, confederal, industry and regional level, and with all those which represent employees in any of ACCIONA's lines of business.

## Our actions

- New management tools.
- Policies to attract and retain talent.
- Policies to guarantee equal opportunities for everyone working at ACCIONA.
- Plans and models to ensure personal and professional growth through career plans in a transparent organization.

ACCIONA  
has more than  
**800**  
personnel delegates  
and workers'  
representatives







# social dimension

a. our people

b. safety, our priority

c. dialogue and cooperation

# safety, our priority

## 2009 milestones

- Certification of almost all of ACCIONA's operations in Spain to the OHSAS 18001:2007 standard.
- Year-on-year reduction in severity index by 16 and frequency index by 10.
- Recognized as "Best in Class" for the third consecutive year by the Dow Jones Sustainability Index.
- Employees rated Workplace Health and Safety Policy 4.2 on a scale of 5.
- 4.4 out of every 5 employees are familiar with the Company's safety policy and are aware of the workplace risks associated with their post.
- Commitment by Senior Executives to Workplace Health and Safety activities.

## 2010 goals

- Draft the 2010-2012 Workplace Health and Safety Plan.
- Expand existing policies in this area to offices worldwide.
- Increase the number of medical professionals on staff as a key element in the health policy, in line with the idea that preventive medicine is a profitable investment.
- Give continuity to the Strategic Plan for Workplace Health and Safety in international operations.

## WH&S Plan hits the mark

The 2007-2009 Workplace Health and Safety (WH&S) Plan completed its period in 2009. It sought to create a business model based on health and safety which aligns with benchmark national and international standards and ensures a safe, healthy workplace for all employees.

The Plan focused on the following:

- Strict compliance with legal obligations.
- Training for all employees on the risks associated with their posts.
- Training and awareness-raising for all employees on their obligations and responsibilities.
- Commitment by the Company to comply with and enforce the safety regulations in their broadest sense.

At ACCIONA, a corporate culture based on health and safety underpins the Company's corporate social responsibility plans; as a result, the Company implemented an innovative internal communication plan - 'Frágil' (Fragile) - which focuses on Workplace Health and Safety.

The Plan has been a success: accident indices have improved and the majority of employees are aware of the risks inherent in their jobs.

ACCIONA is drafting the 2010-2012 WH&S Plan, which will maintain the previous plan's lines of action, but will focus on businesses outside Spain and on increasing the number of medical professionals on staff in line with the idea that preventive medicine is a profitable investment.

ACCIONA is preparing  
a new Workplace  
Health & Safety  
Plan to cover  
the next  
**3** years



## Safety, ACCIONA's prime commitment

In recent years, ACCIONA has worked diligently to become a benchmark in WH&S: the results are there to see in the Company's certifications and significant improvements in accident rates.

ACCIONA's goal is to create a corporate culture which focuses on health and safety by disseminating information and raising awareness.

The Company's management sees WH&S management as a key factor in developing its business plans in Spain and in other countries.

A safety management system will only function effectively if it has the right materials and people. Each year, ACCIONA

invests heavily to improve the system, but staff who are responsible for complying with and committing to the regulations are also key to its success.

Improved working conditions serve to encourage workers, who are further motivated if they participate directly in safety-related issues.

### Sectors especially sensitive to health and safety

ACCIONA operates in industries that have high accident rates; action taken in recent years has brought down those rates to below the sector average in Spain.

## Risk prevention is one of the most important factors in the development of Company business plans

Additionally, the following information is available to all employees on the ACCIONA intranet, Interacciona:

- ACCIONA's Safety Plan, which sets out the functions and responsibilities and the approach to safety.
- The Procedures in the Workplace Safety Management System.
- Documents on how to proceed in an emergency and the technical specifications for the protection equipment required for each job.

The most significant safety management activities in 2009 were as follows:

- Development of Health and Safety Audit Programmes for all business lines, in line with the goal of attaining OHSAS 18001:2007 certification or its equivalent in practically all business areas in Spain.
- Update of the Manual for the Workplace Safety Management System.
- Drafting of the Safety Planning document.
- Preparation of the Annual Safety Programme.
- Information and awareness-raising actions as part of the "Frágil" campaign.
- A seminar on heart-healthy habits in the framework of the World Workplace Health and Safety Day.
- Design of the 2010 Training Plan, adapted to the training needs in the Plan for Certification under OHSAS 18001:2007.
- Implementation of the Self-Protection Plan at Madrid's Infanta Sofía Hospital and subsequent validation of the plan by Civil Defence.
- Drafting of a range of relevant procedures such as the Plan for Preparation and Response to an Influenza Pandemic On-Board Ship and in other locations, and management and notification of accidents at the Infanta Sofía Hospital.
- Creation of a document listing the Personal Protection Equipment for each job and their technical specifications; this document is available on Interacciona and notice boards.
- Participation in forums for cooperation with external bodies and institutions.

### Coordination in management

ACCIONA's Workplace Health and Safety Department responds to identified improvement needs by leveraging existing resources. The Business Activities Safety and Coordination Committee, which comprises all Safety and Human Resources Officers in all of ACCIONA's business lines, continued working in 2009 to standardize and integrate all the companies' safety management systems.

To fulfil the assigned duties in connection with WH&S, the organizational structure of ACCIONA's business lines has the following resources:

- Joint Safety Unit.
- In-house Safety Units.
- Outsourced safety services.
- Designated workers.

## Workplace Risk Prevention Seals of Excellence

In 2010, ACCIONA Infrastructure plans to obtain two seals of excellence in workplace safety, in the Cantabria region and the Basque Country.

**Zero Accident Target Seal.** This seal is a voluntary project open to any company that does not have a high accident rate. Its goal is to encourage the adoption of effective safety management programmes over the medium and long term and to provide useful guidance to assist in effective compliance with the regulation by employers and workers and by independent safety consultants.

The **LOTU** seal acknowledges construction companies that take an active part in in the dissemination and development of this programme to avoid specific workplace risks, namely falls.

## Safety management in other countries


ACCIONA continues to develop its workplace safety organization outside Spain. The main actions in 2009, based on each country's individual priorities, were as follows:

- Establishment of a specific WH&S action plan for each country.
- Drafting of Safety Procedures by adopting standard rules for action and requesting regular performance reports in line with OHSAS 18001:2007 guidelines.
- A new strategy for OHSAS 18001:2007 certification depending on each country's needs and characteristics.

The establishment of a Workplace Safety Management System pursues four main objectives:

- Improving accident rates.
- Improving working conditions on site.
- Creating a safety culture among workers, staff and contractors alike and implementing this commitment by ACCIONA Infrastructure at workplaces worldwide.
- Creating a brand image in the area of safety.

**'It doesn't matter where we are, we are all ACCIONA. Safety is something that concerns us all, and we are here to help achieve it'**



### Country-specific methodology

In order to standardize Workplace Safety Practices internationally, ACCIONA Infrastructure is drafting "Country Action Plans", taking into account each country's specific features in the area of WH&S. They will be based on detailed knowledge of local legislation and a survey of the safety situation internally, externally and in the market.

ACCIONA Infrastructure's WH&S departments worldwide will use this knowledge to draft proposals for action that must be approved by country management and ACCIONA's International Department. Approved action proposals lead to a Country Action Plan, for which an implementation plan is developed and distributed using new technologies.

## Mexico Action Plan

In order to draft the Mexico Action Plan, during 2009 the local safety legislation was examined and a baseline survey of safety conditions was conducted which included visits to Company sites and other sites in the industry as well as a compilation of information from manufacturers and distributors about personal and collective protection equipment and ancillary equipment. This resulted in the Mexico Action Plan, specified in the following points:

- Practical manual for construction sites.
- Training plan.
- Plan to improve working conditions.

In 2009, the first steps were taken to draw up action plans for Brazil and Gabon.

## First International Seminar on Safety

The First International Seminar on Safety was held in 2009 with the participation of safety units from Brazil, Chile, Gabon, Mexico and Venezuela. The purpose of the seminar was to standardize approaches to safety at ACCIONA Infrastructure projects, and present the procedure and computer applications developed for safety management. Participants also visited a work site and a training centre in order to see first-hand how safety is applied on-site.



## Training and awareness-raising, the best tools for safety

Training and awareness-raising are essential for successful prevention of WH&S risks. Consequently, the Company makes major efforts and devotes considerable resources to training employees in health and safety.

Supported by the creation of the Workplace Health and Safety Institute, ACCIONA employees received a total of 163,458 hours of safety training in 2009, putting ACCIONA among the top Spanish companies in terms of expenditure on this type of training.

ACCIONA Infrastructure provided a total of 78,378 hours of WH&S training, 24,312 of which were given to employees of contractors, suppliers and temporary work agencies. ACCIONA Agua provided 31,333 hours of training to direct employees, and ACCIONA Facility Services 54,472 hours.

The Company also continued to disseminate specific health and safety educational materials under the "Frágil" campaign, aimed at workers in all ACCIONA workplaces throughout the organisation.

ACCIONA has a specific procedure for training and supervising contractors, suppliers and temporary work agencies that provide services to any of its business lines.

The Annual Training Plan covers the safety training needs of all ACCIONA's business lines. There are three types of safety training:

- General. Includes workplace safety, in line with the General Training Plan.
- Periodic. Focused on each person's job or function, covering existing and new risks.
- Specific. For middle management.

### Information: 'Frágil' campaign

In 2009, ACCIONA continued its "Frágil" campaign to raise awareness, particularly among new hires, of the importance of taking responsibility for working safely with all the necessary precautions.

The campaign, which is ongoing, and is being conducted in tandem with expansion by all ACCIONA group companies is based on three principles:

- Informing employees and their representatives about the safety audits and reviews conducted in each business line, as well as their conclusions and the action plans drawn up as a result.
- Providing supplementary information regarding specific risks in each work station.
- Promoting ongoing awareness-raising activities.

All information is available in Spanish and English for worldwide distribution.

### Workplace Health and Safety Institute

ACCIONA has a Workplace Health and Safety Institute, under the Human Resources and Organization Area, whose mission is to organize WH&S training actions and set up external and in-house forums on safety.

In 2009, the Workplace Health and Safety Institute continued to promote a range of initiatives aimed at raising awareness and avoiding risks in individual places of work.

The Workplace Health and Safety Institute operates along three basic lines:

- Common training content.
- Promotion of cross-offerings so as to respond to the needs of ACCIONA's various business lines and take advantage of synergies by standardizing workplace risk prevention systems.

- Using new technologies as an effective vehicle for training.

In 2009, the Workplace Health and Safety Institute conducted numerous initiatives in the area of safety. They include most notably:

- Updating training procedures, information and competencies.
- A procedure for integrating safety into contractor hiring processes.
- Courses on emergency procedures and first aid for in-house and contractor personnel.
- Specific assessments to gauge job suitability in the case of "sensitive workers".
- Training on handling loads and patients with reduced mobility at the Infanta Sofía Hospital.
- Training in waste-sorting at the Infanta Sofía Hospital.

## Participation

Consultation with staff and their participation in safety processes are not only a legal requirement but are also an effective method for implementing policies, technical improvements and training programmes. Consequently, ACCIONA has developed new channels for participation in WH&S which enable ACCIONA Infrastructure employees worldwide to take an active part through suggestion boxes (pictured below) managed by the safety departments.

## Control and monitoring

In 2009, ACCIONA continued to conduct Company-wide health and safety audits in an effort to improve ongoing safety training by integrating it at every level of the organization and using methodologies, tools and new technologies.

In line with the Strategic Plan, internal and external audits were conducted to assess the degree of compliance with the Management System.

### Internal audits

Internal audits were carried out using the cross audit system with in-house resources, in compliance with OHSAS 18001:2007 requirements.

The audits took place at the following companies: ACCIONA, S.A.; ACCIONA Servicios Hospitalarios, S.L.; ACCIONA Concesiones, S.L.; the four Bestinver companies; AFS subcontractors for ACCIONA, S.A.; Sociedad Concesionaria Hospital del Norte, S.A. (including a compliance audit); ACCIONA Servicios Concesionales, S.L. (including a compliance audit); ACCIONA

Energía (including a compliance audit); ACCIONA Agua; ACCIONA Infraestructuras, S.A.; ACCIONA Instalaciones, S.A. and ACCIONA Security Systems. ACCIONA Infrastructure audited two companies: ACCIONA Concessions and Freyssinet.

In particular, ACCIONA Infrastructure made 2,778 site visits in 2009 as part of its Safety Assessments and Management Evaluation System. A total of 175 Health and Safety Plans were drafted in the areas that were visited and 15 voluntary internal audits were completed.

We continued to carry out health & safety management audits throughout  
**2009**

## ACCIONA Infrastructure & ACCIONA Installation Services obtained Workplace Safety certification in 2009



### OHSAS 18001:2007 certification

The following companies renewed their OHSAS 18001:2007 certification in 2009: ACCIONA S.A.; ACCIONA Concesiones, S.L.; ACCIONA Servicios Hospitalarios, S.L.; the four Bestinver companies; ACCIONA Energy and ACCIONA Agua.

The following companies obtained OHSAS 18001:2007 certification in 2009: ACCIONA Infraestructuras, S.A.; ACCIONA Instalaciones, S.A.; ACCIONA Sistemas de Seguridad; ACCIONA Medio Ambiente Dalmau, S.L.; and ACCIONA Servicios Urbanos, S.L. Other companies such as Sociedad Concesionaria Hospital del Norte, S.A., ACCIONA Servicios Concesionales, S.L. and Aepo, commenced

the development phase of implementing a safety management system with a view to obtaining OHSAS 18001:2007 certification.

ACCIONA Infrastructure and ACCIONA Installations successfully completed the necessary audits for Workplace Safety Certification, which acknowledges the efficacy of their WH&S management system. The Workplace Safety Certification, which is based on OHSAS 18001:2007 and granted by specialized auditor Audelco, certifies that both companies foster safe working environments by coherently identifying and controlling their health and safety risks, reducing the scope for accidents, and generally improving performance.

### Regulatory audit

ACCIONA Infraestructuras, S.A., ACCIONA Instalaciones, S.A., ACCIONA Sistemas de Seguridad, Sociedad Concesionaria Hospital del Norte, S.A. and ACCIONA Servicios Concesionales, S.L. underwent regulatory audits. These are mandatory audits covering the entire workplace risk management system and lead to the issuance of audit certificates.

Audelco, an external specialized company, performs the audits. The results are used to design action plans to improve WH&S.

## ACCIONA continues to improve its Accident Rates

As a result of efforts in recent years, ACCIONA's accident frequency and severity rates are now below the industry average. In particular, ACCIONA

Infrastructure's accident frequency rate is more than 50% lower than the nationwide industry average.

ACCIONA	FREQUENCY		SEVERITY		INCIDENCE	
	2009	2008	2009	2008	2009	2008
ACCIONA CORPORATION <sup>(1)</sup>	2.47	3.16	0.03	0.05	484.46	534.76
ACCIONA AGUA	33.77	17.41	0.79	0.40	5,805.24	4,928.91
ACCIONA ENERGY	14.07	8.59	0.13	0.19	2,309.99	1,407.41
ACCIONA LOGISTICS & TRANSPORT SERVICES <sup>(2)</sup>	15.38	29.67	0.87	0.85	4,001.76	5,215.51
ACCIONA AIRPORT SERVICES	84.45	84.29	2.15	1.80	11,459.47	14,632.45
ACCIONA INFRASTRUCTURE	23.39	27.75	0.99	1.01	5,110.75	5,656.20
ACCIONA FACILITY SERVICES	53.36	75.77	0.81	1.58	6,096.47	1,574.36
ACCIONA REAL ESTATE	5.26	4.64	0.17	0.06	878.16	763.36
OTHER BUSINESSES <sup>(3)</sup>	72.23	37.91	1.01	1.10	11,492.82	5,530.97

Meanings by NTP 593

FREQUENCY IND. = No. of workplace accidents x 1,000,000/No. of actual hours worked

SEVERITY IND. = Days lost due to a workplace accident x 1,000/No. of actual hours worked

INCIDENCE IND. = No. of workplace accidents leading to lost time x 100,000/ No. of workers

Notes: The 2008 and 2009 data are complete except for the following qualifications:

- 1) ACCIONA Corporation includes Acciona, S.A.
- 2) The Logistics & Transport division includes ACCIONA Trasmediterranea and the logistics and forwarding companies.
- 3) Other Businesses includes GPD, the wineries and Bestinver.
- 4) Data relative to national companies.

In **2009**,  
our Workplace Health  
& Safety Department  
played a key role at  
various forums and  
seminars

## Cooperation with institutions

In 2009, ACCIONA continued to participate actively in external forums in its ongoing programme to promote WH&S in all its activities. ACCIONA professionals participated in the principal industry forums, both as Company representatives and as experts in their fields.

ACCIONA works closely with the government, trade unions, and workers' compensation insurance companies to promote multi-sectoral cooperation forums to develop strategies and policies for WH&S.

In 2009, members of ACCIONA's Workplace Safety Department took part as keynote speakers at a number of forums and seminars, including most notably:

- A keynote address on "Health and Safety in the company during times of crisis" at a World Day on Workplace Health & Safety seminar organised by insurance company Asepeyo.
- ORP 229 Forum: International Workplace Health and Safety Congress held in Chile.
- AON seminar: keynote address on "H1N1 Flu, workplace prevention plans".
- Seminar organised by Marcus-Evans; presentation on "Plan for preparation and response to a pandemic in the workplace".

ACCIONA Infrastructure also participates in numerous organizations in connection with WH&S: the Framework Agreement on Cooperation with the National Workplace Health and Safety Institute (INSHT); participation in the European

Week for Safety and Health at Work, which in 2009 focused upon risk assessment, and in which ACCIONA took part in a technical seminar; the Commission of the Construction Industry Labour Foundation; Safety committee at the Cámara de Contratistas and other trade groups; Safety Commission of SEOPAN (Association of Spanish Construction Contractors); Safety Commission of AECOM (Association of Madrid Region Construction Companies); Infrastructure Ministry Site Monitoring Commission; National Construction Technical Platform "Looking to 2030: Innovation and efficient change in the construction sector"; and the 'Laboralia' Technical Commission.

As well as taking part regularly in conferences, courses and seminars, ACCIONA health and safety technicians and experts helped to develop training courses in first aid and emergency procedures, and in implementing procedures in ACCIONA's business lines and its subcontractors.

ACCIONA is firmly committed to continuous improvement of working conditions for its employees and it is aware of its workers' rights to enjoy safe and healthy working conditions. For that reason, it fully and unreservedly supports the Seoul Declaration on Safety and Health at Work.

## ACCIONA Infrastructure Site Management Awards


In June 2009, ACCIONA Infrastructure presented the 9th Annual Site Management Awards, for 2008, in recognition of best practices in Safety, Quality, Environment and Site Management.

The award for Best Safety Management went to the Valencia Arts School construction site. Criteria included the site's safety record in the last year, and the degree to which safety has become part of the project's overall management scheme. The award for Best Site Management in 2009 went to the Villargordo del Cabriel-Venta del Moro section of the high-speed railway line, also in Valencia.

ACCIONA Infrastructure's Site Management Awards are an established event recognizing cooperation within the teams and their commitment to excellence in management. They confirm ACCIONA Infrastructure's pioneering management style, focused on quality, safety and sustainability.

In 2009, a project outside Spain received an award for the first time. The project to build Phases 3 and 4 of the Polytechnic University in San Luis Potosí, Mexico, received an honourable mention for the efforts, determination and resources used to maintain good working conditions and safety practices on site.

The employee  
absentee rate  
in 2009 was  
**2.69%**  
less than the year  
before



## Workplace health is growing in importance

Among other goals, ACCIONA's Workplace Safety Plan (2010 to 2012), which aims at continuing the Plan's priorities, sets out to enhance the field of workplace medicine under the principle of cost-effective investment in preventive medicine.

ACCIONA has its own medical service to monitor employee health and promote healthy lifestyles. This service is available to all ACCIONA employees at the Group's corporate HQ, where they are attended by a Healthcare Unit accredited by the Madrid Regional Government that is staffed by doctors and nurses; the Unit handles common illnesses, accidents and emergencies, and any issue related to employees' health and well-being that arises during work hours. In 2009, the Unit handled 3,941 medical and

nursing consultations, and, during the year, it conducted various prevention and awareness-raising campaigns, including:

- Flu vaccination: A total of 544 vaccinations were provided in the 2009-2010 campaign.
- H1N1 influenza vaccination.

Before the World Health Organisation declared the H1N1 influenza outbreak to be a pandemic, a working group was established at Madrid's Infanta Sofía Hospital as part of the preparation for the pandemic, to ensure that the response would be as effective as possible. ACCIONA's other business lines drew up a range of protocols, including one for office staff and another for shipping crews. Additionally, a range of fully updated rules and recommendations were published on

Interacciona. Shipping crew members and hospital staff were given specific instructions on hygiene measures required to minimize the risks posed by their jobs.

ACCIONA's workplace health indices continue to improve steadily, thanks to preventive measures, awareness-raising campaigns and exhaustive medical checks; the index of days lost at ACCIONA Infrastructure was 2.69% in 2009, slightly less than in the previous year.



## ACCIONA, co-organiser of the Seminar on Heart-Healthy Habits

In 2009, ACCIONA devoted efforts to an important aspect of safety, namely Workplace Medicine. This aspect of preventive medicine is a key factor in improving ACCIONA employees' quality of life and, consequently, their professional efficiency.

ACCIONA's Workplace Health and Safety Institute helped to organize a Seminar on Heart-Healthy Habits featuring leading speakers from the insurance companies that sponsored the event. The Seminar took place in the auditorium at the Infanta Sofia Hospital.

The event was organized in the context of the World Day on Safety and Health at Work.

The Seminar set out to raise awareness of the importance of healthy lifestyles in order to have

"healthy people and healthy companies". ACCIONA contributed actively in 2009 to improving its employees' health through the following actions:

- Medical checks that are more exhaustive than required by law.
- Following the enactment of Spain's Anti-Tobacco Law, the Company provided assistance to employees wishing to give up smoking with a programme entitled "It's easy to give up smoking if you know how".
- Promotion of sport, nutrition and health programmes.
- Dissemination of tips, recommendations and information on medical matters over Interacciona.

### Infractions

In 2009, ACCIONA companies received 11 fines for non-compliance of workplace safety regulations: nine of the fines were levied on ACCIONA Infrastructure, one on ACCIONA Infrastructure Maintenance and one on ACCIONA Facility Services. The fines in 2009 totalled 31,868 euros, a notable decrease on the 2008 figure (62,613.45 euros).



# social dimension

a. our people

b. safety, our priority

c. dialogue and cooperation

# dialogue and cooperation

## 2009 milestones

- ACCIONA maintained its position as Sector Leader in the Dow Jones Sustainability Index for the third consecutive year, and was ranked 'Gold Class Sector Leader'.
- ACCIONA Re\_interpreted communications through its Re\_ campaign, inviting society to Re\_Accionar (Re\_Act) through a new strategy and ground-breaking advertising format.
- First online consultation with opinion leaders.
- José Manuel Entrecanales, Chairman & CEO of ACCIONA, elected member of the World Business Council for Sustainable Development (WBCSD).
- Adopted the Code of Self-Regulation of Environmental Messages in Advertising by energy and automobile companies.

## 2010 goals

- Contribute the equivalent of 5% of the dividend to social action.
- Advance fulfilment of the objectives of the Sustainability Master Plan.
- Develop a stakeholder engagement policy to formalize, standardize and give momentum to articulate dialogue between ACCIONA and its main stakeholders.

## Sustainability at ACCIONA

ACCIONA views sustainability as an essential strategic commitment, a distinguishing feature in terms of competitiveness, value creation and profitability.

The Company renewed its commitment to sustainability in 2009, when it implemented a Sustainability Organisation and Management model that will enable it to improve its performance in this area.

As a result:

- The Sustainability Committee was created, which reports to the Board of Directors and includes senior executives among its members.

- The foundations were laid for a Sustainability Master Plan which, as part of the Company's Strategic Plan, establishes sustainability-related policies, lines of work and plans of action to be implemented where possible in the coming years; it also includes managing and reporting on ACCIONA's triple bottom line (economic, social and environmental).

ACCIONA focuses its resources on a defined set of sustainable actions and practices which are closely linked to business development.

Environmental challenges (especially climate change) and social demands will be much

more formidable in the future. Institutions will respond with stricter regulations, and companies will have to shift their strategies accordingly.

The most successful companies will be those that are best prepared to mitigate the risks derived from the new situation and to face challenges rapidly and effectively. The markets will reward positive social and environmental externalities of the economic activities of those companies' economic activities, and users and clients will opt for sustainable products and services not only because they are sustainable, but also because they add value.

**ACCIONA's  
Sustainability  
Master Plan is firmly  
established in the  
framework of the  
Company's  
Strategic Plan**

**ACCIONA aspires to become a benchmark company with respect to sustainability**

## The Sustainability Master Plan

The Sustainability Master Plan identifies five clearly-defined areas in which ACCIONA aspires to become a benchmark company: the environment, people, corporate governance, society and innovation.

Each area includes short —and medium— term lines of work and plans of action to implement, objectives to fulfil and commitments to be made, in a way that can be measured, reported and verified.



## ACCIONA seeks response from Copenhagen Climate Change Conference

ACCIONA was an active participant at the December 2009 Copenhagen Conference in both scheduled institutional events and in events linked directly to civil society.

ACCIONA encouraged participation, awareness-raising and position-taking of citizens worldwide via a special interactive multimedia space located in Copenhagen's Kulturvet square, which allowed people in the street to voice their opinions.

ACCIONA also launched the international phase of its 'Re\_' campaign.

The Company believed the Conference should produce real and feasible solutions. To that end, it attended the event with a view to turning the key points of its climate change position into reality, by:

- Setting binding scientific goals using tools that facilitate the reduction of greenhouse gas emissions in 2012-2050, with interim goals that seek a collective reduction of 25-40% by 2020, and facilitate achievement of the European Union's target to reduce emissions from all developed nations by 80-95% by 2050 (compared with 1990 levels).
- Establishing individual objectives for each country, in line with its level of development; promoting measures to provide finance; transferring the best technology, and; providing support via international policies.
- Creating a credible, accurate system to measure, notify and verify emissions.
- Fine-tuning the measures to build a solid emissions market with a view to attaining effective, efficient and fair reductions.
- Establishing policies that incentivize energy efficiency, the widespread use of renewable energies and the promotion of new markets that use low-carbon products and services.
- Implementing firm intellectual property protection policies that facilitate the creation and transfer of clean technologies, which are imperative for achieving the planned reductions.
- Reviewing Clean Development Mechanism (CDM) projects to ensure that they contribute to the development of the countries where they are located and facilitate technology transfer to those developing countries.

**ACCIONA is looking to dialogue and communication to help it achieve a level of transparency which differentiates it from other companies**



## Dialogue and communication, commitment to transparency

A company's success hinges largely on its ability to ascertain the expectations of its stakeholders. To this end, it is necessary to have communication channels that provide an in-depth knowledge of those expectations.

ACCIONA has made considerable progress in the implementation of specific activities to identify and communicate with stakeholders. In 2009, ACCIONA began identifying the principal social challenges faced by the Company in developing its businesses abroad and it consulted sustainability experts in the process.

ACCIONA is committed to open dialogue and communication as a means of achieving a degree of transparency that distinguishes it from other companies. To this end, the Company has a series of tools that facilitate constant fluid dialogue with its stakeholders and it takes the necessary measures to incorporate their contributions into its business plans.

### Expert opinions

At the end of 2009, ACCIONA implemented a project to ascertain the opinions of people outside of the Company in different areas of activity. The project acknowledged experts in sustainability.

The Company conducted an online survey which included four sections of eight questions each, specifically requesting the profile of the respondent, knowledge of ACCIONA's sustainability message, evaluation of critical aspects, and an opinion of ACCIONA's Sustainability Report.

The results of the survey will help to guide the Company's strategic actions in this area and to enhance those aspects which stakeholders identify as needing improvement.

The Company aims to increase the number of people surveyed each year.



STAKEHOLDERS	COMMUNICATION WITH STAKEHOLDER GROUPS
SHAREHOLDERS, ANALYSTS AND INVESTORS	<ul style="list-style-type: none"> <li>Shareholder Office: A space on ACCIONA's corporate website with contact information for investors.</li> </ul>
EMPLOYEES	<ul style="list-style-type: none"> <li>Consulting executives: In 2009, ACCIONA continued consultations regarding sustainability-related risks in the Company's management models.</li> <li>Employee Satisfaction Survey: These surveys, which aim to compile detailed information about ACCIONA's work environment, take an innovative approach and include factors such as corporate identity, management of intangibles and management style.</li> <li>Intranet: In 2009, significant progress was made on Interacciona, the Company's intranet, with a view to expanding two-way communication and the participation of all employees through interactive tools such as blogs, notice boards, etc.</li> <li>Ethical Channel: ACCIONA provides employees with an Ethical Channel through which they may report irregular conduct and make queries about the Code of Conduct.</li> </ul>
CUSTOMERS	<ul style="list-style-type: none"> <li>Customer Satisfaction Surveys: All of the Company's business areas monitor customer satisfaction using a series of specific parameters for each business line. ACCIONA Real Estate and ACCIONA Trasmediterranea are notable for their robust customer satisfaction measurement systems.</li> </ul>
SUPPLIERS AND CONTRACTORS	<ul style="list-style-type: none"> <li>Systems to rate and standardize suppliers: ACCIONA has standardized selection processes and mechanisms for tracking and monitoring the suppliers with which it works.</li> <li>Communications channels: ACCIONA provides suppliers and contractors with methods for communication and control, questionnaires, and procedures for reception and resolution of complaints.</li> </ul>
NGOS, SUSTAINABILITY SPECIALISTS AND LOCAL COMMUNITIES	<ul style="list-style-type: none"> <li>Corporate Social Responsibility Mailbox: Channel designed for the general public, through which people interested in sustainable development can ask questions and make comments and suggestions.</li> <li>Consultations with opinion leaders and stakeholders: The Company carries out extensive consultations with key opinion leaders and stakeholders in order to strengthen ACCIONA's commitment to sustainability in the countries where it operates.</li> <li>Working groups: ACCIONA participates, with other large companies and in cooperation with Fundación Entorno, in a joint initiative to address the challenges of sustainable development by exchanging best practices and solutions.</li> <li>Online consultations: At the end of 2009 and in early 2010, ACCIONA held an online survey of stakeholders with a view to obtaining their opinions on certain issues related to sustainability. The results will help shape ACCIONA's sustainability strategies.</li> </ul>
GOVERNMENTS AND PUBLIC ADMINISTRATIONS	<ul style="list-style-type: none"> <li>ACCIONA participates in public consultation processes regarding regulatory proposals in its areas of activity. Participation in drafting laws and regulations for the industry through round table discussions within industry associations, including those related to renewable energy. Participation in, and organization of, joint events between public administrations and companies in the sector, for example the 'España Solar' conference.</li> </ul>

## ACCIONA adopts the Code of Self-Regulation of Environmental Messages in Advertising

In June 2009, ACCIONA and 21 other companies in the energy and automobile sector signed an agreement on self-regulation with the Environment Ministry in which they undertook to adhere to a Code of Best Practices with regard to environmental advertising. The companies that adopt the Code commit to responsible, accurate use of environmental messages in advertising. The Code requires that environmental statements used in advertising be based on tests that are generally accepted, objective, current and sufficient, and that they be publicly verifiable.

Adoption of the Code is voluntary; however, once a company has signed the agreement, compliance is obligatory. Advertising from participating companies can be vetted before publication with a view to ensuring compliance with the Code.

A Steering Committee will be created comprising members from the public and private sectors and chaired by the Secretary of State for Climate Change.

The Code is available at: [www.autocontrol.es](http://www.autocontrol.es)

**Our aim is to promote sustainability to align the growth of the Company with the great social challenges facing us**



## **Business success and social development go hand in hand at ACCIONA**

The content and strengths of ACCIONA's main business lines - infrastructure, renewable energies and water - are focused on sustainability by nature. Moreover, ACCIONA has made a public commitment to sustainability with a view to aligning its growth and returns with the major challenges facing society.

ACCIONA is staunchly committed to business opportunities arising from the need for infrastructure, new energy architecture and water availability to encourage economic and social development and environmental balance.

### **ACCIONA Infrastructure**

This is ACCIONA's longest-standing and most profitable business line, and its excellence is its greatest competitive advantage. In the last 50 years, ACCIONA has developed and participated in major construction works, including the Petronas Twin Towers in Malaysia, Ting Kau Bridge in China and the central highway network in Chile.

ACCIONA Infrastructure operates in two main business areas: civil engineering and building. It was a pioneer in the public-private co-financing of infrastructure, building highways, tunnels, railways and hospitals under concession agreements. All of its actions take account of economic, environmental and social aspects, having regard to overall sustainability.

## ACCIONA Infrastructure inaugurates a sustainable composting plant in Madrid

In 2009, ACCIONA Infrastructure built a plant for composting sludge, which will be used to generate electricity. The sludge treatment unit, in Loeches (Madrid), has composting and thermal drying plants, and cogeneration, where 155,000 metric tons of sludge from 14 wastewater treatment plants (WWTPs) in the Madrid region will be recycled.

The thermal drying process will generate 158,400 MW/h, which is enough to power the plant itself and other facilities, and allows for energy savings


on par with the annual consumption of a town of 45,000 people. The plant will also use cogeneration engine generators, which are more efficient and environmentally-friendly than conventional engines.

The composting plant will generate 14,900 metric tons of compost each year. The compost, comprising one part sludge and three parts pruning waste, will be used as fertilizer in gardening, agriculture and landscape restoration. The plant can treat 300 metric tons of sludge a day (i.e., 105,000 metric tons a year).

**ACCIONA  
Infrastructure  
opened a composting  
plant in 2009  
which generates  
electricity**



**ACCIONA Energy is one of the biggest developers and operators of wind power in the world and is present in all the main clean energies**



#### **ACCIONA Energy**

ACCIONA Energy is a world leader in the field of renewable energy. The Company's mission is to demonstrate that a new energy model guided by sustainability is both technically and economically viable. Focused on wind energy, it is one of the leading developers and operators of wind farms worldwide and it designs and manufactures wind turbine generators using proprietary technology at ACCIONA Windpower's three plants: two in Spain and one in the US.

ACCIONA Energy operates in the main clean energies, based on their degree of maturity and profitability: biomass, mini-hydroelectric, solar photovoltaic, solar thermal, biodiesel and bioethanol.

## **ACCIONA Windpower completes construction of first wind farm built by a Spanish company in South Korea**

In 2009, ACCIONA successfully completed construction of a wind farm in Yeong Yang, South Korea. The farm, which is located in the region of North Gyeongsang, comprises 41 1.5 MW wind generators and cost 75.5 million euros to build.

The project was registered with the United Nations as a Clean Development Mechanism (CDM) for 10 years, during which time it will avoid the emission of 112,812 metric tons of CO<sub>2</sub> into the atmosphere. Registration of the farm as a

CDM will provide ACCIONA with Certified Emissions Reductions (CERs) which may be used to comply with emissions reduction requirements and will ensure the economic viability of the project.

In 2008, ACCIONA opened two wind farms in Anabaru and Arasinagundi (India), registered as CDMs. This type of project enables ACCIONA to proactively contribute to sustainable development and help advance the communities where it operates.

### ACCIONA Agua

ACCIONA Agua is a leading player in the water business, with the capacity to design, build and operate plants for treating drinking water and waste water, tertiary treatment of waste water for reuse, and reverse osmosis desalination.

ACCIONA Agua's mission is to be a leader in providing global solutions that contribute to sustainable development in water through innovation in design, construction and operation of drinking water, waste water and desalination plants.

ACCIONA Agua, which operates on five continents, is committed to R&D and innovation, which has resulted in 15 patents. It is the world leader in seawater desalination using reverse osmosis, as evidenced by contracts for some of the largest desalination plants in the world: Tampa (Florida, US), Adelaide (Australia) and Torrevieja (Alicante, Spain).

## ACCIONA Agua commences sustainability project in Brazil


In 2009, ACCIONA Agua started up a wastewater treatment plant in Arrudas (State of Minas Gerais) for which it provides technical assistance in operation and maintenance. The 64-hectare facility has the capacity to treat 4.5m<sup>3</sup>/s, serving 1.6 million people.

The objective of the project, of which ACCIONA Agua is in charge, is to ensure sustainable operation and maintenance, reducing CO<sub>2</sub> emissions by 6,400 metric tons each year and saving 1.5 million euros in electricity costs.

ACCIONA Agua will perform the following actions under a four-year contract:

- Install a system to cover and deodorise the plant's pre-treatment area.
- Install ultrasonic reactors for sludge treatment, which will reduce sludge volume and increase biogas production.
- Install a cogeneration system to use the biogas produced in the digestors to generate electricity.

**ACCIONA wants to know the social impacts its businesses have, as well as those of the Company's social actions**



## The strategic importance of contributing to society

For ACCIONA, it is both a priority and a responsibility to be a leader in the social development of the communities where it operates; as a result, it focuses its social programmes on local development needs and expectations and on the company's business goals.

ACCIONA is developing the following strategic lines of action with a view to ascertaining both the social impact of its business and the impact of its social action:

- Creating specific social performance indicators which will enable it to evaluate the social, economic and environmental impact of its most important activities and projects. Identification of projects that do not conform to our sustainability standards will enable us to establish a "no-go policy".
- Establishing a Social Action Plan which covers 100% of the social contribution and includes a donation commitment linked to the annual estimated dividend through 2013; the Company's Volunteer Programme will be responsible for part of the Plan.

## Social Action Plan

ACCIONA aims for all its social actions to be implemented primarily in areas where ACCIONA operates or plans to operate, and in certain regions where basic needs have not been met.

The Plan's scope is medium- and long-term, except in the case of exceptional circumstances where specific action is required in response to an extraordinary situation.

A key aspect of the Social Action Plan is the commitment to contribute 5% of ACCIONA's estimated annual dividend between now and 2013.

The Social Action Plan is based on four areas of activity:

■ **Access to basic rights, such as education, culture and health.**

ACCIONA has been teaching children aged 10 to 16 about renewable energies for more than fourteen years. Last year the course broadened its scope to include general information about sustainability, and an online version was created. We have also begun expanding this practice to key markets.

■ **Access to basic energy and water services.**

The ACCIONA Microenergy Foundation

is currently developing a project to provide 2,000 homes in Cajamarca, Peru, with electricity using solar panels; funding comes from microloans. There are plans to launch a similar project in another underserved area by 2013.

■ **Promotion of sustainability in the public arena and in the media.**

ACCIONA has made significant efforts in this area in recent years. One example is its 'Re\_' advertising campaign, implemented at the end of 2009.

■ **Corporate Volunteer Programme.**

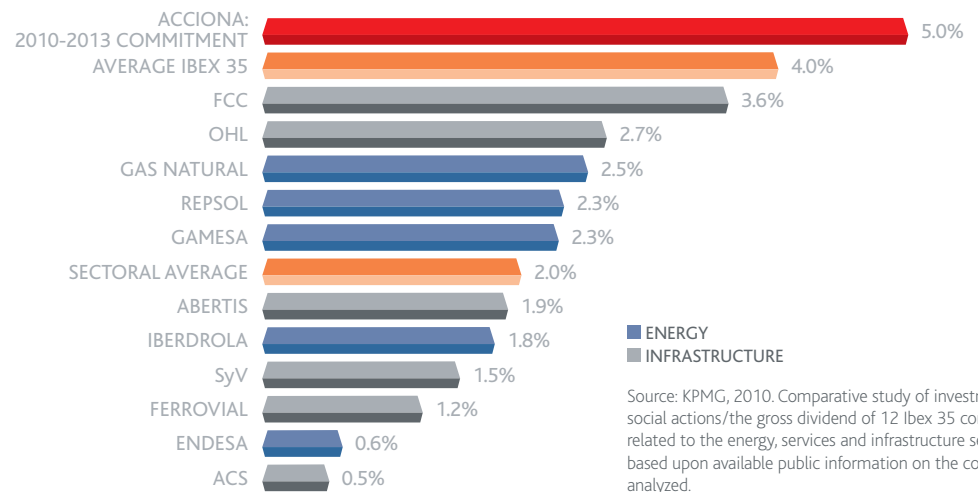
Through this programme, ACCIONA aims to enable its employees to act upon their concern for social responsibility.

ACCIONA's social contribution as a percentage of the dividend is outstanding compared to most of the Ibex 35 companies in its sector. Moreover, that contribution is expected to increase notably between 2010 and 2013.

2009 SOCIAL ACTION CONTRIBUTIONS	
Education and Culture	1,382,240 €
Healthcare	328,780 €
<b>TOTAL BASIC RIGHTS</b>	<b>1,711,020 €</b>
Energy	2,043,608 €
Water	127,150 €
<b>TOTAL BASIC SERVICES</b>	<b>2,170,758 €</b>
<b>TOTAL SUSTAINABLE CULTURE PROMOTION</b>	<b>324,670 €</b>
<b>TOTAL, 2009</b>	<b>4,206,448 €</b>

### Percentage of social action investment

relative to the dividend of comparable Spanish companies in the Ibex 35



Source: KPMG, 2010. Comparative study of investment in social actions/the gross dividend of 12 Ibex 35 companies related to the energy, services and infrastructure sectors, based upon available public information on the companies analyzed.



## Promotion of a sustainable culture: 'Re\_'



In 2009, ACCIONA launched an advertising campaign in diverse media focused on promoting sustainability. The campaign utilized a range of media: more than 7,000 bus shelters, more than 200 print ads and a striking TV commercial with special effects.

The campaign's Internet arm was a major success. A website was created ([re.ACCIONA.com](http://re.ACCIONA.com)) which includes the campaign video and details the Company's commitment and activities. Additionally, a landing site ([www.quehacemosconel.com](http://www.quehacemosconel.com)) was created with a view to generating buzz; in the first 24 hours it had received more than 4,000 hits and over 500 comments. Users were able to share the video and comment on the campaign on Facebook, YouTube and Tuenti. The content continues to expand and spread via other social networks, such as Twitter and LinkedIn.

ACCIONA's new strategy and the unique approach to its advertising campaign enabled it to revamp communication and encourage commentary - a clever combination of Internet, social networks and new technologies.

The 'Re\_' campaign draws inspiration from the idea of sustainability: Re\_duce, Re\_use and Re\_cycle.

'Re\_' also represents ACCIONA's commitment to provide water, energy and infrastructure in a sustainable way.

'Re\_' is a positioning strategy, a declaration of intentions to conceptualize its vision, its way of doing things and of facing the future; however, it is also a call to action to raise awareness and involve society in a creative way.

'Re\_' is a strategy and a commitment in line with the Company's international mission, presence and leadership.

The goal is for the website to receive more than 15 million hits and for the video to be viewed more than a million times.

## Sustainability Workshop

ACCIONA has been implementing its free educational programme, the Sustainability Workshop, in Spain since 1994. The programme includes guided visits of the Company's facilities with a view to raising awareness among young people about new sustainability technologies.

The learning materials, designed for teachers and students (aged 10 to 16), include information on energy, water, eco-efficient construction and innovation, and specific training for teachers.

The programme is part of the UN's Decade of Education for Sustainable Development, 2005-2014, initiative, and it seeks to improve education, quality and communication between the Company and local communities and to support education about sustainability-related values, skills and attitudes among young people.

## ACCIONA Microenergy Foundation, innovation within reach

The ACCIONA Microenergy Foundation was created in November 2008 to direct the Company's contributions toward development activities that respond to the basic needs of local populations in developing countries. Its goal is to work with others to increase access to energy, water and infrastructure for communities which lack those resources.

To this end, the Foundation created an NGO in Peru in January 2009 called Peru Microenergy. In its first programme, "Luz en Casa" ("Electricity at Home") it sets out to use solar home energy systems to provide electricity to 3,500 households in off-grid rural areas of Peru's Cajamarca province.

Peru Microenergy runs a fee-for-service model: the user receives basic electricity service and pays a periodical fee, which the NGO uses to cover operation, maintenance and replacement costs. This ensures the initiative's sustainability.


In 2009, Peru Microenergy installed the first ten systems, in homes throughout the area included in the initiative, to familiarize future users with the service and its limitations. As well as holding more than 30 meetings to explain the project to locals and answer their queries, it has signed agreements with the municipalities involved and created more than 20 Electrification Committees.

In 2009, Peru Microenergy presented its bid to the Ministry of Energy and Mining in Peru as part of the open tender for rural electrification financed by the World Bank, under which the latter co-finances the electrification investment with solar home systems for the 998 families living in off-grid areas. A socioeconomic study revealed that 92% of those families live in extreme poverty, and that if the project is implemented correctly, beneficiary families' fees for the solar home systems will be less than what they are currently spending on candles, kerosene, batteries and recharges, i.e., they will save money and receive an improved and less risky service.

In 2009, Peru Microenergy issued a request for proposals to supply 600 solar home systems to be installed in 2010 in designated households, financed exclusively by the ACCIONA Microenergy Foundation.

Peru Microenergy's YouTube page ([www.youtube.com/MicroenergiaPeru](http://www.youtube.com/MicroenergiaPeru)) contains videos on equipment installation and interviews with users who have had the system for a month.

**The aim of the first Peru Microenergy programme is to provide basic access to electricity in rural zones in Cajamarca**



## A strong institutional presence

- ACCIONA has been a member of the United Nations Global Compact since 2005. The Compact is based on the commitment to adopt, promote and support a set of fundamental values in the fields of human rights, labour regulations, the environment and anti-corruption. ACCIONA is firmly committed to supporting the principles, incorporating them into its daily activities and reporting back to society on improvements in their implementation in its annual Communication on Progress, presented each year by ACCIONA Chairman, José Manuel Entrecanales.
- ACCIONA has also joined Caring for Climate, a Global Compact initiative in cooperation with the United Nations Environment Programme (UNEP) and the World Business Council for Sustainable Development (WBCSD), which seeks to share experiences and best practices in the fight against climate change.
- ACCIONA also played an active role in the UN-led “Seal the Deal” initiative, which aimed to galvanize political will and public support for reaching a comprehensive global climate agreement in Copenhagen in December 2009.
- ACCIONA is also a member of the World Business Council for Sustainable Development (WBCSD), an association comprising more than 200 leading global companies that share a commitment to sustainable development through innovation, efficiency and corporate responsibility. ACCIONA is the first Spanish company to join the Council, in which it is an active member, participating in various working groups on climate change and energy, sustainable construction and the role of business in society. José Manuel Entrecanales, Chairman & CEO of ACCIONA, is also the first Spaniard on the Executive Committee of the WBCSD.

### Europe against climate change

In 2009, ACCIONA joined the Corporate Leaders Group (CLG), a group of 30 European companies which seek to join forces in the fight against climate change. This initiative was promoted by Prince Charles of Wales as part of the University of Cambridge Programme for Industry (CPI). The CLG drafted a packet of measures to tackle climate change which were summarized in the Copenhagen Communiqué, delivered by José Manuel Entrecanales, Chairman of ACCIONA, to UN Secretary-General, Ban Ki-moon.

## External awards and distinctions

External distinctions further motivate ACCIONA to continue with its projects. Moreover, they are an indicator that ACCIONA is moving in the right direction and encourage the Company to advance its mission and vision.


Recognition in 2009 included the following:

- José Manuel Entrecanales was invited to join the WBCSD Executive Committee, which oversees the organisation's strategy and vision, for a two-year term.
- In the Dow Jones Sustainability Index (DJSI), ACCIONA was named Sector Leader for the third consecutive year.
- ACCIONA was recognized as one of the most responsible companies in the world. It also received a Gold Class Sector Leader ranking from PricewaterhouseCoopers and Sustainable Asset Management (SAM), and is listed in their Sustainability Yearbook.
- ACCIONA was included in the Standard & Poor's Global Clean Energy Index, which

informs investors about companies which employ clean energies.

- ACCIONA forms part of the KLD Global Climate 100 Index, which is designed to promote investment in 100 companies that have shown themselves to be leaders in the fight against climate change through renewable energy, clean technology, efficiency and future fuels.
- European Award for Corporate Responsibility from the European Business Award Organization. This distinction recognizes ACCIONA's efforts and commitments to sustainability and validates its business strategies in this area.
- Award for best practices in internal communications. This award was granted by the Internal Communication and Corporate Identity Observatory, in recognition of ACCIONA's corporate intranet, Interacciona, as the best employee portal.

**ACCIONA was  
recognized as one  
of the most responsible  
companies in the world**





# environmental dimension

a. climate footprint

b. process efficiency and  
management excellence

# climate footprint

## 2009 milestones

- Implemented the Climate Change Plan, which is part of the 2010-2013 Strategic Plan.
- Started up Alvarado I, ACCIONA's first solar thermal plant in Spain.
- Registered the Yeong Yang (Korea) project as a Clean Development Mechanism (CDM).
- Registered the Red Hills Wind Farm project under the Voluntary Carbon Standard.

## 2010 goals

- Advance the objectives of the Climate Change Plan.
- Lead the EU's MARINA project, which seeks to integrate a number of marine renewable energies on a single platform.
- Register three new projects as CDMs in Mexico.
- Create an Energy Efficiency Improvement Group at ACCIONA Trasmediterranea to draft a standard Energy Efficiency Plan for a conventional ferry.



## ACCIONA's commitment

ACCIONA is working effectively and diligently to tackle the socioeconomic risks arising from climate change. The Company is a standard-setter in transforming the risks arising from this global challenge into opportunities for success and distinctive characteristics of its businesses.

ACCIONA's activities are based on a portfolio of innovative low-carbon projects and solid, committed growth policies. The Company is committed to business models which anticipate market trends and

society's expectations, responding to global demands for energy, infrastructure and water with sustainability as its focal point.

ACCIONA's climate strategy, supported by the Climate Change Plan within the 2010-2013 Business Strategy Plan, remained in force in 2009. Those strategies have enabled the Company to significantly reduce its "climate footprint" in the last four years.

ACCIONA's Climate Strategy is based on the following:

- Monitoring and tracking emissions generated and avoided.
- Reducing emissions internally via energy efficiency initiatives.
- Monitoring and creating opportunities in products and services (innovation and new markets).
- Using carbon mechanisms and markets, including projects under the Kyoto Protocol, to expand abroad.
- Raising awareness and encouraging participation and debate about climate change.

**The 2010-2013 Strategic Plan foresees an ambitious reduction in the carbon footprint of the Company's activities**



## Climate Change objectives and goals

The 2010-2013 Strategic Plan includes an ambitious reduction in our activities' carbon footprint via the Climate Change Plan.

The Climate Change Plan aims to increase the current positive net balance from 7.59 million to 14.8 million metric tons by 2013, which means:

- reducing emissions by 10% by 2013 (from 1.11 million to 1 million metric tons);
- increasing avoided emissions by 86% by 2013;
- and, therefore, increasing the net emissions balance by 100% with respect to 2009.

Attainment of these goals would mean that:

- ACCIONA's contribution would account for 0.5% of the total reduction in 2013 needed to attain the International Energy Agency's proposal to stabilize global CO<sub>2</sub> concentrations at around 450 ppm.
- ACCIONA's contribution towards the objectives set by the European Union for 2020 would be 2.6% in 2013.
- ACCIONA's contribution in Spain to the EU objective would be 11.2% in 2013.

## ACCIONA's global commitment

ACCIONA believes that an effective way to fight climate change is to adopt public commitments.

In this vein, in 2009, the Company attended the Climate Change Summit in Copenhagen, where it supported the drafting of an ambitious, solid, fair framework agreement on climate change to replace the Kyoto Protocol.

In Copenhagen, ACCIONA's Chairman participated in a working group at the conference organised by the World Business

Council for Sustainable Development (WBCSD), alongside a number of business leaders who are in the forefront in the area of sustainability; the goal was to provide the private sector's perspective.

In his presentation, the Chairman highlighted a number of key areas where companies can make sustainability and greenhouse gas emission reduction a focus of strategic planning and action; the two key issues should also be backed by political agreements and implemented in national legislation.

ACCIONA also launched its global 'Re\_' campaign in Copenhagen, which invites people to work together and adopt solutions to today's problems, such as climate change, among many others.

For more information, visit WBCSD at: [www.wbcsd.org](http://www.wbcsd.org)

## Fundación Entorno-BCSD Spain Working Group for Climate Change and Energy

ACCIONA is a participant in this multi-sector platform in which 21 companies work to identify business opportunities in the low-carbon economy. The working group focuses on analysis and dissemination of innovative business practices and dialogue with public administrations. All these actions contribute to the debate on energy and climate change internationally, in Europe and in Spain, and they exemplify the motivation and commitment of the companies involved. The working group was created in 2006 with a view to:

- Analyzing and researching energy sustainability, and mitigation of, and business adaptation to, climate change.
- Encouraging debate on how to implement a sustainable transition to a low-carbon economy.

- Establishing communication channels and dialogue with Public Administrations, society and other stakeholders.
- Contributing, by pooling experience, to the dissemination of best practices among Spanish businesses so as to adapt to and mitigate this global problem.

This working group is part of the global group established by the World Business Council for Sustainable Development; through analysis and debate, it contributes towards defining the position of Spain's business segment within the Council in global debates on climate change and energy.

## ACCIONA signs Copenhagen Communiqué on Climate Change

ACCIONA is one of the signatory companies of the Copenhagen Communiqué on Climate Change presented to UN Secretary-General Ban Ki-moon by the Corporate Leaders Group on Climate Change. The Communiqué includes the specific measures to mitigate climate change that the Group proposed to global political leaders at the Copenhagen Summit.

## CO<sub>2</sub> Action - business commits to reducing carbon

ACCIONA participated in the CO<sub>2</sub> Action programme, the first voluntary multi-sector initiative in which Spanish companies set carbon emission reduction goals. Eighteen companies participated in the initiative in 2009.

In line with last year, the 2009 report describes the significant actions undertaken by participating companies with a view to meeting

their reduction targets.

These are emission mitigation measures implemented in activities that are unrelated to the companies' production processes. ACCIONA's noteworthy action is its Environmental Efficiency Plan - Operation "Butterfly Effect" - whose goals are to optimize energy and water consumption and minimize waste generation at work centres.

In **2009**  
ACCIONA cut its  
emissions by **13%**  
with respect to **2008**

## Carefully monitoring ACCIONA's emissions

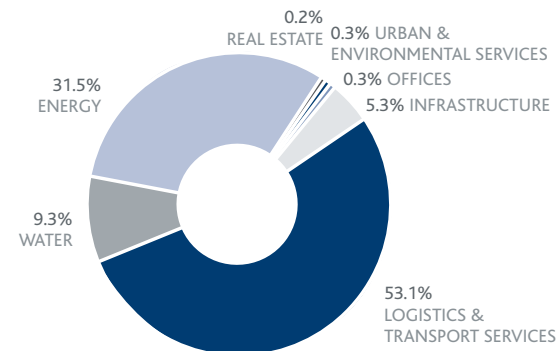
ACCIONA's activities and projects consume energy directly and indirectly, with the consequent greenhouse gas (GHG) emissions.

In 2009, the Company maintained its trend of reducing GHG emissions: Total emissions amounted to 1.11 million metric tons of CO<sub>2</sub> from total energy consumption of 16,079 TJ.

Emissions in 2009 declined 13% with respect to 2008.

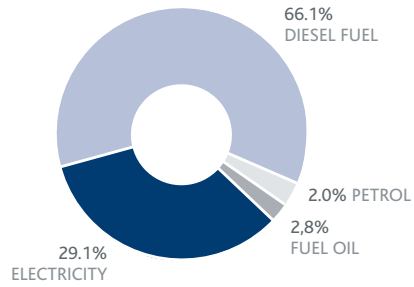
Logistics and Transport Services was the business line with the greatest emissions, accounting for 53.1% of the total. This division reduced its CO<sub>2</sub> emissions by 20% with respect to the previous year.

Group CO<sub>2</sub> emissions by business area, 2009



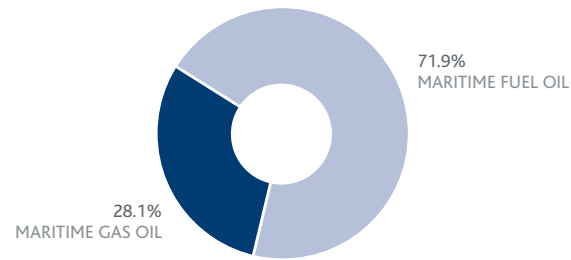
ACCIONA Infraestructure

774 TJ IN 2009



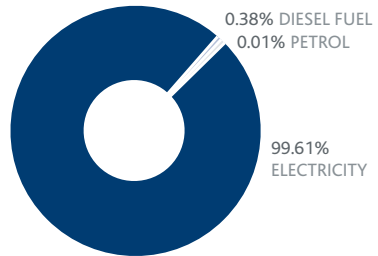
ACCIONA Logistics & Transport Services

7,748 TJ IN 2009



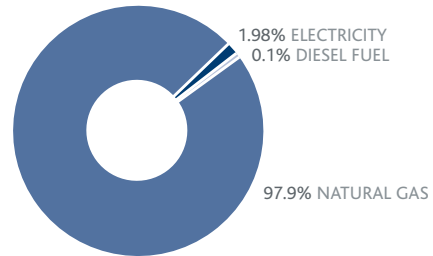
ACCIONA Agua

1,240 TJ IN 2009



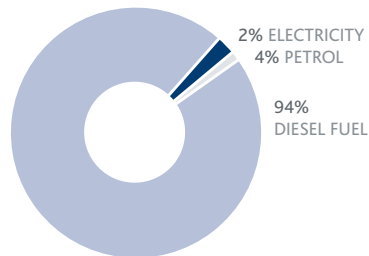
ACCIONA Energy

6,197 TJ IN 2009



## ACCIONA Urban &amp; Environmental Services

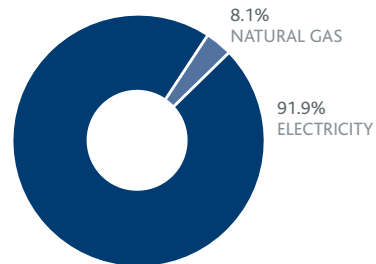
39 TJ IN 2009



Energy and carbon intensity indices continued to improve in 2009. Intensity indices, which are calculated with respect to ACCIONA's annual revenues, fell by approximately 10% in 2009. Energy consumption and GHG emissions declined by around 12%; as a result, energy and carbon intensity indices improved with respect to 2008. In 2009, energy intensity dropped by 45.8% with respect to 2004, while carbon intensity fell by 44.5%.

## ACCIONA Offices

46 TJ IN 2009

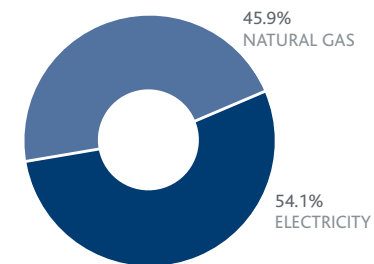


The fifth consecutive improvement in these indices is attributable to undertakings by all ACCIONA divisions to fulfil the commitments established in the energy efficiency policies. ACCIONA aims to further improve the indices with its 2010-2013 Environmental Efficiency Plan.

These positive results were reinforced by the fact that the scope of data collected to calculate GHG emissions included new

## ACCIONA Real Estate

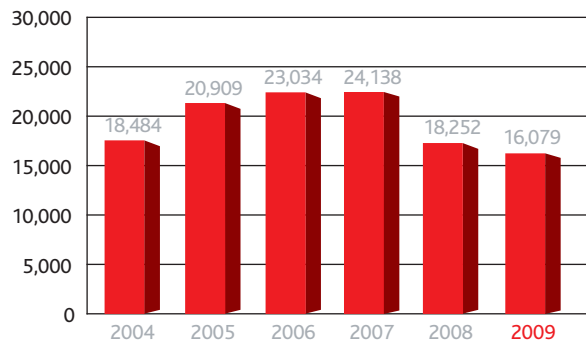
31 TJ IN 2009



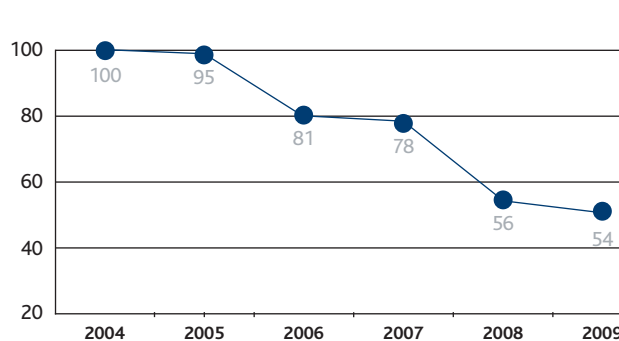
facilities not included in previous years, i.e. more ACCIONA Agua desalination plants, wind farms in other countries, international projects by ACCIONA Infrastructure, and ACCIONA head offices. This expansion in scope resulted in a 4% increase in the energy consumption and emissions that were logged.



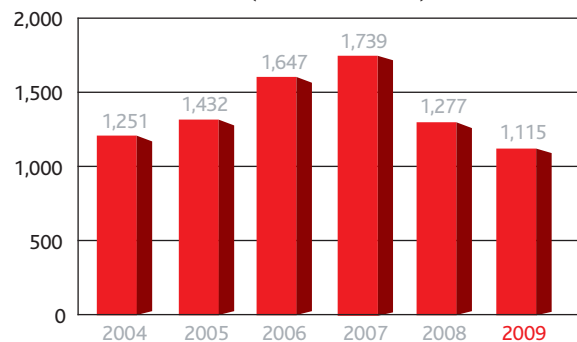
Energy consumption, TJ



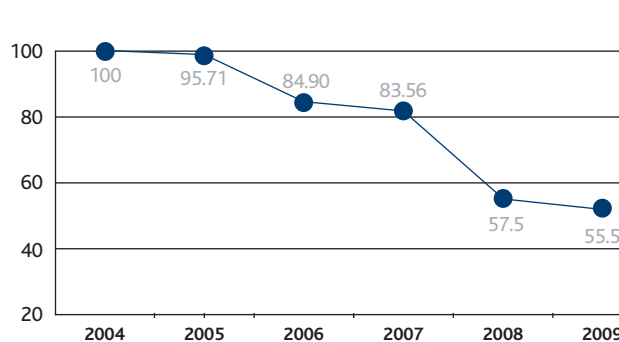
Energy intensity index (TJ/€ revenues)



CO<sub>2</sub> emissions (th. metric tons)



Carbon intensity index (TCO<sub>2</sub>/€ revenues)



For the fifth year in a row, carbon and energy indices have improved significantly



## Businesses which avoid emissions

ACCIONA operates under sustainable business models which encourage innovative, low-carbon projects that help mitigate climate change. These projects reflect ACCIONA's pioneering spirit and are the foundation for modern, profitable, competitive businesses.

ACCIONA's divisions have expanded their project portfolios based on sustainable solutions, using renewable energies to generate electricity, biofuel production, businesses associated with sustainable transport and building efficiency.

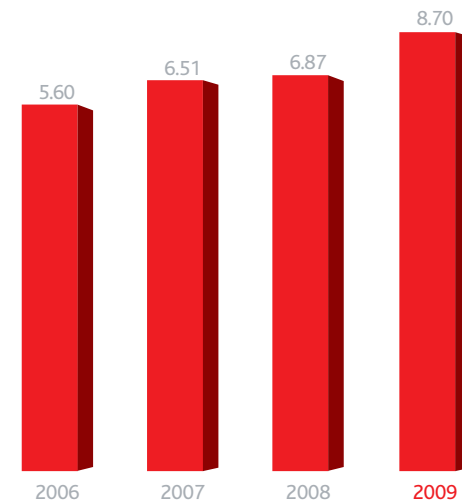
### EMISSIONS AVOIDED IN 2009

In 2009, ACCIONA increased the CO<sub>2</sub> emissions avoided by its products and services for the fourth consecutive year. Last year, gross emissions avoided amounted to 8,696,601 metric tons of CO<sub>2</sub> i.e. 1,824,015 metric tons more than in 2008.

ACTIVITY	TCO <sub>2</sub> AVOIDED
COGENERATION	175,540
RENEWABLE ELECTRICITY	7,843,530
WIND TURBINE GENERATOR (WTG) PRODUCTION	111,616
TRANSPORT: MODAL CHANGE	45,475
BIOFUELS	399,024
WASTE	120,518
ECO-EFFICIENT BUILDING	898
<b>TOTAL</b>	<b>8,696,601</b>

In **2009**,  
ACCIONA increased the  
volume of CO<sub>2</sub> emissions  
avoided by its products  
and services by 27%

Emissions avoided (millions of metric tons of CO<sub>2</sub>)



### SUSTAINABLE POWER GENERATION

Through its Energy division, ACCIONA undertakes to demonstrate the technical and economic viability of a new innovative and sustainable energy model. ACCIONA generates power using renewable energies and more efficient systems (e.g. cogeneration).

ACCIONA operates with a number of renewable technologies: in addition to being one of the largest wind power developers and operators in the world, it also develops other technologies such as hydroelectric, solar thermoelectric, solar photovoltaic and biomass.

In 2009, ACCIONA increased its installed capacity through the acquisition of 2,079 MW from Endesa (1,227 MW wind and 852 MW hydroelectric). ACCIONA also installed

488 new MW in 2009 (i.e. a 10% increase not including the Endesa assets). ACCIONA's installed capacity at the end of 2009 was 7,437 MW, through which the Company produced 13,569 GWh, 40.5% more than in 2008.

ACCIONA was the company with the greatest installed wind capacity in Spain in 2009, according to the Spanish Wind Energy Association. Moreover, the Company continued to strengthen its global foothold: 36% of its installed capacity is outside Spain.

In 2009, ACCIONA opened Alvarado I, its first solar thermal plant in Spain. The Company also has two more solar thermal plants under construction and a number of projects in various stages of development.

## ACCIONA was the company with the greatest installed wind power capacity in Spain in 2009

### ACCIONA ENERGY'S INSTALLED CAPACITY AT 31-12-2009 (MW)

WIND	6,230
HYDRO	911
BIOMASS	33
SOLAR THERMOELECTRIC	114
SOLAR PHOTOVOLTAIC	49
COGENERATION	100
<b>TOTAL</b>	<b>7,437</b>

## ACCIONA puts its faith in innovation

ACCIONA Energy's R&D and Innovation activities aim to develop technological processes and solutions which enable it to offer competitive products aligned with sustainable energy models. ACCIONA has made a clear commitment to renewable technologies in energy supply: it has various research lines in progress, from hydrogen to biofuels, as well as solar and wind technologies, both onshore and offshore.

One of ACCIONA Energy's most ambitious challenges in R&D is heading the European research consortium MARINA (Marine Renewable Integrated Application Platform).

The goal of MARINA is to lay the technological foundations for viable, competitive deep-water integration of a range of renewable energies such as wind, wave and ocean currents. The design goal is an installation with capacity in excess of 1,000 MW.

## Inauguration of Alvarado I, ACCIONA's first solar thermal plant in Spain

ACCIONA inaugurated its first solar thermal plant in Spain in Alvarado (Badajoz, Extremadura). The 236-million-euro facility has an installed capacity of 50 MW and will supply 28,000 homes. The plant will avoid the emission of 55,998 metric tons of CO<sub>2</sub> each year.

Alvarado I spans 130 hectares, i.e. equivalent to 170 football pitches. It is equipped with 184,320 mirrors in rows and 768 solar collectors spanning almost 74 kilometres.

ACCIONA has had an operational centre in the Nevada desert since 2007 using the same parabolic trough technology it is now implementing in Spain.

An advantage of solar thermal plants is that maximum production coincides with peak hours of the day, when air conditioning demands are greatest. Therefore, they meet demand during peak periods.

With  
**250.5 MW**  
of total capacity,  
the Eurus wind farm  
in Oaxaca, Mexico,  
is the biggest in  
Latin America



## ACCIONA completes construction of Latin America's largest wind farm, in Mexico

The Eurus wind farm (Oaxaca, Mexico), developed by ACCIONA Energy and Cemex, comprises 167 ACCIONA Windpower-designed wind turbine generators (WTGs), each of 1.5 MW. The total cost was 550 million dollars.

The 250.5 MW Eurus facility is the largest in Latin America and the largest ever built by ACCIONA. Upon registration with the

UN as a CDM (under the Kyoto Protocol), it ranked second among wind farms in terms of emission reductions.

Energy generated by Eurus will meet the needs of 500,000 people; the facility will avoid the emission of close to 600,000 metric tons of CO<sub>2</sub> per year, i.e. roughly 25% of total emissions generated by a city of that size.

## ACCIONA starts up 192 MW wind farm in Australia

Investment in the wind farm, located in Waubra (Victoria), totalled 270 million euros. It comprises 128 ACCIONA turbines.

Waubra will generate clean energy equivalent to the needs of 140,000 Australian households, avoiding the emission of 635,000 metric tons of CO<sub>2</sub> into the atmosphere each year.

## A meter to measure emissions avoided

ACCIONA's avoided-emissions meter, which seeks to increase transparency and raise awareness about the importance of renewable energies in mitigating climate change, has been running for three years.

The meter generates a weekly report on the website with the CO<sub>2</sub> emissions avoided due to ACCIONA's renewable output.

The data is sourced from ACCIONA's Internal Control Centre, and the system uses emissions factors from reliable international sources.

### NEW SOLUTIONS FOR SUSTAINABLE TRANSPORT

Transport is one of the principal sources of GHG emissions.

ACCIONA is working diligently to find environmentally-sustainable, low-carbon mobility solutions that lead to strategic, competitive advantages in the markets where it operates.

ACCIONA's strategic approach to this area is focused on two areas: biofuel production and the search for alternatives to road transport.

### ACCIONA'S BIOFUELS

In 2009, ACCIONA opened a 200,000-tonne biodiesel plant in the Port of Bilbao.

This is the Company's second plant of its kind, and it produces biodiesel from refined vegetable oils (soy, canola and palm).

The start-up of this plant increased ACCIONA's production of biodiesel to 270,000 metric tons and bioethanol to 26,000 metric tons.

The biodiesel is produced from canola, soy and palm oils. Commitment to sustainable production of the above materials is a priority

for ACCIONA. To this end, ACCIONA Energy requires that its suppliers explicitly commit to sustainable production practices. ACCIONA only buys soy from companies belonging to the Round Table on Responsible Soy (RTRS)<sup>1</sup>, and palm oil from member-companies of the Roundtable on Sustainable Palm Oil (RSPO)<sup>2</sup>. Both organisations seek to ensure sustainable production of those raw materials. ACCIONA sources canola oil from Europe, and it is therefore subject to all of the EU's environmental and social requirements.

<sup>1</sup> Round Table on Responsible Soy:  
<http://www.responsiblesoy.org>

<sup>2</sup> Roundtable on Sustainable Palm Oil: <http://rspo.org>

**Our strategy is focused upon innovation and the search for alternative solutions with low energy consumption**



### **ACCIONA Biofuels uses microalgae to produce biodiesel**

ACCIONA is building a pilot plant to grow microalgae for biodiesel production. It has made progress in two areas: defining and designing photobioreactors, and selecting and adapting the right microalgae.

ACCIONA seeks to encourage development of algal culturing for bioenergy purposes. The use of microalgae for biofuel production is advantageous in that the algae is not suitable for human consumption and, therefore, its use does not increase the demand for basic foodstuffs, avoiding unsustainable price increases in certain areas.



### SHORT-SEA SHIPPING

ACCIONA remains committed to short-sea shipping routes, which connect two points using intermodal transport, cutting logistical costs and reducing GHG emissions derived from road transport.

According to an International Maritime Organization study entitled "Prevention of air pollution from ships" (April 2009) and studies carried out within the European Climate Change framework set out in the White Paper on Transport, an intermodal journey based on short-sea shipping is

between 2 and 2.5 times less polluting than other means of traditional transport.

In 2009, ACCIONA operated four short-sea shipping lines linking Agadir (Morocco) with Barcelona, Barcelona with Cadiz, the Canary Islands and Alicante with Cadiz, and Vigo with Saint-Nazaire (France). Estimates indicate that these lines took 37,144 trucks, 4,459 cars, 1,239 buses and special vehicles and 81.319 cars (as cargo) off the road, avoiding the emission of 45,475 metric tons of CO<sub>2</sub> into the atmosphere.

### Energy efficiency at ACCIONA Trasmediterranea

ACCIONA Trasmediterranea's Energy Efficiency Plan, implemented in 2008 to reduce vessel fuel consumption and emissions, has expanded to include activities such as route surveillance, optimal sailing speeds in terms of fuel consumption, connecting certain fast ferries to the electricity grid when in port, and the gradual phasing out of pure coolant gases, which are harmful to the ozone layer.

The Plan also includes switching the ferry Sorolla from conventional propellers to the more fuel-efficient CLT propellers, thereby reducing fuel consumption (by 8.47%) and CO<sub>2</sub> emissions.

The implementation of some of these measures has saved 2,672.4 metric tons of fuel, avoiding the emission of 8,310 metric tons of CO<sub>2</sub> into the atmosphere.

**BUILDING WITH GREEN TECH AS A  
MEANS OF REDUCING EMISSIONS**

Through its R&D and Innovation departments, ACCIONA is advancing in the search for and use of new materials and technologies in its real estate projects so as to reduce material intensity and energy consumption and, therefore, CO<sub>2</sub> emissions.

ACCIONA Real Estate focuses on buildings which incorporate both technical saving measures and innovative solutions. These measures incorporate renewable technologies


and bioclimatic architecture features in the construction process to adapt buildings to the local climate and resources.

ACCIONA Installations provides energy solutions for sustainable buildings through the use of renewable technologies, such as solar photovoltaic and solar thermal.

In 2009, CO<sub>2</sub> emissions were reduced by 898 metric tons as a result of sustainable building activities.

The eco-efficient homes delivered to date by ACCIONA Real Estate (328 in 2009) have avoided the emission of 435 metric tons of CO<sub>2</sub> per year and decreased water consumption by 48,892 m<sup>3</sup>.

**ACCIONA Real Estate  
buildings include  
technical savings  
measures and solutions**

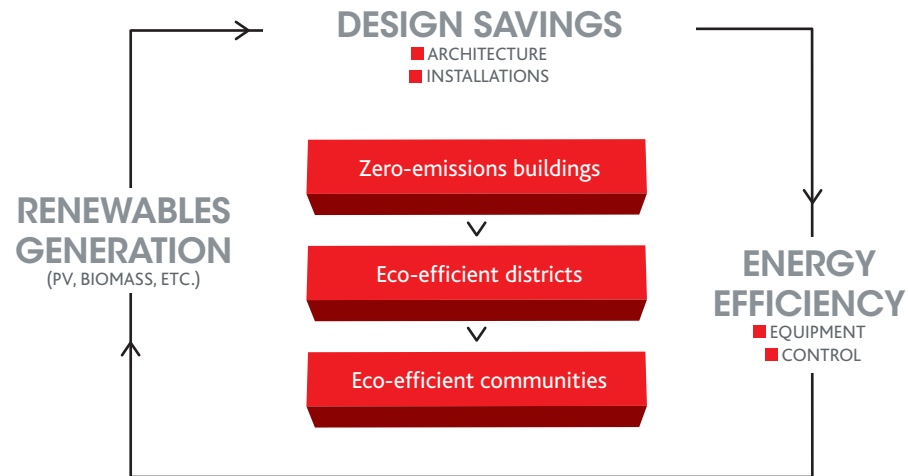


### ECO-EFFICIENT SOLUTIONS AT ACCIONA INSTALLATION SERVICES

ACCIONA Installation Services focuses on energy efficiency through the design, development, engineering and installation of eco-efficient solutions in new building projects.

The division's main goal is to respond to one of the biggest challenges facing construction today by applying eco-efficiency criteria in residential and tertiary buildings. Its primary activities include the development of power generation installations such as solar thermal and photovoltaic; generation, cogeneration and trigeneration with biomass; and installations which use geothermal energy.

ACCIONA Installation Services' three priority areas of action are: savings in the design phase, energy efficiency and renewable generation.



With the technologies at its disposal, ACCIONA can design and build homes and entire neighbourhoods whose net CO<sub>2</sub> emissions balance is zero.

## ¿What is a zero-emissions building?

It is a building which is neutral in terms of CO<sub>2</sub> emissions on the basis of the annual balance of fuel and primary energy consumption. This can be attained in two ways: by using only energy generated from renewable sources that do not emit CO<sub>2</sub>, or by producing energy from renewable sources to offset, in the course of the year, the primary energy consumed from other non-renewable sources. A building's consumption is calculated by counting all the equipment inside: both domestic appliances in homes and computer hardware in offices.

## Obtaining LEED platinum certification

ACCIONA has been selected to participate in the design and improvement of heat demand and production systems in the headquarters and laboratories of a leading pharmaceutical group in Barcelona.

The building, which is seeking LEED (Leadership in Energy & Environmental Design) platinum certification, comprises two 15-storey towers. A primary model is created, which is then compared with the model proposed by the architects.

To make the general calculations, the buildings were divided into heating zones by grouping areas with similar climate control characteristics. Parameters for the building envelope are selected according to the climate. Each zone will correspond

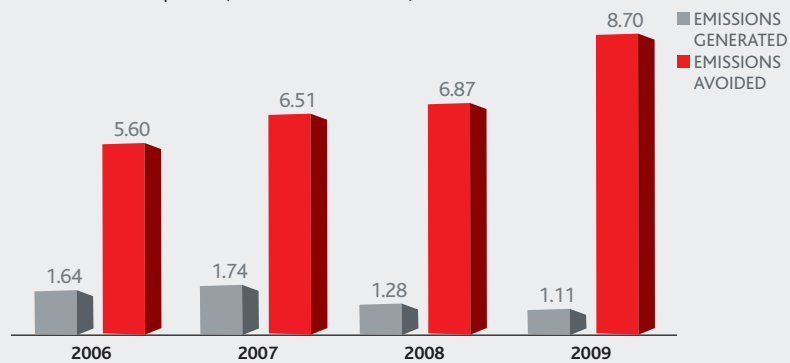
to an activity with a ratio for ventilation, standard temperatures and lighting. The goal is to simulate heat demand so as to optimize building parameters.

The two towers will be connected by an open-plan glazed atrium. The atrium has been simulated using computational fluid dynamics (CFD) to analyse temperature, air speed and humidity, so as to ensure it is comfortable year round, using the return flows from the two towers' climate control system. As a result, the atrium will not contribute to total heat demand and will provide significant energy savings. The latest-generation cooling and heating systems will be incorporated so as to achieve maximum efficiency.

## ACCIONA's climate footprint

ACCIONA's climate footprint improved for the third year in a row. In 2009, the Company avoided the emission of 7.58 million metric tons of CO<sub>2</sub> net, i.e. 35.5% more than in 2008 and 91% more than in 2006. ACCIONA's products and services produced 1.11 million metric tons of emissions in 2009 and avoided 8.70 million.

Climate footprint (million metric tons, CO<sub>2</sub>)



For the third consecutive year, ACCIONA's climate footprint continued to decline



## New situations, new businesses, new management models

Water is a limited resource and its availability may be significantly affected by climate change, which could reduce the amount and regularity of water available.

ACCIONA's projects include initiatives to reduce its own water consumption, as well as sustainable commercial solutions to address potential changes.

### DESALINATION MAY BE A SOLUTION

In 2009, ACCIONA's desalination plants treated 112 hm<sup>3</sup> of seawater for human consumption, with a notable increase in international activities in this area.

The high energy consumption of desalination plants makes the search for more efficient solutions a tough challenge. To that end, ACCIONA is focusing a strategic line of research on optimization and efficiency improvements

in desalination and on the application of renewable technologies to reduce desalination plant energy consumption.

With regard to the latter, all of ACCIONA's desalination plants use reverse osmosis (RO) technology and are designed to minimize energy consumption while also maximizing energy recovery through advanced Yield Recovery Systems (which recover hydraulic energy to offset consumption). Some desalination plants produce their own energy using solar panels.

## ACCIONA expands desalination plant in Gran Canaria and reduces its energy consumption

This project made environmental and energy improvements without increasing the surface area of the existing plant or raising operating costs.

The expansion included the construction of three new intakes to expand seawater capture by 50%, thereby providing the flow rate necessary to produce an additional 5,000 m<sup>3</sup>/day. The project also included the installation of a new sand filter and a header in the new capture wells, and extension of the frames where reverse osmosis takes place.

The work was performed without having to expand the civil engineering installation which, together with energy savings of 21%, enabled the project to be financed without increasing operating costs.

The plant, which became operational in 1995, currently supplies the municipalities of Arucas, Firgas, Moya, and the lower Teror valley. In the future, the plant may also supply the northern part of the city of Las Palmas. In addition to improving supply capacity, the expansion

will help meet the growing demand for quality water for banana farming in Arucas and the lower Moya valley.

In a worst-case scenario, when the membranes reach the end of their useful life, specific energy consumption in RO is expected to amount to 2.6 kWh/m<sup>3</sup> and average consumption by the entire plant to be 3.84 kWh/m<sup>3</sup> of treated water, i.e. a 21% reduction in energy consumption.

In **2009**,  
ACCIONA cleaned up  
87 hm<sup>3</sup> of wastewater  
in its treatment plants  
for agricultural &  
municipal reuse



#### NEW TECHNOLOGY IN WASTE WATER REUSE

In 2009, ACCIONA Agua's plants treated 87 hm<sup>3</sup> of waste water, including tertiary treatment for reuse for agricultural and municipal purposes.

ACCIONA Agua's R&D and Innovation centre in Barcelona continues to search for new technologies that offer novel solutions to the water problem. These include the latest developments with cheaper, more productive ultrafiltration and microfiltration membranes, which offer several advantages over conventional processes, such as reliability, compactness and, above all, better finished water quality.



## Carbon markets, an opportunity to tackle climate change

Although greenhouse gases (GHG) are emitted in a specific location, they affect the overall atmosphere. Therefore, climate change requires global solutions which stabilize the concentration of GHG.

Clean Development Mechanisms (CDMs) are one example of the policies and instruments created to fight climate change. CDMs are flexibility mechanisms established under the Kyoto Protocol which seek to help countries with emission reduction requirements to meet their goals, while at the same time facilitating the transfer of clean technology to developing

countries which would otherwise not have access to them.

For a project to be registered as a CDM, it must contribute demonstrably to sustainable development and environmental and social progress. The local country's legislation must be complied with strictly, and there must be a public information process.

In addition to carbon markets, and in response to the needs of companies and organizations without reduction requirements, another option is voluntary

carbon markets. The voluntary carbon offset market is increasing global awareness considerably as regards the need to fight climate change. There are various voluntary standards that certify the reduction of greenhouse gas emissions by registered projects; the Voluntary Carbon Standard is one of the most well-known.

Electricity generation via renewable sources is vitally important in mitigating climate change. To that end, ACCIONA actively participates in drafting schemes that recognise efforts to generate emission reduction credits. Of special note is:

- Registration of wind projects in Mexico, India and Korea under the Clean Development Mechanism (CDM) framework. Those projects currently generate Certified Emissions Reductions (CERs), and the first certificates have been issued in India.
- Selection of CERs from ACCIONA's wind farm in Karnataka (India) to offset emissions generated by Carbon Expo, the largest trade fair on climate change. The 148 metric tons of CO<sub>2</sub> needed are registered under the APX Voluntary Carbon Standard.
- Registration of the first US wind farm under the Voluntary Carbon Standard (VCS) programme.
- Possibility of selling CERs generated by ACCIONA's wind projects in Alberta (Canada) within the province's scheme.

## ACCIONA registers the first US wind farm under the Voluntary Carbon Standard (VCS) programme.

ACCIONA was the first company to validate and register a wind farm in the US to Voluntary Carbon Standard (VCS) requirements, which allow for the sale of carbon credits to entities and people that wish to offset their emissions. This will enable ACCIONA to supplement the wind farm's energy sales revenues.

The wind farm in Red Hills, with 123 MW of capacity and equipped with ACCIONA Windpower turbines, is the first wind project developed and installed entirely by ACCIONA in Oklahoma; it will avoid the emission of approximately 249,000 metric tons of CO<sub>2</sub> per year.

The farm has been certified by a third party and registered with the APX's VCS, which provides carbon market participants with a system to verify, monitor and sell carbon credits worldwide.

## Other emissions

Directive 96/61/EC on Integrated Pollution Prevention and Control (IPPC) and Act 16/2002 which transposes that Directive into Spanish law with a view to avoiding, reducing and controlling pollution, states that certain industrial facilities must disclose their emissions to the Spanish Pollutant Emission Register (PRTR).

Some of ACCIONA Energy's cogeneration plants and a biomass plant are among the facilities affected by the IPPC. The nitrous oxide (NO<sub>x</sub>) and sulphur oxide (SO<sub>x</sub>) emissions of those plants are:

EMISSION OF NO <sub>x</sub> AND SO <sub>x</sub>								
	SANGÜESA BIOMASS PLANT (KG/YEAR)		ÁLABE-MENGÍBAR, A.I.E. COGENERATION PLANT (JAÉN) (KG/YEAR)		COMPAÑÍA ENERGÉTICA TALOSA (SORIA) COGENERATION PLANT (KG/YEAR)		COMPAÑÍA ENERGÉTICA PARA EL TABLERO COGENERATION PLANT (COMETA S.A.) (CUENCA) (KG/YEAR)	
	NO <sub>x</sub>	SO <sub>x</sub>	NO <sub>x</sub>	SO <sub>x</sub>	NO <sub>x</sub>	SO <sub>x</sub>	NO <sub>x</sub>	SO <sub>x</sub>
2009	117,264	7,043	440,221	7,780	270,014	7,825	257,299	4,713
2008	219,761	15,203	310,929	7,750	264,385	7,500	311,042	10,750

ACCIONA Trasmediterranea monitors on a regular basis the SO<sub>x</sub>/NO<sub>x</sub> emissions of its entire fleet.



# environmental dimension

a. climate footprint

b. process efficiency and  
management excellence

# process efficiency and management excellence

## 2009 milestones

- Environmental Efficiency Plan implemented at work centres and first positive results obtained.
- Certified environmental quality and management systems consolidated.
- Revision and updating of ACCIONA's regulatory structure commenced, with a focus on integration.
- Improvement groups created and consolidated as a management tool focused on excellence and environmental efficiency.

## 2010 goals

- Implement second phase of the Environmental Efficiency Plan at production sites.
- Define ACCIONA's own model for calculating its carbon footprint, integrating energy, water, waste, biodiversity and other environmental aspects.
- Implement the Knowledge Management Plan, which seeks to facilitate efficient, sustainable creation and transfer of information, thereby improving the Company's bottom line.

## Efficient, sustainable projects


ACCIONA's commitment to sustainability involves offering profitable products and services that contribute to social well-being while minimizing natural resource consumption. We focus on WHAT is being done, but we give equal importance as to HOW it is being done.

In this focus on sustainability, excellence and efficiency are the two basic pillars of the Company's management system. This innovative approach enables us to

successfully manage critical aspects of the Company's businesses, for example the social, environmental and market challenges it faces.

The objective is to find an economically viable alternative with a lower environmental impact and maximum process efficiency. This approach is underpinned by major expenditure on innovation and by a business model in which environmental protection is viewed as a critical vector for growth.

With respect to sustainability, ACCIONA is not just concerned about WHAT is done, but takes great responsibility for HOW it is done



The new Innovation & Sustainability Department oversees regulation, sustainability, R&D&I, processes, quality and the environment



## Commitment to excellence and sustainability in management

The Company's efforts to protect the environment are under the direct control of ACCIONA's Chairman, through the newly-created Innovation and Sustainability Department, which oversees regulation, sustainability, R&D and Innovation, processes, quality and the environment. ACCIONA aims to use the department to channel research, development innovation efforts and to oversee and promote its

excellence and corporate sustainability policies.

All ACCIONA companies have a unit in charge of environmental management, which reports to the corresponding division and is functionally dependent on the Processes, Quality and Environment Department.



## Statement of quality and environmental policy

ACCIONA's business model is based on building, developing and managing infrastructure, energy and services with a focus on sustainability so as to contribute to social well-being and sustainable development.

This is put into practice through the fundamental values of social responsibility, respect for the environment, satisfaction from a job well done, the spirit of service, technical foundations, promoting innovation and compliance with legislation, and it is materialized through the following principles of action:

- Focus on **value creation and economic growth** based on returns and sustained profit, avoiding costs from defective work, delays and, generally, any activities that do not provide real added value.
- **Efficiency and excellence** in internal management, applying a **management system that integrates** economic, technical,

environmental and social aspects and, generally, any that contribute to SUSTAINABILITY, **based on each company's processes**, with a focus on the continuous improvement of our products and services, giving priority to initial planning and prevention to avoid subsequent corrections.

- Consideration of **environmental aspects** related to our activity in all its phases, end-to-end, to minimize the potential impact on the environment, by promoting the rational use of resources at all times.
- **Monitoring and oversight** of processes and activities on the basis of indicators, obtaining quantifiable information that contributes towards implementing actions that enhance our products, services and management processes.
- Encouraging **teamwork and participation at all levels** of the Company in planning and developing activities, and facilitating lifelong learning, so as to raise awareness of personal responsibility and commitment to the quality of one's own work.

■ Complying with **customer** requirements to ensure their satisfaction, understanding their needs and expectations, transmitting the idea that we are more than service providers - that we are participants in a common project - and always operating professionally, ethically and transparently.

- The **commitment to comply with the applicable regulations and legislation.**
- Collaboration with **suppliers**, building relationships based on trust, loyalty, transparency, mutual respect and reciprocity, increasing their involvement in aspects regarding the environment, quality and workplace health and safety in common processes.
- **Exchanging knowledge** and searching for **innovative solutions** in production and management processes.

## Excellence in management

Excellence is a vital factor when it comes to defining ACCIONA's growth models.

To this end, one of its principal objectives is the alignment of its process management systems with the most rigorous international standards.

Those systems are verified by independent entities to ensure that the company is advancing on the path towards excellence.

% PRODUCTION CERTIFIED TO ISO 9001				
2009	2008	2007	2006	2005
82%*	85%	78%	76%	58%

% PRODUCTION CERTIFIED TO ISO 14001				
2009	2008	2007	2006	2005
79%*	80%	76%	76%	58%

\* The decline in certified production in 2009 is attributable to the considerable increase in international revenues, particularly at ACCIONA Energy, whose system is not yet certified. ACCIONA is working intensely to obtain certification in all countries where it operates. One of the objectives of its Strategic Plan is for 100% of its activities to be certified to the ISO 9001 and ISO 14001 standards by 2013.

Knowing the degree of satisfaction of clients is necessary to ascertain the success factors in sustainable growth plans

NUMBER OF QUALITY AUDITS					
	2009	2008	2007	2006	2005
INTERNAL	402	512	518	405	305
EXTERNAL	29	36	38	62	54

Excellence in management has a direct impact on customer satisfaction and trust. ACCIONA believes in the importance of obtaining exhaustive information about its customers'

degree of satisfaction so as to seek out the success factors in its sustainable growth plans. In this vein, the highlight of 2009 was the improvement in the satisfaction index in all

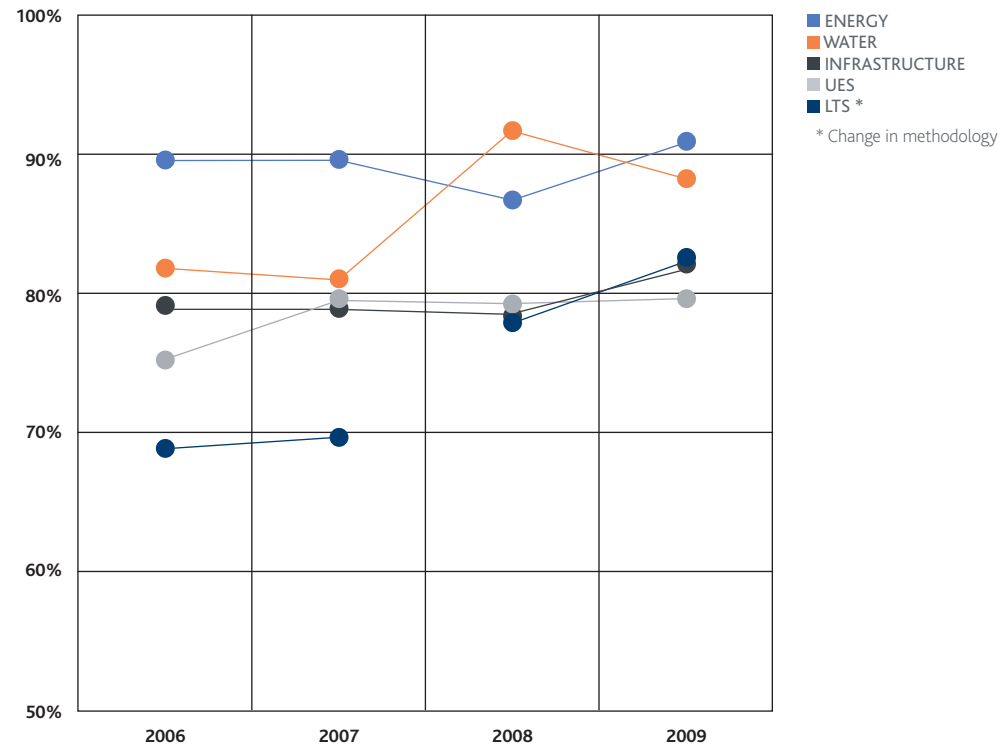
ENVIRONMENTAL AUDITS					
	2009	2008	2007	2006	2005
INTERNAL	372	441	423	397	273
EXTERNAL	38	42	45	49	38

business lines, with the exception of ACCIONA Agua where, although satisfaction in 2009 was eclipsed by 2008, the index has improved steadily since 2006.

Management excellence directly reflects upon customer satisfaction and confidence



Customer Satisfaction Levels



## ACCIONA Trasmediterranea customer satisfaction levels

In 2009, Trasmediterranea customer satisfaction improved by five points, to 82%, while complaints were down 40% on 2008.

Measures implemented by ACCIONA to improve the quality of service have undoubtedly played a part in this improvement.

The "Plan to Improve Punctuality", which is part of the wider plan to reduce fuel emissions and consumption, was implemented in 2008 and places a major emphasis on meeting scheduled departure times; departure punctuality is a key factor in customer satisfaction.

Additionally, plans have been put in place with a view to continuous improvement in service quality, based on ongoing training of shore- and on-board personnel and the implementation of tools and systems for customers and passengers.

Activities in 2009 which were behind the very positive response by Trasmediterranea customers included: changes in the cargo system; installation of systems so that cargo clients can locate their goods at all times; implementation of a Centralized Customer Service Centre, and; ongoing improvements in the Quality Management System.

## Clear objectives which demonstrate excellence and environmental performance

ACCIONA is committed to activities which support excellent development models that do not jeopardise natural resources or the environment.

ACCIONA's commitment to the environment and to excellence, which is reflected in its 2010-2013 Strategic Business Plan, is focused on three main areas: the Climate Change Plan, the Total Certification Plan, and Knowledge Management.

### 1. THE CLIMATE CHANGE PLAN

which was developed with a view to promoting the rational use of energy and water, saving resources and helping in the overall reduction of greenhouse gas emissions, has three main focuses:

- Defining and implementing a methodology for evaluating the carbon footprint of all of the Company's activities worldwide in terms of energy, water, waste and biodiversity, taking into consideration not only direct, but also indirect, effects (including suppliers).

- Implementing initiatives aimed at improving the Company's environmental efficiency. In this vein, the Company's 2008-2011 Environmental Efficiency Plan,

in force in all offices, will be extended to production centres between 2010 and 2013 with a view to:

- > Reducing our CO<sub>2</sub> emissions by 10%
- > Improving the energy and water consumption efficiency ratios by 10% in all activities
- > Increasing the recyclable and reusable waste that is separated at source, and reducing the volume of hazardous waste generated by 10%

- Reducing our CO<sub>2</sub> emissions: ACCIONA's goal for 2013 is to increase avoided emissions by more than 80% and improve the net emissions balance by more than 100%.

**100% of Company activities are to be certified to the ISO 9001 & 14001 standards by 2013**



**2. THE TOTAL CERTIFICATION PLAN** aims for all the Company's activities to be certified to the ISO 9001 and ISO 14001 standards by 2013. This Plan also seeks a shift by 2013 to more advanced management models, such as the EFQM (European Foundation for Quality Management) Model 2010.

### **3. KNOWLEDGE MANAGEMENT**

is implemented through a set of policies, initiatives and actions aimed at creating and transferring information and knowledge with a view to improving results in a sustainable way. The overall knowledge management model was defined in 2009, and initiatives and projects have been identified for implementation in 2010-2013.

Its principal goals are:

- To identify ACCIONA's knowledge and the experts in each area.

- To develop strategies that provide people with the knowledge acquired by the Company.
- To establish new forms of collaboration between people and teams in the same business area, in different areas and in different countries.
- To provide people with new tools to manage the information and documentation created in each process, with an added goal of achieving a "zero paper" work environment.

## Improvement objectives by business line

### ACCIONA Infrastructure

- Develop and implement two improvement projects in the organization.
- Utilize an Environmental Efficiency Plan, to be implemented as follows:
  - > Develop a specific environmental efficiency plan for projects.
  - > Each project must obtain approval from the customer for at least one environmental improvement proposal, within the target time-frame, provided that it does not negatively affect the project's economic result.
- Complete implementation of the ISO 9001 and ISO 14001 management systems in 2009-2010 in: Brazil, Chile, Canada and Mexico.

### ACCIONA Agua

- Optimize energy consumption in water treatment plants.
- Reduce nitrogen concentration of treated water.
- Reduce the average concentration of nitrates in effluent.
- Maintain the daily concentration of total suspended solids in the mixed liquor of the biological reactor/treatment.

- Reduce boron concentration in output water.
- Reduce conductivity of output water.
- Improve water outflow parameters beyond the design, contractual or legal requirements.
- Reduce contaminated packaging waste, contaminated rags and used oil production.
- Implement a predictive maintenance methodology.
- Optimize and improve supply network performance.
- Reduce paper consumption and increase paper recycling.
- Increase the reuse percentage of excavated soil.
- Implement an environmental efficiency plan applicable to offices.

### ACCIONA Energy

- Implement the Métrica environmental data compilation tool in other countries.
- Improve environmental management at offices, in line with the Environmental Efficiency Plan.
- Optimize wind farm layout, taking account of noise maps.

- Evaluate the rate of bird collision with wind generators.
- Evaluate bird flight patterns in the environs of wind farms.
- Reduce ACCIONA Windpower's energy consumption by 2% in each category of consumption.
- Reduce hazardous waste production at ACCIONA Windpower by 10%.
- Analyze the production of non-hazardous lumber waste.
- Provide in-house training in environmental issues to 100% of staff at offices and 60% of field staff at ACCIONA Solar Energy.
- Certify ACCIONA Solar Energy's Integrated Management System and adapt it to international expansion.
- Assess ACCIONA Solar Energy's environmental footprint.

### ACCIONA Real Estate

- Define country-specific environmental management procedures in at least two countries outside Spain: Mexico and Poland.
- Exhaustively assess and track the objectives established by the corporate Environmental Efficiency Plan.

- Implement new sustainability measures in Mexico and Poland.
- Draw up quantitative reports on the costs and depreciation of sustainability measures at completed real estate developments.

### ACCIONA Trasmediterranea

- Apply the quality management system at the Tangier and Nador offices.
- Reduce bunker fuel consumption by 5% with respect to the first half of 2008.
- Apply and implement the corporate Environmental Efficiency Plan among ACCIONA Trasmediterranea employees.
- Optimize and improve management of Marpol I and Marpol V waste and other hazardous waste produced onboard ship.
- Complete a statistical analysis of ACCIONA Trasmediterranea's main indicators using the data compiled by Métrica Ambiental.
- Expand the system of sorting waste at source to include all ships putting in at Almería.



### IMPROVEMENT GROUPS

The need to establish improvement groups arose from the self-assessment of management systems conducted by the Company in 2007 with the goal of identifying and implementing actions to improve process efficiency. A number of actions were planned in 2008 and implemented in 2009, and goals were set with regard to forming improvement groups at corporate level and in the business lines in order to develop systematic continuous improvement projects.

Group formation commenced with a training session for "Improvement Group Facilitators" with the goal of promoting dynamic, proactive participation by each project's participants. This training session was attended by 45 people, most of them quality and environment managers and coordinators in the various divisions.

As a result, improvement groups are now operational in: ACCIONA Infrastructure, ACCIONA Agua and ACCIONA Energy.

## The role of improvement groups in ACCIONA

### ACCIONA ENERGY

1. Definition and validation of technical specifications on oversight and tracking in evaluating project status.
2. Definition of process notes and identification of relevant indicators for assessing performance.
3. Definition of relevant facility operation processes under the new organizational structure.
4. Revision of indicators and selection of the most representative ones for defining the operations scorecard.
5. Analysis and resolution of relevant problems in operations in Spain so as to identify best practices and standardize them for dissemination and implementation internationally.
6. Identification of best practices in the area of Quality, Safety and the Environment, for implementation at all Group companies.
7. Provision of technical assistance to ACCIONA Energy North America in defining, developing

and implementing an Integrated Management System (quality, safety and the environment).

8. Review and improve the International Handbook containing all the organization's processes.
9. Study for implementation of a new method of using the intranet, oriented towards internal clients, for system procedures and instructions.

### ACCIONA INFRASTRUCTURE

1. Improvement in project support processes.
2. Document management and archiving on completion of projects.
3. System for compiling actions of interest for knowledge management.

### ACCIONA AGUA

1. Practical problem-solving methodology, applied on a pilot basis to the Quality and Environment Department.

## LEED Gold certification for the Royal Jubilee Hospital Patient Care Centre (Victoria, British Columbia, Canada)

LEED (Leadership in Energy and Environmental Design) certification is a system for rating buildings that encourages the adoption of sustainable practices. It is the benchmark for the design, construction and maintenance of high-performance green buildings. LEED certification is given to buildings that meet specific criteria, points being awarded for compliance with established scales in six different categories:

- Sustainable sites: minimizing loss of stormwater, fostering combined car/bicycle use, and increasing urban density and green areas.
- Water efficiency: reducing water consumption and minimizing or treating waste water.
- Energy and atmosphere: reducing building energy consumption, using

renewable energies, and eliminating products that destroy the ozone layer.

- Materials and resources: reducing waste production in construction, reusing structural elements, using recycled materials and renewable construction materials, and designing and building more lasting buildings.
- Indoor environmental quality: use of daylight, use of low-emitting materials, establishment of threshold indoor air quality levels, contributing to occupants' comfort and welfare.
- Innovation and design process: exceeding the requirements for LEED certification and inclusion of environmental characteristics not covered elsewhere.

ISL Health, a consortium headed by ACCIONA, obtained a 30-year concession to design, build, finance and maintain the

500-bed Royal Jubilee Hospital in Victoria, British Columbia (Canada).

Client specifications required LEED Gold certification (i.e. a minimum of 39 points on the LEED scale). The project, which is under construction, has obtained 40 points and is expected to attain a higher score upon completion.

That score was achieved in the construction phase by using locally-sourced materials to reduce shipping distances, as well as promoting the use of recycled materials and separating and reusing waste so as to minimize waste production.

There are plans for controlling air quality on site and for controlling sedimentation and erosion in the project environs.

## Environmental Efficiency Plan

The Environmental Efficiency Plan is the main tool for coordinating all environmental improvement initiatives with a view to improving the Company's efficiency ratios.

The plan is being implemented on the basis of goals to be attained in 2012. The first phase (2008-2011) includes efficiency measures mainly at the Company's office buildings. The second phase (2010-2012) begins in 2010 with efficiency measures at all sites, in Spain and other countries.

Métrica, the centralised tool for compiling environmental data, contributed to the launch by providing exhaustive monitoring of goal attainment, making it possible to compare efficiency levels between months.


The objectives of the first phase, which includes all ACCIONA offices, are as follows:

### Objectives for the 2008-2011 period at ACCIONA offices

ENERGY	WATER	WASTE
<ul style="list-style-type: none"> <li>■ Improve energy efficiency ratio by 10%.</li> </ul>	<ul style="list-style-type: none"> <li>■ Improve water consumption efficiency ratio by 10%.</li> </ul>	<ul style="list-style-type: none"> <li>■ Increase the volume of waste destined for recycling.</li> <li>■ Increase by 10% the volume of paper destined for recycling.</li> <li>■ Reduce by 10% the volume of hazardous waste generated.</li> </ul>

The Plan is the tool by which all environmental improvement initiatives are coordinated

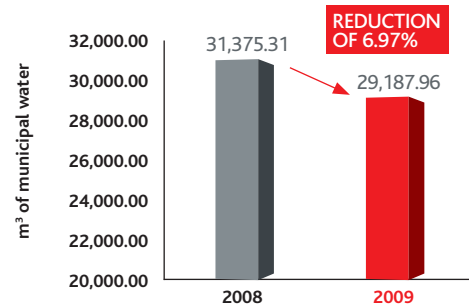
**Objectives set for  
waste produced in  
offices already have  
specific measures for  
each business line**



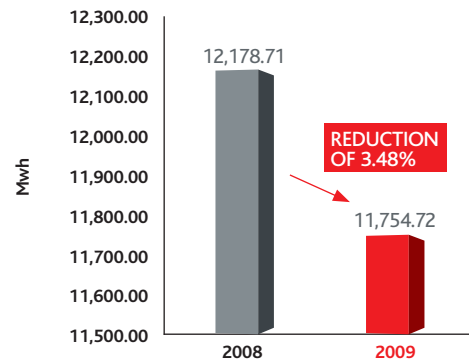
Measures to improve efficiency have been implemented at all offices, but data can only be compiled from offices where it is possible to measure consumption.

Employee awareness-raising, commitment by building maintenance crews and involvement by general services staff to adapt facilities to working timetables all contributed notably to the results obtained during the year.

Water consumption at offices (m³)



Electricity consumption at offices (Mwh)



The goals established for waste production at offices now have specific metrics for application in each business line. Full data will be compiled in 2010, making it possible to measure efficiency.

## Reducing CO<sub>2</sub> in ACCIONA centres

One of the major environmental objectives for 2010 is the implementation of the Work Centre Efficiency Plan. To this end, the corporate Processes, Quality and Environment Department, with the site Quality and Environment managers, is designing a specific plan for each site that defines all of the measures to be implemented. This includes planning, projected reductions in CO<sub>2</sub> emissions, budgets, and estimated ROI.

These goals are aligned with those set out in the strategic plan, to achieve the following:

- Reduce our CO<sub>2</sub> emissions by 10%.
- Improve the energy efficiency and water consumption ratios in our operations by 10%.
- Increase CO<sub>2</sub> emissions avoided by over 80%.
- Improve the net emissions balance by 100%.
- Increase waste separation for recycling and reuse, and reduce hazardous waste production by 10%.

**Métrica allows reliable, rigorous and flexible reporting to identify anomalies and define improvement actions for all processes**



## **Improving environmental reporting by consolidating Métrica**

Since its implementation in 2007, Métrica is the benchmark, centralized tool for monitoring and tracking the environmental performance of all of ACCIONA's activities.

Métrica provides for reliable, rigorous and flexible environmental reporting oriented towards identifying anomalies, setting goals and defining improvement actions in all the Company's processes.

The main outcome of implementing Métrica is the involvement of staff at production sites in both using the application as a tool and in identifying ways for it to work better.

This is evidenced by the fact that 96% of production sites in the business lines used Métrica to report their information in 2009. That figure refers to production sites in all of ACCIONA's business lines.

The scope of Métrica implementation was expanded by including ACCIONA Installations sites. Also, in 2009, Métrica was introduced at all of ACCIONA Energy's international sites, which extended its international coverage.

Functionally, the process of information compilation and drafting was made more flexible in 2009 by establishing a monthly cycle, required to implement the Environmental Efficiency Plan. All the information reporting fields were updated to adapt to each site's particular features.

## Environmental awareness-raising and training

The active involvement of all ACCIONA employees is required to attain the environmental goals. To that end, the Company seeks maximum commitment from employees by developing innovative continuous improvement plans. ACCIONA provides training at each divisional headquarters and at employees' workplaces. A total of 6,368 hours of environmental training were given in 2009 at the central offices alone.

## The Company's risk map takes into account the impact of environmental events on corporate image



## Environmental risks under control

One of the objectives of the environmental management systems implemented in each business line is to identify potential environmental risks derived from company activity, under both normal and emergency conditions. Treatment of environmental risk is defined by each business line within the corporate environmental policy framework and the established environmental management system. Once identified, environmental risks are monitored periodically with a view to avoiding impacts.

In 2009, as part of ACCIONA's risk map framework, a risk management system was developed in which environmental risks are identified as "fortuitous risks". The Company's risk map also includes environmental events which impact the corporate image and have financial consequences, and an additional

criterion was added in 2009: negative impact on sustainability and development.

In Spain, Act 26/2007 on Environmental Liability requires companies which undertake certain activities (apart from exemptions) to provide financial guarantees to cover the environmental liability inherent in certain activities.

In 2008, ACCIONA was already compliant with this law, having arranged an environmental liability insurance policy to cover the environmental responsibility inherent in certain potentially dangerous activities. That policy remained in force in 2009; it insures all of the Company's activities against potential risk situations that may arise.



Since the amount of the financial guarantee is established in accordance with an evaluation of repair costs in the event of possible damage, the Act provides for the possibility of using different tools to analyze environmental risks and calculate the guarantee, e.g. models for reporting environmental risk type, industry guides and standard tables. As a member of the Environmental Committee of SEOPAN, ACCIONA Infrastructure is working on the development of one of these tools to facilitate construction sector compliance with the Regulation issued under the Act.

The legal requirements in relation to the environment are fulfilled in all of the Company's centres and reviewed periodically with a view to ensuring compliance.

## Successful environmental risk-management is key to global expansion

Risk management, from the bidding to the execution phase, is a key process implemented at ACCIONA Infrastructure's largest international projects.

This establishes a rigorous process of approaches and decision-making based on a risk and opportunity analysis, with a view to more preventive and less reactive management.

The process includes the identification, analysis, evaluation and treatment of all risks of any type that may arise in a project.

Environmental risks are one of the most important aspects of this process. Following analysis and evaluation, the appropriate strategies are defined to prevent or mitigate the most significant environmental risks, with a periodic follow-up on the efficacy of the preventive actions established.

## Participation in external forums

ACCIONA's business lines participate in external forums and workgroups to share experiences and search for innovative solutions in environmental protection.

ACCIONA aims to share its principles of sustainability and excellence in the area of environmental protection with society at large and with other companies. ACCIONA actively participates in the following forums and workgroups:

- *Fundación Entorno*. Workgroup on energy and climate change. CO<sub>2</sub> Action Project. Workgroup on Sustainable Building.
- Committee for Quality and the Environment, SEOPAN (Construction sector observatory) and TECNIBERIA (Spanish Association of Engineering, Consulting and Technology Services Companies).
- *Club Excelencia en Gestión*. Participation in Forum on Excellence and Forum on Innovation.
- *Asociación Española para la Calidad*. Participation in the Construction, Services and Environment Committees.
- AENOR advisory board for the certification of construction companies.
- AEN/TN 198 Committee, "Sustainability in Construction".

## ACCIONA Real Estate's sustainable approach in Poland recognized by European Medal

ACCIONA Real Estate has been awarded the European Medal in Poland for landscape integration and eco-efficiency in the construction of its real estate development in Lesne. The European Medal is granted by Poland's Business Center Club and is sponsored by the European Economic and Social Committee and the Office of the Polish Committee for European Integration. The Lesne development, near Bemowo Park in Warsaw, received the Medal in

recognition of its architecture, which is perfectly integrated with the landscape, and the eco-efficient standards to which it was built.

Construction of the residential development (247 homes) commenced in 2007. Eco-efficiency factors included in the development provide considerable energy and water savings, benefit the environment and reduce costs for home-owners.

**Eco-efficient criteria save energy and water, bring environmental benefits and reduce costs**



## Breaches and penalties

In the last year, 25 disciplinary proceedings were commenced against ACCIONA Infrastructure for environmental incidents and breaches. Of those, 23 are still pending and two were resolved after paying a fine of 6,010.13 euros. As regards international activity, a disciplinary proceeding commenced in 2009 in Brazil regarding impact on vegetation; it is currently in the plea phase.

Three new disciplinary proceedings were begun against ACCIONA Agua in 2009 related to activities in Spain, primarily discharges outside the regulated parameters. The cases are currently in the plea phase.

Four disciplinary proceedings commenced against ACCIONA Trasmediterranea by the Port Authorities of Almería and Vigo (both in Spain) due to breaches related to waste management and inadequate maintenance of

machinery. The cases are also currently in the plea phase.

Three disciplinary hearings started against ACCIONA Energy in Spain and one in Korea, the latter due to occupation of domain waters and impacts on vegetation. One of the two issues was resolved during the year with a fine of 137,501.57 euros; the rest of the cases are in the plea phase.

## The SILENV project to reduce noise pollution and vibrations from ships

SILENV stands for **S**hips-oriented **I**nnovative **s**o**L**utions to **r**educe **N**oise & **V**ibrations. The project's final goal is to obtain a **"green label"**, which will include recommended levels of noise and vibrations as well as the related design guidelines.

A consortium of 15 companies is participating in the project: DCNS (FR), University of Genoa (IT), TSI (ES), SSPA (SE), CETENA (IT), ACCIONA Trasmediterranea, Bureau VERITAS (FR), CEHIPAR (ES), HTP-TUV (BG), INSEAN (IT), TNO (NL), University of Glasgow (UK), VTT (FI), and UPC Polytechnic University of Catalonia (ES).

ACCIONA Trasmediterranea is the consortium's only shipping company; it will be the "end-user".

Analysis of experimental data from the most common types of vessels will be used to identify the most important sources of noise and vibration. A list of the most innovative solutions will be drafted, all of which will be evaluated in economic and technical terms. The solutions will be tested and adjusted virtually using numerical models, paving the way for improvements in noise and vibration levels.

Our aim is to obtain a  
"green label" stating  
recommended noise  
and vibration levels



Environmental investment by ACCIONA in 2009 rose to **8.7 million euros**

## Environmental expenditure

ACCIONA's environmental expenditure in 2009 amounted to 8.7 million euros and covered the following activities:

- Laboratory tests and trials.
- Non-hazardous waste management.
- Hazardous waste management and removal.
- Treatment of discharges into water courses.
- Environmental management.
- Emission prevention.
- Landscape restoration.
- Implementation of corrective measures.

hundreds of euros)			
2009	2008	2007	2006
8,687	11,635	10,475	10,269

In 2009, ACCIONA's business lines spent 3.3 million euros acquiring property, plant and equipment and improving facilities and machinery used specifically for protecting and bettering the environment.

### PROTECTION AND PRESERVATION OF BIODIVERSITY

Biodiversity preservation is a key issue in the development of sustainable activities. Biodiversity includes species and their populations as well as ecosystems and their physical components.

Biodiversity preservation is a key issue in ACCIONA's decision-making process, which includes prior evaluation of the real and potential environmental impact of new activities, products and services, from the design phase to implementation.

The Climate Change Plan, which is part of the Company's 2010-2013 Strategic Plan,

includes specific activities and projects related to biodiversity preservation with a view to maximum prevention and reduction of potential impacts on species and ecosystems, from their inclusion in our carbon footprint calculation to environmental efficiency and management measures. These activities and projects pursue the following goals:

- **Complete integration** of biodiversity preservation principles in the Company's strategy so that they are taken into consideration during the decision-making process for projects in the business lines.
- **Application** of a preventive approach to minimize new projects' impact on biodiversity

throughout their life-cycle (i.e. implementation, operation, decommissioning) and in Environmental Impact Evaluations.

- **Establishment** of biodiversity-related indicators and objectives which will be controlled, monitored and even audited.
- **Communication** of the Company's biodiversity-related activities with a view to raising awareness.
- **Training** of Company personnel on biodiversity.
- **Cooperation** in research, preservation, education and awareness-raising projects with stakeholders, governments, etc.

## Development and implementation of systems to control and monitor birdlife at wind farms

In 2009, experiments got underway at wind farms to closely analyze affected birdlife and study the possibility of implementing measures to reduce the impact of wind turbine generators.

The actions underway include:

- Daily wind farm monitoring via on-site personnel to detect and reduce bird

collision risk through sporadic machinery shutdowns.

- Use of radars to monitor bird migration at wind farms and thereby plan periodic shutdowns to avoid collisions.
- Painting of blades to improve visibility for birds and reduce collisions.
- Installation of an experimental video and sound system to frighten away

birds that come too close to the wind generators.

- Experimental design of an ultrasound emission machine to scare bats away from wind generators.
- Installation of bat detectors at hub height to obtain information about the species and flight in the risk area.



## Annex: environmental performance indicators

The diversity of ACCIONA's activities makes it a very complex company, with a broad range of environmental processes and profiles, and measurements adapted to each of its business lines.


In many cases, the amount of resources used or waste produced does not depend on internal management by the work centre or division but, rather, on the nature of the activity. Construction is a good example: its typology, methods and design - which do not depend on internal management in most cases - determine resource use and waste

production. Other examples include water treatment plants, where the characteristics of the untreated water determine the processes to be implemented, and infrastructure maintenance is affected by location and climate conditions, among other factors.

With a view to standardizing performance data, ACCIONA uses the following ratio: consumption/revenue (thousands of euros).

ACCIONA's energy consumption is analyzed in the "Climate Footprint" chapter of this report.

**The amount of resources used or waste produced does not depend so much on the internal management of the centre as the nature of the activity itself**



## Consumption of materials

Responsible resource consumption and effective waste management are key objectives for ACCIONA. The Company consumes resources in its activities, mainly materials used in the different divisions.

For this reason, the development of eco-efficient services and products is a growth driver in all the Company's activities and is always considered to be part of ACCIONA's innovation and development efforts,

providing value to the Company as a whole. As such, the ratios of the efficiency of material consumption to main economic value evolved in a generally favourable form in 2009.

ACCIONA INFRASTRUCTURE							
RESOURCE CONSUMPTION		2009		2008		2007	
		INFRASTRUCTURE TOTAL	EFFICIENCY	INFRASTRUCTURE TOTAL	EFFICIENCY	INFRASTRUCTURE, SPAIN	EFFICIENCY
TIMBER	kg	5,997,083	1.66	6,347,886	1.77	5,137,213	1.868
LUBRICANTS	kg	113,738	0.03	112,811	0.03	138,944	0.051
FORM RELEASE AGENTS	litres	176,669	0.05	117,798	0.03	246,451	0.09
CONCRETE AND MORTAR	m <sup>3</sup>	3,463,741	0.96	2,204,889	0.61	1,847,627	0.672
CERTIFIED TIMBER (FSC OR SIMILAR)	t	328	0.0001	405	0.0001		
CEMENT	t	381,980	0.11	190,451	0.05	142,558	0.052
AGGREGATE AND ROCKFILL (NATURAL)	t	11,422,630	3.16	6,784,493	1.89		
RECYCLED AGGREGATE	t	184,286	0.05	729,796	0.20	4,548,344	1.654
STEEL	t	237,693	0.07	443,588	0.12	192,895	0.07

2007 figures only include data from ACCIONA Infrastructure projects in Spain

In 2008, the scope was expanded to include ACCIONA Infrastructure projects in Brazil, Gabon, Chile, Mexico, Venezuela and Canada.

2009 figures include data from Mostostal Warszawa (Poland).

**Efficiency ratio:** consumption/revenue (thousands of euros). The lower the ratio, the higher the efficiency of material use.

ACCIONA INFRASTRUCTURE MAINTENANCE					
		2009		2008	
		CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY
CONCRETE AND MORTAR	m <sup>3</sup>	1,832.39	0.06	2,153	0.083
PLANT HEALTH PRODUCTS	kg	2,320.52	0.08	2,778	0.107
PAINT	kg	4,638.43	0.16	3,557	0.136
LUBRICANTS	l	1,395.96	0.05	3,095	0.119
CHEMICAL CLEANING CONSUMABLES	kg	919.50	0.03	1,120	0.043
NON-CHEMICAL CLEANING CONSUMABLES	kg	2,660.84	0.09	3,262	0.125

(\*) No data for 2007. From 2008, the scope of the certification system was expanded to include all maintenance centres and data collection began.

**Efficiency ratio:** consumption/revenue (thousands of euros).

ACCIONA INSTALLATIONS			
		2009	
		CONSUMPTION	EFFICIENCY
PAINT	kg	2,320	0.04
WIRING	linear metres	549,201	9.3
REINFORCING STEEL	t	5,129	0.09
STRUCTURAL STEEL	t	5,557	0.09
PHOTOVOLTAIC MODULES	units	1,288	0.02

(\*) No data for 2008. In 2009, the scope of data collection was modified to include this division.

**Efficiency ratio:** consumption/revenue (thousands of euros).

ACCIONA ENERGY							
		2009		2008		2007	
		CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY
BIOMASS (COGENERATION AND BIOMASS)	t	147,871	0.12	120,143	0.07	116,400	0.106
METHANOL (BIOFUEL)	t	3,877	0.0031	788	0.0004	3,330	0.003
VEGETABLE OIL (BIOFUEL)	t	2,094	0.0017	6,006	0.003	30,928	0.028
STEEL	t	11,870	0.01	86,630	0.048	65,934	0.059
SODIUM HYDROXIDE	l	118,610	0.10	126,872	0.07	94,903	0.087
SODIUM HYPOCHLORITE	kg	33,991	0.03	20,416	0.011	33,567	0.031
HYDROCHLORIC ACID	l	756,964	0.61	170,036	0.094	216,002	0.198
PHOSPHORIC ACID	l	356,697	0.29	25,239	0.01	51,786	0.047
OIL	l	232,456	0.19	254,370	0.141	152,145	0.139

2009 data includes wind farms in South Korea, Australia, the US and Mexico.

**Efficiency ratio:** consumption/revenue (thousands of euros).

ACCIONA AGUA							
		2009		2008		2007	
		CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY
SULPHURIC ACID	l	1,703,236	3.89	990,727	2.68	462,029	1.68
SODIUM HYDROXIDE	l	376,936	0.86	248,303	0.67	128,971	0.47
SODIUM BISULPHITE	l	59,496	0.14	181,602	0.49	176,373	0.64
SODIUM HYPOCHLORITE	kg	1,486,959	3.39	1,585,280	4.29	938,777	3.41
POLYELECTROLYTES	kg	136,652	0.31	229,073	0.62	256,660	0.93
CALCIUM HYDROXIDE	kg	1,485,255	3.39	2,104,802	5.70	2,096,446	7.62
CARBON DIOXIDE	kg	1,395,892	3.19	829,506	2.24	707,575	2.57
PHOSPHORIC ACID	l	24,510	0.06	22,864	0.06	6,744	0.02
ALUMINIUM SULPHATE	kg	507,170	1.16	640,337	1.73	749,728	2.73
SCALE INHIBITORS	kg	17,448	0.04	45,579	0.12	422,28	0.15
ACTIVATED CARBON	kg	8,202	0.02	37,167	0.10	30,438	0.11

**Efficiency ratio:** consumption/revenue (thousands of euros).

## Installation of reverse osmosis equipment to use osmotized water in preparing polyelectrolytes and improving sludge dehydration processes

Wastewater treatment plants (WWTPs) aim for high purification performance while producing waste (dehydrated sludge) that is as dry as possible. WWTPs generally use recycled water in polymer preparation; however, impurities in recycled water may have a negative impact on the components of the polymer, reducing its binding power.

Following numerous tests at labs and the Archena treatment plant, it was confirmed that the procedure using osmotized water offers significant advantages compared with treated or drinking water in technical,

economic and ecological terms (lower sludge production and reagent and energy consumption).

The technical advantages to preparing the polymer with osmotized water compared with treated or drinking water are:

- Increased dryness of dehydrated sludge.
- Increase in admissible input in the dehydration machinery.
- Reduction in specific polymer consumption.
- Less degradation of the prepared solution,

with the consequent reduction in solids in drainage water.

- Increase in overall retention of solids by dehydration machinery.

Additionally, overall dehydration costs have declined by more than 12%.

In 2009, ACCIONA Agua and ESAMUR, the Murcia government's sewage network operator, installed a reverse osmosis machine at the wastewater treatment plant in Archena. The investment is expected to be recouped in 15 months.

ACCIONA LOGISTICS & TRANSPORT SERVICES							
		2009		2008		2007	
		CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY
LUBRICANTS	kg	1,222,336	2.25	1,899,933	3.97	1,745,630	3.97
PAPER	kg	7,785	0.01	2,537	0.005	83,226	0.189

Efficiency ratio: consumption/revenue (thousands of euros).

ACCIONA URBAN & ENVIRONMENTAL SERVICES				
		2009	2008	2007
OILS	CONSUMPTION (litres)	10,822	17,455	--
	EFFICIENCY	0.29	0.346	--
LUBRICANTS	CONSUMPTION (kg)	2,055	6,287	--
	EFFICIENCY	0.06	0.125	--
NON-CHEMICAL CLEANING CONSUMABLES (*)	CONSUMPTION (kg)	907,536	765,839	693,941
	EFFICIENCY	4	4.677	3.346
CHEMICAL CLEANING CONSUMABLES (*)	CONSUMPTION (kg)	1,293,078	1,565,691	1,720,000
	EFFICIENCY	5	9.562	8.293

Includes data from ACCIONA Urban Services and ACCIONA Facility Services.

Efficiency ratio: consumption/revenue (thousands of euros).

WINERIES							
		2009		2008		2007	
		CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY	CONSUMPTION	EFFICIENCY
GRAPES (OWN VINEYARDS)	t	3,337.92	0.09	3,652	0.077	3,632	0.074
GLASS	t	7,384.74	0.20	10,398	0.219	8,055	0.163
SODIUM HYDROXIDE	l	6,495	0.17	673	0.014	1,434	0.029
LUBRICANTS	t	0.14	0.00	2.15	0.045	1.7	0.035
PHOSPHORIC ACID	l	1,855	0.05	84	0.002	3,646	0.074
PLANT HEALTH PRODUCTS	t	13.64	0.0004	25	0.0005	37.6	0.764

Efficiency ratio: consumption/revenue (thousands of euros).

## Water consumption

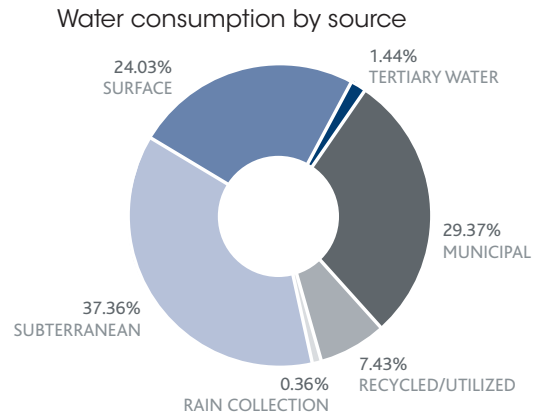
Water used by ACCIONA comes primarily from aquifers, surface water courses and municipal supply networks.

	TERTIARY SOURCES (m <sup>3</sup> )	MUNICIPAL (m <sup>3</sup> )	RECYCLED/ REUSED (m <sup>3</sup> )	RAINWATER (m <sup>3</sup> )	GROUND WATER (m <sup>3</sup> )	SURFACE WATER (m <sup>3</sup> )	TOTAL
INFRASTRUCTURE	32,614.92	395,941.50	92,652.42	10,831.90	250,997.30	507,682.32	1,290,720.36
WATER	10,950	60,597.38	118,808		20	34	190,409.38
ENERGY	143.05	338,301.62	14,388.28	217.29	326,125.50	189,576.48	868,752.21
HIJOS DE A. BARCELÓ		11,359			556,128		567,487
FACILITIES		396.60					396.60
MAINTENANCE OF INFRASTRUCTURE		3,673.59			1,170		4,843.59
URBAN & ENVIRONMENTAL SERVICES	154.15	82,033.58	5.33		1,948	33,674.77	117,815.83
TRASMEDITERRANEA		934.80					934.80
<b>TOTAL 2009</b>	<b>43,862</b>	<b>893,238</b>	<b>225,854</b>	<b>11,049</b>	<b>1,136,388</b>	<b>730,967</b>	<b>3,041,359</b>
<b>RATIO 2009</b>							<b>0.48</b>

\* ACCIONA Energy's biomass and cogeneration plans utilized 27,517,328.8 m<sup>3</sup> of water for cooling, which were not included in water consumption data since they were used solely for the thermal gradient.

RATIO: total water consumption/ACCIONA revenue in thousands of euros (excluding ACCIONA Real Estate).





### Osmosis plant on Sorolla ferry

The Sorolla superferry is equipped with a reverse osmosis plant for obtaining fresh water from seawater. The plant generates between 2.5 and 3 t/hr of freshwater, meeting all the ship's needs in terms of human and machine consumption. Since it produces its own water, the ship does not need to take on water in port, with the consequent savings in resources in addition to economic and operating advantages.

**By producing its own water, the Sorolla ferry avoids land supplies, thus saving resources**



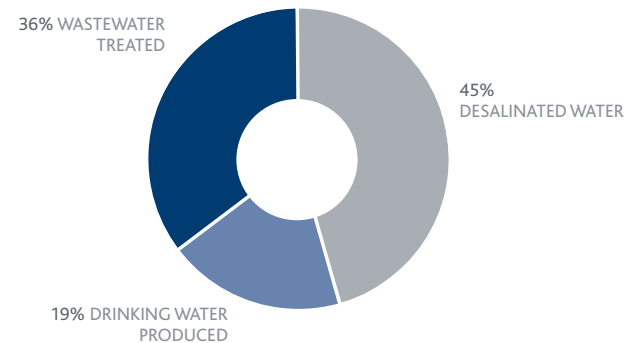
## Water managed by ACCIONA

ACCIONA AGUA, WATER MANAGED (hm <sup>3</sup> )			
	2009	2008	2007
DESALINATED WATER (hm <sup>3</sup> )	112	48.50	52.86
DRINKING WATER PRODUCED (hm <sup>3</sup> )	47.40	46.44	49.73
TREATED WASTEWATER (hm <sup>3</sup> )	87.56	131.67	203.85
<b>TOTAL</b>	<b>246.96</b>	<b>226.61</b>	<b>306.44</b>

Desalination data for 2009 includes the plants in Tampa (US) and Talara (Peru).

Desalinated water produced by ACCIONA in Spain meets more than **1.7%** of supply network demand

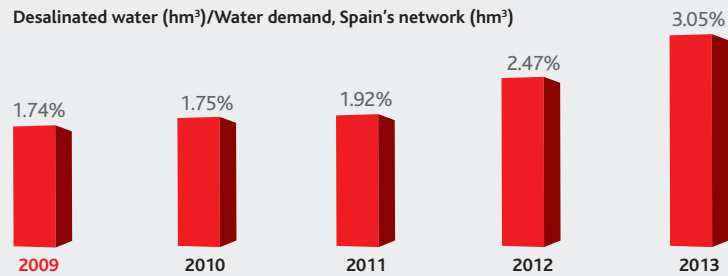
Water managed by ACCIONA Agua (by volume)



## Water savings

ACCIONA's contribution towards reducing consumption of a scarce resource such as freshwater will also play a key role in the Company's business plans. The desalinated water ACCIONA currently produces in Spain meets more than 1.7% of demand in the distribution network. That figure is estimated to remain about the same in 2010 and to increase to more than 3% in 2013, with the consequent reduction in stress on supplies.

Desalinated water (hm<sup>3</sup>)/Water demand, Spain's network (hm<sup>3</sup>)



\* Water supplied from desalination based on 2007-2009 revenues. Data on water supplied to the public distribution network 2006-2007 (Source: INE).

## Waste management

The characteristics and total amount of waste generated by ACCIONA activities varies more depending on the type of

activity than on internal management, and is particularly significant in the Infrastructure area. Management systems and specific

treatment processes have been designed for each business line in an effort to minimize the impact on the environment.

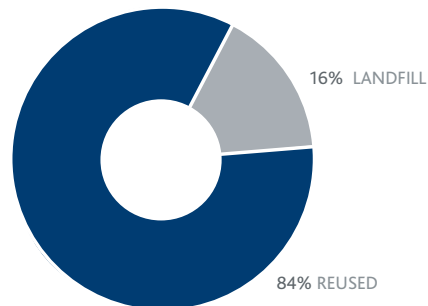
ACCIONA INFRASTRUCTURE				
TYPE OF WASTE		2009	2008	2007
NON- HAZARDOUS WASTE	METALS (t)	4,488.50	2,487	2,856
	TIMBER (t)	6,656.15	5,678	3,814
	PLASTICS (t)	467.21	265	165
	RUBBLE (t)	1,605,103.58	1,707,037	1,976,794
HAZARDOUS WASTE	CONTAMINATED EARTH (kg)	62,618.54	64,511	162,059
	DRY CELLS AND BATTERIES (kg)	1,757.45	2,317	2,482
	USED AIR FILTERS (kg)	1,588.68	2,152	348
	USED OIL FILTERS (kg)	4,073.32	12,236	4,906
	CONTAMINATED PLASTIC PACKAGING (kg)	38,018.07	25,003	17,706
	CONTAMINATED METAL PACKAGING (kg)	40,477.34	30,502	38,824
	VEHICLE BATTERIES (kg)	3,396.12	11,018	13,559
	MINERAL AND SYNTHETIC OIL (kg)	89,648.51	236,341	94,586

Data reflects national and international projects, machinery and workshops.  
International projects are underway in Chile, Brazil, Venezuela, Mexico, Canada, Gabon and Poland.

WASTE MANAGEMENT AT ACCIONA INFRASTRUCTURE (SPAIN AND OTHER COUNTRIES)						
WASTE MANAGEMENT (SPAIN AND OTHER COUNTRIES)	2009			2008		
	% LANDFILL	% RECYCLED	% REUSED	% LANDFILL	% RECYCLED	% REUSED
METALS	2.35%	92.37%	5.31%	10.63%	69.19%	20.20%
TIMBER	17.75%	77.43%	4.82%	24.47%	63.53%	12.00%
PLASTICS	17.42%	82.55%	0.02%	35.34%	61.53%	3.94%
RUBBLE	70.96%	21.02%	8.02%	30.65%	39.74%	29.61%

In 2009, ACCIONA Infrastructure managed a total of 14,926,234 m<sup>3</sup> of earth in Spain and abroad, of which 16.38% was disposed of in landfills, compared with 57.3% in 2008. The remainder (83.55%) was reused.

ACCIONA Infrastructure land management



ACCIONA INFRASTRUCTURE MAINTENANCE				
TYPE OF WASTE			2009	2008
NON-HAZARDOUS WASTE	Municipal solid waste	t	883.27	708.40
	Plastics	t	48.84	50.53
	Metals	t	139.31	225.43
	Empty plastic packaging	t	4.96	20.18
	Earth*	m <sup>3</sup>	26,572.83	6,252.20
HAZARDOUS WASTE	Plant waste	t	24.32	614.33
	Contaminated plastic packaging	kg	1,519.5	234.35
	Contaminated metal packaging	kg	1,623.1	713.50
	Mineral and synthetic oil	kg	463.97	419.98
	Dry cells and batteries	kg	58	56.65

(\*) The 2008 figures for earth were incorrect due to misinterpretation of the units.

ACCIONA INSTALLATION SERVICES					
NON-HAZARDOUS WASTE				HAZARDOUS WASTE	
PLASTICS (KG)	CDW (T)	PAPER (KG)	WIRING (KG)	CONTAMINATED RAGS AND ABSORBENTS (KG)	CONTAMINATED PLASTIC PACKAGING (KG)
1,834	225.55	796	236	163	152

ACCIONA ENERGY						
TYPE OF WASTE		2009	2008	2007		
NON-HAZARDOUS WASTE	DEHYDRATED SLUDGE FROM WASTE WATER TREATMENT PLANT	t	186	108	172	
	METALS	t	115	106	65	
	TIMBER	t	103	423	267	
	SLAG	t	3,333	5,593	6,746	
	ASH	t	2,968	3,781	2,971	
	MINERAL AND SYNTHETIC OIL	kg	253,202	145,037	117,922	
	USED OIL FILTERS	kg	7,186	35,592	25,598	
HAZARDOUS WASTE	CONTAMINATED PLASTIC PACKAGING	kg	32,568	27,151	22,608	
	WATER CONTAMINATED WITH OILS AND HYDROCARBONS	kg	8,395	9,951	53,914	
	CONTAMINATED RAGS AND ABSORBENTS	kg	241,601	123,169	125,561	
	DRY CELLS AND BATTERIES	kg	2,736	1,366	1,515	

ACCIONA AGUA					
TYPE OF WASTE			2009	2008	2007
NON-HAZARDOUS WASTE	METALS	t	12	12	48
	EARTH	m <sup>3</sup>	9,364	2,975	22,529
	PRE-TREATMENT RESIDUES	t	2,590	10,466	5,890
	SAND FROM DE-SANDING PROCESSES	t	1,931	4,932	5,180
	DEHYDRATED SLUDGE	t	74,384	111,873	117,627
	TIMBER	t	8,39	12	48
	RUBBLE	t	810	1,575	6,764
	GREASE FROM DE-GREASING PROCESSES	t	883	1,183	3,572
HAZARDOUS WASTE	OIL	kg	5,034	11,930	10,916
	LABORATORY CHEMICALS	kg	3,896	825	771
	CONTAMINATED PACKAGING	kg	1,229	2,507	2,652
	ABSORBENTS AND RAGS	kg	446	897	947
	FLUORESCENT TUBES	kg	116	562	406



## Implementation of the first online discharge control unit in Toro (Zamora)


In 2009, ACCIONA Agua developed and commenced operation of Spain's first online discharge control unit in the cheese industry.

The facility is located alongside the factory and connected to the local sewage network, enabling it to quantify and measure the quality of discharges into the network. A control flow meter and a sample taker were installed so that if an abnormal measurement is detected, three samples of the discharge are taken.

The online control and remote supervision system is connected via 3G telephony, enabling it to transmit data and obtain a range of useful features, as a result of which the unit can operate with total autonomy.

This equipment allows for the quality of any discharge that reaches ACCIONA Agua facilities to be controlled, enabling the company to plan its response and obtain legal coverage for any related problems.

**This online system controls the quality of any waste that arrives at ACCIONA Agua**



ACCIONA LOGISTICS & TRANSPORT SERVICES					
TYPE OF WASTE			2009	2008	2007
NON- HAZARDOUS WASTE	ONSHORE MSW INSTALLATIONS	t	991	506	1,180
	MARPOL V WASTE (SHIPBOARD MSW)	m <sup>3</sup>	18,452	20,770	17,801
	PAPER	t	-	750	72
HAZARDOUS WASTE	MINERAL OIL	kg	4,827	6,113	4,540
	VEGETABLE OIL	kg	1,414	1,559	1,058
	DRY CELLS AND BATTERIES	kg	1,974	3,161	1,116
	CONTAMINATED PLASTIC PACKAGING	kg	9,948	5,905	6,659
	CONTAMINATED METAL PACKAGING	kg	12,796	13,201	15,094
	USED OIL FILTERS	kg	13,437	18,076	17,537
	FLUORESCENT AND MERCURY VAPOUR LAMPS	kg	1,697	2,740	2,515
	MARPOL I (OILY WASTE FROM SHIPS)	m <sup>3</sup>	8,213	13,008	11,448
	ALKALINE CELLS	kg	115	152	678
	CONTAMINATED RAGS AND ABSORBENTS	kg	18,801	22,110	19,239
	PAINT RESIDUES	kg	1,881	67	940
	HYDROCARBON RESIDUES	kg	3,333	7,227	3,654

## ACCIONA URBAN &amp; ENVIRONMENTAL SERVICES, HAZARDOUS WASTE

TYPE OF WASTE		2009	2008	2007
OILS	kg	3,225	8,445	8,129
BATTERIES	kg	725	3,171	2,366
CONTAMINATED PACKAGING	kg	306	1,032	654
USED OIL FILTERS	kg	253	1,369	1,043

## WINERIES

TYPE OF WASTE		2009	2008	2007	
NON-HAZARDOUS WASTE	POMACE	kg	822,140	883,180	879,110
	STALKS	kg	114,711	122,152	21,277
	PAPER	t	147	173	255
HAZARDOUS WASTE	MINERAL OIL	kg	366	1,154	400
	BATTERIES	kg	150	300	322
	CONTAMINATED PLASTIC PACKAGING	kg	260	211	120
	HYDRATED SLUDGE FROM WASTE WATER TREATMENT PLANT	t	560	941	628

## Landfills

The main sources of discharges in the ACCIONA Group are in the Energy division (in terms of volume) and ACCIONA Trasmediterranea (in terms of potential impact).

TOTAL DISCHARGES ACCIONA ENERGY (m <sup>3</sup> )	
2009	201,629.43
2008	203,616.15
2007	248,705.00

In 2009, ACCIONA Energy's biomass plant in Sangüesa utilized 27 hm<sup>3</sup> for cooling; the water was taken from a surface water course and returned to that water

course with no significant impact on the environment. This avoids the need to install cooling towers and reduces the electricity consumption such towers would have required. Moreover, the plant does not actually consume any of the water it uses, whereas cooling towers lose water due to evaporation.

ACCIONA TRASMEDITERRANEA			
	2009	2008	2007
BILGE WATER (m <sup>3</sup> )	4,762	7,105	7,875
SEWAGE FROM ONSHORE FACILITIES (m <sup>3</sup> )	524	15,787	13,441
SEWAGE FROM SHIPS (m <sup>3</sup> )	60,117	85,072	95,283

TREATMENT	ENVIRONMENTAL QUALITY PARAMETERS
<b>BILGE WATER</b>	<p>In addition to bilge water treatment in 2008, a study considered evaporating water from the sludge tanks with a view to discharging only the solid fraction.</p>
<b>ONSHORE SEWAGE TREATMENT FACILITIES</b>	<p>Necessary conditions for discharge:</p> <ul style="list-style-type: none"> <li>■ At sea.</li> <li>■ Standardized hydrocarbon filtering equipment.</li> <li>■ Undiluted effluent hydrocarbon concentration of not more than 15 ppm.</li> <li>■ For discharge in special areas (Mediterranean Sea), the hydrocarbon filter equipment must have alarms to indicate that the maximum level has been reached.</li> </ul>
<b>OFFSHORE MSW</b>	<p>Discharge directly into port sewer. Removed in tanker trucks by authorized waste manager.</p>
<b>OFFSHORE MSW</b>	<p>A. Ships with retention tanks (untreated): direct discharges are permitted over 12 miles offshore provided that the ship is travelling at no less than 4 knots and the rate of discharge is moderate.</p> <p>A. Ships with treatment plants: must conduct weekly analyzes in line with the following parameters:</p> <ul style="list-style-type: none"> <li>■ Clarified effluent (no visible floating solids).</li> <li>■ No appreciable colour in surrounding waters.</li> <li>■ Dissolved [O<sub>2</sub>] = 6-10 ppm.</li> <li>■ Residual Cl = 1-2 ppm.</li> <li>■ pH= 6-8.5.</li> </ul> <p>B. Ships without a treatment plant: there is still no regulation in this area in the MARPOL Convention.</p>



about  
**this report**

# about this report

## In line with GRI criteria, ACCIONA classifies its Report as being A+

This Sustainability Report aims to provide reliable, impartial information regarding ACCIONA's performance in facing the main challenges of sustainable development. The material in this Report supplements the Company's Annual Report, Consolidated Financial Statements, the website and Sustainability Reports from previous years.

This Report has been drafted in accordance with the Global Reporting Initiative's "Sustainability Reporting Guidelines", which

ensures that the information is reliable, complete and balanced. ACCIONA has self-declared an A+ score under the GRI criteria.

This Report also applied the AA1000 APS (Principles Standard) to align the information with the expectations and concerns of ACCIONA stakeholders.

To safeguard the accuracy of ACCIONA's self-declaration and compliance with

the AA1000 APS, all data was checked independently by KPMG Asesores S.L.

An Independent Assurance Report was also drafted, which includes the objectives and scope of the process, review procedures used, and conclusions.



## Application of AA1000 APS

### Inclusivity

*Inclusivity refers to stakeholder participation in the development and successful implementation of a responsible, strategic response to sustainability on the part of the Company.*

ACCIONA has implemented specific activities to identify and engage with stakeholders

with a view to defining key areas on which to focus the Company's sustainability strategy.

Examples include projects developed in recent years to identify the social and environmental challenges faced by ACCIONA. The chapter entitled 'Dialogue and Cooperation' describes the dialogue channels with stakeholders and consultations

with experts in 2009. The chapter 'Efficiency in Processes and Excellence in Management' includes detailed information on customer satisfaction surveys. 'Our People' reports on relationships with labour organizations.

**The Principle of  
Inclusivity involves  
stakeholders  
in sustainable  
development**



**Materiality**

*The materiality principle determines the importance of an issue for the organization and its stakeholders. A relevant issue is one that will impact the decisions, actions and performance of an organization and its stakeholders.*

In drafting this Report and the Sustainability Master Plan, ACCIONA identified those issues that are relevant to its business plans.

In 2009 and in accordance with AA1000 APS, ACCIONA performed a new materiality study which sought to identify relevant issues for its stakeholders which could impact upon the Company's reputation and business opportunities.

Materiality is analyzed according to two main variables: the maturity of issues in the industry and their importance for stakeholders.

In 2009, the scope of the materiality study expanded to include analysis of specific aspects of ACCIONA's infrastructure, energy and water businesses.

As a supplementary measure, in 2009, ACCIONA analyzed potentially relevant issues that are addressed by the Dow Jones Sustainability Index, the Company's scores and their relative weights in each category, and conclusions from stakeholder surveys performed during the year.

### Responsiveness

*This refers to an organisation's response to stakeholder issues which affect sustainability performance; the company's response materialises through decisions, actions and engagement with stakeholders.*

This Report aims to properly reflect ACCIONA's response to the principal challenges to sustainability proposed by stakeholders. This response is reflected in the Company's plans of action.

ACCIONA implemented its 2010-2013 Sustainability Master Plan as part of the Strategic Business Plan, which establishes sustainability-related policies, objectives, initiatives and other plans of action for the next three years. More information

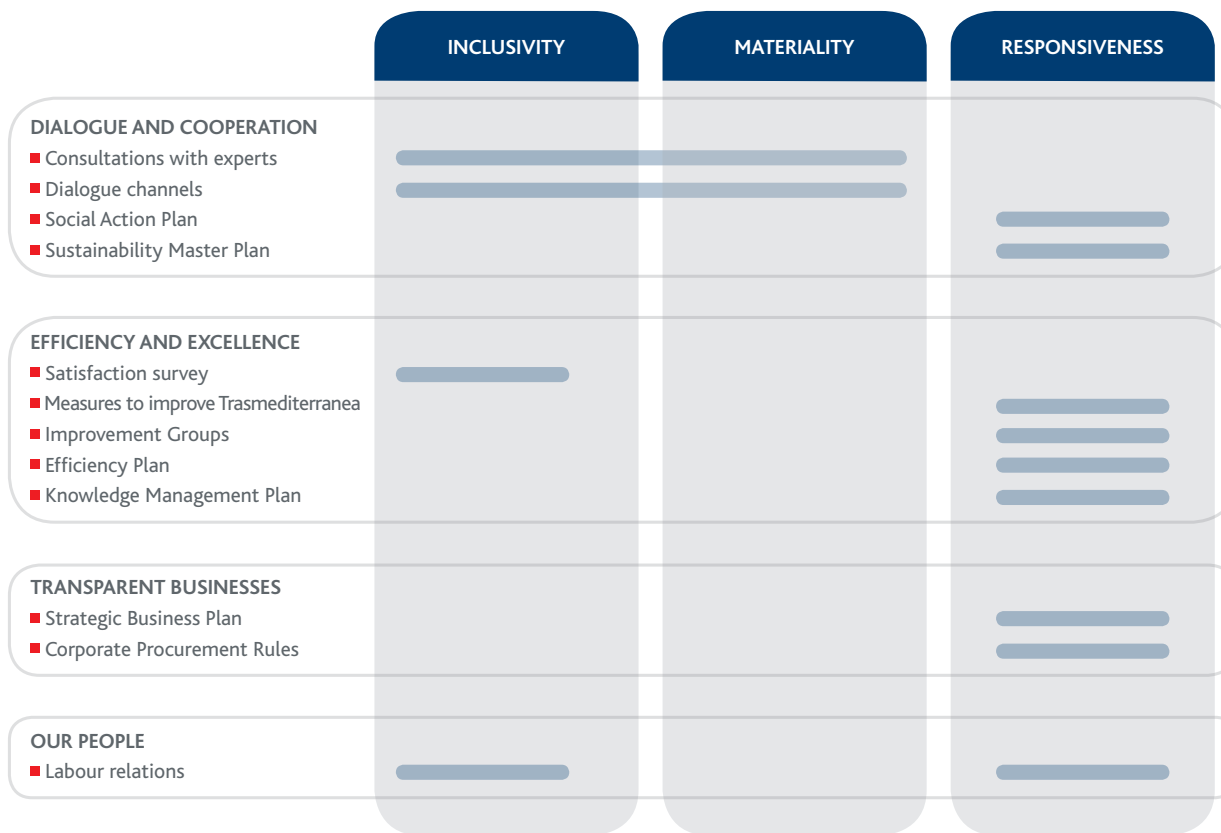
is available in the chapters 'Transparent Businesses' and 'Dialogue and Cooperation'.

Additional examples of plans which seek to respond to expectations can be found in the following chapters: 'Dialogue and Cooperation' (Social Action Plan), 'Efficiency in Processes and Excellence in Management' (Efficiency Plan, Improvement Groups and a detailed description of measures implemented by ACCIONA Trasmediterranea to improve customer satisfaction), 'Transparent Businesses' (Corporate Procurement Rules) and 'Our People' (Labour Relations).

The Company will also develop the necessary methodology and tools to ensure the efficacy and impact of the defined plans of action.

**Communication is the basis of the principle of the Responsiveness of an organization**






**Scope**

Since 2005, the information in ACCIONA's Sustainability Reports has been structured by divisions. The scope is identified for each indicator.

The environmental information in the report is derived from Métrica, a centralized corporate tool for monitoring and tracking the environmental performance of all of ACCIONA's activities.

In 2009, 96% of production sites in the business lines used Métrica to report their information (95% in 2008). The scope of Métrica implementation was expanded by including ACCIONA Installations' sites and, for the first time, all of ACCIONA Energy's international sites.

**96%** of production sites contributed their environmental information through the Métrica tool





# assurance report



KPMG Asesores S.L.  
Edificio Torre Europa  
Paseo de la Castellana, 95  
28046 Madrid

#### Independent Assurance Report to the Management of ACCIONA S.A.

(Free translation from the original in Spanish)

In case of discrepancy, the Spanish language version prevails.)

We performed a limited assurance review on the non-financial information contained in ACCIONA, S.A. (hereinafter ACCIONA) Sustainability Report for the year ended 31 December 2009 (hereinafter "the Report").

ACCIONA management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 3.0 (G3) of the Global Reporting Initiative as described in the section entitled About this report. This section details the self-declared application level, which has been confirmed by Global Reporting Initiative. Management is also responsible for the information and assertions contained within the Report; for the implementation of processes and procedures which adhere to the principles set out in the AA1000 Accountability Principles Standard 2008 (AA1000APS); for determining its objectives in respect of the selection and presentation of sustainable development performance; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a limited assurance engagement and to issue an independent report based on the work performed, which relies exclusively to the information corresponding to the year 2009. Data corresponding to previous years have not been the object of review. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement and that we comply with the independence requirements included in the International Federation of Accountants Code of Ethics which outlines detailed requirements regarding integrity, objectivity, confidentiality and professional qualifications and conduct. We have also conducted our engagement in accordance with AA1000 Accountability Assurance Standard 2008 (AA1000AAS) (Type 2), which covers not only the nature and extent of the organisation's adherence to the AA1000APS, but also evaluates the reliability of performance information as indicated in the scope.

A limited assurance engagement on a sustainability report consists of making inquiries to Management, primarily to the persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures, as appropriate through the following procedures:

- Inquiries of management to gain an understanding of ACCIONA's processes for determining the material issues for their key stakeholder groups.
- Interviews with relevant ACCIONA staff concerning the application of sustainability strategy and policies.
- Interviews with relevant ACCIONA staff responsible for providing the information contained in the Report.
- Analysing the processes of sampling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of ACCIONA.
- Verifying that the financial information reflected in the Report was taken from the annual accounts of ACCIONA, which were audited by independent third parties.

KPMG Asesores S.L., a limited liability Spanish company, is a subsidiary of KPMG Europe LLP and a member firm of the KPMG network of independent member firms affiliated with KPMG International, a Swiss cooperative.

Rep. Mer Madrid, T. 94.972, P. 53, Sec. B, N.º 343-492, Inscrito 1.º N.º 0 (04/2006)00



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The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore also the level of assurance provided. Also, this report should not be considered an audit report.

Our multidisciplinary team included specialists in AA1000APS, stakeholder dialogue, social, environmental and economic business performance.

Based on the procedures performed, as described above, nothing has come to our attention that causes us to believe that the data included in the Sustainability Report of ACCIONA, S.A. for the year ended 31 December 2009 have not been reliably obtained, that the information has not been fairly presented, or that significant discrepancies or omissions exist, nor that the Report is not prepared, in all material respects, in accordance with the Sustainability Reporting Guidelines (GG) of the Global Reporting Initiative as described in the About this report section of the Report. Additionally, and also based on the procedures performed, as described above, nothing has come to our attention that as a result of ACCIONA implementing the procedures described in section About this report of the Report, any material issues have been omitted as applies to the principles of inclusivity, materiality and responsiveness as included in the AA1000 AccountAbility Principles Standard 2008.

Under separate cover, we will provide ACCIONA management with an internal report outlining our complete findings and areas for improvement. Without prejudice to our conclusions presented above, we present some of the key observations and areas for improvement below:

#### In relation to the INCLUSIVITY principle

ACCIONA formally identifies stakeholders and carries out periodic stakeholder consultation through specific communication channels in order to get in-depth understanding on their opinions and expectations. These consultation processes continue to increase and have been carried out at the national market level including specific consultations in seven countries. In this line, ACCIONA's activities should advance in increasing stakeholder participation and collaboration in finding the solutions or answers to the problems raised.

#### In relation to the MATERIALITY principle

The model followed by ACCIONA to identify and rank the key issues that are relevant for its stakeholders is based on indirect methods to estimate the relevance and on direct methods through internal and external consultations. The methods followed are applied regularly at Group level and integrated throughout the organization. However, progress could be made by applying methodologies that gradually allowed relevance to be assessed at a more detailed level, i.e. at local level or for specific business areas or activities.

#### In relation to the RESPONSIVENESS principle

ACCIONA has developed different actions to respond to many of the issues which are relevant to its stakeholders and that are in line with the ranking that resulted from the evaluation of their relevance. These responses range from the development of Master Plans to carrying out concrete actions. It is recommended that ACCIONA continue to advance in the implementation of specific actions that manifest these plans and in extending the communication processes with stakeholders to increase their participation in designing responses and to understand their opinions in relation to these.

KPMG Asesores, S.L.

(Signed)

José Luis Ribeco Vázquez  
Partner

20 May 2010





GRI  
index

# GRI index

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	G3	GLOBAL COMPACT	PAGE/EXPLANATION
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	EN.20	NOx, SOx, and other significant air emissions by type and weight.	GC8 Page 163
	EN.21	Total water discharge by quality and destination.	GC8 Pages 212-213
	EN.22	Total weight of waste by type and disposal method.	GC8 Pages 204-211
	EN.23	Total number and volume of significant spills.	GC8 ACCIONA management systems have detected no significant spillages.

	G3	GLOBAL COMPACT	PAGE/EXPLANATION
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	EN.27	Percentage of products sold and their packaging materials that are reclaimed by category.	GC8 Given the nature of ACCIONA's activity, and on the basis of the materiality analysis carried out, the Company considers that for the time being this indicator is not material and that it does not need to be reported in this Report.
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	LA.14	Ratio of basic salary of men to women by employee category.	The smallest male-female worker pay differential at ACCIONA occurs at management level.

	G3	GLOBAL COMPACT	PAGE/EXPLANATION
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PRINCIPAL	HR.5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	GC3 Page 94
Abolition of Child Labor			
PRINCIPAL	HR.6	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	GC5 In 2009, to the best of the Company's knowledge, there have been no cases of child exploitation at ACCIONA. The Company carries out regular materiality analysis in order to evaluate possible social risks that might arise in the main markets where it operates. ACCIONA has in place a Corporate Code of Conduct, an Ethical Channel (for reporting possible breaches) and a Code Committee whose mission it is to look into reported incidents.
Forced Labor			
PRINCIPAL	HR.7	Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.	GC4 In 2009, to the best of the Company's knowledge, there have been no cases of forced/ compulsory labor at ACCIONA. The Company carries out material analysis on a regular basis in order to evaluate possible social risks that might arise in the main markets where it operates.

	G3	GLOBAL COMPACT	PAGE/EXPLANATION
Security Practices			
ADICIONAL	HR.8	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.	All ACCIONA orders and/or contracts include a clause requiring suppliers to comply with the 10 Principles of the Global Compact and current Spanish law on gender equality. It should be remembered that the companies accepted by Spain's Ministry of the Interior as suppliers of these kinds of services are required to provide their employees training on the basic rights of citizens as laid down in the Spanish Constitution.
Indigenous Rights			
ADICIONAL	HR.9	Total number of incidents of violations involving rights of indigenous people and actions taken.	In 2009, to the best of the Company's knowledge, there have been no cases of violation of indigenous workers' rights at ACCIONA. The Company carries out material analysis on a regular basis in order to evaluate possible social risks that might arise in the main markets where it operates.
3. Society			
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	SO.3	Percentage of employees trained in organization's anti-corruption policies and procedures.	GC10 Page 29
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Public Policy			
PRINCIPAL	SO.5	Public policy positions and participation in public policy development and lobbying.	ACCIONA's participation in public policymaking is in line with the Company's sustainability policies and objectives. Participation of this kind in the USA is registered in the corresponding Senate database. Page 121

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PRINCIPAL	PR.1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	Bearing in mind the nature of ACCIONA's activities, and on the basis of materiality studies carried out, the Company considers that this indicator is not material. ACCIONA carries out regular analysis and will report advances when it is considered opportune.
Product and Service Labeling			
PRINCIPAL	PR.3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Bearing in mind the nature of ACCIONA's activities, and on the basis of materiality studies carried out, the Company considers that this indicator is not material. ACCIONA carries out regular analysis and will report advances when it is considered opportune.
	PR.5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	Pages 121, 172- 173
Marketing Communications			
PRINCIPAL	PR.6	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	Pag. 121
Legislative compliance			
PRINCIPAL	PR.9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	In 2009, to the best of the Company's knowledge, there have been no cases of non-compliance with the regulations governing the use of ACCIONA products and services. Bearing in mind the nature of ACCIONA's activities, and on the basis of materiality studies carried out, the Company considers that this indicator is not material. ACCIONA carries out regular analysis and will report advances when it is considered opportune.



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