

SUSTAINABILITY REPORT

2015



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CHAIRMAN'S STATEMENT

JOSÉ MANUEL ENTRECANALES
Chairman of ACCIONA



Dear friends,

The year 2015 has been one of global changes. On the one hand, we are witnessing a generalised awareness of the effects of climate change, as evidenced in Paris at the 21st Climate Change Conference or COP21, a summit that will go down in history as one of the most crucial diplomatic and business events to date. At the summit, all 196 participating States adopted agreements that should make it possible to develop a low-carbon economy to help limit global warming and contribute to improving the environment and life on our planet over the next decades.

On the other hand, the United Nations General Assembly approved the Agenda 2030 for Sustainable Development, setting 17 goals in the economic, social and environmental spheres. This action plan for the benefit of people, our planet and prosperity, and which also aims to strengthen world peace and access to justice, outlines the strategy for the development programmes that need to be implemented over the next 15 years.

ACCIONA has assumed these challenges as its own, and incorporated them into its business models. Specifically, the Company's new Sustainability Master Plan 2020 was created out of the ambition and commitment to make ACCIONA a carbon neutral company.

This Report provides a detailed view of our sustainability performance for 2015, and the evaluation of the Sustainability Master Plan 2015, which brought us so many challenges over the past five years.

We can safely say that the aim of this Plan, which has now come to its end, has been fulfilled. In fact, each of the goals defined for each of the commitments have been exceeded both quantitatively and qualitatively.

As a basic and inherent cornerstone for any business, ACCIONA has worked on the implementation of measures to improve its **Corporate Governance**. To this end, over the past years a Company Policy Book was created, the Code of Conduct was updated, and a General Directorate of Corporate Compliance was set up to supervise the efficiency of the procedures, controls and internal commitments established with regard to Corporate Governance. Likewise, work was carried out on creating an external diagnostic tool for crime-prevention and anti-corruption, while another was created on the subject of human rights.

In the sphere of **People**, the Company has always placed priority on fostering the health and safety of its employees and third parties. Thus, the Plan set a goal to improve the accident rate by 20% compared to 2011, and the Company achieved this, surpassing it and reduced the accident rate by 31.57%.

With regard to human capital, a series of training and development programmes on sustainability have been held in Australia, Brazil, Canada, Chile, Italy and Mexico, as established in the Plan. In order to raise awareness regarding sustainability issues among employees, the variable remuneration package includes a percentage

linked to performance in the area of sustainability. This initiative has achieved a coverage rate of 97% for executives and 90% for managers, and also extends to part of the technical and support staff.

As regards the management of diversity, we have worked hard to encourage access to the Company by people with disabilities. In 2015, the Company reached the figure of 3.55% of equivalent employment in its workforce in Spain. Furthermore, the number of women in managerial positions grew to 18.8% of the total in 2015.

Protection of the **Environment** constitutes one of the Company's hallmarks, an intrinsic feature of the way we conduct our business. In the sphere of the fight against climate change and energy efficiency, the Company committed itself to improving management ratios by 15%. In both cases, the goals set in the Plan were exceeded, both for annual goals and total goals. Specifically, in 2015, the Company avoided the emission of 17.2 million tonnes of CO₂ in the atmosphere.

As to the Company's water footprint, it set out to multiply its positive net contribution by five compared to 2009. This goal was amply fulfilled, increasing its positive footprint to 495 hm³ for 2015, which is 6.4 times the water footprint in 2009.

Needless to say, **Society** plays a very big role in the Company's activities. The importance of this can be seen in the contribution of close to seven million euros, which represents 4.89% of the dividend equivalent.

In 2015, ACCIONA **invested close to seven million euros within its social action plan**, while it also continued its commitment to innovation and sustainability

The Company has continued to work on another initiative, the implementation of the Social Impact Management methodology in 47 projects of the Construction, Industrial, Water, Services and Energy divisions in 18 countries. The methodology allows ACCIONA to identify the positive impact of its projects, as well as preventing and mitigating risks affecting local communities.

The ACCIONA Microenergía Foundation has provided basic electricity services to approximately 30,000 people in isolated rural communities in Cajamarca (Peru) and Oaxaca (Mexico), notably improving their living conditions.

The **Value Circle** has centred its efforts on improving the performance of the supply chain as regards sustainability. To achieve this, suppliers have been given access to self-assessment tools, and have been assigned a sustainable development rating. In 2015, we implemented PROCUR-e, a new supplier assessment tool through which a total of 4,815 surveys were sent to suppliers with turnovers in excess of 100,000 euros. Furthermore, a total of

628 suppliers (1,822 people) have been provided with training on sustainability.

Innovation constitutes one of the Company's main drivers of growth and differentiation. A goal was set to reach the figure of 500 million euros invested in R&D&I by the end of the Plan. This goal was amply exceeded, having reached a total of 876 million euros at the end of 2015. In addition, process improvements were identified in the 2012-2015 period for the amount of 87 million euros.

ACCIONA is committed to **Accountability** towards its stakeholders. As well as continuous dialogue with the key stakeholders, consultations with customers and other groups in each and every one of the lines of business of the Company, we submit our sustainability performance to these groups in a rigorous, transparent manner, following benchmark international standards. The Company reports its sustainability performance according to the G4 version of the Global Reporting Initiative (GRI) standard. Furthermore, since 2012 the Company drafts its Integrated Report in accordance with the

framework of the International Integrated Reporting Council (IIRC).

ACCIONA also continues to be present in the leading sustainability indexes: DJSI World, FTSE4Good, MSCI Global Climate Index, The Climate "A" list of the CDP, and STOXX Global Climate Change Leaders Index, among others.

With regard to **Dissemination and Leadership**, ACCIONA strives to consolidate the Company's position as an international benchmark for sustainability. To this end, during the years when the last Plan was in effect, the Company attended the main domestic and international forums on sustainability. The Company's assumption of an executive leadership role at the World Business Council for Sustainable Development, its participation in the creation of the CEO Climate Leadership Group within the framework of the World Economic Forum, its participation in the launch of the Sustainable Development Goals at the United Nations headquarters in September, and its active participation in the above-mentioned COP21 in December are noteworthy in this regard.

Lastly, in 2015, the Sustainability Master Plan 2020 was drafted and presented to the Sustainability Committee of the Board of Directors. This Plan will set the lines of action on sustainability for the coming years.

These last five years have been filled with challenges that ACCIONA has managed to deal with while still maintaining its commitment to sustainability. The year 2016 is set to be replete with exciting challenges, both internally and externally. For this reason, I invite you to find out more about our efforts in 2015 so we can prepare and respond appropriately to these challenges. We must do this while staying true to our commitment to carrying out our activities as sustainably as possible, and continue to improve every year through the responsible management of our environment and our stakeholders.

ABOUT THIS REPORT

Transparent, clear, accurate information

The aim of this Report is to inform all of the Company stakeholders of the challenges faced and progress made by ACCIONA in 2015 as regards sustainability.

This Sustainability Report includes all of the sustainability challenges and the manner in which they have been dealt with. The document also explains the performance of the activities carried out by ACCIONA in 2015, with the aim of offering a comprehensive, clear picture of all of the information needed by the Company's different stakeholders.

With the information reported here, the aim is for readers to find everything relating to sustainability in a single report. The content of this Report is complemented by other reports drafted by the Company: the Annual Report, the Annual Corporate Governance Report, the Integrated Report and the Annual Accounts (G4-17), as well as by the content included on the website.

The content of this Report is based on the information regarding policies, actions and performance provided in sustainability reports published in previous years, but primarily it focuses on the progress made during 2015. Furthermore, this report describes the annual progress made by the Company in the implementation of the ten principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption.

This document is published annually and has been drafted based on the indications contained in the G4 Sustainability Reporting Guidelines by the *Global Reporting Initiative (GRI)*, including the information required by the *Construction and Real Estate and Electric Utilities* sector supplements. Compliance with these guidelines guarantees that the information contained within this Report is reliable, full and balanced.

Hence, the Company considers that the 2015 Sustainability Report meets the G4 Guidelines at the "Comprehensive" level within the *Materiality Disclosures Service* offered by GRI.

In addition, for the drafting of this Report, ACCIONA has followed the indications established by the AA1000 APS standard with the aim of aligning the information included with the expectations and concerns of its stakeholders.

In order to verify the reliability of the information, the correct application of the principles of the AA1000 APS standard, and the consistency of the information that responds to the general basic content of the Guidelines (G4), the Company has hired to carrying out an external audit

of the Report, using the services of the company KPMG Asesores S.L. This year, ACCIONA has requested the audit firm to check a set of relevant indicators with a reasonable level of assurance. As a result of the audit process, an Independent Review Report is carried out, which includes the objectives and scope of the process, as well as the audit procedures used and its conclusions.

THE BASIC PRINCIPLE OF INCLUSIVENESS (G4-18b)

ACCIONA takes into account all of its stakeholders in the review process of the Sustainability Master Plan (SMP) and in the consultations carried out in business projects. In the specific chapter on Stakeholder Engagement, the avenues for dialogue are described in more detail, as well as the main initiatives carried out in 2015 with stakeholders.

THE PRINCIPLE OF MATERIALITY (G4-18b)

The 2015 Materiality Analysis carried out by ACCIONA under the guidelines established in the G4 Sustainability Reporting Guide by *Global Reporting Initiative*, has allowed the Company to identify social, ethical and environmental

elements with greater impact for the development of ACCIONA's activities.

As a result of this study, ACCIONA considers that the information included in this Report is relevant to the Company and its different stakeholders. The chapter on Materiality Analysis includes a description of the development and methodology process of the ACCIONA 2015 Materiality Analysis.

THE PRINCIPLE OF RESPONSIVENESS (G4-18b)

The Company deals with the main sustainability issues that concern its stakeholders. The chapters containing the relevant information are designed based on the main axes of the 2015 Sustainability Master Plan. The Plan establishes the policies, the objectives and the lines of work to develop up to 2015 in nine fields of work: Innovation, Environment, Society, People, Circle of Value, Corporate Governance, Stakeholders, Outreach and Leadership and Accountability. The objectives proposed by the plan can be measured and assessed.

SCOPE (G4-22) (G4-23)

Since 2005, ACCIONA reports the information of its sustainability reports broken down mainly by divisions, but

where possible also by geographical areas. The scope has been identified in each of the indicators. With the aim of facilitating a better understanding of the Company's performance trends, details are also provided regarding performance in previous years.

The environmental information published, in the report comes from ACCIONA's environmental reporting system, which among other things includes the "Métrica" tool, which is the benchmark for centralised control and monitoring of the environmental indicators of ACCIONA's activities.

The perimeter of the environmental quantitative information published corresponds to 100% of ACCIONA's activities, both Spain and internationally. As a general criterion for consolidation of the environmental information, it includes 100% of the installations and locations where ACCIONA has a majority stake, and therefore, responsibility for operation and control.

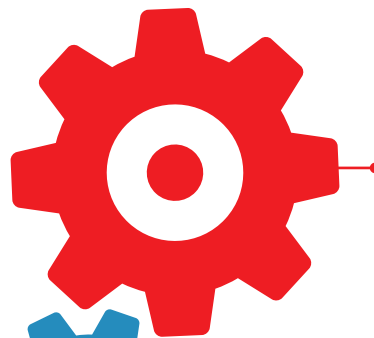
COMPANY PROFILE

ACCIONA is one of the world's leading companies in terms of sustainability, standing out especially for its drive to develop renewable energies, infrastructures, water and services, placing special emphasis on a long-term approach.

ACCIONA, sustainable development as a factor for leadership...

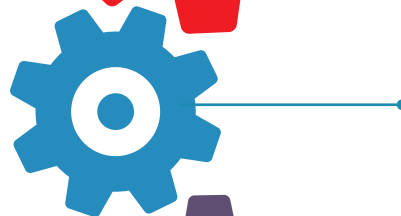
ACCIONA is one of the main Spanish companies listed on the IBEX 35 and one of the most experienced companies in the spheres of infrastructure, energy, water and services. Thanks to this experience, ACCIONA has expanded its areas of business to more than 30 countries.

Its positioning as pioneers in development and sustainability reflects its capacity to respond to the challenge of achieving sustainable development through all of its areas of activity. ACCIONA bases its strategy on sustainability favouring social well-being, economic growth and environmental balance. The Company can focus on these objectives thanks to its staff of 32,147 professionals in 2015 and to sales reaching 6,544 million euros that year.



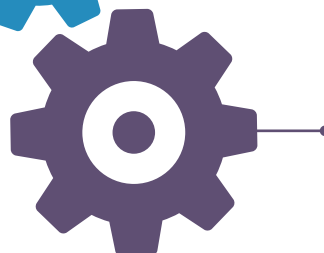
Our Mission

To be a leader in the creation, development and management of infrastructures, water, services and renewable energies, actively contributing to social well-being, sustainable development and the creation of value for our stakeholders.



Our Vision

To meet the challenge of achieving sustainable development in all our business areas so that the generations of today and tomorrow can have a better life.



Our Values

These are honesty, social responsibility, leadership, long-term view, innovation, financial strength, care for people, customer focus, concern for the environment and excellence.

... in a forward-looking business...

ENERGY

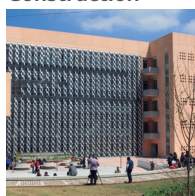


- With more than 20 years' experience in renewable energies, the company offers reliable and efficient solutions based on cutting-edge technologies.
- Present throughout the wind value chain, via ACCIONA Windpower, the Company produces its own technology for wind turbines that are among the most reliable and competitive on the market, designed for its own developments and for use by third parties.
- It works exclusively with renewable technologies, and focuses its activities on five of them: wind, solar photovoltaic, solar thermal, hydraulic and biomass.

2015	
Revenue	2,179 millions euros
EBITDA	897 millions euros
Total capacity	8,619 MW
Total output	20,875 GWh

INFRASTRUCTURE

Construction



- ACCIONA Construction is at the cutting edge of R&D&I, and figures among the world's leading construction companies, applying the latest techniques in the execution of its projects. The Construction division covers every aspect of the construction process, from engineering to the building work itself and subsequent maintenance. It also manages public-sector concessions, particularly in the transport and infrastructure sectors.
- The organisation includes three specialised business units (bridges, roads and special structures; rail and tunnels, and lastly, ports and hydraulic works), as well as the areas of Engineering, Concessions and other businesses.

2015	
Revenue	2,170 millions euros
EBITDA	102 millions euros
Project portfolio	6,722 millions euros

* The figures for ACCIONA Construction include the Industrial and Engineering businesses.

Water



- The activity of ACCIONA Agua is focused on serving citizens from the water catchment stage to treatment, desalination, purification and return to the environment.
- Furthermore, the Water line of business takes care of the comprehensive service management, covering all the stages involved in water treatment, making it apt for human consumption, subsequent supply to the population, as well as urban and industrial waste water purification, with direct billing to end users.

2015	
Revenue	451 millions euros
EBITDA	35 millions euros
Water managed	634 hm ³ .

Services



- ACCIONA Service has a wide range of services that offer comprehensive solutions for its customers. This line has managed to position itself as the service partner of choice of leading domestic and international companies, thanks to the know-how acquired through more than 50 years' experience in the execution and management of services.

2015	
Revenue	716 millions euros
EBITDA	31 millions euros
Employees	15,660 employees

OTHER BUSINESSES



- This division contains the businesses of Trasmediterranea, the largest Spanish shipping company and one of the leading European companies in the maritime transport of passengers and cargo; Bestinver, a company offering financial services of funds management and investment brokerage; Real Estate, which with more than 20 years' experience is one of the country's leading residential development companies; Vineyards, Hijos de Antonio Barceló, one of Spain's centuries-old *bodegas*, with wine-making and aging centres in five of Spain's leading wine areas, as well as other holdings.

2015	
Revenue	613 millions euros
• Trasmediterranea	424 millions euros
• Bestinver	91 millions euros
• Real Estate	51 millions euros
• Vineyards	40 millions euros
• Corporate and Other	7 millions euros
EBITDA	113 millions euros

2015	
No. of vehicles	544,999
No. of passengers	2,451,323
Housing inventory (units)	685
Bestinver assets under management	5,106 millions euros

... with a global presence...

... in all five continents, ACCIONA continues growing through our new partners, who make it possible for the Company's businesses to develop internationally





In 2015, **49% of the Group's global sales and 79% of its EBITDA** derived from businesses included under what the United Nations Environment Programme (UNEP) calls the Green Economy

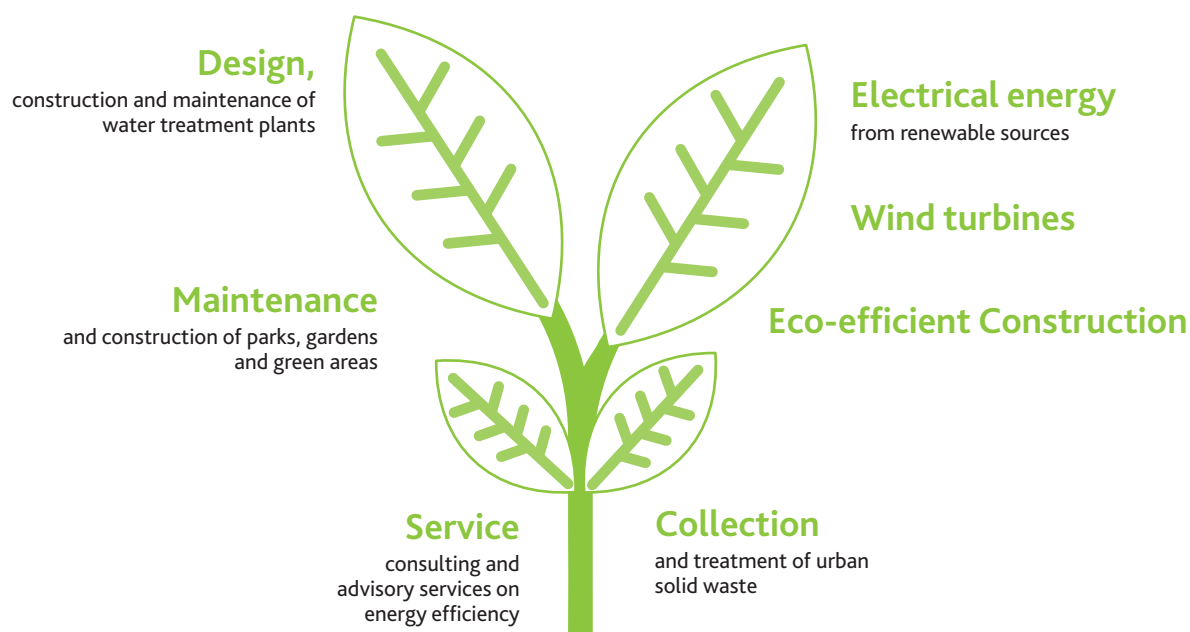


... a firm strategy...

The Company, through its strategic decisions, has achieved a 0.7% increase in consolidated revenues to 6,544 million euros. This is essentially due to the combined effect of the following factors: the growth of income of the Energy business, mainly as a result of the strong contribution from ACCIONA Windpower; the good performance of the international generation activity, and to a great extent, to the addition of new capacity in international markets. The Company's EBITDA increased by 8% to 1,174 million euros due to the strong growth of the Energy business.

Furthermore, ACCIONA has put the focus on the simplification of the Group's debt structure to reduce its dependence on banks and diversify its financing sources. Net financial debt stood at 5,159 million euros (2.5% lower than that at December 2014) and the net financial debt (NFD) to EBITDA ratio also dropped during the financial year, due mainly to the cash generation during the previous financial year.

ACCIONA, leader in the green economy



... and sustainable activities...

According to the United Nations Environment Programme (UNEP), the 'green economy' is defined as "improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities". ACCIONA focuses its efforts on offering a wide range of products and services that are beneficial for the environment, in line with sustainability.

In 2015, a total of 49% of ACCIONA's global sales (40% in 2014) and 79% of its EBITDA (76% in 2014) stemmed

from activities related to renewable energies, water and the Company's other environmental activities.

In 2015, ACCIONA took part in the Paris Climate Conference, supporting the efforts of the international community to reach a new binding and ambitious agreement on controlling global warming. The Company not only joined leading private sector companies in demanding binding goals — both global and national — for cutting greenhouse gas emissions,

but also committed to becoming carbon neutral by 2016.

It is also of interest that ACCIONA was awarded the RobecoSAM Silver Class 2016 (Silver Category) distinction within the Electric Utilities sector, according to The Sustainability Yearbook 2016. This yearbook includes 15% of the companies with the best social, environmental and corporate practices within each sector.

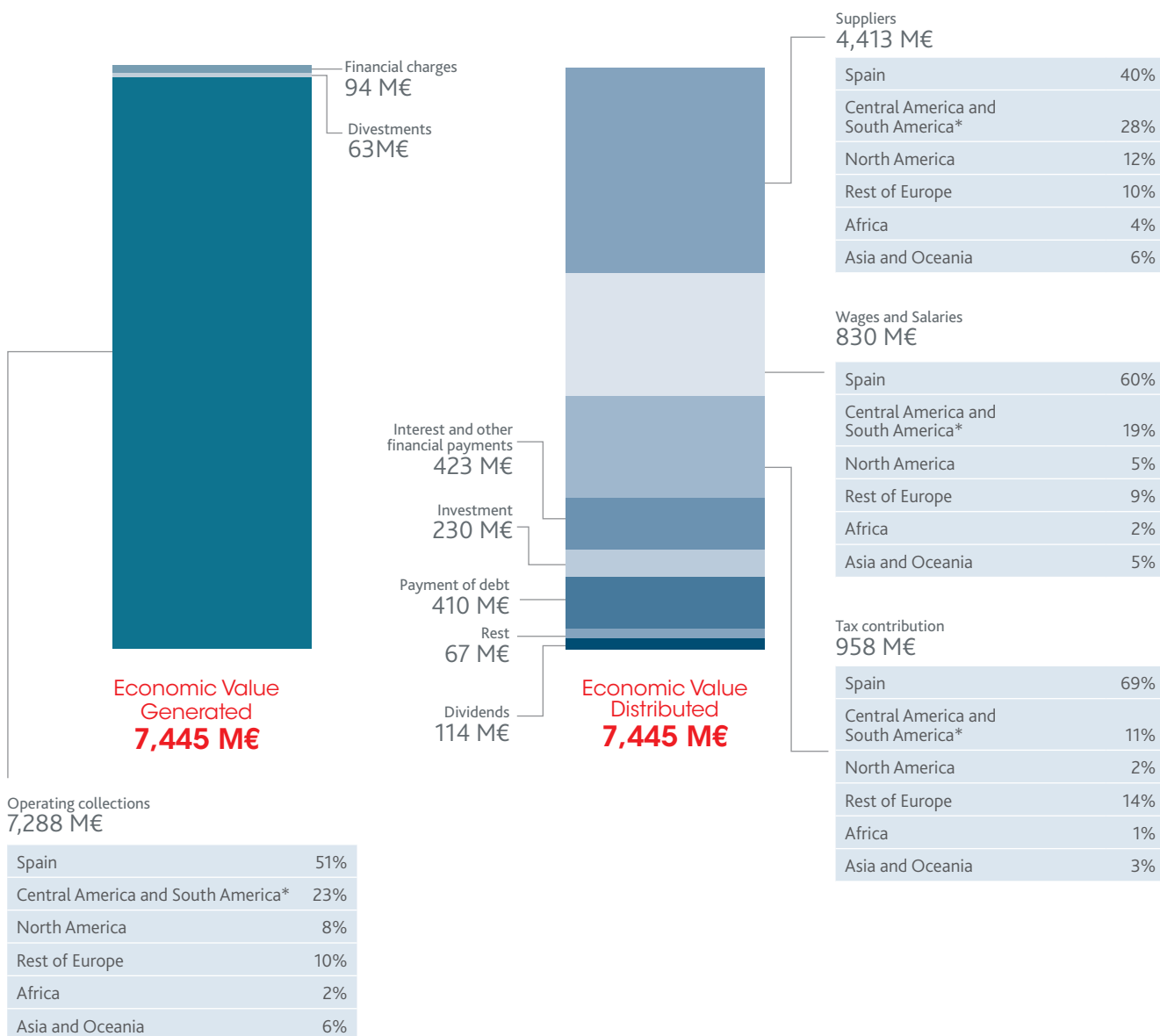
→ Social cash flow of ACCIONA in 2015

Social cash flow is a way of calculating a company's impact and contribution of real value to society through the cash flow generated by its activity. To do so, it takes into account the items that involve a real influx and outflow of cash which have an effect on the different stakeholders.

This contribution of value is measured both in terms of the cash flow generated by the Company (cash received by

its customers, divestments, financial transactions, etcetera) and in terms of the cash flow distributed by means of payments to suppliers, public administrations, shareholders and employees, among others.

Therefore, social cash flow represents the economic value generated and distributed by the Company.



* Includes Mexico

During 2015, the economic and social contribution by ACCIONA to the Public Administrations through tax payments totalled 958 million euros, of which 448 million euros correspond to taxes paid and 510 million to taxes collected.

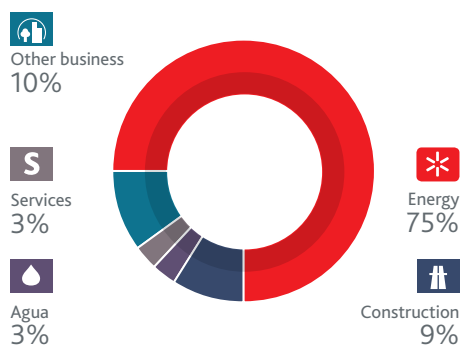
This means that of every 100 euros of ACCIONA's revenues in 2015, 15 euros were used to pay taxes, of which 7 euros correspond to taxes paid out and 8 euros to taxes collected, with Spain, Mexico, Poland, Chile, Australia and Portugal being the main recipient countries.

Total Tax Contribution in 2015

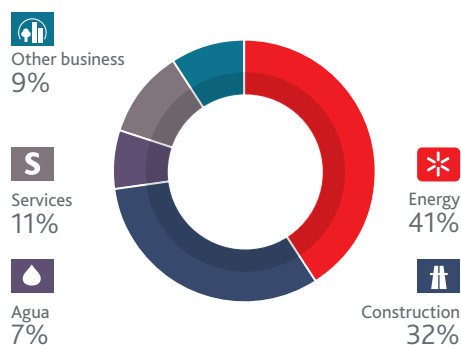
Country	Taxes incurred (millions €)	Taxes collected (millions €)	Total (millions €)	%
Spain	322.5	340.5	663.0	69.2%
Mexico	47.2	40.7	87.8	9.2%
Poland	9.7	39.1	48.7	5.1%
Chile	8.4	19.9	28.3	3.0%
Australia	5.4	20.4	25.7	2.7%
Portugal	7.4	13.3	20.6	2.2%
Brazil	13.2	2.5	15.7	1.6%
Germany	8.0	4.0	12.1	1.3%
USA	5.9	4.5	10.3	1.1%
Italy	5.4	2.9	8.4	0.9%
Colombia	3.8	4.4	8.3	0.9%
Canada	2.2	5.2	7.4	0.8%
Other countries	8.7	12.4	21.2	2.2%
Total	447.8	509.7	957.5	

Breakdown by division of the key figures in 2015

→ Contribution to EBITDA by business line* (% of the total)



→ Revenue per business line* (% of the total)



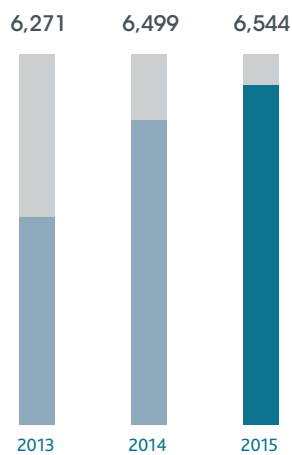
* Construction includes the information of the Industrial segment.

TRIPLE BOTTOM LINE

Financial Results*

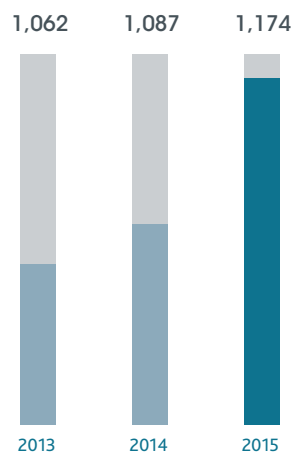
→ Revenues

(millions euros)



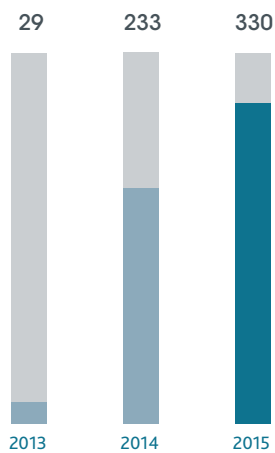
→ EBITDA

(millions euros)



→ Profit before tax

(millions euros)

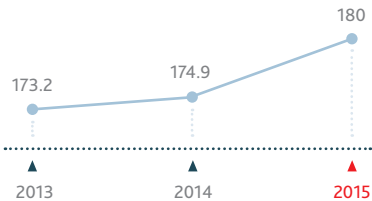


→ The year 2015 was a period of stability and return to normality for ACCIONA. The Company has solid financial results, showing growth of 8% in EBITDA and growth of 42% in PBT.

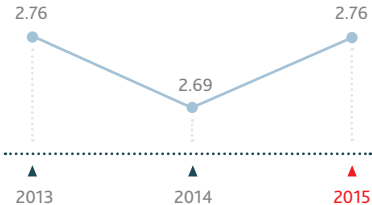
→ Turnover increased by 0.7% with regard to 2014, due mainly to the growth in the revenues of ACCIONA Energy, ACCIONA Agua and ACCIONA Service.

(*) As a result of the entry into force in January 2014 of the new International Financial Reporting Standard (IFRS) 11, the 2013 financial statements were restated under the same conditions as those of the 2014 financial statements in order to unify the information.

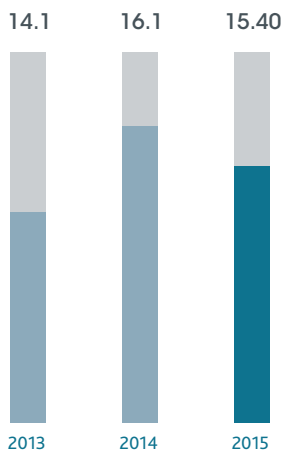
→ **Total innovation figure**
(millions euros)



→ **Intensity of investment**
(R&D&I investment/revenues)



→ **Total R&D&I/EBITDA**
(%)

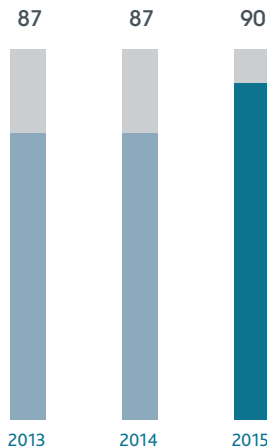


→ ACCIONA stands out in the international scene as the 5th Spanish company and the 144th European company with the biggest effort made in R&D&I investment, according to the report *The 2015 EU Industrial R&D Investment Scoreboard* produced by the European Commission's Economics of Industrial Research and Innovation (IRI).

→ **Activity certified under ISO 9001**
(%)



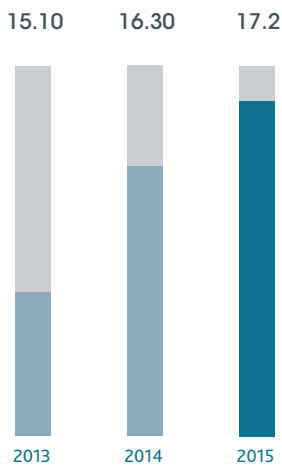
→ **Activity certified under ISO 14001**
(%)



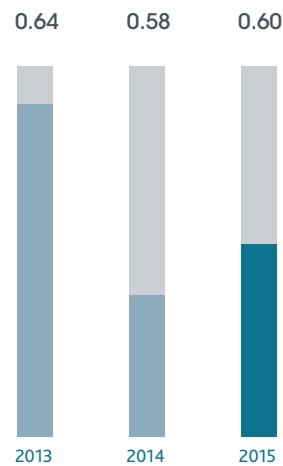
→ All of ACCIONA's divisions have in place management systems certified in accordance with international benchmark regulations. In its commitment to the continuous improvement of processes and activities, in 2015 the Company increased turnover percentages, according to standards ISO 9001 and ISO 14001 compared to the previous year.

Environmental Results

→ **Emissions avoided**
(millions of tonnes of CO₂)

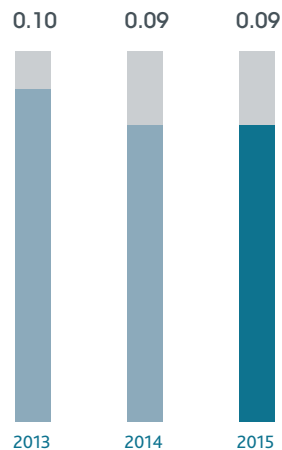


→ **Emissions generated**
(millions of tonnes of CO₂)
scopes 1 and 2

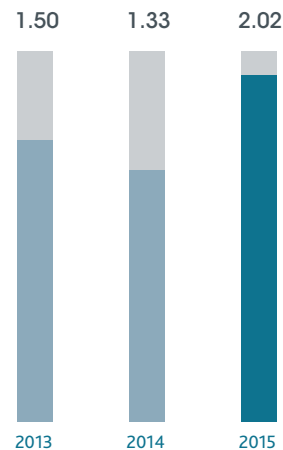


→ In 2015, the Company consolidated its position as a leading company in the contribution to fighting climate change, avoiding the emission of 17.2 millions tonnes of CO₂. Likewise, one of its main priorities continues to be environmental protection, committing to becoming a carbon neutral company by 2016, which will mean a net result of zero emissions.

→ **Emissions ratio**
(tonnes of CO₂/revenues
in thousands euros)



→ **Energy consumption ratio**
(TJ/revenues in million euros)

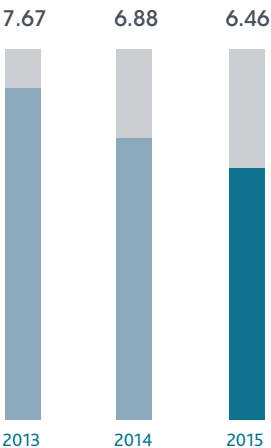


→ **Water Footprint:
net positive contribution**
(hm³)



→ In 2015, ACCIONA's water footprint generated a positive impact on the planet of 495 hm³, a figure equivalent to the annual consumption of a population of more than ten millions people (on the basis of average consumption per person in Spain). Furthermore, the Company's water consumption dropped by 6.2% compared with 2014.

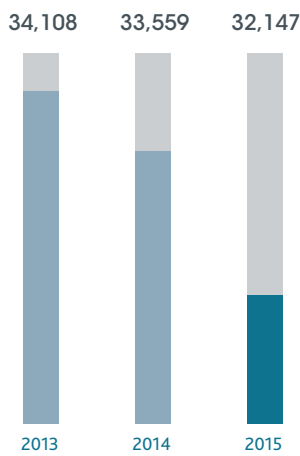
→ **Water consumption**
(hm³)



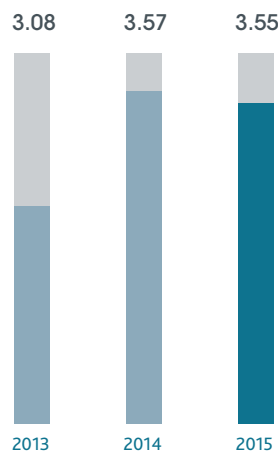
ACCIONA keeps up its fight against climate change and for environmental protection, committing to becoming a carbon neutral company by 2016

Social Results

→ **Average headcount at year end**



→ **% of people with disabilities in the workforce in Spain**



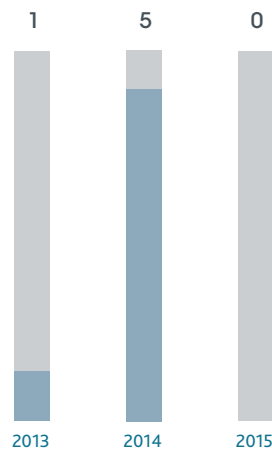
→ In 2015, ACCIONA reduced its average headcount by 4.21% compared with 2014. The employment adjustments took place due to the changes in the consolidation perimeters (for instance, Poland), the conclusion or suspension of projects (for instance, Brazil) and individual adjustments.

→ Also in 2015, 3.55% of the workforce were people with disabilities. Of this percentage, it is worth noting that 2.80% corresponds to direct employment, 1.08% higher than the previous year, reflecting the Company's commitment to direct job insertion.

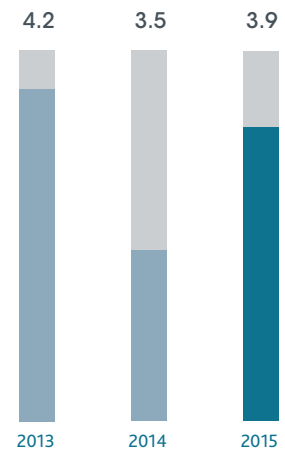
→ It is relevant to point out that, for the fourth consecutive year, there have been no fatal accidents of **own employees** as the result involving production activities. In 2015, there were also no fatal accidents of contractors.

→ Furthermore, the accident frequency rate shows a descending line compared to 2011, with a slight rise in 2015 in own employees.

→ **Number of fatal accidents* (globally)**



→ **Accident frequency rate among own employees (globally)**

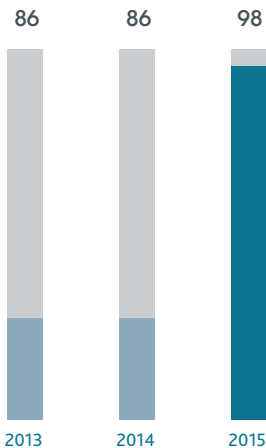


(*) Own employees and subcontractors

→ **Local suppliers out of the number of suppliers (%)**



→ **Global customer satisfaction index (%)**



→ During 2015, ACCIONA continued to strengthen its commitment to local development in all countries where it is present, opening up opportunities to suppliers in countries where it is newly established, and on the other hand, promoting already existing relationships formed in previous projects.

→ The continuous efforts to improve its relationship with customers are reflected in a significant increase of over 14% in the global client satisfaction index, reaching 98%.

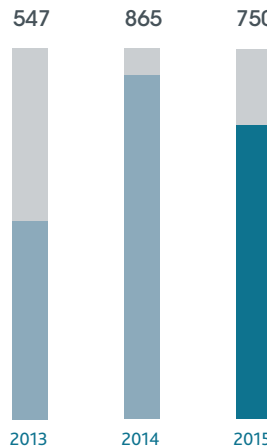
→ In 2015, ACCIONA allocated 7 millions euros to social contribution of initiatives to access basic services, social investment associated with projects, promotion of sustainability, sponsorship and patronage.

→ With regard to volunteering, 750 volunteers participated in different programmes over this past year.

→ **Social contribution (millions euros)**



→ **Number of volunteers**



PERFORMANCE BY REGION

Local and sustainable development

ACCIONA carries out its activities in national and international markets and promotes social progress, economic growth and environmental protection in the communities in which it operates.

Spain



KEY WATER PROJECTS:

- Torrevieja seawater desalination facility
- Cartagena seawater desalination facility
- Implementation of a smart water network in Burgos
- ATLL (Catalonia)
- Valencia sanitation



KEY CONSTRUCTION PROJECTS:

- New BBVA headquarters in Las Tablas (Madrid)
- Creation of the structure, roof and façade of the new San Mamés football stadium (Bilbao)
- Navarre A-15 motorway Section: Medinaceli A-2 – Radona (Soria)
- Duero A-11 motorway Section: Aranda Relief Road (Burgos)
- Madrid-Galicia High Speed Line Section: Zamora-Lubián Sub-Section: Pedralba de La Pradería-Padornelo Tunnel
- Platform of the Madrid-Zaragoza-Barcelona-French Border high-speed line. Section: La Sagrera-Nudo de la Trinidad Sant Andreu Sector, Barcelona
- New container terminal at the Port of Cadiz
- Vigo Hospital
- Toledo University Hospital
- Malaga Subway
- Extension of Los Mármoles Dock at the port of Arrecife



MAJOR PRESENCE IN ENERGY WITH RENEWABLE TECHNOLOGIES:

- 168 wind farms
- 79 hydroelectric plants
- 5 solar thermal plants
- 3 biomass plants
- 10 photovoltaic plants



OTHER BUSINESSES:

- Bestinver
- Hijos de Antonio Barceló
- Real Estate
- Trasmediterranea



NOTABLE PRESENCE OF SERVICES IN THE FOLLOWING SPANISH REGIONS (COMUNIDADES AUTÓNOMAS):

- Andalusia
- Asturias
- Basque Country
- Canarias
- Castile and León
- Catalonia
- Galicia
- Madrid
- Murcia
- Navarre
- Valencia



Construction

Industrial

Water

Service

Photovoltaic/solar thermal energy

Wind energy

Real Estate

ACCIONA Wind Power

ACCIONA's contribution

ACCIONA's performance indicators in the region	2013	2014	2015
Revenues (millions of euros)	3,721	3,524	3,213
Energy produced (total GWh)	15,209	14,015	13,199
Water managed (desalinated/drinking/treated) (hm ³)	418.7	394.6	400.3
Total R&D&I (millions of euros)	124.6	134.2	97.8
Activity certified under ISO 9001 (%)	100	100	100
Emissions avoided (thousands of tonnes of CO ₂)	9,949	11,121	10,282
Emissions generated (thousands of tonnes of CO ₂)	452.0	376.4	446.9
Water footprint (hm ³)	375.6	357.0	315.7
Activity certified under ISO 14001 (%)	97	97	97
Average equivalent headcount	20,256	20,957	20,784

Key project

ACCIONA Producciones y Diseño

Since 2011, ACCIONA has been implementing actions to reduce and offset CO₂ emissions associated with its corporate events. In 2012 it also began offering these services to customers through its business line ACCIONA Producciones y Diseño, S.A. (APD). Since then, a total of **875 tonnes of CO₂** have been offset through these mechanisms by using carbon credits, which mainly incentivise the generation of renewable energy and sustainable development in depressed areas.

APD's commitment to reducing CO₂ emissions can be seen in its "**carbon-neutral events**". In these events, efforts are made to minimise the emissions associated with organising and holding them by means of implementing preventive and corrective actions, and subsequently surrendering the necessary emission allowances to counterbalance the generated CO₂ that could not be avoided.

■ Offsetting of CO₂ emissions by the Tuppadahalli Wind Energy project

As in previous years, all CO₂ emissions associated with the events held by APD in 2015 were offset by the **Tuppadahalli Wind Energy** project in Karnataka (India), consisting of a 56.10 MW wind farm with 34 turbines.

This project, whose technology avoids the atmospheric emission of 128,809 tonnes of CO₂ every year, is recognised by the United Nations as a **CDM** (Clean Development Mechanism) and under the Voluntary Carbon Standard (VCS), generating 54,000 carbon credits for the generation of clean energy.

This is a project that contributes to sustainable development, bringing **social, environmental, economic and technological well-being** to the local community.

■ More sustainable museums

In accordance with the commitment to social and environmental innovation that APD applies to all its works, it carries out significant actions in the field of museum design and exhibition staging where the Company is committed to the creation of accessible projects. In these projects, the aim is to ensure that everyone who visits a museum or an exhibition does it under the best possible conditions of accessibility and environmental efficiency, minimising the negative impact its works might have on the environment.

Some examples:

- **National Museum of Oman, Muscat:** APD has built the first museum in the Middle East to be adapted for the blind and the first museum in Oman to be accessible to people with reduced mobility.
- **Museum of Underwater Archaeology (ARQUA), Murcia:** APD was a pioneer in Spain in 2008 when it fitted out an entire museum with LED lighting. The Company has since implemented this technology in museums such as the Jewish Museum and Tolerance Centre in Moscow, the National Museum of Oman and the Boris Yeltsin Presidential Centre in Yekaterinburg, among others.

For one-off projects such as temporary exhibitions, and when conditions allow, APD also uses LED lighting technology inside the display cases. This makes it possible to reduce electricity consumption by 60%, resulting in lower CO₂ emissions, and also ensures the absence of ultraviolet and infra-red radiation which can affect the exhibits.

Central and South America

ACCIONA PROJECTS

Operational and Under Construction



ACCIONA's contribution

ACCIONA's performance indicators in the region	2013	2014	2015
Revenues (millions of euros)	891	905	770
Energy produced (total GWh)	0	171	414
Water managed (desalinated/drinking/treated) (hm ³)	0.5	0.7	11.2
Total R&D&I (millions of euros)	15	18.3	17.9
Activity certified under ISO 9001 (%)	67	77	85
Emissions avoided (thousands of tonnes of CO ₂)	30	334	470
Emissions generated (thousands of tonnes of CO ₂)	45.0	49.0	42.1
Water footprint (hm ³)	-0.7	-1	-0.9
Activity certified under ISO 14001 (%)	67	77	85
Average equivalent headcount	4,608	5,210	4,423

Key project

La Chira WWTP – Peru. ACCIONA Agua

The project, located in the south of Lima, involves the design, construction, financing, operation and maintenance (for 25 years) of La Chira waste-water treatment plant and underwater outflow pipe.

The plant will help resolve the health and environmental problems of the Peruvian capital caused by the discharges of the Surco and Circunvalación collectors, which currently discharge directly into the sea without any treatment.

The new WWTP will allow the environmental recovery of existing beach areas that are contaminated, increasing their use as recreational and tourism space, and will encourage the promotion of tourism projects in the area of influence.

The concessionaire will build the necessary infrastructure and provide the state water-treatment company Sedapal (Servicio de Agua Potable y Alcantarillado) with the treatment service for approximately

25% of the Peruvian capital's waste water which will serve about two and a half million people. The plant will have average treatment capacity of 6.3 cubic metres per second and a maximum of 11.3 cubic metres per second.

All of the unskilled labour comes from the area of direct influence of the project, whereas for skilled labour, priority has been given to the recruitment of local staff.

As a mark of the Company's environmental commitment, the use of additional inputs has been reduced through two practices: using the material extracted from the excavations to improve the project's interior access routes, and using the material extracted during the construction of the tunnel to build an embankment.

During the execution of the project, various social initiatives have been implemented that have benefitted around 300 residents of the local community.

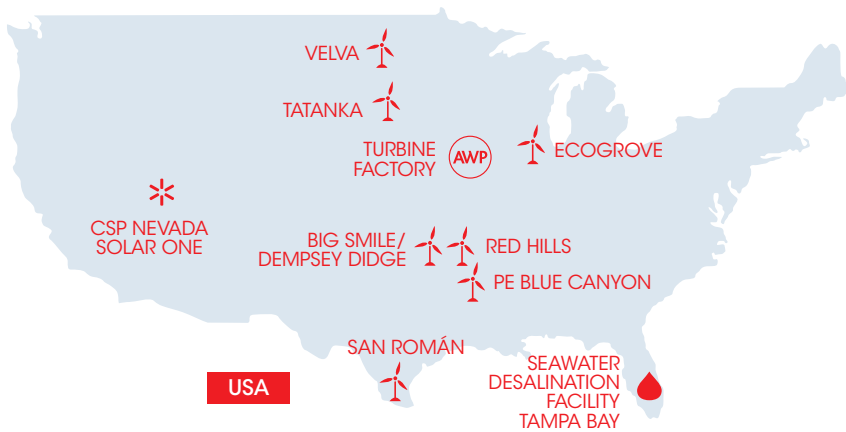
Below is a list of the most significant initiatives:

- Training and job insertion workshops.
- Workshops to promote communication and integration in the community as well as family awareness-raising and risk prevention, among others.
- Collaboration in the construction of a community centre.
- Visits to the community in the area of influence of the project.
- Informative talks to the community about the scope of the project.
- Planting of 1,000 m² of grass, 7 trees and 213 plants and shrubs.

North America

ACCIONA PROJECTS

Operational and Under Construction



ACCIONA's contribution

ACCIONA's performance indicators in the region	2013	2014	2015
Revenues (millions of euros)	522	901	1,353
Energy produced (total GWh)	4,532	4,967	4,752
Water managed (desalinated/drinking/treated) (hm ³)	6.6	5.6	0.8
Total R&D&I (millions of euros)	1.8	4.9	37.7
Activity certified under ISO 9001 (%)	92	93	95
Emissions avoided (thousands of tonnes of CO ₂)	2,981	3,126	3,935
Emissions generated (thousands of tonnes of CO ₂)	32	28.6	18.01
Water footprint (hm ³)	2.1	1.3	-0.2
Activity certified under ISO 14001 (%)	92	93	95
Average equivalent headcount	1,442	1,376	1,974

Key project

Atotonilco WWTP – Mexico. ACCIONA Agua

The plant is one of the largest projects of the Water Sustainability Programme of the Valley of Mexico Watershed, and the largest water treatment plant built and operated by ACCIONA Water.

The Atotonilco WWTP aims to treat the waste water produced in the Valley of Mexico, where the country's capital, Mexico City, is located.

Commissioned in November, it is scheduled to be operative in 2016 (with ACCIONA taking care of operation and maintenance for 25 years) for the National Water Commission (CONAGUA). The construction portion of this project is worth 311 million euros, while the operation and maintenance are valued at 1,330 million euros.

It has a nominal average treatment capacity of 35m³/s and a maximum of 50m³/s, including final disposal of the solid waste and sludge generated. The plant is also equipped with a cogeneration system to make use of the biogas produced in the digestion process and provide maximum energy savings.

This installation treats the waste water of ten and a half million people (representing 60% of the waste water generated by Mexico City). In addition, the treated waste water will be reused for irrigating 80,000 hectares of land.

In 2011, the project won the *Global Water Intelligence Award* for Best Contract. The project is expected to provide employment for more than 2,000 people.

Some of the notable social and environmental initiatives implemented in the project are as follows:

- Refurbishing of the computer room in a school and remodelling of a garden.
- Renovation of local infrastructures.
- Educational scholarships.
- Participation in environmental fairs.
- Reforestation of areas close to the facility.
- Irrigation of plants and trees.
- Donation of PET, cardboard, wood, electronic waste containers and portable radios to various schools and community organisations.

Measurement of the socio-economic impact of ACCIONA Energy in Mexico

During 2015, a study was carried out on the socio-economic impact of ACCIONA Energy in Mexico for wind technology with a twofold focus:

1. Calculating the real impact of the company's activities in Mexico:

Taking into account that in 2014 ACCIONA Energy produced 22% of Mexico's wind energy (556 MW).

Results since 2014:

- **Employees:** 226 people hired directly by ACCIONA since 2014.
- **Contractors and suppliers:** more than 6,100 direct and indirect jobs generated.
- More than 1,100 induced jobs.
- More than 160 million euros contributed to Mexico's GDP.
- 15.7 million euros saved on gas imports thanks to the production of wind energy.
- More than 22.75 million euros in tax contributions.

2. Calculating the impact per installed MW based on the average CAPEX and OPEX data considering the entire life cycle of the installation:

Results:

For every installed MW of wind power in Mexico, 54 job-years* will be created throughout its life cycle, and 1.04 million euros in GDP will be generated.

(*). Employment creation is defined in terms of "job-years". This unit corresponds to the number of Full-time Equivalent (FTE) jobs for one year of duration.

Europe

(Not including Spain)

ACCIONA PROJECTS

Operational and Under Construction



ACCIONA's contribution

ACCIONA's performance indicators in the region	2013	2014	2015
Revenues (millions of euros)	703	672	627
Energy produced (total GWh)	1,239	1,027	1,007
Water managed (desalinated/drinking/treated) (hm ³)	162.9	130.3	145.9
Total R&D&I (millions of euros)	3.5	9.7	15.5
Activity certified under ISO 9001 (%)	94	89	88
Emissions avoided (thousands of tonnes of CO ₂)	954	747	781
Emissions generated (thousands of tonnes of CO ₂)	24.0	24.8	13.9
Water footprint (hm ³)	160.4	128.1	143.7
Activity certified under ISO 14001 (%)	81	75	74
Average equivalent headcount	7,046	5,016	4,099

Key project

Follo Line – Norway. ACCIONA Construction

Developed by the ACCIONA and Ghella consortium, Follo Line involves the design and construction of twin tunnels 20 km in length with the aim of facilitating the movement of high-speed trains travelling at up to 250 km/h. These will be the longest railway tunnels in Scandinavia.

This contract, signed for a value of approximately 1 billion euros, will make it possible to link the cities of Oslo and Ski, forming the central axis of the intercity line heading south from the Norwegian capital, cutting the journey time by half and increasing goods train capacity (a goods train can carry the same volume as 24 heavy goods vehicles).

During the construction work, nuisance could be caused to communities (such as noise and vibration). For this reason constant communication is maintained with those communities through different channels (e.g. periodic meetings, SMS notifications, newsletters and online information).

Throughout the year, the consortium, together with the client (Jernbaneverket), organised several multicultural workshops with employees. The aim was to tackle cultural differences and how to cooperate regardless of employees' nationalities.

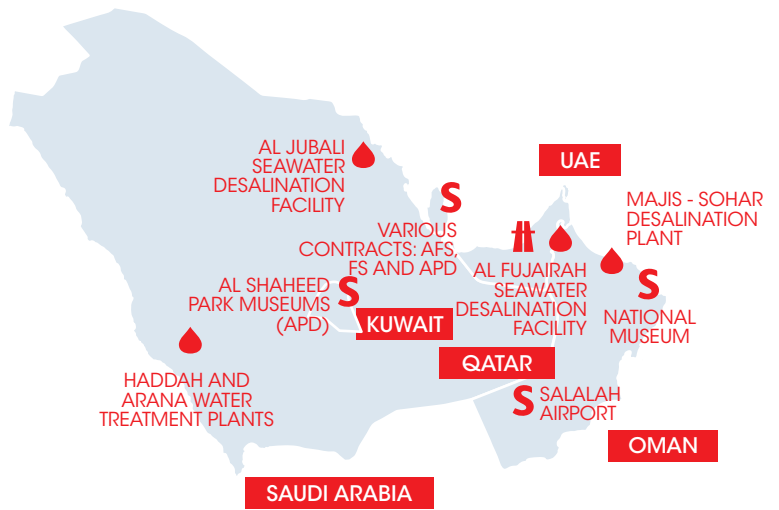
During 2015, ACCIONA worked together with Jernbaneverket in contacting the communities to present both the project itself and the initiatives that will be carried out during its execution. This joint work will continue throughout the duration of the project.

At the beginning of 2016, a website was launched which stakeholders can access to learn about the phases of the project and make contact if they have any suggestions or complaints.

Asia and Oceania

ACCIONA PROJECTS

Operational and Under Construction



ACCIONA's contribution

ACCIONA's performance indicators in the region	2013	2014	2015
Revenues (millions of euros)	349	321	411
Energy produced (total GWh)	1,452	1,165	1,172
Water managed (desalinated/drinking/treated) (hm ³)	54.8	97.0	56.5
Total R&D&I (millions of euros)	28.2	5.1	1.1
Activity certified under ISO 9001 (%)	92	80	69
Emissions avoided (thousands of tonnes of CO ₂)	1,177	948	968
Emissions generated (thousands of tonnes of CO ₂)	30	39	44.3
Water footprint (hm ³)	29.3	63.3	39.1
Activity certified under ISO 14001 (%)	92	80	69
Average equivalent headcount	312	260	291

Key project

Nambucca – Australia. ACCIONA Construction

The ACCIONA-Ferrovial consortium has been awarded the contract for a section of the Pacific Highway in Australia.

The project involves the design and expansion of approximately 19.5 km of the road between Warrell Creek and Nambucca Heads, and will include new bridges over the Nambucca river and Warrell Creek. Work on this stretch of road began in 2015.

The Pacific Highway is the busiest route in Australia, linking Sydney, the country's biggest city, with Brisbane, the third-largest in terms of inhabitants. The road is being upgraded and expanded as part of the government's plan to boost infrastructure investment.

More than 15,000 motorists travel on the Warrell Creek to Nambucca section of the Pacific Highway every day, according to Warren Truss, Deputy Prime Minister and Minister for Infrastructure and Regional Development. This project will have significant impact in terms of easing

congestion on this highway, as well as improving its safety.

The upgrade of this section of the motorway is being co-financed by the governments of Australia and New South Wales.

This project is accompanied by a Social Action Plan, which proposes how to manage participation with the community and other stakeholders throughout the project. The aim of this plan is to ensure that all interested and affected parties have the opportunity to understand the nature of the works, express their comments and concerns, and have these taken into account during the design and delivery of the project. It also addresses the question of how community participation requirements will be complied with to ensure that there are high levels of participation, awareness raising and resolution of problems. To this end, a community centre has been made available as a point of contact between the project and the community for people to visit either in person or electronically via email or telephone.

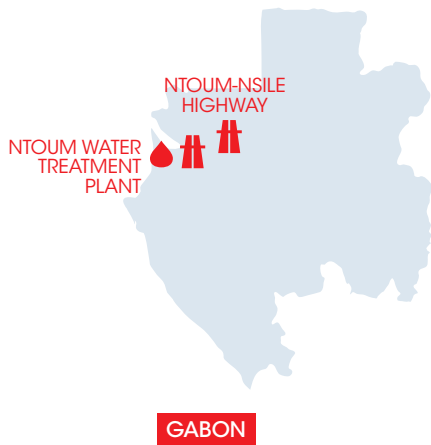
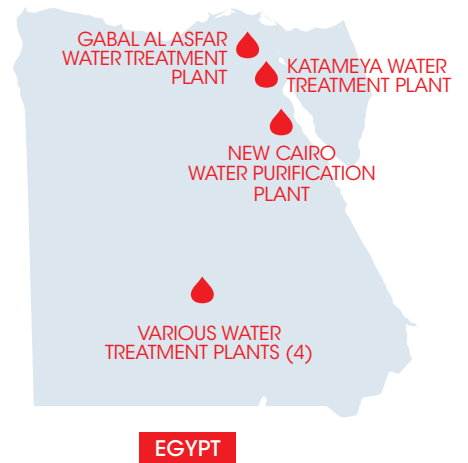
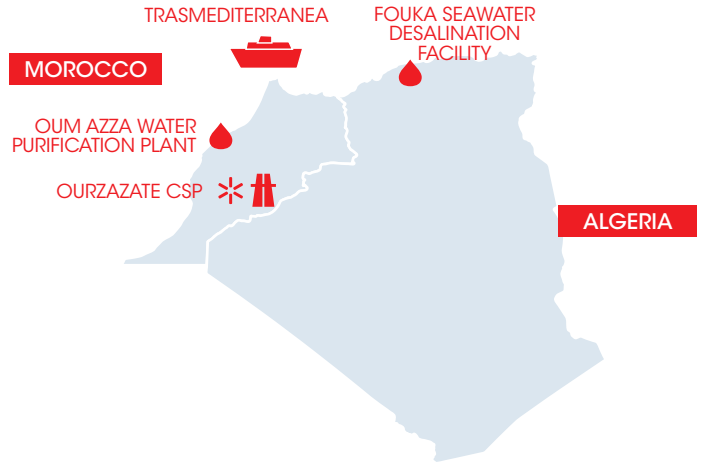
Among the social actions that are being carried out in addition to this Social Action Plan, mention should be made of the collection of funds for various social groups such as families affected by traffic accidents and local helicopter rescue teams, as well as actions on behalf of the Cancer Foundation to help raise awareness of prostate cancer.

The upgrade of the Pacific Highway section was ACCIONA Infrastructures' first large project in New South Wales, while in Brisbane (Queensland), ACCIONA had already headed the consortium for the Legacy Way tunnels project with a value of \$1.5 billion. This project won several international awards for the introduction of innovative methods of sustainable construction and for breaking the world speed record for tunnel construction.

Africa

ACCIONA PROJECTS

Operational and Under Construction



ACCIONA's contribution

ACCIONA's performance indicators in the region	2013	2014	2015
Revenues (millions of euros)	86	176	169
Energy produced (total GWh)	0	47	438
Water managed (desalinated/drinking/treated) (hm ³)	19.5	19.5	19.6
Total R&D&I (millions of euros)	0.1	2.7	10.4
Activity certified under ISO 9001 (%)	0	0	24
Emissions avoided (thousands of tonnes of CO ₂)	0	63	714
Emissions generated (thousands of tonnes of CO ₂)	53.0	61.3	40.0
Water footprint (hm ³)	-4.8	-6.9	-2.7
Activity certified under ISO 14001 (%)	0	0	24
Average equivalent headcount	444	481	227

Key project

Gouda wind farm – South Africa. ACCIONA Energy

ACCIONA Energy, together with its partners Aveng, SCBBEC and Local Community Trust, were awarded two projects in May 2012: the Gouda wind farm (138 MW) and the Sishen I photovoltaic plant (75 MW) for the South African Department of Energy.

The Gouda wind farm, in operation since August 2015, comprises of 46 turbines of 3 MW using ACCIONA Windpower technology.

The average output of this installation, at around 423 gigawatt hours (GWh) per year, will cover the electricity demand of some 200,000 South African households and avoid the emission of 406,000 tonnes of CO₂ in coal-fired plants.

This project has signed an electricity contract with Eskom that will have a duration of 20 additional years.

In 2013, the Company began evaluating the social impact of the project with the aim of identifying and working on the positive and negative impacts, alongside the Local Community Trust.

Social initiatives carried out in the community during this year included the following:

- Support for the "dream, imagine and create" programme, which helps to create a safe space for children and young people during their holidays.
- Support for the activities of World AIDS Day, when a parade was held, free tests were provided and advice was offered on ways to combat this disease.
- Donation in kind towards the maintenance of community programmes organised by local churches.

Measurement of the socio-economic impact of ACCIONA Energy in South Africa

During 2015, a study was made of the socio-economic impact of ACCIONA Energy in South Africa for two technologies (138 MW wind power and 74 MW solar photovoltaic) with a twofold focus:

1. Calculating the real impact of the company's activities in South Africa:

Results:

- **Employees:** 37 people hired directly by ACCIONA in 2014 and 66 in 2015.
- **Contractors and suppliers:** more than 7,000 direct and indirect jobs generated by the activity since 2013.
- More than 2,500 induced jobs since 2013.
- More than 222 million euros contributed to South Africa's GDP since 2013.
- Since 2015 in wind power and 2014 in solar photovoltaic, a total of 11.4 million euros in climate-change costs associated with greenhouse gas emissions has been avoided.
- 791,464 Euro invested in R&D&I since 2015.

2. Calculating the impact per installed MW based on the average CAPEX and OPEX data considering the entire life cycle of the installation:

Results:

Wind: For every installed MW of wind power in South Africa, 45 *job-years** will be created throughout its life cycle, and 1.14 million euros in GDP will be generated.

Solar photovoltaic: For every installed MW of solar photovoltaic power, 54 *job-years** will be created throughout its life cycle, and 1.33 million euros in GDP will be generated.

(*) Employment creation is defined in terms of "job-years". This unit corresponds to the number of Full-time Equivalent (FTE) jobs for one year of duration.

MATERIALITY ANALYSIS

Identify and transmit the relevant issues

ACCIONA has carried out a Materiality Analysis with the aim of communicating to the target stakeholders of this document any relevant aspects that are of interest to the Company. To this end, more than 120 issues have been identified and compared with each line of business.

Focusing on what is relevant (G4-18a)

The information compiled in the chapter on ACCIONA's Commitment is based on the materiality analysis carried out *ad hoc* for the drafting of this Sustainability Report 2015.

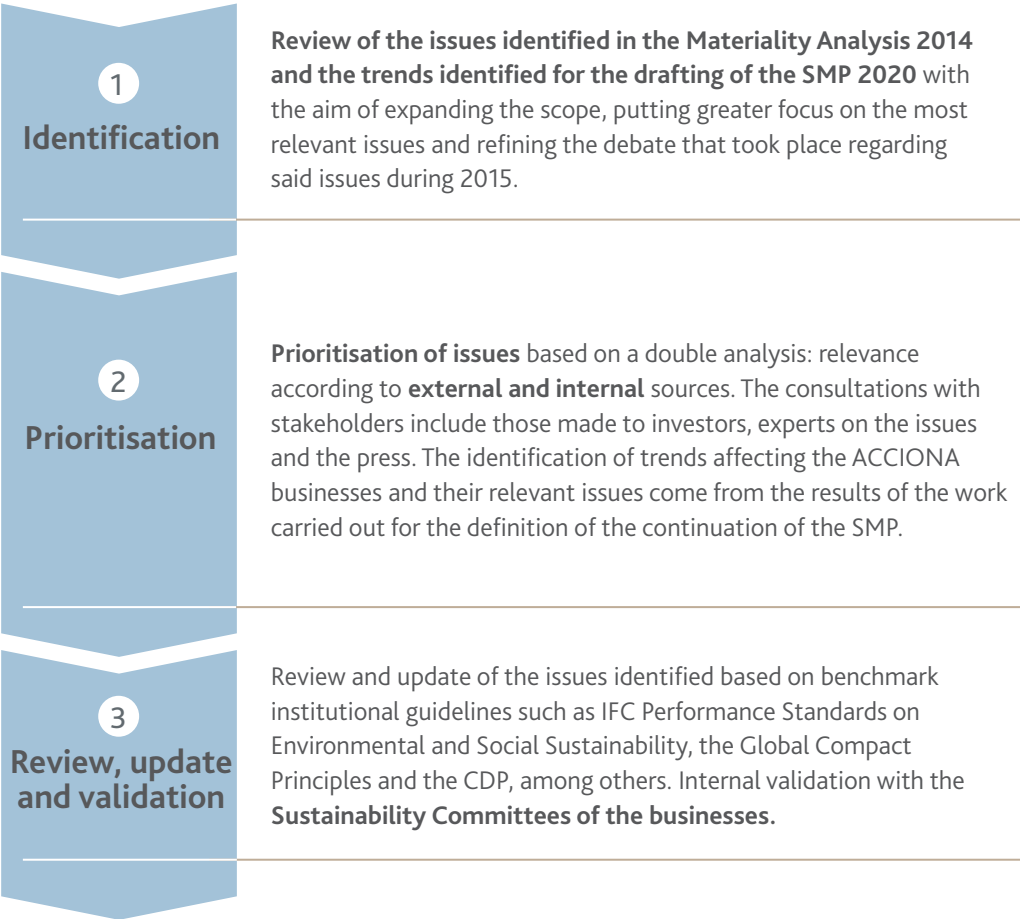
The criteria, principles, and content included in this document follow the G4 framework of the Global Reporting Initiative (GRI) for sustainability reporting for the third consecutive financial year. One of the new elements in that version of the guide is the identification of the issues that are relevant for ACCIONA's different businesses and for their stakeholders based on the materiality analysis. This allows the Company to lay special emphasis on the most important issues, ensuring these are covered in the Report.

The analysis has been carried out for the two main lines of business of the Company: ACCIONA Energy and ACCIONA Infrastructure, the latter including the Construction, Industrial, Water and Service divisions. For this reason, throughout this chapter we show the results obtained from this analysis for each of the lines of business mentioned.

The chapter on ACCIONA's Commitment provides a detailed description of the performance and progress of each of the main pillars of the Sustainability Master Plan (SMP) based on this analysis.

The criteria, principles and contents included in this document follow the G4 framework by GRI for the **third consecutive year**

Methodology G4-25, G4-26





1. IDENTIFICATION OF MATERIAL ASPECTS (G4-18a, G4-25)

This Materiality Analysis cross-checks the cornerstones of the ACCIONA's SMP and the Company's business lines, with the aim of identifying the specific issues for each activity of the organisation.

The 2015 Materiality Study has been an extension of the issues identified in the previous financial year which were validated internally by the Sustainability Committees of each business. The analysis has been updated based on benchmark data sources for the sectors of ACCIONA that are specified in the prioritisation phase, and weighing each of the issues based on the importance that they reflect in the identification of trends that have determined the lines of action of the main pillars of the new Sustainability Master Plan (checked both internally and externally). These sources make it possible to identify nuances and particularities of the issues for each business line.

2. PRIORITISATION OF MATERIAL ASPECTS (G4-26)

The prioritisation of the issues has been determined on the basis of an analysis of data sources:

- a) Relevance given by investors and press.
 - Criteria and issues assessed in the Dow Jones Sustainability Index survey.
 - Expectations of investors in terms of social, environmental and corporate governance criteria.
 - Press analysis: analysis of relevant issues for stakeholders identified in different media
- b) Internal relevance from the study of benchmark companies in the sector and benchmark bodies and institutions.
 - Analysis of two companies by line of business, identifying the most relevant issues and their main action points.
 - International bodies and sector institutions: WBCSD, WWF (Energy), International Project Finance and Institute for Sustainable Infrastructure (Construction and Industrial), United States Environmental Protection Agency and WBCSD (Water) and International Solid Waste Association and ECOEMBES (Services).
- c) Internal relevance, based on the identification of trends affecting the businesses of ACCIONA.

- Consultations with experts and identification of relevant issues resulting from the work carried out for the definition of the SMP.
- Consultation of significant documents on a world and sector level.

3. REVIEW, UPDATE AND VALIDATION OF MATERIAL ASPECTS (G4-18a)

The issues were updated based on institutional guidelines such as: IFC Performance Standards on Environmental and Social Sustainability, the Global Compact Principles, the CDP, the AA1000 standard and new criteria incorporated in the main sustainability rating agencies. Furthermore, they were reviewed according to the reporting requirements of the GRI sector supplements for the sectors of Construction and Real Estate and Electric Utilities.

No significant changes have been made to material aspects compared to the previous financial year, whose results were validated by the different Sustainability Committees of the businesses.

Results of the materiality analysis by business line

Below, out of the 120 issues identified, it is shown those which are relevant or material for each division: ACCIONA Energy and ACCIONA Infrastructure (Construction, Industrial, Water and Services).

The Report also includes relevant information about the Company's other businesses (Bestinver, Hijos de Antonio Barceló, Real Estate and Transmediterranea).

With the aim of connecting data regarding the Company's sustainability and thus to be able to further examine the issues of most interest, a key has been created to connect the issues of this chapter with the issues dealt with in ACCIONA's SMP 2015.

- Corporate Governance
- People
- Innovation
- Environment
- Value Circle
- Society
- Stakeholder Engagement
- Dissemination and Leadership
- Accountability

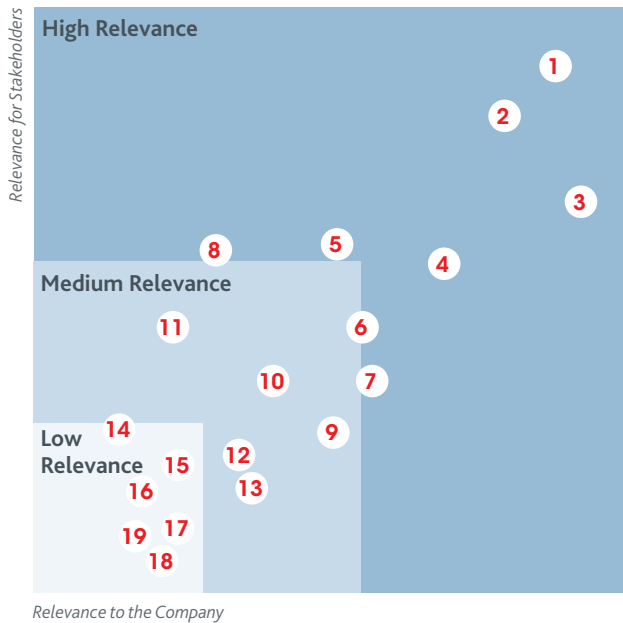
Structure of the results

For each of the lines of business of ACCIONA, the results of the Materiality Analysis 2015 are shown according to the following structure:

- Firstly, it includes the materiality matrix of the line of business, with all relevant or material aspects that have been assessed in the analysis carried out, classified in terms of internal and external relevance. In the case of ACCIONA Construction and ACCIONA Industrial, the material aspects are shown jointly in the absence of significant differences between their respective analyses.
- Below, emphasis is put on the industry context of each of the first three most relevant issues for each of the business line.

Climate change mitigation and adaptation is the main material aspect of ACCIONA Energy

Material aspects ACCIONA Energy (G4-19)



Of all aspects assessed, the following first three, those that have obtained the highest relevance, are described.

- | | |
|--|--|
| 1. Climate change mitigation and adaptation | 11. Talent attraction and retention/development of human capital |
| 2. Impact and dialogue with local communities and job creation | 12. Biodiversity |
| 3. Risk management | 13. Environmental management |
| 4. Ethics and compliance | 14. Sustainability performance |
| 5. Sustainable innovation | 15. Equality and diversity |
| 6. Health and safety | 16. Waste |
| 7. Safety and quality of supply | 17. Human rights |
| 8. Corporate governance | 18. Materials |
| 9. Sustainable management of suppliers | 19. Product and service life cycles |
| 10. Sustainable water management | |

**1. CLIMATE CHANGE
MITIGATION AND ADAPTATION**

**Why is it important
for the energy sector?**

The COP 21 has defined a new international scenario to contain climate change. As at December 2015, 187 of the 195 countries that took part presented their national commitments to fight against climate change. Among them, three of the most polluting companies: China, USA and India. During 2015, there has been an increase in the participation of the private sector, which will have a crucial role in the climate change agenda on a world scale.

According to the report *Weathering the next storm: A closer look at business resilience* by the *Center for Climate and Energy Solutions*, 90% of companies included in the S&P Global 100 Index identify climate change as a current or future risk. On the other hand, we should mention ACCIONA's commitment to fighting climate change, which is reflected in its inclusion in the CDP index **Climate A list 2015**, considered one of the best in the industry due to its promotion of a transition to a low carbon economy.

Furthermore, according to the World Bank, an increasing number of countries will implement regimes for the trade of emission allowances and there are plans for promoting programmes to regulate said trade.

When it comes to establishing climate change **mitigation** and **adaptation** actions, companies must identify in advance the risks which they may face. Furthermore, methodologies must be developed for measuring and quantifying the financial impact of climate change on the Company.

[For further information, please refer to the issue of **Environment** in the chapter on ACCIONA's Commitment]

**2. IMPACT AND DIALOGUE WITH LOCAL
COMMUNITIES AND JOB CREATION**

**Why is it important
for the energy sector?**

Investors require companies to pay greater attention to their contribution to local communities. For this reason, an increasing number of companies in the energy sector identify the need to maintain **communication and engage with the local community** by means of developing programmes and lines of action that require a social and economic drive. The companies commit to dialogue and the creation of local employment, minimising the negative impact on communities, which makes it easier to obtain the **social licence to operate**. This licence refers to the acceptance of the companies and their projects within local communities.

This will imply an increase in **transparency with regard to the real impact** of the activities of the companies. An example of the increase in transparency will be reflected on 6 December 2016, when the EU publishes the guidelines on social and environmental information that reports should include as from 2018.

[For further information, please refer to the issues of **Society and Stakeholder Engagement** in the chapter on ACCIONA's Commitment]

3 RISK MANAGEMENT

Why is it important for the energy sector?

Energy is a strategic and basic resource for the development of populations and countries, and is subject to different regulatory variations.

The surge of renewable energies is also connected to the need for consistent regulatory systems that offer legal security to companies in charge of developing said technologies.

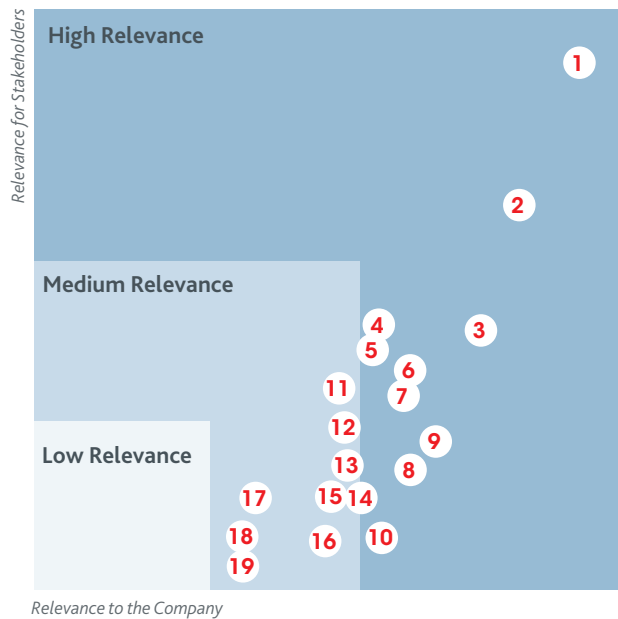
Furthermore, geographical diversification entails exposure to a range of regulatory environments, making even more relevant an adequate management of regulatory risks. The regulatory instability brought about by the energy reform implemented over recent years in Spain has brought significant challenges for the companies in the sector.

On the other hand, in the longterm it is expected that there will be an increase in the demands by investors for the inclusion of environmental, social and governance issues (ESG) in the risk management models of companies. The failure to include said aspects will lead to mistrust, limiting access to financing.

[For further information, please refer to the topic of **Corporate Governance** in the chapter on ACCIONA's Commitment]

Ethics and Compliance
are the most relevant
aspects in the
**Construction and
Industrial** sectors

**Material aspects
ACCIONA Infraestructura: Construction and Industrial (G4-19)**



Of all aspects assessed, the following first three, those that have obtained the highest relevance, are described.

- | | |
|--|--|
| 1. Ethics and compliance | 9. Risk management |
| 2. Impact and dialogue with local communities and job creation | 10. Environmental management |
| 3. Health and safety | 11. Talent attraction and retention and development of human capital |
| 4. Climate change mitigation and adaptation | 12. Customers |
| 5. Sustainability performance | 13. Human rights and working conditions |
| 6. Corporate governance | 14. Sustainable water management |
| 7. Materials | 15. Sustainable innovation |
| 8. Sustainable management of suppliers | 16. Waste |
| | 17. Equality and diversity |
| | 18. Biodiversity |
| | 19. Product and service life cycles |

1. ETHICS AND COMPLIANCE

Why is it important for the construction and industrial sector?

One of the greatest concerns in today's society, and one of the most frequent risks faced by companies working with public contracts, is corruption (CIS, 2014). According to the *McKinsey Infrastructure Practice Report*, one of the obstacles for obtaining private financing for infrastructure projects is mistrust by politicians and citizens in the delegation of public assets to private property. Many of these concerns derive from the frequency of conflicts and corruption in the sector. Tax evasion by companies is also one of society's great concerns.

Investors and customers show a growing interest in companies with robust integrity systems and transparent business practices, which provides trust and credibility.

Following the reform of the Penal Code in Spain in July 2015, companies have more awareness of the importance of having a regulatory compliance policy. This is encouraging companies to be more responsible and stricter with regard to their response to offences made by employees.

[For further information, please refer to the topic of **Corporate Governance** in the chapter on ACCIONA's Commitment]

2. IMPACT AND DIALOGUE WITH LOCAL COMMUNITIES AND JOB CREATION

Why is it important for the construction and industrial sector?

The construction of infrastructures brings about a significant **impact**, both positive and negative, on local communities. For this reason, corporate strategies must be aligned with the promotion of positive effects on communities and the reduction and mitigation of negative effects.

In many cases, the works in this sector involve **population displacements**. This is why alternative approaches must be sought, agreed with the communities by means of social impact assessments, which allow the development of the programme in harmony with the interests of the community. It is also essential to carry out **assessments** of real and potential impacts on the rights of these communities. Furthermore, in the case of displacements or relocations, companies should **compensate** populations, not only because of the economic impact, but also because of the **non-financial impacts** (for instance, the loss of culture and access to sacred sites), according to the *Reference Guide to the UN Declaration on the Rights of Indigenous Peoples*.

The relevant positive impacts at local level include the creation of employment and the hiring of local suppliers. Large investments require there to be an adequate workforce and an appropriate productive environment in the area where the project is going to take place. For instance, a good practice is for companies to work with educational institutions to train people who will subsequently be hired.

[For further information, please refer to the topics of **Society and Stakeholder Engagement** in the chapter on ACCIONA's Commitment]

It is increasingly important that **health and safety demands** are extended to the entire supply chain of the companies

3. HEALTH AND SAFETY

Why is it important for the construction and industrial sector?

In the construction sector, health and safety in the workplace is a strategic and distinguishing priority. Companies should have **certified health and safety management systems** that identify the risks associated with their activity and establish ambitious targets and measures to mitigate them.

Companies and public institutions should carry out actions to **ensure high levels of health and safety** in the workplace, according to the 2nd European Survey of Enterprises on New and Emerging Risks by the European Agency for Safety and Health at Work. It is essential to provide employees and third-party workers with the procedures, measures and capabilities to carry out their work in safe conditions, given that it is increasingly important for **health and safety demands** to extend to the entire supply chain of companies aiming to **align their principles with those of their suppliers**.

Senior management carries out an essential role in the establishment of a **corporate culture** on this issue. Furthermore, it is considered good practice for health and safety performance to be linked to the variable remuneration of employees.

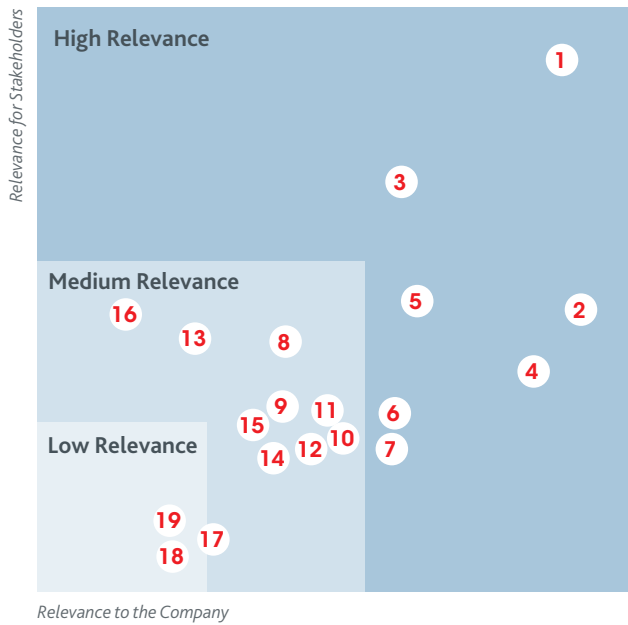
According to the Strategic Framework for Occupational Health and Safety of 2014-2020 of the European Union, three main challenges are identified:

- Improving the implementation of already existing health and safety regulations.
- Improving the prevention of work-related illnesses by treating new emerging risks as well as current risks.
- Taking into account the age of workers.

[For further information, please refer to the topic on **People** in the chapter on ACCIONA's Commitment]

For ACCIONA Agua, impact and dialogue with local communities and job creation is the most relevant aspect

**Material aspects
ACCIONA Infraestructura: Agua (G4-19)**



Of all aspects assessed, the following first three, those that have obtained the highest relevance, are described.

- | | |
|--|---|
| 1. Impact and dialogue with local communities and job creation | 11. Risk management |
| 2. Sustainable water management | 12. Customers |
| 3. Ethics and compliance | 13. Corporate governance |
| 4. Water quality | 14. Biodiversity |
| 5. Climate change mitigation and adaptation | 15. Development of human capital |
| 6. Sustainable innovation | 16. Sustainability performance |
| 7. Health and safety | 17. Equality and diversity |
| 8. Human rights and working conditions | 18. Sustainable management of suppliers |
| 9. Talent attraction and retention | 19. Product and service life cycles |
| 10. Waste | |

1. IMPACT AND DIALOGUE WITH LOCAL COMMUNITIES AND JOB CREATION

Why is it important for the water sector?

Investors require companies to pay greater attention to their positive contribution to local communities. An increasing number of companies in the water sector identify the need to communicate and be involved with the local community through the **development of tools for dialogue with these communities** that make it possible to define programmes and lines of action that lead to social and economic progress.

More specifically, water management on a local level should be focused on the following aspects to ensure quality, sustainability and reach:

- Informing the communities where the Company operates.
- Providing tools and processes to promote local participation in water management.
- Answering the demand of communities.
- Fostering the participation of women.
- Providing training on the management of conflicts of interest to employees.
- Establishing good relations with local institutions and organisations.

Furthermore, one of the main contributions of the companies to the Sustainable Development Goals is the development of the communities in which they operate, fostering attention towards this issue by groups of agents such as public administrations, companies, citizens, etc. In this way, the companies are in alignment with the UN Global Agenda for collaboration in sustainable development.

[For further information, please refer to the topics of **Society and Stakeholder Engagement** in the chapter on ACCIONA's Commitment]

2. SUSTAINABLE WATER MANAGEMENT

Why is it important for the water sector?

Water crisis is the third risk posing greatest impact, according to the *Global Risks Report 2016* of the World Economic Forum. It is a systemic risk, linked to climate change, poverty/inequality and economic development. The Sustainable Development Goals include the availability and sustainable management of water and sanitation for everyone as a priority.

Water is the new carbon in terms of importance for risk management and the effect on the companies' operations. Within this issue, we draw attention to the issues related to the **Company's water consumption** (or water footprint) and the establishment of **goals for its reduction**.

Companies should measure their **water footprint** throughout the entire value chain and try to reduce it wherever possible. Reducing the water footprint is not only positive for the environment, but also for improving the Company's efficiency and reputation. In order to have adequate water management, companies must set reduction goals, and establish water saving and efficiency measures to achieve them. Likewise, it is appropriate to establish a monitoring system for said goals to ensure they are reached.

Sustainable management of water should provide an answer to different problems deriving from the characteristics of this renewable natural resource: guaranteeing sustainable use, protecting and restoring its quality, both for human and ecological use, and preventing water scarcity from being an obstacle for reasonable social development. Given that the water sector lives off this resource, its sustainable management to ensure its quality and that of everything that water represents, is crucial.

[For further information, please refer to the topic of **Environment** in the chapter on ACCIONA's Commitment]

3. ETHICS AND COMPLIANCE

Why is it important for the water sector?

Companies must act under the strictest **ethical and integrity standards** in keeping with their principles and values in all the countries where they operate. One of the greatest concerns in today's society, and one of the most frequent risks faced by companies working with public contracts, is **corruption**. For this reason, the companies must guarantee ethical behaviour through their performance and transparency.

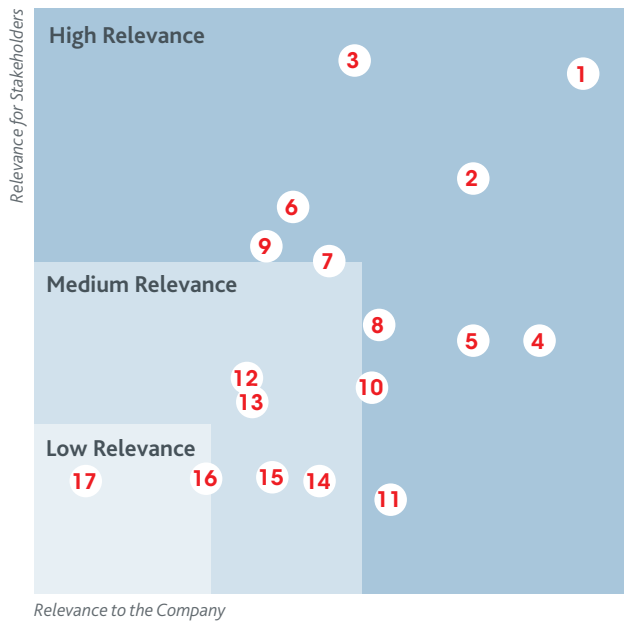
In order to furnish the Company with trustworthiness and credibility, it is important to provide clear and transparent information regarding issues such as taxation. It is necessary to report fiscal information at international, national and regional levels, given that tax evasion is also an issue that concerns the Company.

Furthermore, it is relevant that companies have an ethical channel that allows stakeholders to report non-ethical conduct.

[For further information, please refer to the topic of **Corporate Governance** in the chapter on ACCIONA's Commitment]

Climate Change mitigation and adaptation play a relevant role in all businesses

**Material aspects
ACCIONA Infraestructura: Services (G4-19)**



Of all aspects assessed, the following first three, those that have obtained the highest relevance, are described.

- 1. Climate change mitigation and adaptation
- 2. Ethics and compliance
- 3. Sustainability performance
- 4. Environmental management
- 5. Sustainable water management
- 6. Corporate governance
- 7. Impact and dialogue with local communities
- 8. Talent attraction and retention, development of human capital and job creation
- 9. Human rights and working conditions
- 10. Sustainable innovation
- 11. Waste
- 12. Health and safety
- 13. Materials
- 14. Equality and diversity
- 15. Customers/mechanisms for gathering client feedback
- 16. Sustainable management of suppliers
- 17. Biodiversity

1. CLIMATE CHANGE MITIGATION AND ADAPTATION

Why is it important for the services sector?

In 2015, in **COP 21**, 195 countries, including China, the USA and India, signed an agreement against climate change that highlights the need for companies to incorporate this factor in their strategy.

In establishing **actions geared towards mitigating and adapting** to climate change, companies must previously identify the risks which they may face. Furthermore, methodologies should be developed for measuring and quantifying the economic impact of climate change on the Company.

In order to show their **performance and commitment** to the reduction of possible impacts, companies should include in their periodic reports factors related to

energy efficiency, waste recycling and the reduction of greenhouse gas emissions (GHG), among others.

Companies dedicated to waste management offer significant opportunities as regards the reduction of greenhouse gas emissions. Through the implementation of proven, cost-efficient technologies, they can contribute to mitigating and reducing polluting emissions. Waste policies and regulations can be strong national driving forces in reducing greenhouse gas emissions. To reduce emissions in cleaning services, the ISWA (International Solid Waste Association) proposes measures such as:

- Rationalising waste collection services, improving fuel efficiency and

introducing alternative fuels, developing new forms of transport, etc.

- Increasing the recovery of materials and replacement fuels.
- Replacing the energy produced from fossil fuels by thermal energy and electricity from waste combustion, and recovering metals and ashes from incineration.
- Installing collection systems and treatment of landfill gases and using the landfill gases as fuel.

[For further information, please refer to the topic of **Environment** in the chapter on ACCIONA's Commitment]

2. ETHICS AND COMPLIANCE

Why is it important for the services sector?

One of the greatest concerns in today's society, and one of the most frequent risks faced by companies working with public contracts, as is the case of the services sector, is **corruption**.

Companies must act under the strictest **ethical and integrity standards**, and must adhere to their principles and values in all the countries where they operate.

In order to furnish the Company with trustworthiness and credibility, it is important to provide **clear and transparent** information on issues such as taxation. It is necessary to report tax information both on an international level and a national and regional level.

Furthermore, in the development of a system of solid and transparent control, the companies should attach importance to having an ethical channel that allows stakeholders to report non-ethical conduct.

[For further information, please refer to the topic of **Corporate Governance** in the chapter on ACCIONA's Commitment]

3. SUSTAINABILITY PERFORMANCE

Why is it important for the services sector?

A strategic factor for companies is **sustainability**. Externally, it is important to show to the different stakeholders the commitment to and progress made in the management and fulfilment of their expectations. Both corporate websites and management reports should include sustainability-related information.

Internally, all employees in a company are **responsible** for the sustainability performance. Training on key sustainability issues is important for **raising awareness and educating** workers. A practice used to achieve this end is to establish a variable remuneration for employees linked to their performance in terms of sustainability.

Another incentive used by companies is the development of activities that involve some of the main stakeholders. In this regard, it is worth pointing out the organisation of sustainability awards aimed especially at employees and suppliers.

Inclusion in sustainability indexes creates a value that sets the companies apart in tenders and public auctions. This sector generates a multiplier effect given that its practices are very visible to users and, therefore, very sensitive to sustainability performance.

[For further information, please refer to the topics of **People, Dissemination and Leadership and Accountability** in the chapter on ACCIONA's Commitment]

Scope of the material aspects

The matrices for representation of the material aspects by line of business pinpoint global aspects. The definition of each aspect for each division is included

below, indicating whether this aspect has an internal impact or affects external stakeholders and, therefore, whether its impact goes beyond the organisation.

Therefore, below is a list of identified aspects for which the relevance or materiality has been analysed for the different divisions.

G4-19, G4-20, G4-21

Material aspects within the organisation		
ASPECTS	ACCIONA (applicable to all lines)	ACCIONA Energy
Talent attraction and retention	<ul style="list-style-type: none"> ■ Performance assessment ■ Remuneration linked to personal and corporate targets ■ Satisfaction surveys ■ Turnover rates 	<ul style="list-style-type: none"> ■ Employee assessment systems ■ Incentives linked to personal and corporate targets ■ Training scholarships ■ Investment in employee training ■ Measurement of employee satisfaction
Biodiversity	<ul style="list-style-type: none"> ■ Biodiversity policy ■ Impacts on biodiversity 	<ul style="list-style-type: none"> ■ Biodiversity policy ■ Camera-trap mechanisms ■ Analysis of the condition of the ecosystems affected by the Company ■ Impacts on biodiversity ■ Activities to protect biodiversity
Corporate governance	<ul style="list-style-type: none"> ■ Human rights ■ Risk management 	<ul style="list-style-type: none"> ■ Lack of transparency in public auctions and official tenders ■ Payments to government workers ■ Cost overruns in the development of works ■ Reputation ■ Transparency ■ Environmental, social and governance commitment
Water quality	<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Not applicable
Product and service life cycles	<ul style="list-style-type: none"> ■ Analysis of full life cycle of products and services ■ Environmental impact at each stage of the development of products and services 	<ul style="list-style-type: none"> ■ Non-material
Customers	<ul style="list-style-type: none"> ■ Customers satisfaction ■ Receipt of client feedback 	<ul style="list-style-type: none"> ■ Not applicable

G4-19, G4-20, G4-21

Material aspects within the organisation			Material aspects outside the organisation
ACCIONA Infrastructure			
ACCIONA Construction and Industrial	ACCIONA Agua	ACCIONA Service	
<ul style="list-style-type: none"> ■ Employee assessment systems ■ Incentives linked to personal and corporate targets ■ Training scholarships ■ Investment in employee training ■ Measurement of employee satisfaction 	<ul style="list-style-type: none"> ■ Employee assessment systems ■ Incentives linked to personal and corporate targets ■ Training scholarships ■ Investment in employee training ■ Measurement of employee satisfaction 	<ul style="list-style-type: none"> ■ Employee assessment systems ■ Incentives linked to personal and corporate targets ■ Training scholarships ■ Investment in employee training ■ Measurement of employee satisfaction 	✘
<ul style="list-style-type: none"> ■ Biodiversity policy ■ Camera-trap mechanisms ■ Analysis of the condition of the ecosystems affected by the Company ■ Impacts on biodiversity ■ Activities to protect biodiversity 	<ul style="list-style-type: none"> ■ Biodiversity policy ■ Camera-trap mechanisms ■ Analysis of the condition of the ecosystems affected by the Company ■ Impacts on biodiversity ■ Actions to protect biodiversity 	<ul style="list-style-type: none"> ■ Non-material 	✔
<ul style="list-style-type: none"> ■ Lack of transparency in public auctions and official tenders ■ Payments to government workers ■ Cost overruns in the development of works ■ Reputation ■ Transparency ■ Environmental, social and governance commitment 	<ul style="list-style-type: none"> ■ Lack of transparency in public auctions and official tenders ■ Payments to government workers ■ Cost overruns in the development of works ■ Reputation ■ Transparency ■ Environmental, social and governance commitment 	<ul style="list-style-type: none"> ■ Lack of transparency in public auctions and official tenders ■ Payments to government workers ■ Cost overruns in the development of works ■ Reputation ■ Transparency ■ Environmental, social and governance commitment 	✔
<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Quality of water supplied to the client (drinking, waste...) ■ Type of water treatment ■ Health and environmental risks: management of pathogens, disruptors, chemical compounds and new pollutants ■ Policies and management systems for minimising health, environment and areas of water stress 	<ul style="list-style-type: none"> ■ Not applicable 	✔
<ul style="list-style-type: none"> ■ Analysis of full life cycle of products and services ■ Environmental impact at each stage of the development of the products and services 	<ul style="list-style-type: none"> ■ Non-material 	<ul style="list-style-type: none"> ■ Not applicable 	✔
<ul style="list-style-type: none"> ■ Measurement of client satisfaction ■ Mechanisms for gathering client feedback 	<ul style="list-style-type: none"> ■ Measurement of client satisfaction ■ Mechanisms for gathering client feedback 	<ul style="list-style-type: none"> ■ Measurement of client satisfaction ■ Mechanisms for gathering client feedback 	✔

G4-19, G4-20, G4-21

Material aspects within the organisation		
ASPECTS	ACCIONA (applicable to all lines)	ACCIONA Energy
Human rights and working conditions	<ul style="list-style-type: none"> ■ Protection of the human rights of employees 	<ul style="list-style-type: none"> ■ Non-material
Sustainability performance	<ul style="list-style-type: none"> ■ Link key employee remuneration to sustainability performance ■ Provide training in key sustainability issues 	<ul style="list-style-type: none"> ■ Link key employee remuneration to the Company's sustainability performance ■ Promote training in key sustainability issues ■ Organise and receive awards related to sustainability
Ethics and compliance	<ul style="list-style-type: none"> ■ Anti-corruption policy ■ Integrity in public auctions and official tenders ■ Transparency in cost of works ■ Fiscal transparency ■ Code of ethics and code of conduct ■ Legal compliance 	<ul style="list-style-type: none"> ■ Anti-corruption policy ■ Integrity in public auctions and official tenders ■ Transparency in cost of works ■ Fiscal transparency ■ Code of ethics and code of conduct ■ Legal compliance
Environmental management	<ul style="list-style-type: none"> ■ Environmental policy ■ Environmental management system ■ Setting targets ■ Meeting targets ■ Environmental management systems certification 	<ul style="list-style-type: none"> ■ Environmental policy ■ Environmental management system ■ Setting targets ■ Meeting targets ■ Environmental management systems certification
Risk management	<ul style="list-style-type: none"> ■ Risk management systems 	<ul style="list-style-type: none"> ■ Risk management systems ■ Financial risks (volatility of energy prices, ROI, carbon price)
Sustainable water management	<ul style="list-style-type: none"> ■ Water catchment (consumption, sea water extraction...) ■ Measuring water footprint ■ Targets to reduce water consumption ■ Water discharge and associated impact 	<ul style="list-style-type: none"> ■ Water catchment (consumption, sea water extraction...) ■ Measuring water footprint ■ Targets to reduce water consumption ■ Water discharge and associated impact
Sustainable management of suppliers	<ul style="list-style-type: none"> ■ Policy regarding social, environmental and ethical issues for suppliers and compliance measurement systems ■ Corrective measures in the event of non-compliance ■ Integration of sustainability criteria ■ Local hiring ■ Supplier risk assessment ■ Water footprint and carbon footprint of suppliers ■ Catalogue of sustainable products 	<ul style="list-style-type: none"> ■ Policy regarding social, environmental and ethical issues for suppliers and compliance measurement systems ■ Corrective measures in the event of non-compliance ■ Integration of sustainability criteria ■ Local hiring ■ Supplier risk assessment ■ Water footprint and carbon footprint of suppliers ■ Catalogue of sustainable products

G4-19, G4-20, G4-21

Material aspects within the organisation			Material aspects outside the organisation
ACCIONA Infrastructure			
ACCIONA Construction and Industrial	ACCIONA Agua	ACCIONA Service	
<ul style="list-style-type: none"> ■ Human Rights Policy ■ Demand that suppliers respect human rights ■ Measures against discrimination ■ Trade-union freedom 	<ul style="list-style-type: none"> ■ Human Rights Policy ■ Demand that suppliers respect human rights ■ Measures against discrimination ■ Trade-union freedom 	<ul style="list-style-type: none"> ■ Human Rights Policy ■ Demand that suppliers respect human rights ■ Measures against discrimination ■ Trade-union freedom 	✓
<ul style="list-style-type: none"> ■ Link key employee remuneration to the Company's sustainability performance ■ Promote training in key sustainability issues ■ Organise and receive awards related to sustainability 	<ul style="list-style-type: none"> ■ Link key employee remuneration to the Company's sustainability performance ■ Promote training in key sustainability issues ■ Organise and receive awards related to sustainability 	<ul style="list-style-type: none"> ■ Link key employee remuneration to the Company's sustainability performance ■ Promote training in key sustainability issues ■ Organise and receive awards related to sustainability 	✗
<ul style="list-style-type: none"> ■ Anti-corruption policy ■ Integrity in public auctions and tenders ■ Transparency in cost of works ■ Fiscal transparency ■ Code of ethics and code of conduct ■ Legal compliance 	<ul style="list-style-type: none"> ■ Anti-corruption policy ■ Integrity in public auctions and official tenders ■ Transparency in cost of works ■ Fiscal transparency ■ Code of ethics and code of conduct ■ Legal compliance 	<ul style="list-style-type: none"> ■ Anti-corruption policy ■ Integrity in public auctions and official tenders ■ Transparency in cost of works ■ Fiscal transparency ■ Code of ethics and code of conduct ■ Legal compliance 	✓
<ul style="list-style-type: none"> ■ Environmental policy ■ Environmental management system ■ Setting targets ■ Meeting targets ■ Environmental management systems certification 	<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Environmental policy ■ Environmental management system ■ Setting targets ■ Meeting targets ■ Environmental management systems certification 	✗
<ul style="list-style-type: none"> ■ Risk management systems 	<ul style="list-style-type: none"> ■ Risk management systems 	<ul style="list-style-type: none"> ■ Not applicable 	✗
<ul style="list-style-type: none"> ■ Water catchment (consumption, sea water extraction...) ■ Measuring water footprint ■ Targets to reduce water consumption ■ Water discharge and associated impact 	<ul style="list-style-type: none"> ■ Water catchment (consumption, sea water extraction...) ■ Measuring water footprint ■ Targets to reduce water consumption ■ Water discharge and associated impact 	<ul style="list-style-type: none"> ■ Water catchment (consumption, sea water extraction...) ■ Measuring water footprint ■ Targets to reduce water consumption ■ Water discharge and associated impact 	✗
<ul style="list-style-type: none"> ■ Policy regarding social, environmental and ethical issues for suppliers and compliance measurement systems ■ Corrective measures in the event of non-compliance ■ Integration of sustainability criteria ■ Local hiring ■ Supplier risk assessment ■ Water footprint and carbon footprint of suppliers ■ Catalogue of sustainable products 	<ul style="list-style-type: none"> ■ Non-material 	<ul style="list-style-type: none"> ■ Policy regarding social, environmental and ethical issues for suppliers and compliance measurement systems ■ Corrective measures in the event of non-compliance ■ Integration of sustainability criteria ■ Local hiring ■ Supplier risk assessment ■ Water footprint and carbon footprint of suppliers ■ Catalogue of sustainable products 	✓

G4-19, G4-20, G4-21

Material aspects within the organisation		
ASPECTS	ACCIONA (applicable to all lines)	ACCIONA Energy
Equality and diversity	<ul style="list-style-type: none"> ■ Diversity and equal opportunities policy ■ Training on multiculturalism ■ Job insertion programmes for people at risk of social exclusion ■ Targets for employing people with disabilities ■ Labour-family reconciliation measures 	<ul style="list-style-type: none"> ■ Non-material
Impact and dialogue with local communities and job creation	<ul style="list-style-type: none"> ■ Social action policy ■ Volunteering programme ■ Collaboration with sector platforms 	<ul style="list-style-type: none"> ■ Project impact assessment ■ Creation of local employment ■ Population displacements ■ Dialogue with communities ■ Local suppliers
Sustainable innovation	<ul style="list-style-type: none"> ■ Sustainable innovation roadmap ■ R&D&I investments 	<ul style="list-style-type: none"> ■ Sustainable innovation roadmap ■ Development of new technologies and report on new R&D&I investments of the Company ■ Having measurable R&D&I targets ■ Social and environmental impact of R&D&I projects ■ Working with third parties
Materials	<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Non-material
Climate change mitigation and adaptation	<ul style="list-style-type: none"> ■ Policy on climate change ■ Risk assessment 	<ul style="list-style-type: none"> ■ Identification of climate change risks ■ Policy on climate change ■ Measurement of financial impact of climate change on the Company ■ Energy efficiency in buildings ■ Greenhouse gas emissions
Waste	<ul style="list-style-type: none"> ■ Protocols for identification, separation, elimination, reuse and recycling 	<ul style="list-style-type: none"> ■ Non-material
Safety and quality of supply	<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Demand fulfilment ■ Supply capacity ■ Diversification of electricity generation mix ■ Innovation in production technologies
Health and safety	<ul style="list-style-type: none"> ■ Risk identification ■ Awareness-raising and training 	<ul style="list-style-type: none"> ■ Identification of risks and mitigation measures ■ Health and safety awareness-raising and training ■ Health and safety certification suppliers ■ Reduction of work-related accidents ■ Deaths due to work-related accidents

Non-material: issue identified as having a low degree of relevance. Not applicable: issue not identified in the study for the line of business.

G4-19, G4-20, G4-21

Material aspects within the organisation			Material aspects outside the organisation
ACCIONA Infrastructure			
ACCIONA Construction and Industrial	ACCIONA Agua	ACCIONA Service	
<ul style="list-style-type: none"> ■ Diversity and equal opportunities policy ■ Training in multiculturalism ■ Job insertion programmes for people at risk of social exclusion ■ Targets for employing people with disabilities ■ Labour-family reconciliation measures 	<ul style="list-style-type: none"> ■ Diversity and equal opportunities policy ■ Training in multiculturalism ■ Job insertion programmes for people at risk of social exclusion ■ Targets for employing people with disabilities ■ Labour-family reconciliation measures 	<ul style="list-style-type: none"> ■ Diversity and equal opportunities policy ■ Training in multiculturalism ■ Job insertion programmes for people at risk of social exclusion ■ Targets for employing people with disabilities ■ Labour-family reconciliation measures 	✘
<ul style="list-style-type: none"> ■ Project impact assessment ■ Creation of local employment ■ Population displacements ■ Dialogue with communities ■ Local suppliers 	<ul style="list-style-type: none"> ■ Project impact assessment ■ Creation of local employment ■ Population displacements ■ Dialogue with communities ■ Local suppliers 	<ul style="list-style-type: none"> ■ Project impact assessment ■ Creation of local employment ■ Population displacements ■ Dialogue with communities ■ Local suppliers 	✔
<ul style="list-style-type: none"> ■ Sustainable innovation roadmap ■ Development of new technologies and report on new R&D&I investments of the Company ■ Measurable R&D&I targets ■ Social and environmental impact of R&D&I projects ■ Working with third parties 	<ul style="list-style-type: none"> ■ Sustainable innovation roadmap ■ Development of new technologies and report on new R&D&I investments of the Company ■ Measurable R&D&I targets ■ Social and environmental impact of R&D&I projects ■ Working with third parties 	<ul style="list-style-type: none"> ■ Sustainable innovation roadmap ■ Development of new technologies and report on new R&D&I investments of the Company ■ Measurable R&D&I targets ■ Social and environmental impact of R&D&I projects ■ Working with third parties 	✔
<ul style="list-style-type: none"> ■ Labelling and certification of construction materials ■ Use of recycled materials ■ Savings in the use of materials ■ Management of hazardous materials 	<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Labelling and certification of construction materials ■ Use of recycled materials ■ Savings in the use of materials ■ Management of hazardous materials 	✔
<ul style="list-style-type: none"> ■ Identification of climate change risks ■ Policy on climate change ■ Measurement of financial impact of climate change on the Company ■ Energy efficiency in buildings ■ Greenhouse gas emissions 	<ul style="list-style-type: none"> ■ Identification of climate change risks ■ Policy on climate change ■ Measurement of financial impact of climate change on the Company ■ Energy efficiency in buildings ■ Greenhouse gas emissions 	<ul style="list-style-type: none"> ■ Identification of climate change risks ■ Policy on climate change ■ Measurement of financial impact of climate change on the Company ■ Energy efficiency in buildings ■ Greenhouse gas emissions 	✔
<ul style="list-style-type: none"> ■ Updated waste management policy ■ Innovation in waste recycling ■ Research new waste uses 	<ul style="list-style-type: none"> ■ Updated waste management policy ■ Innovation in waste recycling ■ Research new waste uses 	<ul style="list-style-type: none"> ■ Updated waste management policy ■ Innovation in waste recycling ■ Research new waste uses 	✔
<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Not applicable 	<ul style="list-style-type: none"> ■ Not applicable 	✔
<ul style="list-style-type: none"> ■ Identification of risks and mitigation measures ■ Health and safety awareness-raising and training ■ Health and safety certification suppliers ■ Reduction of work-related accidents ■ Deaths due to work-related accidents 	<ul style="list-style-type: none"> ■ Identification of risks and mitigation measures ■ Health and safety awareness-raising and training ■ Health and safety certification suppliers ■ Reduction of work-related accidents ■ Deaths due to work-related accidents 	<ul style="list-style-type: none"> ■ Identification of risks and mitigation measures ■ Health and safety awareness-raising and training ■ Health and safety certification suppliers ■ Reduction of work-related accidents ■ Deaths due to work-related accident 	✔

ACCIONA'S COMMITMENT

Real solutions to global challenges

ACCIONA bases its business model on global needs deriving from the mitigation of climate change, the growth in population and the lack of natural resources such as water. The Company promotes a low carbon business model and responsibly faces the challenges of sustainable development through its Sustainability Master Plan 2015, which is based on social progress, economic growth and environmental protection.

Challenges and opportunities posed by the reality around us

Climate change

The agreements of the COP21 of December 2015 in Paris have defined a new international scenario for containing climate change. This implies a greater boost to new technologies and the involvement of leading companies in the fight against global warming. The challenge for companies is to provide solutions for a transition to a low-carbon economy. Likewise, it is expected that there will be a drive to promote programmes to regulate the trade of emission allowances or carbon taxes. Putting a price on emissions and identifying the emitter are both actions that stimulate the use of renewable energies and help reduce emissions.

A firm commitment to renewable energies and sustainable construction is essential for the success of this new model.

Innovation and optimisation in the management of natural resources

Companies may contribute to preserving resources through the efficient use of raw materials and the development of products and services that meet demands within this context of scarcity.

According to the *2013 Annual Report, Water Resources Group*, by 2030 the population will require 40% more water than what the earth can supply in order to respond to expected growth in terms of energy, industry and urban demand. The *World Water Forum Conclusions 2014* indicates that more than 80% of the world's waste water is discharged without treatment, polluting rivers, lakes and coastal areas. Emerging powers such as Brazil or India work in the development of water recycling projects that contribute to an improvement in the efficiency of the use of the water resources necessary for production. This circumstance offers opportunities to those companies that work directly with the water cycle and are committed to water efficiency.

The effects of climate change are **boosting the use of clean technologies** making possible to deal with the rise in demand and the corresponding scarcity of resources

Population growth

More than 7,000 million people inhabit planet Earth. In only half a century its population has doubled, and challenges have grown accordingly. For this reason, two key aspects will be approached: how to manage overcrowding and how to develop a social and structural framework that guarantees cohabitation in urban environments.

The implementation of resilient urban environments and the creation of inclusive cities as specified in the Sustainable Development Goals adopted by the UN are two of the main requirements that urban populations need to see met.

Furthermore, taking into account that many of these macro-cities are located in developing countries, the management of resources, responsible consumption and sustainability will be key to ensure that all individuals can experience proper cohabitation in an increasingly globalised world, with more opportunities but also more threats.

ACCIONA looks to the future with confidence and security. Thanks to a business model based on sustainability from all angles, the challenges which it faces can become opportunities both for the business itself and for the communities where it operates.

ACCIONA acts: Sustainability Master Plan 2015

Economic growth, environmental protection and social progress are the three fundamental pillars on which ACCIONA's Sustainability Policy is built, representing the focus of the organisation's strategy, consolidating it as one of the world's most advanced companies with regard to sustainable practices.

The sustainability strategy is developed through the Sustainability Master Plan 2015 (SMP 2015). It is a road map that brings together all such initiatives and sets targets in the following areas: Innovation, Environment, Society, People, Value Circle, Corporate Governance, Stakeholder Engagement, Dissemination and Leadership, and Accountability.



Corporate Governance

The commitment to good governance, ethics, integrity and transparency aims to be a benchmark of integral and responsible conduct



Innovation

Technological, operational and design innovation of projects form the pillars for competitiveness



Value Circle

Sustainability as a fundamental factor for suppliers, contractors and partners



Environment

Integration of environmental issues into our decision-making and business operations to reduce our environmental footprint



People

Commitment to employees in a healthy and discrimination-free environment in order to attract and retain talent with a long-term vision.



Society

Responsibility for the social progress of the communities in which we operate



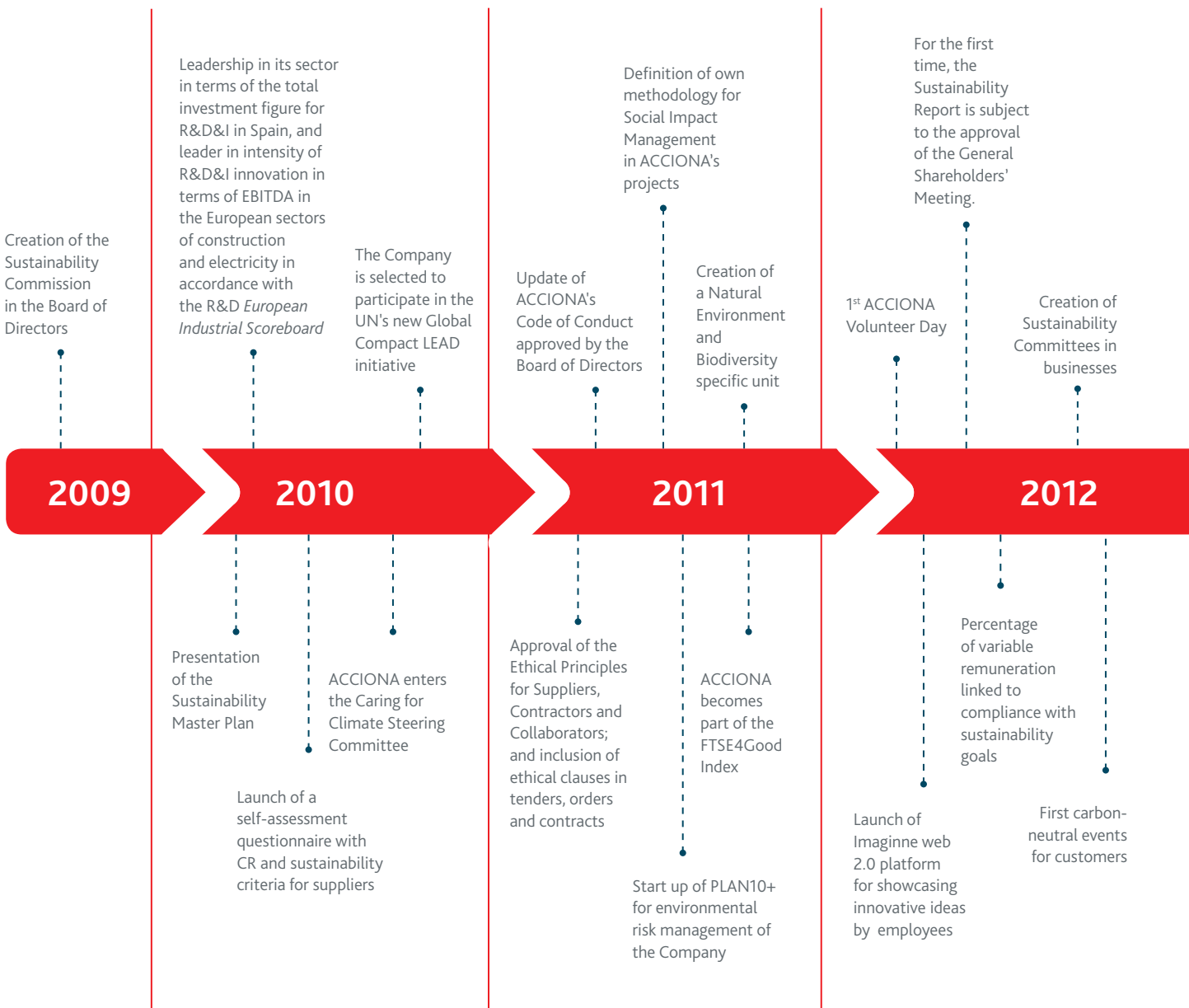
The following lists the objectives and commitments as of 2015 and the initiatives and degree of progress in their fulfilment at year end:

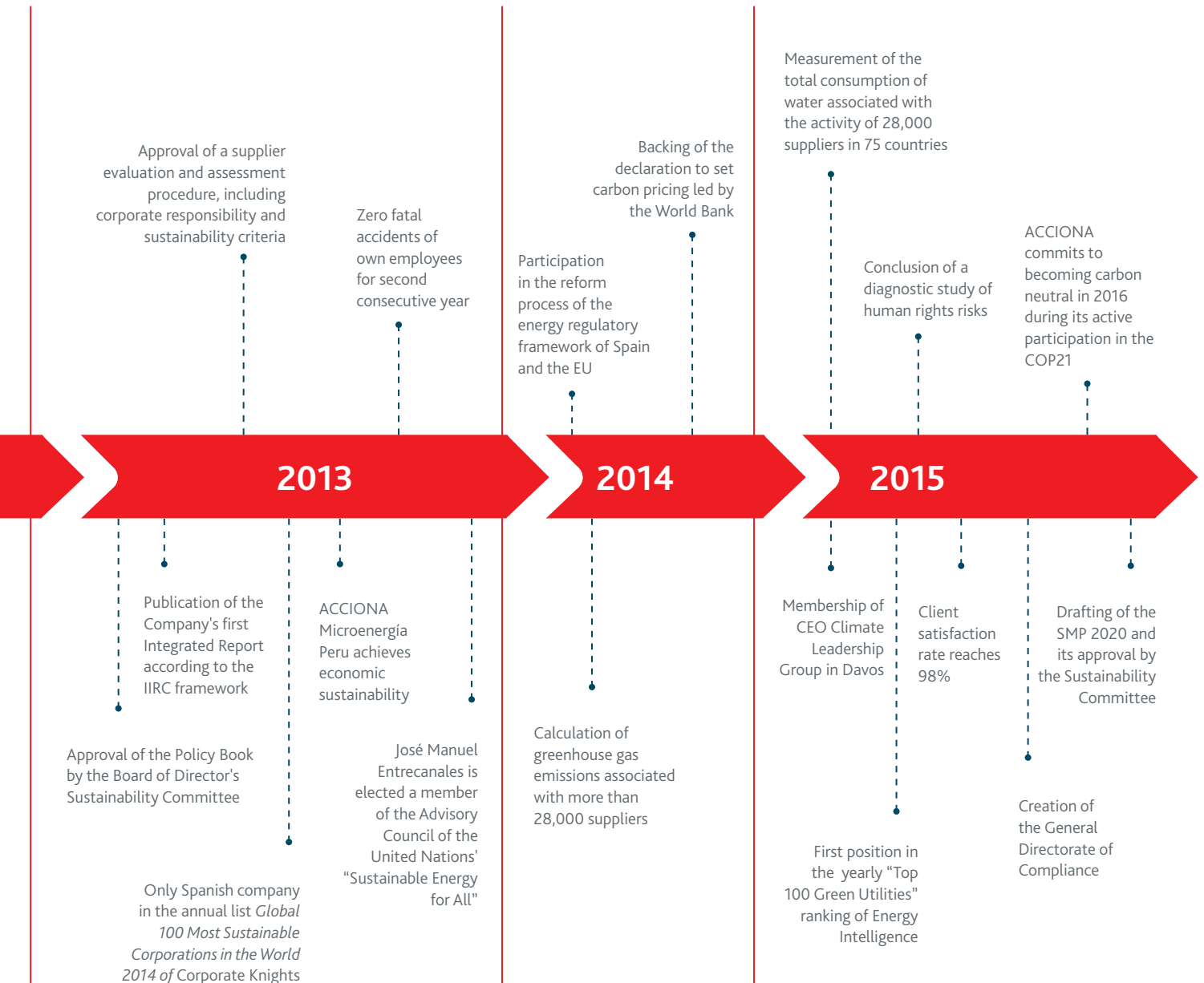
SMP AREA	Objectives and Commitments 2010 - 2015	Degree of achievement
INNOVATION	<ul style="list-style-type: none"> Reach an R&D figure of 500 millions euros during the 2010-2015 period. 	<ul style="list-style-type: none"> Figure registered for the 2010-2015 period for the value of 876 millions euros.
	<ul style="list-style-type: none"> Develop initiatives and tools to foster continuous innovation in business. 	Among them, the following stand out: <ul style="list-style-type: none"> Molten salt battery energy storage system (MIT). End of the 1st phase of the pilot project for the use of graphene in the business. First "large scale 3D printer" prototype for business application.
	<ul style="list-style-type: none"> Improve ACCIONA processes and generate savings of at least 36 millions euros. 	<ul style="list-style-type: none"> Process improvements identified in the 2012-2015 period for an amount of 86.8 millions euros, certified by independent third parties.
ENVIRONMENT	<ul style="list-style-type: none"> Improve the ratio of avoided CO₂ emissions with regard to emissions generated (improvement of 15% of the ratio from 2009 base year). 	<ul style="list-style-type: none"> 2009 Data: 7.8 t CO₂ avoided/ t CO₂ generated. 2015 Data: 28.4 t CO₂ avoided/ t CO₂ generated. Level of achievement: 264%
	<ul style="list-style-type: none"> Improve consumed energy ratio (reduction of Energy/ Sales ratio by 15% a year from 2009 base year). 	<ul style="list-style-type: none"> 2009 Data: 2,724 GJ/million euros. 2015 Data: 2,020 GJ/million euros. Level of achievement: reduction 26% of the ratio.
	<ul style="list-style-type: none"> Water footprint: increase net positive contribution (an increase of 5 times over 2009 base year). 	<ul style="list-style-type: none"> 2009 Data: 76 hm³. 2015 Data: 495 hm³. Level of achievement: increase of 6.5 times.
	<ul style="list-style-type: none"> Fostering of environmental offset actions. 	13 actions, among them: <ul style="list-style-type: none"> Nest huts for protected species in ACCIONA installations in Spain, Mexico and Portugal. Planting of fruit trees in bear territories. Study of the activity of bats in wind farms. Prevention of whale collisions.
	<ul style="list-style-type: none"> Offering customers services with environmental offsetting (neutral events). 	<ul style="list-style-type: none"> Service in place since 2012 by APD for its customers, with 43 neutral events carried and 77 within the Company.
SOCIETY	<ul style="list-style-type: none"> Contribution of 5% equivalent of dividend in accordance with Social Action Plan. 	<ul style="list-style-type: none"> 3,900 Solar Systems installed in Peru. Approx. 16,000 beneficiaries. 3,602 Third Generation Solar Systems. Approx. 15,000 beneficiaries. Social contribution of around 5% for the entire period.
	<ul style="list-style-type: none"> Social impact assessment methodology in 100% of qualified projects in core divisions. 	<ul style="list-style-type: none"> Approval of the internal Social Impact Management procedures of the projects. Methodology applied to the lines of Energy, Construction, Industrial, Water and Services.
	<ul style="list-style-type: none"> Development of Corporate Volunteering. 	<ul style="list-style-type: none"> Number of voluntary participations for the 2012-2015 period: 2,473, corresponding to 23,787 hours. Volunteering initiatives: Volunteer Day, Let's Donate! Campaign, among others.

SMP AREA	Objectives and Commitments 2010 - 2015	Degree of achievement
PEOPLE	<p>Fostering health and safety:</p> <ul style="list-style-type: none"> ■ Coverage of 90% of the international activity with a unique model of OHS. ■ 20% improvement of the accident frequency rate over 2011. 	<ul style="list-style-type: none"> ■ As at 2015, the OHSAS certifications have been maintained, with the following standing out especially: Australia, Brazil, Canada, Chile, Spain, Italy, Mexico, Poland and Portugal. Frequency index reduced by 31.57% (in 2015 it was 3.94%)
	<p>Commitment to diversity:</p> <ul style="list-style-type: none"> ■ Reach a level of 3% in equivalent employment of differently-abled people in Spain and increase the employment quota of people at risk of social exclusion by 10% (base: 2011) ■ Increase by 2% the number of women at management levels. 	<ul style="list-style-type: none"> ■ Compliance with LISMI Law: 3.55% ■ 12.7% increase of the employment quota of people at risk of social exclusion, established at 213 hirings for 2015. ■ Women's representation in the managerial group reached 18.80% in 2015.
	<p>Human Capital Development:</p> <ul style="list-style-type: none"> ■ Coverage of 92% in the performance assessment processes. ■ Broaden the scope of variable remuneration linked to sustainability to 97% for directors and 90% for managers. ■ Broaden training and development programmes, including contents of sustainability, in Mexico, Chile, Brazil, Canada, Australia and Italy, reaching 90% of employees with access to IT tools. 	<ul style="list-style-type: none"> ■ The performance assessment process has reached a degree of coverage of 92% in the groups subject to said process. ■ The scope of variable remuneration includes 97% of directors, 90% of structure managers, and extending it to part of the technical and support workforce. ■ The extension of training and development programmes has reached 90% of employees with access to IT tools.
VALUE CIRCLE	<p>Improving the performance of the sustainability chain:</p> <ul style="list-style-type: none"> ■ 65% of suppliers in Spain to have a sustainable developing rating. ■ Sending the self-assessment questionnaire to suppliers with a turnover of over 100,000 euros in all Group companies. ■ Training suppliers in Sustainability. ■ Fostering and promotion of responsible procurement through bidding processes that include sustainability criteria. 	<ul style="list-style-type: none"> ■ Assignment of rating for sustainable development. ■ Throughout the SMP 2010-2015, the self-assessment questionnaire has been sent to 14,001 suppliers. In 2010 to suppliers with turnover of over 300,000 euros, in 2011 those with over 150,000 euros, and as from this year to suppliers exceeding 100,000 euros. ■ A total of 4,942 employees of 2,584 suppliers have been trained. ■ The Training Pack contains 6 courses: CR and Sustainability, Equality, Disability, Code of Conduct, International OHS and Environment. ■ Design of the sustainable purchasing guide based on all products which require certifications, labels, seals or ecological accreditation that constitute evidence of sustainability. ■ Drafting of the sustainable purchasing catalogue comprising more than 540 items.
CORPORATE GOVERNANCE	<ul style="list-style-type: none"> ■ Progressively implement measures to improve corporate governance. 	<p>Among other measures:</p> <ul style="list-style-type: none"> ■ Modify and update ACCIONA's Code of Conduct approved by the Board of Directors in 2011. Launch of online training regarding the Code in 2012. ■ Approval of ACCIONA's Policy Book by the Board's Sustainability Committee in 2013. ■ External diagnostic study regarding Human Rights carried out in 2015 following the United Nations Guiding Principles on Business and Human Rights. ■ Crime Prevention and Anti-corruption Programme.

SMP AREA	Objectives and Commitments 2010 - 2015	Degree of achievement
STAKEHOLDER ENGAGEMENT	<ul style="list-style-type: none"> ■ Consideration of the expectations of the Company's main stakeholders in the management of sustainability practices. 	<ul style="list-style-type: none"> ■ For the SMP 2020: Consultations with institutions, experts and sustainability opinion leaders (United Nations Global Compact, RobecoSAM, WBCSD, WEF, Credit Suisse, Greenpeace, Global Water Development), among others. ■ Consultations made with clients of Energy, Water, Construction and Services in Brazil, Canada, Chile, Costa Rica, Spain, Gabon, Morocco, Norway, Portugal and Peru.
DISSEMINATION AND LEADERSHIP	<ul style="list-style-type: none"> ■ Consolidate ACCIONA's position as a benchmark in sustainability in markets. 	<p>Active participation in organisations and international benchmark forums.</p> <ul style="list-style-type: none"> ■ ACCIONA's Chairman is re-elected for a third consecutive period as a member of the Executive Committee of the WBCSD, and as from 2013 of the Advisory Board of Sustainable Energy for All. ■ Member of the Steering Committee of Caring for Climate (Global Compact) and Global Compact LEAD. ■ Participation in the creation of the CEO Climate Leadership Group within the framework of the 2015 World Economic Forum ■ Global Compact, WBCSD, CLG, among others.
	<ul style="list-style-type: none"> ■ Strengthen employees' commitment to the SMP. 	<ul style="list-style-type: none"> ■ Constant updating of Intranet content and publication of news, articles, etc. ■ Intranet: since 2012, more than 370 articles and news items published.
	<ul style="list-style-type: none"> ■ Fostering of external dissemination of sustainability practices. 	<ul style="list-style-type: none"> ■ Launch of "<i>Sostenibilidad para Todos</i>" website, with more than 3,450,887 visits. ■ Global update of the website and the ACCIONA World application ■ Creation of guides, infographics, videos of the SMP 2015, Social Impact Management, among others. ■ Since 2012, more than 1,256 news items and editorials related to sustainability published in media and by organisations. ■ Dissemination via social media: 362,000 followers, mainly on LinkedIn, Twitter and Facebook.
ACCOUNTABILITY	<ul style="list-style-type: none"> ■ Inform the Company's main stakeholders of ACCIONA's performance in sustainability practices in a transparent, rigorous manner that is based on the highest international standards. 	<p>Main milestones:</p> <ul style="list-style-type: none"> ■ Sustainability Memory: since 2014 in accordance with GRI G4 comprehensive option; progressive increase of the degree of external verification of the information; since 2012 the Report is subject to the approval of the General Shareholders' Meeting. ■ Since 2013, publication of the Integrated Report in line with the International Integrated Reporting Council framework. ■ Every year a Global Compact Progress Report is published: since 2011 "advanced level". ■ Presence in relevant sustainability indexes (at December 2015): DJSI World; FTSE4Good; CDP Climate A List 2015; Iberia 125 Climate Disclosure Leadership Index 2015; CDP Supplier Climate Performance Leadership Index, etc.

Sustainability milestones 2010-2015





Sustainability Governance

ACCIONA has a Sustainability Committee in the Board of Directors as the body responsible for leading sustainability-related actions. The issues covered in the meetings held in 2015 were as follows:

- Monitoring, approval and analysis of the advances made during 2014 of the objectives established in the SMP for each of the areas.
- Approval of the annual objectives for 2015 and monitoring the advances for the year.
- Diagnostic study of human rights in ACCIONA.
- Approval of the Sustainability Report 2014.
- Revision and analysis of the results of the Dow Jones Sustainability Index 2015.
- Presentation of the Sustainability Master Plan with a 2020 horizon.

All topics relating to sustainability were brought to the attention of the General Shareholders' Meeting. Since 2012, the contents of the Sustainability Report that is annually published by ACCIONA are submitted to the review and approval of the General Shareholders' Meeting. Shareholders have the chance to make statements on the initiatives and the Company's social, environmental and corporate governance performance as described in the Sustainability Report. In this way they inform the Board of Directors of their opinion on the subject. In June 2015, the General Shareholders' Meeting approved the ACCIONA 2014 Sustainability Report with a favourable vote of 99.73% of the capital with voting rights in attendance

(in 2014, the 2013 Sustainability Report was approved by 99.95%).

The General Directorate of the Sustainability Area is the ACCIONA corporate unit responsible for coordinating and putting into practice the initiatives and commitments of the Sustainability Master Plan, the implementation of which involves different Company areas, both corporate and business.

The Director General of the Sustainability Area reports directly to the First Executive and to the Sustainability Committee of the Board of Directors.

With the aim of reaching the goals of the SMP 2015, the General Directorate of the Sustainability Area and the different business divisions have continued to work together, agreeing on objectives and monitoring them through the Sustainability Committees (Business Committees) and their coordinators.

During 2015, meetings were held with the Energy, Construction, Water, Services and Industrial divisions.

In these Committees, the issues covered were the level of achievement of the 2014 goals, the setting of 2015 goals and the monitoring of them, variable remuneration linked to sustainability and the presence in international bodies that strengthen ACCIONA's commitment to the fight against climate change, among other things.

Furthermore, as in previous years, specific coordination meetings on sustainability were held at Real Estate, Bestinver and Hijos de Antonio Barceló, and in 2015 also Trasmediterranea.

In addition to the Sustainability Committees, there are sustainability representatives in Australia, Brazil, Chile and Mexico. This allows direct knowledge of the social and environmental context in different international markets.

Functions of the Sustainability Committee

- Identify and guide the Group's corporate policies, objectives, good practices and programmes with regard to sustainability and corporate social responsibility.
- Evaluate, monitor and review the plans for executing these policies formulated by the Group's executives.
- Periodically review the internal control and management systems and the degree of compliance with these policies.
- Draft the annual Sustainability Report, which is submitted for the approval of the Board.
- Submit the corporate sustainability and social responsibility policies, objectives, and programmes to the Board of Directors along with the corresponding expenditure budgets for the execution of those policies, objectives and programmes.

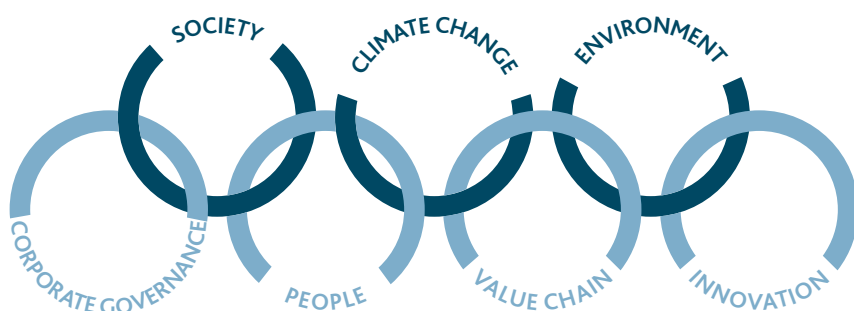
Sustainability Master Plan continuation

The SMP 2015 was concluded successfully in all of its areas. This has made it possible to embark on a second edition, the SMP 2020, with a positive approach and firm ambition to consolidate the sustainability practices defended by ACCIONA's business model.

For this reason, in the creation of the SMP 2020 ACCIONA has carried out an assessment of the achievements and difficulties experienced over the five years of implementing the previous SMP. Likewise, a broad benchmarking study was carried out on the most advanced practices in issues affecting it, as well as a consultation of numerous experts in Sustainability, Energy, Infrastructures and Water belonging to different organisations, companies, indexes (DJSI), NGOs (GreenPeace) and multilaterals (IFC), among others.

The new Plan is structured by strategic and operative objectives applied across the organisation, with specifications for the different areas of business with the aim of bringing sustainability closer to the particular nature of each line.

Areas of the SMP 2020	Master lines
Climate change	Carbon neutrality Map of climate risks Adaptation to and management of climate risks Training in climate change
Environment	Eco-efficiency in operations Water Biodiversity
Society	Social Impact Management Dialogue and leadership Social action Volunteering
People	Security Health and wellbeing Development and incentives Diversity and inclusion
Corporate Governance	Ethics Human Rights Corporate Governance Risk Management Transparency
Value Chain	Supply Chain Partners Customers
Innovation	Innovation Figure Collaborative Innovation Operational Innovation



The **new goals of the SMP 2020** shared by the Group, arise from the growing interdependence of the business lines

CORPORATE GOVERNANCE

Ethics and Integrity

The Company promotes responsible management through initiatives such as crime prevention and anticorruption, and by carrying out a diagnostic study of risks regarding human rights. Likewise, the Code of Conduct and the Policy Book show ACCIONA's integrity and corporate governance framework.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">■ Diagnostic study of the Crime Prevention and Anticorruption Programme at an international level	<ul style="list-style-type: none">■ Start of the analysis and diagnostic study of the legal situation in Brazil, Chile and Mexico with regard to the criminal responsibility of the legal person, which will conclude during the first half of 2016.
<ul style="list-style-type: none">■ Implement the Crime Prevention and Anticorruption Programme at a national level.	<ul style="list-style-type: none">■ Implementation finalised with the external verification of the defined processes and controls.■ Creation of the Corporate Compliance Unit.
<ul style="list-style-type: none">■ Workshops for training managers and relevant staff in the Crime Prevention and Anticorruption Programme.	<ul style="list-style-type: none">■ End of course content. The training sessions will take place in 2016.
<ul style="list-style-type: none">■ Implement improvement measures as a result of the diagnostic study of human rights.	<ul style="list-style-type: none">■ Creation of a diagnostic study of risks regarding human rights, identifying the existing gaps in the corporate procedures analysed.
<ul style="list-style-type: none">■ Extend the scope of the training activity regarding environmental responsibility.	<ul style="list-style-type: none">■ Training extended to Erandio and Pamplona (Spain). More than 200 employees have taken part in the programme since its launch.
<ul style="list-style-type: none">■ Adapt the governance standards to the legislative and corporate governance changes.	<ul style="list-style-type: none">■ The General Shareholders' Meeting approved the modification of several Articles of Association and the Regulations of the General Meeting for its adaptation to Law 31/2014 and to the new Code of Corporate Governance of listed companies. Additionally, the regulations of the Board of Directors were revised to adapt to the changes agreed upon by the General Shareholders' Meeting and to specifically include a significant part of the recommendations of the Code of Corporate Governance.

» ACCIONA works to progressively implement measures to improve corporate governance that contribute real value to the Company

- Through the creation of a new Corporate Compliance Unit, which reports to the Auditing Committee
- By carrying out a world wide diagnostic study of the risks regarding human rights

SMP 2020

2016 Challenges

- Implementing the Crime Prevention and Anticorruption Model in three key markets.
- Launching the training programme on Crime Prevention and Anticorruption for key employees (Spain and three key markets).
- Validating and updating the gaps and controls regarding human rights.
- Complying with recommendations 4 and 6 of the Code of Corporate Governance of listed companies, publishing on the website:
 - The policy regarding communications and contact with shareholders, institutional investors and voting advisors.
 - The operational reports of the Auditing and Appointments and Remuneration Committees, the report on related operations and the report on the auditor's independence.
- Developing a governance story to provide all of the members of the Board of Directors and Senior Management with training on risk/sustainability management supervision.
- Designing a methodology for creating risk maps.
- Creating the first corporate map for 2016: consolidating and updating the environmental, social and corporate government risk maps.
- Designing a course on risks for different levels in the organisation.
- Reviewing the reporting model and proposing a new model.
- Developing the strategic fiscal aims within the framework of the Group's fiscal strategy approved by the Board of Directors on 26 November 2015, with a view to creating value for shareholders and providing reassurance to stakeholders, and full alignment with the business strategy.
- With regard to fiscal governance, make progress in providing information regarding policies and risk management control, as well as in fiscal transparency reporting, providing information on the Group's tax contributions by geographical regions (country by country reporting), to add value to the contribution to society by paying taxes.

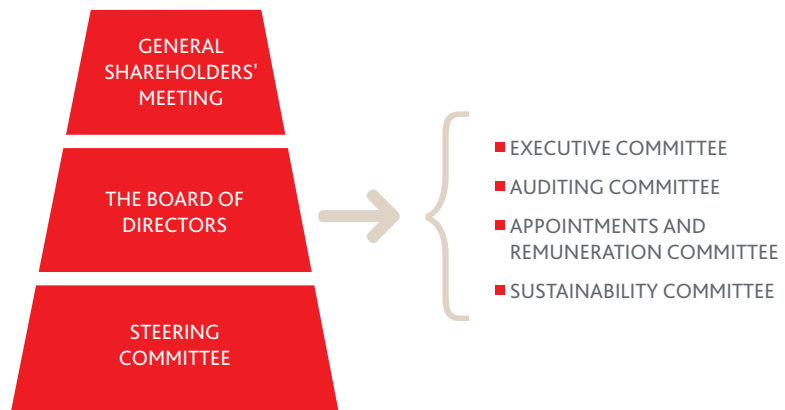
Corporate Governance

Following international standard recommendations and programmes, ACCIONA incorporates best practices regarding transparency, integrity and ethics in the governance of its organisation.

The organisation is governed by the good governance recommendations established for listed companies that stem from the Code of Corporate Governance of listed companies, by the recently modified legislation regarding corporations, as well as by the best national and international practices regarding this field.

As a result of the entry into force of Law 31/2014 of 3 December, modifying the Spanish Corporations Law, for the improvement of corporate governance, in financial year 2015, ACCIONA proceeded to adapt its governance regulations to the changes that were approved at the General Shareholders' Meeting held on 11 June.

→ ACCIONA Governance Structure

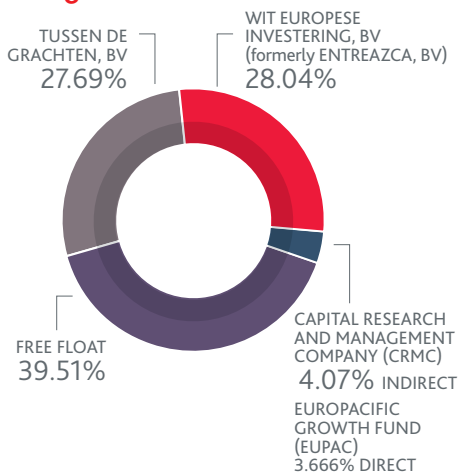


Find out more about the governing bodies:
<http://www.acciona.com/shareholders-investors/corporate-governance/>

SHAREHOLDERS AND THE GENERAL SHAREHOLDERS' MEETING

At the date of writing of this report, the parent company's share capital was made up of 57,259,550 fully subscribed and paid-up ordinary shares, represented by

→ Significant shareholders



accounting entries, with a par value of one Euro each.

The Company's Articles of Association do not place any restrictions on the exercise of voting rights by shareholders, nor do they impose a maximum limit on the exercise of voting rights. There are also no legal or statutory restrictions on the acquisition or transfer of holdings of the share capital.

In order to guarantee and facilitate the exercise of the rights of all shareholders, including minority shareholders, in accordance with the Corporations Law, since 2011 and on the occasion of the notice for the General Shareholders' Meeting, ACCIONA has in place an Electronic Shareholders' Forum, where users may post the proposals that they intend to submit as an addendum to the agenda announced in the notice of the General Shareholders' Meeting; requests for support for such

proposals, initiatives on reaching the percentage required to exercise minority rights as set forth in the Corporations Law; as well as voluntary proxy offers or solicitations. ACCIONA also establishes contact with permanent communication channels with its stakeholders through its stakeholder engagement department.

In the General Shareholders' Meeting of June 2015, many topics were covered, such as the application of the results of the financial year of 2014, the re-election of accounts auditors, renewal of the Board of Directors, and approval of the Sustainability Report 2014, among others. All of these were approved by an ample majority of at least 90% of the capital present or represented in the Shareholders Meeting.

THE BOARD OF DIRECTORS

The Board of Directors is the highest decision-making body with the exception of some issues that are reserved for the General Shareholders Meeting. It is made up of a group of professionals, with diversity in terms of knowledge, experiences and gender, whose aim is to provide real value to the Company, working every day to manage ACCIONA's issues with integrity and transparency, trying to do so as efficiently and effectively as possible.

The mission of the Company's Board of Directors is to promote social interest, representing the company and its shareholders in the management of equity, business and the Company organisation.

Thus, the new drafting of the Board of Directors' Regulations includes the following specific commitment of the body: "The Board of Directors will establish a hiring policy for directors that: (i) is specific and verifiable; (ii) ensures that the proposals for appointment or

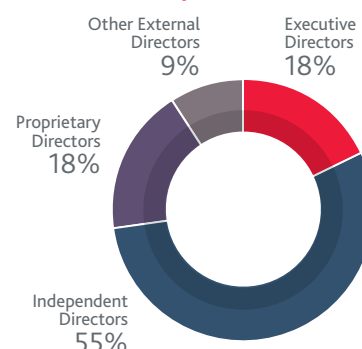
re-election are based on a prior analysis of the needs of the Board of Directors; and (iii) favours the diversity of knowledge, experiences and gender".

Furthermore, Article 31 of the Articles of Association establishes that the members of the Board will hold their position during a term of three years and may be re-elected once or more times.

The Board of Directors of ACCIONA comprises eleven members:

- Seven of which are external, of these: six are independent directors, and one belongs to the category of external directors.
- Two of the eleven members are executive directors, and the two remaining directors are proprietary directors.

→ Distribution of the Board of Directors according to the nature of the position



Of the eleven members of the Board of Directors, three are women, making up 27.27% of the total number of members of the Board, compared to 23.08% the previous year.

The Appointments and Remunerations Committee aims to reach 30% of female directors on the board by 2020, a target which ACCIONA already met in 2012 and 2013.



Quorum and meetings of the Board of Directors and Committees

	The Board of Directors	Executive Committee	Auditing Committee	Appointments and Remuneration Committee	Sustainability Committee
Quorum (%)	91.55%	/	88.8%	100%	100%
Number of Meetings	12	0	5	5	3

As part of its efforts to ensure it operates with high standards of quality and efficiency, the Board of Directors self-assesses its operation every year. This assessment takes into account the performance of the President and Vice President of the Board of Directors, based on the report submitted by the Appointments and Remuneration Committee; the operation of its Executive Committee (should it hold meetings) and other Committees, based on the report submitted by these for said purpose; as well as the performance and contribution of each director, and the diversity in the composition of the Board and its competencies. The assessment is conducted by means of individual forms that are filled out anonymously by each director. The Auditing and Appointments and Remuneration Committees analyse the results and submit the relevant reports to the Board of Directors. In 2015, the self-assessment led to no significant changes in the internal organisation of the Board or its Committees.

At the proposal of the Appointments and Remuneration Committee, ACCIONA's Board of Directors has a Lead Independent Director. The regulations of the Board of Directors, in compliance with best practices of corporate governance established by the new Code of Corporate Governance for listed companies, attributes the following duties to the Lead Independent Director:

- Chair the Board of Directors in the absence of the Chairman and Deputy Chairmen.

- Give voice to the concerns of the non-executive directors, should there be any.
- Maintain contact with investors and shareholders to find out about their points of view in order to form an opinion regarding their concerns, specifically with regard to the Company's corporate governance.
- Direct Board of Director's assessment of its Chairman.
- Coordinate the Chairman's succession plan.

STEERING COMMITTEE

The Steering Committee is formed by 12 professionals with extensive multidisciplinary international experience.

The Committee is the body where information is shared in order to analyse and make decisions that horizontally affect all of the Company's divisions and activities. In addition to these duties, the Committee is the body where managers from each division provide information regarding events, performance and other relevant issues in their activity, as a means of bringing the Company's different activities together, promoting mutual awareness and integration. Meetings are held on a weekly basis, led by the Chairman. The Committee is especially relevant in the commercial arena, given that different divisions share the same customers and therefore require a body to coordinate their activities.

Remuneration Policy

According to Article 31 of the Company's Articles of Association, the director remuneration policy must be approved by the General Shareholders' Meeting, at least every three years, as a separate point of the order of the day.

In 2015, both the remunerations policy and the annual report on the remuneration of directors for 2014 were subject to approval of the General Shareholders Meeting, under an advisory capacity. The report was approved by 90.26% of the shareholders in attendance or represented at the General Shareholders' Meeting.

The Company's remuneration policy, including that of the members of the Board of Directors who carry out executive roles, is governed by the following principles:

- coherence with business strategy
- corporate governance and transparency
- balanced design
- internal equity
- alignment with market practices

Remuneration of the members of the Board of Directors in financial year 2015 was as follows:

Remuneration of the members of the Board of Directors in 2015
(in thousands of euros)

Name	Salaries	Fixed Remuneration	Allowances	Variable Short-term Remuneration	Variable Long-term Remuneration	Remuneration for belonging to Board Committees	Compensation	Other items	Total for Year 2015
José Manuel Entrecanales Domecq	1,000	68	0	2,478	0	0	0	21	3,567
Juan Ignacio Entrecanales Franco	500	68	0	956	0	0	0	12	1,536
Jaime Castellanos Borrego	0	68	0	0	0	131	0	0	199
Daniel Entrecanales Domecq	0	68	0	0	0	59	0	0	127
Javier Entrecanales Franco	0	68	0	0	0	59	0	0	127
Carlos Espinosa de los Monteros y Bernaldo de Quirós	0	34	0	0	0	22	0	0	56
Sol Daurella Comadrán	0	34	0	0	0	22	0	0	56
Valentín Montoya Moya	0	34	0	0	0	63	0	0	97
Belén Villalonga Morenés	0	68	0	0	0	0	0	0	68
Fernando Rodés Vilà	0	68	0	0	0	72	0	0	140
Carmen Becerril Martínez	0	68	0	0	0	19	0	150	237
Juan Carlos Garay Ibaragaray	0	68	0	0	0	86	0	0	154
Jerónimo Marcos Gerard Rivero	0	68	0	0	0	0	0	0	68
Ana Sainz de Vicuña Bemberg		37				19			56

ETHICS AND INTEGRITY IN MANAGEMENT

Acting in compliance with corporate standards as regards ethics and integrity is one of ACCIONA's priorities. These standards establish action guidelines applicable to the firms of the Company and are based on the Code of Conduct and the Policy Book, commitments to fight corruption and bribery, and respect for the right to free competition.

CODE OF CONDUCT

The Code of Conduct includes the values that must guide the behaviour of all companies within ACCIONA, and its aim is to favour the consolidation of a conduct within the Company that is accepted and respected by all employees and managers.

By complying with this, ACCIONA assumes the commitment to carry out its activities in accordance with the legislation in force in each of the places where it works and based on the highest international standards, such as the Universal Declaration of Human Rights of the UN, the ILO's Tripartite Declaration, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact.

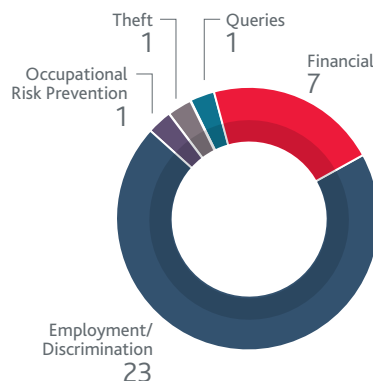
During 2015, ACCIONA continued to provide training to its employees on the subject of the Code of Conduct. During financial year 2015, 6,825 employees were called to receive online training on this topic.



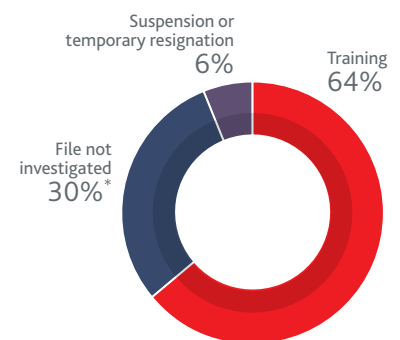
Communications received and handled

(through the Ethical Channel/Code of Conduct Committee)

→ 33 communications received in 2015



→ Treatment of communications received in 2015



* File not investigated: due to not being covered by the Code (anonymous reports -non-financial- only related to employment, organisation or duties).

By complying with the Code of Conduct, ACCIONA assumes the commitment of **carrying out its activities in accordance with the legislation in force** in each of the places where it operates and based on the highest international standards

Code of Conduct Control and Compliance	
<ul style="list-style-type: none"> Code of Conduct Committee 	<ul style="list-style-type: none"> Agency for the study and analysis of the reports of breaches of the Code of Conduct. Also available for the communication of cases that affect third parties.
<ul style="list-style-type: none"> Ethics Channel 	<ul style="list-style-type: none"> Makes it possible to report confidentially via e-mail or post any irregular conduct related to accounting, control, auditing, or any alleged breach or infringement of the Code of Conduct. The Ethical Channel is at the disposal of employees, suppliers and contractors of the Company.
<ul style="list-style-type: none"> Protocol for situations of Harassment 	<ul style="list-style-type: none"> Through the Ethical Channel, the Committee assesses each case and establishes any necessary measures. Through this protocol, ACCIONA makes it clear that its intention is to adopt any necessary measures to foster a work environment free from harassment, not permitting or allowing any conduct of this kind.

ACCIONA POLICY BOOK

The ACCIONA Policy Book reflects the commitments and the principles of action applicable to the firms of the Company regarding economic, social and environmental issues. This book was approved by the Sustainability Committee in April 2013.

The policies are grouped in four blocks based on the following topics:

- Sustainability and Innovation
- Economics and Corporate Governance
- Social
- Environmental

The Policy Book has been disseminated internally and is also available on the Company website in Spanish, English, Polish and Brazilian Portuguese (<http://www.acciona.com/shareholders-investors/corporate-governance/corporate-policies-book/>).

COMMITMENT TO FIGHT CORRUPTION

The Company's commitment to fighting corruption and bribery can be seen both in the establishment of anti-bribery and anticorruption measures in the Code of Conduct and in its Anticorruption Policy.

On an operational level, we have the Crime Prevention and Anticorruption Model.

This model establishes the general control environment of the Group, following the best international practices; carries out an inventory of the possible crimes which ACCIONA faces in its different activities that may entail criminal responsibility for the Group; and contains a comprehensive list of all of the criminal risks that are susceptible to affecting each Department and Managerial group, as well as the existing controls that make it possible to prevent or detect these crimes.

During 2015, the Group made significant progress in the implementation of the model. As a further step in ACCIONA's aim to follow the best Corporate Governance practices, the Company has established a compliance function with the creation of a new Unit that reports directly to the Executive Chairman and the Auditing Committee of the Board of Directors.

The Corporate Compliance Unit will supervise the fulfilment and effectiveness of the procedures, controls and internal commitments established to ensure compliance with the regulatory or voluntary obligations of an ethical, organisational, environmental or social nature, and the identification, prevention and mitigation of related risks.

Likewise, within the framework of the actions being carried out by this new Unit, and as part of the Group's commitment to ethics and responsible corporate conduct, in January 2016, the Board of Directors approved the Anticorruption Action Regulations of the ACCIONA Group. These regulations strengthen ACCIONA's commitment detailed in the Code of Conduct and the Anticorruption Policy, and provide compliance guidelines to avoid misconduct, which are applicable and of mandatory compliance for all employees and associated parties of ACCIONA (among other agencies, intermediaries, advisors, consultants and suppliers).

On the other hand, having implemented the Crime Prevention Model at a national level, the Group has wished to obtain an external ratification of the model's adequacy. To this end, an expert report has been obtained for the ACCIONA Group and during 2016, the aim will be to obtain a specific report for the main Infrastructure and Energy divisions.

Lastly, in late 2015, the Company started to analyse the legal situation in Brazil, Chile and Mexico with regard to the criminal responsibility of legal persons, with a view to adapting the Crime Prevention Model. The implementation of the Model in these three countries is expected to conclude in the first half of 2016.

Anticorruption Regulations of the ACCIONA Group

The following conduct is forbidden:

1. Offering or accepting bribes to either civil servants or private individuals.
2. Offering or accepting payments to aid the start of or speed up administrative processes or procedures.
3. Offering or accepting gifts or services to either civil servants or any other third party that go against the content of these regulations.
4. Making contributions on behalf of the Group with political aims.
5. Obtaining favourable treatment using sponsorship or donations as a means of achieving it.
6. Using commercial relations and contacts of the Company for one's own benefit or that of a third party.
7. Establishing business relations with third parties without complying with minimal due diligence duties as regards third-party knowledge.

After identifying and assessing the main risks, in 2015 ACCIONA consolidated environmental risk management initiatives and implemented mitigation measures

Risk Management in ACCIONA

Risk management in ACCIONA is detailed in the Corporate Governance Report published annually by the Company.

The main advances made in 2015 with regard to the Risk Management System were as follows:

- Incorporation of the treatment of the main risks with regard to sustainability and the environment of each of the divisions.
- Extension of the scope of study of risk identification to 12 countries in total. Two further countries compared with the previous year (Chile and Poland) corresponding to the Energy division.

RISK MANAGEMENT IN SUSTAINABILITY

Impact on corporate image and sustainability and development are criteria included in the assessment that ACCIONA directors should take into account in the different scenarios and risk maps.

The identification of sustainability and development-related risks is a comprehensive process, in which directors of the departments of Human Resources, Sustainability and Development, Corporate Resources, Environment, and other areas related directly or indirectly to sustainability are involved.

The risk scenarios are rated by the directors participating in the map, on the basis of six criteria (probability, economic-financial, impact on corporate image, sustainability and development, capability of the Company to manage risk and the risk management programme it establishes), rated on a scale of severity established for each criterion.

In the risk assessment, the criterion relating to a negative impact on sustainability and development is rated on a scale from 1 to 3, from lesser to greater severity, in accordance with the following parameters:

- **High:** failure to comply with the expectations of more than one key stakeholder group: customers, employees, media, etc. Evidence of total lack of ethics/corporate transparency. Has a considerably negative effect on the development of the communities in which ACCIONA operates or on the environment.

- **Medium:** failure to meet the expectations of a key stakeholder group. Indicates a limited failure of business ethics/transparency. Has a limited negative effect on the development of the communities in which ACCIONA operates or on the environment.

- **Low:** it does not affect the expectations of stakeholders. Does not indicate a lack of business ethics/transparency. Does not have a negative effect on the development of the communities in which ACCIONA operates or on the environment.

Risks that involve a lack of alignment with the Company's culture, policy and/or values as regards sustainability and development are notified to the corresponding director general of the area where said scenarios are taking place, so that they may be resolved.

During 2015, ACCIONA consolidated its environmental risk management initiatives. Thus, after identifying and assessing the Company's main risks in this area, efforts have focused on identifying and implementing mitigation measures by means of a treatment file for the most relevant risks.

Risk management in ACCIONA Infrastructure

ACCIONA Infrastructure takes into account sustainability criteria in all of its business units, with the identification and assessment of risks associated with the development of its projects throughout the entire life cycle. To this end, it carries out the following actions:

- Analysis of the factors that might promote risks. This section includes social, environmental, transparency, cultural, and adaptation to local customs aspects and, in general, all those related to the effect of the project on the community.
- Assessment of the consequences of risks, where six categories of impacts are taken into account:
 - economic (effect on cost and result of the project)
 - timing (effect on programming, milestones and deadlines)
 - environmental and community (effect on natural environment and third parties)
 - reputation (effect on image of the company or client)
 - health and safety (effect on people)
 - compliance and development of the infrastructure (effect on the functionality of the infrastructure, its design, execution process, location, internal organisation, performance, etc.)

The qualitative assessment of the risk resulting from the combination of the probability of occurrence and the impact on each of these categories is reflected in a risk matrix specific to each project, which is updated as the project evolves.

The analysis of general risks in the countries is carried out

with a focus on business development. A total of 69 countries have been analysed, of which ten were analysed in 2015.

The following box provides specific examples of risk management:

Identified risk	Prevention and Mitigation Measures
Difficulties in the accessibility to the work site. Effects on the environment.	Definition of the works logistics plan from the early stages that includes: <ul style="list-style-type: none"> ■ Specific routes for site transport (selecting those that interfere least with the community). ■ Permits for accesses through private roads. ■ Plans for maintenance of access roads. ■ Plans for surveillance and control of the condition of access roads.
Impact on urban services (damages, delays in diversions and new services).	<ul style="list-style-type: none"> ■ Detailed campaign of preliminary recognition. ■ Good control during the works. ■ Appropriate contractual management to inform customers when there are no services planned.
Not having initial resources <i>in situ</i> in time.	Definition of a specific mobilisation plan for the project that takes into account in the short term (100 days) the essential resources for starting the activities, with people responsible and a schedule with dates of incorporation and availability of: <ul style="list-style-type: none"> ■ Essential specialised human resources. ■ Early operation procedures. ■ Materials, machinery and ancillary equipment.

Risk Management in ACCIONA Energy

ACCIONA Energy makes a global assessment of the relevant markets for the business using a tool that analyses relevant indicators that cover three fundamental areas: the region's macroeconomic conditions, the electricity market and the renewable energy sector. The comparison of different regions under these parameters allows the Company to select those opportunities which provide lower risks and greater value creation. Furthermore, it makes it possible to adopt improvement measures in countries or regions susceptible to change in order to comply with the Company's investment requirements. The tool covers all the countries in the world for wind technology, and continues adding countries for photovoltaic technology.

The risks associated with the social sphere include the following risk causes: social aspects, economic characteristics of the population, local employees, level of education of communities, etc.

The following box highlights several examples of risk management in ACCIONA Energy.

Risk Management in Human Rights

Since 2013, ACCIONA has included a public human rights policy in its Policy Book.

During 2015, the drafting of a diagnosis of human rights risks was concluded following the United Nations Guiding Principles on Business and Human Rights.

For this, a total of 21 risks were analysed, classified in 4 categories:

- labour risks
- risks affecting communities
- risks affecting vulnerable groups
- risks derived from personal safety

The result made it possible to create a risk rating by business unit in those countries where ACCIONA is present and which show greater vulnerability with regard to human rights.

Following the analysis, several conclusions were reached:

- ACCIONA carries out its activities in 17 countries with high and extreme human rights vulnerability risks.
- The main human rights vulnerability risks affecting the Company are produced indirectly via third parties.
- The main risks are related to labour rights and the rights of vulnerable groups.

Furthermore, in 2015, taking as reference the standards of the Danish Institute for Human Rights and the UN Global Compact, corporate rules and procedures were analysed to ensure that ACCIONA applies appropriate controls regarding human rights.

During 2016, the specific internal regulations that are included in the ACCIONA Group's actual scope of business will be studied, with the aim of strengthening the measures that ensure the prevention of possible violations as well as remedying them should they take place.

Risk management in ACCIONA Energy

- 1. Assessment of the Company's global risk.** Creating the Company's risk map aligned with the corporate risk assessment system.
- 2. Analysis of risks due to the entry of new countries.** Management of risks brought about by the entry of new countries and markets by means of a tool that makes it possible to analyse macroeconomics, the electricity market and renewables. The result enables the Company to estimate the risk and the attractiveness of this market and compare it with that of markets where the division is already present.
- 3. Analysis of risks throughout the value chain in ACCIONA Energy.** The presence of the division in all the stages of the energy value chain requires management on different scales. Thus, ACCIONA Energy carries out comprehensive analyses and plans of action regarding risks for new projects and for portfolio projects.

PEOPLE

A committed team

Human capital is a priority for ACCIONA. The Company promotes improvements in the fields of talent attraction and retention, training and knowledge management, fostering commitment, equal opportunities and Health and Safety in the Workplace.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">■ Obtain and/or maintain the OHSAS 18001 certifications in all operational activities with more than 150 direct employees.	<ul style="list-style-type: none">■ The OHSAS certification has been maintained in all businesses.
<ul style="list-style-type: none">■ Improve the accident frequency rate (FR) by 20% compared to 2011.	<ul style="list-style-type: none">■ The frequency rate has been reduced by 31.57% compared to 2011, better than the expected figures.
<ul style="list-style-type: none">■ Reaching 3% of equivalent employment.	<ul style="list-style-type: none">■ The requirements of the General Law on the Rights of Persons with Disabilities and their Social Inclusion have been exceeded, with an employment rate of 3.55%.
<ul style="list-style-type: none">■ Increase the employment quota of people at risk of social exclusion by 10%, compared to base year 2011 (125 hirings in 2015).	<ul style="list-style-type: none">■ The employment quota of people at risk of social exclusion has been increased by 12.7% to 213 hirings in 2015, a figure that includes hiring 37 women victims of gender violence (37.04% more than in 2014).
<ul style="list-style-type: none">■ Increase by 0.25% women's representation at managerial level over results at 31/12/14 (18.5%).	<ul style="list-style-type: none">■ Increase of 1.57% in women's representation in the managerial group, reaching 18.80%.
<ul style="list-style-type: none">■ Design and implement a Plan to Foster Gender Equality in Australia and Brazil.	<ul style="list-style-type: none">■ Plans implemented in Australia and Brazil.
<ul style="list-style-type: none">■ Achieve 92% coverage of workforce subject to performance evaluation.	<ul style="list-style-type: none">■ The process of performance assessment has reached a degree of coverage of 92% in the groups subject to said process.
<ul style="list-style-type: none">■ Link variable remuneration to sustainability for 97% of directors and 90% of managers.	<ul style="list-style-type: none">■ More than 3,500 employees have benefited from the ACCIONA Bonus compared to 2,600 in 2014, including 97% of directors, 90% of structural managers, and extending to part of the technical and support workforce.

SMP 2015

Challenges

- Expansion of training and development programmes in USA, Mexico, Chile, Brazil, Canada, Australia and Italy, reaching 90% of employees with access to IT tools.

- Launch of a Sustainability course for employees.

Advances

- Fulfilment of the target, achieving 100% coverage of employees with access to IT tools.

- Launch of two courses at the Corporate University, totalling 8,535 hours of training. The courses given were:
 - People: Sustainable Values
 - Social Impact Management

SMP 2020

2016 Challenges

- Adapt the talent review process to fit the Company's new needs.
- Achieve a 94% degree coverage of workforce subject to performance evaluation. Reach the figure of 10,000 people assessed as a target for 2016.
- Launch a development programme for newly promoted employees: ACCIONA Emerging Talent.
- Launch a content programme to raise awareness among employees regarding the Company's digital transformation challenges.
- Broaden and promote the Health and Well-being Plan in more countries.
- Carry out new awareness-raising and participation campaigns, in line with the motto of the European Agency for Safety and Health at Work for the 2016-2017 period: *Healthy Workplaces for all Ages*. By promoting sustainable and healthy workplaces, these campaigns are aimed at Active Aging-Anti-aging in work life.
- Maintain 100% of the OHSAS 18001 certifications in countries with more than 150 own FTE employees.
- 5% improvement of the frequency rate of own and subcontracted employees in line with the 2015 rate for ACCIONA
- Establish a volunteer programme for 50% of suppliers participating in projects or in fixed centres under the VPP Programme conditions in 2016.
- Establish leadership habits in Occupational Risk Prevention for 20% of the workforce of ACCIONA Construction for the year 2016 (Leader Programmes).
- Establish a contractual programme for 100% of the fixed centres and 20% of the projects of a duration of more than one year of ACCIONA Construction in 2016. (BBS4U programmes).
- Continue the development of the Project Management project as regards occupational health and safety.
- Implement the educational standards of the Global Wind Organization in ACCIONA Energy.
- Design and implement the Triple Zero strategy and the 50:50 and "Safety we do" behaviour models to establish a cultural model that favours the integration, communication and dissemination of objectives, policies, programmes and health and safety controls in all of ACCIONA Industrial's centres and projects.

»» The culture of Health and Safety can be seen in all operational centres from the strategic to the operational level

→ Continuous improvement as a management strategy of occupational health and safety by work centre

- ACCIONA recognised and accredited as one of the first Spanish companies to develop its programme on Best Practices in "Promotion of Health in the Workplace"
- The Company and the Associação Brasileira para Prevenção de Acidentes have signed an agreement with the aim of fostering best practices regarding health and safety and culture at the workplace
- Agreement signed between the Institutional Committee of Health and Safety in the Workplace at Ecuador's Ministry for Work and ACCIONA Infrastructure

→ More than 485,000 hours of training offered to employees of all levels during the year 2015

Our Human Team is our Priority

The Company maintains a continuous process of adaptation to the needs of its business and its environment, and in this regard, in 2015 it carried out a review of the general Human Resources strategy for the coming years.

The main challenge of this review has been to act as a lever to achieve profitable growth for the business on a world scale, and with this purpose, one of the Company's strategic keys is to have at its disposal the identified amount and quality of talent in the short-, medium- and long-term.

In this context, the general model of people management has been adapted and extended globally throughout the Company in such a way that policies and processes are standardised, structuring priorities in three main lines of action: recruitment, talent availability and employee experience.

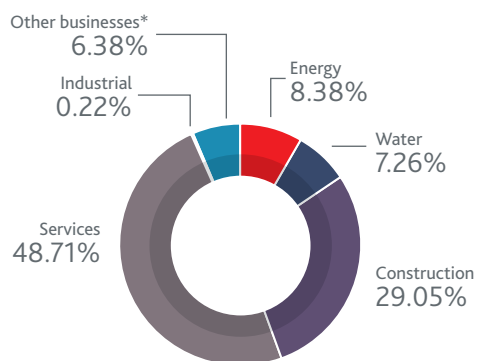
These main cornerstones of the Human Resources Strategy will materialise in the coming years through the launch of long-term projects with annual aims shared by the entire organisation.

Main cornerstones of the Strategy	
<p>1. RECRUITMENT: The aim is to attract the very best, incorporating abilities and knowledge that complements the existing human capital in the Company.</p>	<p>1.1 Recruit the best:</p> <ul style="list-style-type: none"> ■ Review of methodology ■ Protocol to follow for new recruitment ■ Training for interviewers <p>1.2 Global and local talent:</p> <ul style="list-style-type: none"> ■ Map of partners/recruiters ■ Market Intelligence needs
<p>2. TALENT AVAILABILITY: Through the development of our teams, facilitating accelerated professional growth for collaborators with the greatest potential.</p>	<p>2.1 Career Model</p> <p>2.2 Talent Review</p> <ul style="list-style-type: none"> ■ Process upgrade ■ Broadening of talent review ■ Talent pool <p>2.3 Global Training Plan</p> <p>2.4 Leadership Programmes</p> <p>2.5 Review of Performance Management</p>
<p>3. EMPLOYEE EXPERIENCE: This element generates commitment and the transmission of culture.</p>	<p>3.1 Employee Experience Plan</p>

PEOPLE, MORE THAN NUMBERS

At the end of 2015, ACCIONA had a total workforce of 32,147 people (4.21% less than the previous year). In this financial year, no Collective Dismissals have taken place (or similar statutory collective processes in accordance with the law in any country where the company operates). Labour-force adjustments have taken place due to changes in consolidation perimeters (for instance, Poland), the end or suspension of projects (for instance, Brazil) or individualised adjustments. All of the measures adopted other than those deriving from the end of projects have been temporary and agreed upon through a satisfactory climate of dialogue. Part of the company's global character is reflected in the geographical distribution of the workforce, 35% of which works outside Spain. Similarly, the number of people who perform their duties outside their countries of origin has increased. In ACCIONA, there are professionals from 110 nationalities, and the average age of the workforce in 2015 was 42.13 years.

→ Breakdown of the total workforce by business line in 2015



(* It includes Bestinver, Corporate, Hijos de Antonio Barceló, Real Estate and Trasmediterranea.

Geographical distribution of the workforce

(no. of employees)

	2014			2015		
	Men	Women	Total	Men	Women	Total
Germany	749	120	869	792	131	923
Algeria	31	3	34	15	0	15
Australia	172	52	224	184	68	252
Brazil	2,162	465	2,627	1,354	345	1,699
Canada	246	178	424	166	203	369
Chile	1,491	122	1,613	1,074	705	1,780
Colombia	360	261	621	329	198	527
UAE	34	2	36	34	5	39
USA	138	23	161	182	29	211
Ecuador	23	8	31	19	7	26
Spain	14,027	6,930	20,957	13,548	7,236	20,784
Gabon	274	31	305	68	26	94
Netherlands	24	9	33	30	6	36
Italy	306	23	329	329	41	370
Morocco	88	16	104	71	9	80
Mexico	509	282	791	936	458	1,394
Peru	71	13	84	187	60	247
Poland	1,790	899	2,689	907	593	1,500
Portugal	510	586	1,096	617	652	1,270
Dominican Republic	35	12	47	30	11	41
South Africa	25	13	38	26	12	38
Venezuela	153	34	187	86	17	103
Rest of the world	197	62	259	279	71	351
Total employees	23,412	10,147	33,559	21,263	10,884	32,147

Breakdown of workforce by contract type and gender

(no. of employees)

	2014						2015					
	Temporary			Permanent			Temporary			Permanent		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Energy ¹	279	66	345	1,544	486	2,030	225	49	275	1,866	554	2,419
Water	248	32	280	1,695	435	2,130	239	36	275	1,678	381	2,059
Construction	1,018	97	1,115	8,903	2,250	11,153	457	139	595	6,920	1,825	8,745
Services	2,010	1,455	3,465	6,386	4,470	10,856	2,444	1,878	4,322	5,972	5,366	11,338
Industrial ²	-	-	-	-	-	-	10	6	16	41	15	56
Other businesses ³	232	136	368	1,267	550	1,817	192	95	287	1,219	542	1,760
Total	3,787	1,786	5,573	19,796	8,190	27,986	3,568	2,203	5,771	17,695	8,681	26,376

(1) In the Energy division, the increase in the fixed workforce is due mainly to the hiring of structural personnel for international projects due to greater production levels. Standing out especially in this regard is the Industrial Energy business in Brazil, with wind turbine tower manufacturing plants or new projects such as that of Vila Pará. The drop in the temporary workforce is explained mainly by the "Insourcing" process in USA with O&M (Operations & Maintenance) personnel in which employees from outsourced companies become permanent employees at different farms such as that of Red Hills.

(2) In 2014, Industrial was reported as part of the Construction division.

(3) It includes Bestinver, Corporate, Hijos de Antonio Barceló, Real Estate and Trasmediterranea. The drop in other businesses is mainly explained by the drop in Fleet personnel in Trasmediterranea.

New hires by business line

	2014			2015		
	Men	Women	Total	Men	Women	Total
Energy	625	131	756	607	115	722
Water	385	55	440	335	64	399
Construction	4,804	440	5,244	2,532	303	2,835
Services	3,061	1,373	4,434	3,635	3,002	6,637
Industrial	-	-	-	29	12	41
Other businesses*	265	172	437	319	188	507
Total new hirings	9,140	2,171	11,311	7,457	3,684	11,141

(*) It includes Bestinver, Corporate, Hijos de Antonio Barceló, Real Estate and Trasmediterranea.

Management indicators

		2013	2014	2015
Revenue	Total (millions of euros)	6,607	6,499	6,544
	Workforce cost/revenue (%)	20%	20%	19%
	Revenue/workforce (euros)	193,707	193,659	203,564
EBITDA	Total (millions of euros)	1,228	1,087	1,174
	EBITDA/workforce cost	0.92	0.85	0.93
	EBITDA/workforce	36,011	32,391	36,519
Costs	Total (millions of euros)	1,334	1,275	1,254

Employees eligible for maternity/paternity leave

	2014			2015		
	Men	Women	Total	Men	Women	Total
No. of employees eligible for maternity/paternity leave	442	287	729	513	298	811
No. of employees who took maternity/paternity leave	442	287	729	513	298	811
No. of employees who returned to work at the end of their maternity/paternity leave	416	280	696	513	298	811
No. of employees who returned to work at the end of their maternity/paternity leave and who continued on the job for 12 months after returning to work	389	275	664	492	295	787
Retention ratio*	0.93	0.98	0.95	0.96	0.99	0.97

(*) GRI does not provide a specific definition for the ratio. To calculate it, the Company reports the number of people remaining in the workplace as of 31 December 2015 after having taken paternity/maternity leave in 2015 out of the total paternity/maternity leaves taken in that year (2015).

Development of Human Capital

ACCIONA focuses its efforts on attracting the best professionals and providing them with unique learning experiences with the aim of fostering their professional development. The Company tries to gain a competitive advantage by strengthening its best asset, the talent of its people.

TALENT ATTRACTION AND ACQUISITION

Under the employer branding strategy guidelines and, specifically, through the ACCIONA TAP (Talent Acquisition Process) methodology, in 2015 actions have been deployed geared to ensuring the availability of qualified workers, with the focus on the groups most relevant to the Company's needs.

ACCIONA TAP is the integral and global solution for attracting and acquiring talent that the Company has developed with the aim of responding to new needs. Among these needs, is the search for different professional and personal profiles, in multiple world locations, with new and complex requirements deriving from the diversification, business specialisation and interculturality that ACCIONA employees are increasingly immersed in.

The methodology provides new search and recruitment methods adapted to the environment and current situation, putting the focus on international growth and expansion. Implemented successfully in

Australia, Brazil, Canada, Chile, Spain and Mexico, TAP is structured in a series of tools that cover the different sub-processes of attraction and acquisition of talent. TAP employer branding; TAP recruitment and TAP assessment.

Also of interest is the deployment of the employer brand: Your Talent for a Sustainable Future, both internally and externally. ACCIONA's employer brand has made it possible to disseminate four key attributes for talent acquisition: Persons, Excellence, Innovation and Sustainability.

ACCIONA's presence in the social media is key for talent acquisition and dissemination of offers. Vacancies are published weekly on Twitter (@AccionaJobs), Google+, a Facebook page focused on ACCIONA's most junior candidates, First Job, and LinkedIn (both on the career page and in the infrastructure, water and energy industry groups). This multichannel dissemination increases brand recognition on a world level, giving exposure to future employees and improving the acquisition of young talent.

Innovation is present in its employer branding. Proof of this is the ACCIONA Jobs app for smartphones and tablets (the Company's most widely downloaded app), where candidates can check the employment offers that best suit their profile by means of a game of questions and answers regarding the business activity.

First Job

The Company carries out constant innovation activities with regard to its talent attraction efforts, and one of the main points of interest is the recruitment of young millennial graduates. For these groups of people who are native to new technologies and are seeking to join the job market, a new employment page has been launched on Facebook: First Job.

First Job is aimed at groups of students and young professionals from all over the world and includes the following information:

- Learning about Sustainability and the Company through participating in the mobile game and app: The Talent Game.
- Latest scholarship offers from ACCIONA and universities from across the world with which it holds collaboration agreements.
- Comic strips to introduce ACCIONA.
- Experiences of other young people who are already working at the Company.
- Opportunity to find out what professional career is available to young people at ACCIONA (Professional Careers) based on qualifications.

In addition, the Company takes part in job fairs at universities and business schools to strengthen its employer brand and identify qualified talent.

Other significant actions in this section include the Employment Advice blog, which makes it possible to increase engagement with candidates, thanks to quality content of interest for professionals who are actively seeking employment.

ACCIONA has worked to gain a better understanding of the essence of its business, what moves the Company and allows it to continue growing. The contribution that employees have transmitted in surveys, interviews and through many other channels, has been carefully assessed to understand the Company's strengths and qualities.

Predictive models applied to Human Resources processes

Due to the increase in digitalised information available regarding people and the appearance of new technologies and methodologies to process it the potential of data analysis techniques has increased.

Furthermore, the high variability associated with specific human resources processes with significant economic impact requires new capacities that make it possible to capitalise information in the decision-making process.

For this reason, ACCIONA has focused its efforts on this and has managed to identify predictive models that are directly applicable to HR processes and support talent management decisions.

The first phase of the project carries out exploratory research, creating a model that automates an organisational decision rule based on a mathematical algorithm. This pilot model confirms the viability of applying prediction techniques to talent management processes.

MOBILITY

Framed within International Transfer Policies, ACCIONA's localisation process attempts to provide answers to the needs of an increasing number of employees who, following an international assignment, were opting to remain in the destination country as local employees at the end of their temporary assignment.

In this regard, localisation procedures have been established, including the analysis of the impact of localisations on these countries and especially the impact in terms of retirement and social security for each employee in Australia, Canada, the United States, Mexico and Poland.

In 2015, with the aim of maintaining and fostering international expansion while also ensuring stable and sustainable growth in the countries where ACCIONA is present, the following actions were carried out:

- **The creation of a specialised group.**

More than 160 experts with a global profile, a high level of technical excellence and intercultural competencies, who have permanent international mobility and are in charge of transmitting their knowledge to local employees. This measure aims

to answer the increasingly complex needs of the Company deriving from the globalisation process.

- **Map of positions.** A map of positions has been created in which local talent is included. The positions that concern international assignment have been limited as has the length of these assignments. Furthermore, localisation processes have continued to be promoted, with a reduction in the number of employees on temporary international assignment from 460 at the end of 2014 to 405 at the end of 2015. The aim of this strategy is to foster stable and sustained growth in the countries for which procedures geared to developing local talent have been established.

- **Definition of wage bands in accordance with the Group's standard methodology.** The aim is to ensure external competitiveness and internal equity of localised employees with local employees. For instance in Saudi Arabia, Australia, USA, India, Mexico, Norway, New Zealand, Qatar, Singapore and South Africa. The aim is to support localisation processes and foster local talent.

ACCIONA's presence in social media is key to attract talent and publicise job offers

PEOPLE MANAGEMENT MODEL AND "SKILL MAPPING"

ACCIONA's people management model is based on an exhaustive identification of roles. This makes it possible to have an own model and inventory that facilitate the achievement of objectives and business strategies.

The Company defines a role as the basic organisational unit which groups work positions that share a mission, a set of responsibilities and some knowledge and competencies required at each point of a career. This model makes it possible to know the skills needed to achieve the objectives and business strategies. The framework facilitates a standardised application of human resources policies, both in terms of recruitment and compensation, training and development.

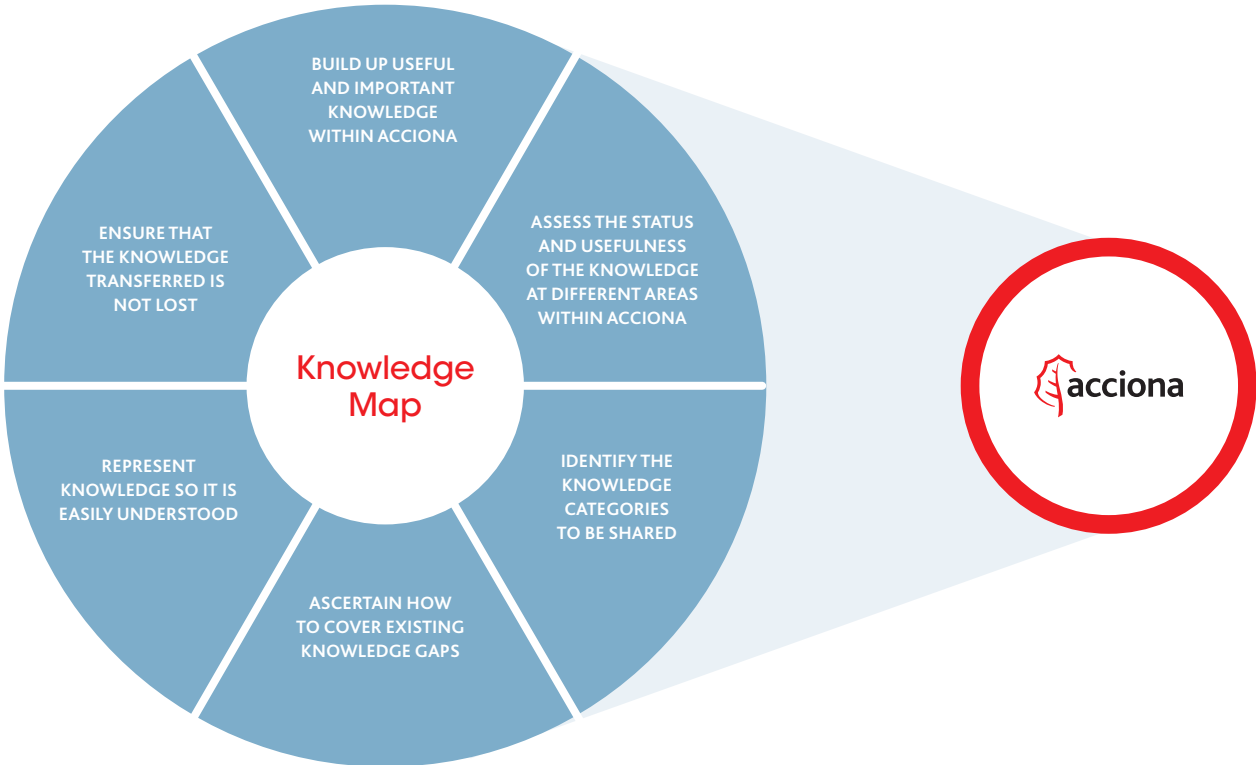
The classification model is based on roles, activity families and levels of organisational content, and contemplates the possibility of a dual career: technical and managerial.

In addition to this model, there is a knowledge map that has served to identify the knowledge categories that provide support to the development of business strategies and the achievement of the goals of the different areas of its organisation. This map makes it possible to locate the key information sources and select relevant and useful information for different areas.

Based on the knowledge map, there is an app called *My Knowledge*, that has allowed the Company to have an inventory of experts in each and every one of the core knowledge areas, critical information for the processes of mobility, promotion and the creation of

high performance teams. Based on this information, different communities of practices have been created, linked to the acquisition of expertise and specific specialities, directly connected with the training itineraries of the technical schools of the Corporate University.

ACCIONA continues to work on fostering the professional development of each and every one of its professionals within its professional development model. This guarantees that everyone at the Company understands their role and remit, with information and tools provided for professional growth and improvement



CORPORATE UNIVERSITY

The Company's educational and training offer is articulated around the Corporate University whose mission is to guarantee the constant development of people in a global manner by aligning training with the needs generated by the business strategies within the framework of a entrepreneurial culture of sustainability, innovation and excellence. The Company has a corporate training centre, equipped with multiple classrooms and high-technology rooms, as well as a virtual campus (Learn in ACCIONA) with more than 2,000 learning resources available in several languages and formats.

The Corporate University together with the Development Centre continues to put at the disposal of all the Company's employees the so-called base itineraries designed to develop skills associated with each person's role. These itineraries comprise of a series of multichannel resources available for employees in different editions throughout the year. They are designed sequentially through three key components: a presentation of the skill, a video by an expert and blocks of content available on the corporate platform. As the different resources made available are developed, new content can be accessed which relate to a higher level within the skill in question. The total number of hours taught in 2015 came to 81,020.

Additionally, at the Business School in 2015 there were programmes such as the ACCIONA MBA, the managerial skills training programmes and the MDP for managers. The functional faculties have launched specific training programmes such as Sustainability, Environment, Disability, Equality and Code of Conduct, among others.

In 2015, the 7th Edition of the Executive MBA in Sustainable Global Business was held. This managed to include a comprehensive approach to sustainable business management, as well as having specific modules regarding the Sustainability Master Plan (SMP). There are now more than 170 students who have successfully completed this programme. Likewise, the 8th Edition of the Executive MBA is now being prepared. This time it is an international edition in which a total of 28 professionals from different businesses and countries will take part.

Technical schools

The technical schools of the Corporate University are the basic pillar to ensure the availability of qualified professionals. They are designed to have a positive impact on the improvement of productivity, technical excellence, specialisation and internationalisation. Furthermore, the specialisms and itineraries of these schools continue to consolidate themselves as is the

case of the development, improvement and digitisation of new content.

Specialisms and sub-specialisms are included within the technical schools. Each of them have technical training itineraries. Each itinerary includes training activities, designed as a structured teaching sequence. They have been very well received by the general management, the business units and the employees. The following are some of the advances made:

- Significant increase in the demand for training and training hours without an increase in cost.
- Greater alignment of training with business strategy and needs.
- Significant reduction of the time to market of the training content.
- Contribution to the creation of an innovative and sustainable culture in the organisation through the image and contents of the model.

ACCIONA "Emerging Talent"

For employees who have been recently promoted to managerial positions, ACCIONA has created an initiative called ACCIONA Emerging Talent which consists of initiating the technical team in skills management. This will make it possible to advise the employee on his or her new role and its implications, laying special

emphasis on the main skills required in his or her new managerial position: leadership, negotiation, flexibility and change management. During the first part, there will be a self-diagnostic study by the new manager of his or her critical skills, continuing with some options for e-learning, streaming (live/recorded) and

best practice training by the Company's top profiles. Lastly, the transfer of learning obtained will be taken into account, concluding with a post-training assessment of the skills developed during the programme.

Global Career Management

In order to maintain and foster the Company's international expansion, it is of critical importance to attract, retain and motivate experts with a global profile so they can continue their work as driving forces for the business.

For this reason, global career management constitutes one of the Company's strategic initiatives for the 2015-2017 period.

Through this initiative, the profiles with the greatest impact and specialisation in the Company were identified. Finally, more than 160 people were found in different divisions of the business to act as knowledge transmitters in the countries where they are sent.

The professionals identified in all of these places will receive specialised attention in the following fields:

- Differentiated positioning in terms of fixed remuneration with regard to their reference wage.
- Specific remuneration related to their international mobility.
- Training and development: technical and specific skills training.
- Internal communication: internal and external visibility as experts.

Led by Senior Management and Human Resources, a global committee has been established for each business to monitor the professionals taking part in the programme.

To maintain and foster the Company's international expansion, it is of critical importance to attract, retain and motivate experts with a global profile

Furthermore, the Corporate University has a training effectiveness assessment process that was implemented throughout the year. This model makes it possible to assess the transfer of knowledge when programmes finish, to know the contribution of the training in specific improvements in the performance of duties of each work position, assess the impact of the training on business results and measure the return on investment in training.

During 2015, this training effectiveness detection and analysis system has been automated through the corporate intranet. As a result of this process, there has been a 40% increase in requests for training through the training needs detection process for financial year 2016.

Assessment levels

Level 5 ROI	Return on investment.	Analysis of the impact of training on selected business indicators.
Level 4 Results	Business results that are achieved with training.	Training efficiency assessment questionnaire.
Level 3 Performance	Changes that have taken place in the position held by the person who has attended the training.	Training efficiency assessment questionnaire.
Level 2 Learning	Determine whether there has been a transfer of knowledge and a learning process.	Knowledge assessment test at the end of a training itinerary.
Level 1 Reaction	Equivalent to measuring the satisfaction of participants.	Assessment questionnaire filled out by the student once the course has been completed.

Other Training Courses on Sustainability

In 2015, there were two new sustainability-related courses launched at the Corporate University:

- **People: Sustainable Values.** This course lasts for five hours, is online and is available to all employees with access to InterACCIONA.

- **Social Impact Management.** This is an online training course which lasts for four hours.

For both courses, four editions were carried out in 2015. In total, this has **involved 8,535 hours of training.**

Training by professional category and gender

		2015					
		Executives	Managers	Technical Staff	Support	Workers/Operators	Total
Total no. hours received	Men	10,060.93	56,064.02	112,665.00	11,311.77	159,783.82	349,885.53
	Women	1,140.75	15,278.68	69,588.89	24,995.59	25,555.80	136,885.53
	Total	11,201.68	71,342.70	182,253.89	36,307.36	185,339.62	486,445.24
Students	Men	408	3,264	9,940	1,281	20,781	35,674
	Women	42	946	5,544	2,410	3,075	12,017
	Total	450	4,210	15,484	3,691	23,856	47,691
Training hours employee/year	Men	39.92	39.21	33.99	25.08	10.10	16.46
	Women	33.55	46.16	40.74	26.34	3.25	12.55
	Total	39.17	40.51	36.28	25.93	7.83	15.13

Investment in training in 2015

	Directors and Managers	Technicians	Support	Workers/Operators	Total
Total investment	2,519,332.11	3,115,529.88	506,563.97	2,542,839.74	8,684,265.69
Investment employee/year	1,230.74	620.25	361.83	107.39	270.14

The people identified in the process of talent review will participate in the different programmes designed by the Company so that they can take on greater responsibilities in the future.

Below are some highlights:

MDP Programme

ACCIONA's training and corporate development area, in collaboration with human resources and ESIC has put in motion the Management Development Programme, ACCIONA MDP. This programme is aimed at managers and experts of all divisions and businesses of the Company.

The Programme is structured in four blocks: Strategy, Implementation, Finance and Marketing, which are developed over two years. The methodology combines the case study method (individual and

group work on case studies—internal to ACCIONA and external—) with onsite workshops. In total, there were 200 hours of training work that culminated in a high success rate for the Programme.

T-MAX Programme

During 2015, the Company continued with the development of the skills and capacities of technicians through programmes such as the T-Max.

The T-Max Programme is a skill training programme aimed especially at ACCIONA's technicians. The aim of the programme is to make progress in the consolidation of the skills included in the role of technical staff, and marked as a development need during the performance assessment process.

This programme has been designed in collaboration with the Escuela de

Organización Industrial de Madrid (EOI) and professional experts and lecturers in the top ten of Spanish management will take part in it.

The programme also saw the participation of professionals with the roles of: Technical Worker I-II-III and Supervisor (Technical Worker IV). In 2015, a total of 721 employees took part in the programme, which lasted 10,815 hours. The following skills were worked on: organisation and planning, initiative and innovation, communication and quality of management.

Talent Retention

ACCIONA aims to improve people's professional capabilities by aligning individual expectations with the Company's strategic aims. Its people management model is based on policies and initiatives related to the achievement of a high degree of performance of all employees, the importance of winning their commitment and objective compensation for the results obtained.

PERFORMANCE EVALUATION

ACCIONA aims to promote the development of a high-performance culture and assess the aims established through its own performance evaluation process. To achieve this, the Company has tools integrated in a single technological environment, making it possible to standardise calendars and calibrate results in more than ten countries.

Specifically, performance evaluation is the annual process of planning, monitoring, and assessment of the objectives defined by each manager with each collaborator and member of their team. This tool makes it possible to improve the professional capabilities of people, and define how to contribute to the achievement of ACCIONA's challenges, aligning individual expectations with the Company's strategic expectations.

The degree of coverage at ACCIONA has been gradually extended (84% in 2011, 86% in 2012, 88% in 2013 and 90% in 2014), reaching 92% of the groups subject to this evaluation process in 2015.

The performance evaluation process, monitored over the long term, has made it possible to assess 9,481 people. This included 678 people promoted throughout 2015, representing 2.5% of the global workforce (and 6.5% of the benchmark group). Monitoring of this group is important for the Company.

COMPENSATION

The Company's compensation policies are designed and implemented using criteria of objectivity and external and internal competition. As to variable remuneration, it is worth pointing out the consolidation of the ACCIONA Bonus.

In Spain, the Flexible Remuneration Plan extended to 1,627 workers in 2015, compared to 1,778 employees in 2014, which implies an approximate reduction of 8%. This reflected regulatory changes that have eliminated the advantages of purchasing IT equipment and renting homes. As in financial year 2014, the most widely contracted product throughout the year was medical insurance, more than the provision of nurseries, travel cards, training, and food tickets, among others.

ACCIONA Bonus

ACCIONA Bonus, implemented in 2012, is the programme for employees with variable remuneration linked to the Company's financial results and individual objectives based on objective and pre-established metrics.

In accordance with the aims established in the SMP, the ACCIONA Bonus programme has been extended internationally to all divisions and the main countries.

In 2015, more than 3,500 employees, compared to 2,600 in 2014, have benefited from ACCIONA Bonus, including 97% of executives, 90% of structural managers, and extending to part of the technical and support staff. Internationally, the Bonus has been applied in Germany, Algeria, Australia, Brazil, Canada, Chile, Colombia, Costa Rica, Ecuador, United Arab Emirates, United States, Gabon, India, Italy, Morocco, Mexico, Oman, Panama, Peru, Poland,

Employees subject to performance evaluation by gender and professional category

		2014			2015		
		Men	Women	Total	Men	Women	Total
Number of employees subject to performance evaluation	Executives	264	30	294	252	34	286
	Managers	1,471	304	1,775	1,226	288	1,514
	Technical Staff	3,405	1,793	5,198	3,021	1,583	4,604
	Support	151	319	470	70	219	289
	Workers/Operators	1,238	157	1,395	865	96	961
	Total	6,529	2,603	9,132	5,434	2,220	7,654
% of the total workforce subject to performance evaluation*	Executives	100%	100%	100%	100%	100%	100%
	Managers	77%	90%	80%	94%	98%	95%
	Technical Staff	83%	76%	81%	95%	99%	96%
	Support	179%	199%	193%	55%	73%	68%
	Workers/Operators	103%	84%	100%	80%	82%	80%
	Total	89%	94%	90%	91%	94%	92%

* The total workforce subject to performance evaluation does not include workers/operators or administrative support positions with lower qualificationse (roles of levels lower than four for workers/operators and lower than two for employees of administrative support).

Note: some groups have percentages subject to performance evaluation exceeding 100%, given that sometimes, workers/operators or basic level support staff are incorporated in the process.

Portugal, United Kingdom, Dominican Republic, South Africa, Sweden, Trinidad and Tobago and Venezuela.

The structure of the aims is standardised, and includes:

- Global aims of the Company, with a weight of at least 10% for all employees and 15% in the case of executives.
- Aims of divisions, companies, countries and units with their own profit and loss accounts.
- Individual aims measured through performance assessment.

Additionally the Bonus system includes approximately 3.5% of the sustainability-related aims defined for each of the divisions in the framework of the SMP areas:

- Improvement of the innovation processes.
- Implementation of the anticorruption model.
- Reduction of energy consumption.
- Implementation of Social Impact Management.
- Improvement of frequency rate of accidents.
- Percentage of recruitment of people with disabilities or at risk of social exclusion.
- Suppliers rating according to environmental, social and ethical criteria.
- Presentation of the sustainability strategy to customers.

SATISFACTION AND COMMITMENT

The Company is interested in knowing the factors that most influence the satisfaction and commitment of its employees. Thus, in February 2015 the survey on climate and ACCIONA's commitment was launched globally. This is sent online every two years in five languages (Spanish, English, French, Italian and Portuguese) to employees with email and on paper.

The participation rate of employees invited to respond to the survey was 55%. A total of 4,821 answers were received. The survey also provided 860 comments and opinions. With regard to the previous survey carried out in 2013, there are no great variations and the following can be concluded:

- 81% is personally committed to the results to be achieved.
- 78% would recommend ACCIONA as a good company to work for.
- 81% is willing to voluntarily invest extra effort in their jobs.

The global commitment data obtained was 61% (three percentage points lower than the previous edition, but two percentage points above the global benchmark).

Following the survey, the Company has identified which factors most influence ACCIONA's commitment and those that can be improved.

- The independence of professionals, work-life balance, safety and relationship with bosses or supervisors. This is what most influences commitment and what should be worked on to maintain the good results obtained.
- The areas for improvement are the usual ones within this kind of survey such as

remuneration assessments, retention and valuation of professionals, among other more specific areas at the division, business and country levels.

One of the strong points identified was the level of commitment to sustainability, with 74% of employees attempting to reflect ACCIONA's commitment to sustainability in their daily activities as far as they could.

General information about the results of the survey has been published via the Company's intranet. Furthermore, reports have been drawn up by divisions, businesses, countries and functions that have been circulated in a segmented manner. Based on the results obtained, the human resources and management teams have defined specific plans of action that will be monitored over the next 18 months.

On the other hand, in the last MERCO Talent 2015 report, which establishes the benchmark companies where to work in Spain, ACCIONA once again is in first position in the ranking for the Infrastructures, Services and Construction sector. In the general ranking, ACCIONA is 28th in the list of the 100 best companies to work for.

Workers' coverage

At ACCIONA, practically all groups of employees are covered by collective bargaining agreements in the different countries where they operate. In specific countries and due to start-up reasons or the legislative framework, there may be small groups of workers that are not covered. In any case, these represent less than 1% of the total workforce.

Collective bargaining agreements are signed for all works and projects except in those countries where trade-union affiliation or representation is not standard practice or is even considered illegal. In these cases control mechanisms have been established with regard to conditions agreed upon both for the Company and its suppliers. ACCIONA is a member of Building and Wood Workers' International, which covers all work in the industries where it operates.

In Spain alone, the Company has more than 850 legal worker representatives and more than 350 collective bargaining agreements in different areas in place.

The social benefits offered by ACCIONA to its employees in financial year 2015 included accident, life, medical and travel assistance insurance policies as well as international health policies for expatriate personnel.

Furthermore, the corporate intranet platform includes a section on special offers for employees called Tu Club. A total of 187 deals were on offer in 2015, with the site attracting 381,962 visits. The offers provide discounts and special conditions for ACCIONA's employees to purchase or obtain services.

DIVERSITY AND INCLUSION

Inclusion and diversity are the two key values for the management of people at ACCIONA as included in its Code of Conduct. It is within this framework that the Company works hard to achieve real equal opportunities for all groups of workers alongside the incorporation of the diversity factor as a strategic element for the management of people.

In response to this commitment and as a key part of its diversity management policy, the Company has been developing a process of continuous support for the incorporation of women in the Company's management teams.

As proof of this, ACCIONA has been monitoring women's participation in the group of qualified employees (technical staff, managers, executives) as part of the implementation of the Human Resources strategy launched in 2011. This ensures

an adequate number people to guarantee gender equality in the current managerial teams, as well as in future promotions of managers to directors.

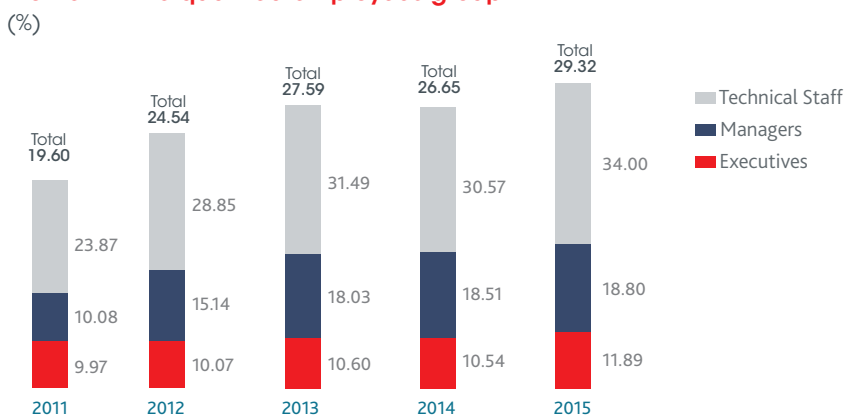
As a result of this monitoring, there has been a significant increase in the ratio of women who now account for 29.32% of the qualified employees group. This represents a rise of almost 10 percentage points in 5 years.

Percentage figures for women in the qualified employees group are detailed below.

Over the total of the workforce, the percentage of women is 33.86%.

In addition, the Company carries out in-house initiatives to raise awareness of disabilities, equality and gender and age diversity, among others. Courses are also given via the corporate e-learning platform on equality and diversity.

→ Women in the qualified employees group



Breakdown of workforce by professional category and gender

(% of employees)

	2013			2014			2015		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Executives	253	30	283	263	31	294	252	34	286
Managers	1,291	284	1,575	1,325	301	1,626	1,430	331	1,761
Technical Staff	3,498	1,608	5,106	3,182	1,401	4,583	3,315	1,708	5,023
Support	1,137	1,945	3,082	714	1,185	1,898	451	949	1,400
Workers/ Operators	15,322	6,213	21,535	15,758	6,774	22,532	15,507	7,829	23,336
Others*	1,946	582	2,528	2,341	285	2,626	308	33	341
Total Employees	23,447	10,662	34,108	23,583	9,976	33,559	21,263	10,884	32,147

(*) The category of Others corresponds to personnel not identified in the role model. These are mostly employees of Mostostal Warszawa plus some temporary Joint ventures where the model is not applied.

Turnover by gender, age and workplace

(%)

	2013	2014	2015
Men turnover	2.82	2.37	4.51
Women turnover	2.23	3.12	5.01
Turnover of people under 30	2.60	2.62	11.52
Turnover of people 30 to 50	5.21	5.24	6.55
Turnover of people over 50	2.23	3.12	4.48
Turnover of people working in Spain	2.59	1.46	1.42
Turnover of people working outside of Spain	2.65	5.11	5.62
Total turnover	3.65	3.78	5.15
Voluntary turnover	1.93	2.85	4.66

During 2015, there was an improvement in data reporting systems. This has made it possible to achieve greater visibility regarding the structure of employee turnover. In this regard, the voluntary turnover data reported in 2015 are of higher quality in the international area. They take into account temporary suspensions of services in the Services Division in Mexico, which are included under voluntary departures. Excluding this effect, the voluntary turnover rate would be 3.06 and the total turnover rate would be 3.91.

Distribution of the workforce by gender

(% of employees)

	2012	2013	2014	2015
Men	67	69	70	66
Women	33	31	30	34

Breakdown of the workforce by professional category and age

(% of employees)

	2013				2014				2015			
	< than 31	31 to 50	> than 50	Total	< than 31	31 to 50	> than 50	Total	< than 31	31 to 50	> than 50	Total
Executives	-	156	127	283	-	172	122	294	-	163	123	286
Managers	14	1,099	462	1,575	11	1,200	415	1,626	9	1,284	468	1,761
Technical Staff	680	3,535	891	5,106	632	3,243	708	4,583	722	3,627	674	5,023
Support	329	1,734	1,019	3,082	301	1,109	488	1,898	263	852	285	1,400
Workers/ Operators	3,009	12,312	6,214	21,535	2,837	12,945	6,749	22,532	3,092	13,278	6,966	23,336
Others*	405	1,506	617	2,528	624	1,558	444	2,626	42	178	121	341
Total Employees	4,437	20,342	9,329	34,108	4,405	20,227	8,927	33,559	4,128	19,382	8,637	32,147

(*) The category of Others corresponds to personnel not identified in the role model. These are mostly employees of Mostostal Warszawa (2013-2014 period) plus some temporary Joint ventures where the model is not applied.

Wage gap

Group	2014		Gross salary gap 2014	2015		Gross salary gap 2015	Difference percentage points
	Men	Women		Men	Women		
Executives	101.50	87.00	14.36%	101.37	89.86	11.35%	-3.01
Managers	103.20	86.00	16.68%	103.27	85.73	16.99%	0.31
Technical Staff	102.80	93.70	8.86%	103.47	93.40	9.73%	0.87
Support	90.30	105.70	-17.09%	85.13	106.93	-25.60%	-8.52
Workers/ Operators	98.60	103.10	-4.57%	96.79	106.25	-9.78%	-5.21
Other*	101.60	86.90	14.45%	103.67	66.01	36.33%	21.88
Total	101.90	95.60	6.22%	101.88	96.394	5.39%	-0.83

(*) The category of Others corresponds to personnel not identified in the role model. These are mostly employees of Mostostal Warszawa plus some temporary Joint ventures where the model is not applied.

As regards the non-discrimination of people with disabilities or at risk of social and occupational exclusion, ACCIONA's Code of Conduct constitutes the guide to behaviour in all businesses of the Company. The Code fosters effective equality, a term which in practice consists of promoting gender diversity as well as the professional and personal development of all employees, thus ensuring equal opportunities. Likewise, no kind of discrimination in the professional sphere for reasons of age, race, colour, gender, religion, political views, national

origins, sexual orientation, social origin or disabilities is tolerated.

During 2015, ACCIONA reached and exceeded the percentage of equivalent employment of people with disabilities in Spain. The objective of the SMP 2015 had been set at 3% and it reached 3.55%. Of this percentage, it is worth noting that 2.80% corresponds to direct employment, 1.08% higher than the previous year, reflecting the Company's commitment to direct job insertion.

The remaining 0.75% of the total figure is accounted for by indirect employment. This was achieved through 2,692,794.71 euros in purchases from Special Employment Centres and more than 22,000 euros in donations to foundations and tertiary sector bodies.

In this line, ACCIONA renewed its Bequal certification in 2015, including the Bequal Plus seal for several of its businesses. This is a disabilities seal which certifies not only compliance with the law but also commitment to disability causes and ACCIONA's social responsibility. ACCIONA is one of the first corporations to obtain this certificate, whose reach extends to a total of 16 businesses of the Company, which have been audited for the award of the seal.

It is important to point out that all lines of business of the Company are covered by equality plans in Spain. Additionally, ACCIONA Engineering, ACCIONA Facility Services and ACCIONA Energy have the equality seal.

With regard to the Company's participation in initiatives in the area of social and occupational integration, the following stand out:

- **International Day of Persons with Disabilities.** In 2015, ACCIONA supported the International Day of Persons with Disabilities, an awareness-raising initiative that facilitates an in-house assessment analysing what has been achieved in terms of disabilities.
- **Agreements with Foundations.** ACCIONA is the founding patron and collaborates with the Integra Foundation in the insertion of all kinds of groups at risk of social exclusion (125 Recruitments in 2015). Likewise, the Company also works with the Red Cross on work insertion of groups at risk. This was the result of the extension of the initial agreement on the insertion of female victims of gender violence (15 Contracts in 2015) and with the Adunare Foundation on establishing agreements on social, educational, cultural and employment integration and the development of people with job insertion difficulties and in situations of social disadvantage (two contracts in 2015). Through the agreement of ACCIONA Facility Services with Norte Joven, the Company collaborates in the insertion and development of young people in an unfavourable situation in Madrid. ACCIONA collaborates with the Carmen Pardo-Valcarce Foundation to contribute to the in-house dissemination of the foundation's initiatives to all employees. The aim of this foundation is to work for the rights and participation of people with intellectual disabilities in society. The Company also directly collaborates with the employment services of the town councils to promote young people in the ordinary job market.
- **"When it comes to gender violence, ACCIONA does not look the other way".** The Company collaborates with the Red Cross in job insertion for victims of gender violence, as well as in promoting social awareness-raising of all employees. In 2015, the Company supported the campaign "When it comes to gender violence, ACCIONA does not look the other way" of the Íntegra Foundation, of which the Company is the founding patron. The foundation focuses on those most vulnerable to gender violence: the sons and daughters of women victims of gender violence. In 2015, ACCIONA recruited 37 people from this group.
- **Job insertion for women victims of gender violence.** Together with the Ministry of Health, Equality and Social Services ACCIONA took part in the conference on job insertion for female victims of gender violence. In the conference, representatives of Norwegian and Spanish institutions, among them the Company, analysed and debated the best practices to foster job integration for women who have been victims of gender violence. The event was organised by the Institute of Women and Equal Opportunities in collaboration with Norway's Equality and Anti-Discrimination Ombud Office. The encounter took place within the framework of the Equal Opportunities and Work/Life Balance programme co-financed by Norway within the European Economic Area (EEA) Grants system. The practices carried out in Spain through initiatives and programmes in collaboration between the health ministry and companies are an international benchmark.
- **International Day for the Elimination of Violence against Women.** On 25 November 2015, ACCIONA participated in the International Day for the Elimination of Violence against Women, contributing to the initiatives for raising awareness and informing employees on gender violence. Furthermore, it supported the campaign by the Ministry of Health, Social Services and Equality "There is a way out".
- **European Equal Pay Day.** For the first time in February 2015, ACCIONA supported the initiative to raise awareness regarding the pay gap and salary differences between women and men, the European Equal Pay Day organised by the European Commission. Employees were given information regarding the gender pay gap, in-house data on the subject, and comparison with average figures in Spain and Europe.
- **Programmes for people at risk of social exclusion.** ACCIONA has job insertion programmes for people at risk of social exclusion, and in 2015 it contracted 125 people. The agreements carried out include the "Convenio Inserta" with the FSC Inserta Foundation for the insertion of people with disabilities, collaboration with the Higher Council of Sports for the insertion of high-level sports people, and collaboration with the Universia Foundation for the insertion of university students with disabilities, among others.

Health and Safety in ACCIONA

The Company works constantly to improve the health and safety of its workers, focusing especially on prevention. During 2015, work continued on the extension of the policies of the divisions to the international sphere. For this, the common minimum prevention criteria to be implemented in all divisions have been standardised. Likewise, emphasis has been put on achieving greater integration of the line of command in issues related to prevention. The Company uses the OHSAS 18001 standard as the basis for its management model.

As a means of consultation and participation at a national level, ACCIONA uses its health and safety committees, the Prevención Madrid email and suggestion boxes. As part of its risk assessments, it makes safety visits and investigations of accidents, among other things, to ensure the participation of the groups involved.

In 2015, parallel to the introduction of technologies in the area of health and safety, projects were implemented based on behavioural aspects of the organisation (BBS4U Projects and LIDER Project) in line with the levels and areas of the Company with the aim of strengthening the culture of safety and improving the work environment. Strengths here include having visible leadership and the promotion of safety conducts with a focus on positive reinforcement.

Throughout financial year 2015, new initiatives were developed in the PSB project geared to the integral health of the workers and the supply chain. A further step has been taken in occupational health by gearing it to comprehensive health with the provision of tools to develop full attention and reduce stress (mindfulness).

It should be pointed out that there are formal local and international agreements with labour unions and public administrations covering certain matters related to health and safety.

EVOLUTION OF THE MAIN ACCIDENT RATES

The Company's accident rate data are a clear reflection of ACCIONA's commitment to occupational health and safety. It is worth noting that for the fourth consecutive year there have been no fatal accidents resulting from production activities.

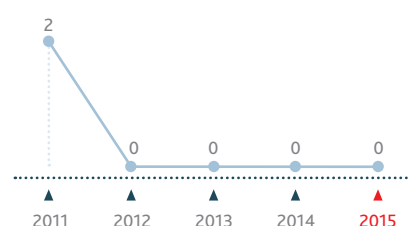
According to the chart shown below, the frequency rate shows a decreasing line compared to 2011, with a slight rise in 2015 for own employees. The aim of the Sustainability Master Plan 2015 to improve the frequency rate by 20% in 2015 was achieved with an improvement of 31.57% on 2011 levels. Furthermore, a 8.62% improvement has been achieved with regard to 2014 results for own and external employees.

Frequency Rate 2015 (global)

Division	Contractors	Employees
Water	0.28	4.11
Corporation	0.00	0.00
Energy	1.61	1.64
Construction	2.86	1.56
Services	2.14	5.22
Industrial	1.42	9.07
Other Businesses*	0.00	1.86
Total	1.71	3.94

(*) IT includes Bestinver, Hijos de Antonio Barceló, Real Estate and Trasmediterranea.

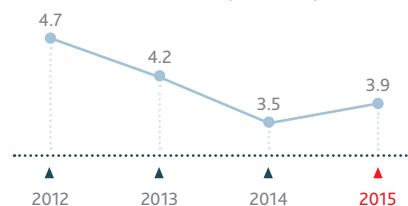
→ Evolution of fatal accidents at a national level (own employees)



→ Evolution of fatal accidents at an international level (own employees)

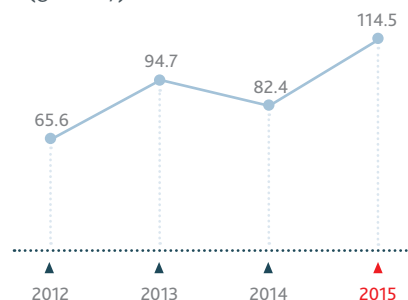


→ Frequency rate among own employees (globally)



OSH - FR = (No. accidents with work loss / hours worked) x 200,000

→ Severity rate among employees (globally)



OSH - FR = (No. accidents with work loss / hours worked) x 200,000

Accident rate indicators for ACCIONA employees

Group	2014		2015	
	Severity R.*	Frequency R.**	Severity R.*	Frequency R.**
Corporation	0.5	0.5	0.0	0.0
Construction ⁽¹⁾	74.4	3.1	37.4	1.6
Water	75.4	2.6	92.3	4.1
Energy	17.6	1.3	39.8	1.6
Services	91.7	4.1	156.4	5.2
Other businesses ⁽²⁾	134.7	4.0	138.9	1.8
Industrial	54.4	2.5	92.9	9.1

(*) OHS- Severity R.: (No. Working days lost due to work accident/Hours worked) x 200,000.

(**) OHS- Frequency R.: (No. accidents with work loss / hours worked) x 200,000

(1) Construction includes ACCIONA Infraestructuras, S.A, ACCIONA Concesiones, S.A., ACCIONA Mantenimiento de Infraestructuras, S.A. and ACCIONA Ingeniería, S.A.

(2) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Trasmediterranea.

The severity and frequency rates have dropped in ACCIONA Corporate and ACCIONA Infrastructure, whereas in the rest of businesses, they have increased. This is mainly due to the growth of labour-intensive activities for workers with basic qualifications and service activities.

With regard to the absenteeism rate, a breakdown by division and business line is included for the 2015 data, carried out in a common and standardised fashion for all the countries where the Company has significant activity under the international standard indicator.

In countries such as Belgium, Netherlands or Nicaragua, where the number of employees is very low, and/or where the activity focuses on Facility Services with high seasonality, local absenteeism rates may be distorted as the denominator (no. of hours worked) is reduced.

Employee absenteeism by rate business line (own personnel)

	2014	2015
Corporation ⁽¹⁾	524.1	368.8
Water	795.3	640.2
Energy	26.7	41.6
Construction	267.0	474.6
Services	1,053.6	850.8
Industrial	224.8	181.6
Other businesses*	776.4	1,087.6
ACCIONA	722.5	693.0

1) ACCIONA Corporation includes ACCIONA, S.A.

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Logistics and Transport.

OHS - Absenteeism Rate = (No. of workdays lost due to absenteeism / No. of hours worked) x 200,000.

Employee Absenteeism Rate

	2014	2015
Spain	900	808
International		
Saudi Arabia	46	0
Algeria	0	0
Australia	141	6
Bolivia	0	0
Brazil	126	20
Bulgaria	-	-
Belgium	1,897	1,962
Canada	588	576
Chile	169	209
China	0	0
Colombia	336	288
South Korea	0	-
Costa Rica	0	0
Croatia	0	0
UAE	0	12
USA	6	0
Ecuador	0	24
Egypt	0	-
El Salvador	153	137
Gabon	219	2,460
Greece	37	0
India	0	0
Italy	435	531
Morocco	0	0
Mexico	74	107
Nicaragua	356	0
Norway	-	0
Oman	-	0
Other countries or territories	83	54
Netherlands	2,944	2,921
Peru	297	247
Poland	12	4
Portugal	1,453	1,318
Puerto Rico	0	0
Qatar	0	0
Dominican Republic	0	0
Romania	0	110
South Africa	0	0
Sweden	0	0
Trinidad and Tobago	-	362
Turkey	0	0
Tunisia	0	0
Venezuela	187	0

OHS - Absenteeism Rate = (No. of workdays lost due to absenteeism / No. of hours worked) x 200,000.

Professional Contingency Plan ACCIONA Construction

ACCIONA Construction has started up the Professional Contingency Plan with the aim of reducing accidents and improving the climate of health and safety in the Company as well as promoting the culture of safety.

Within the organisation's active participation in the plan is the "Protocol for the Return to Work and Welcome Interview" for workers after a period of leave that causes absenteeism as a result of temporary inability to work such as, for example, an accident at the workplace.

With the Plan, an improvement of the culture of security and control of voluntary absenteeism has been achieved, with a drop in the rate of accidents causing injuries related to skeletal and muscular disorders and injuries.

Since its implementation, 7 return interviews, 12 training courses and 117 employees have been trained.

Training programmes and communication and awareness-raising campaigns are key in preventing accidents and preserving the health and safety of employees

TRAINING AND AWARENESS-RAISING

Training plays a key role in the management of employees. For this reason all of ACCIONA's divisions incorporate training and awareness-raising programmes in their annual plan as well as occupational health and safety training requirements. The Company also has internal communication mechanisms that are key in preventing accidents and preserving the health and safety of employees. The most widely used communication tools are the InterACCIONA intranet, bulletins, email, suggestion boxes, communications through signs or via payrolls and specific actions in the work centre.

At ACCIONA Corporate, actions have been carried out to provide information, training and awareness-raising such as the dissemination of information regarding risks at the workplace, preventive measures, emergency measures, behavioural habits for pedestrians and vehicle driving, training in first aid, fire extinction, handling of patients with reduced mobility and postural hygiene, among others.

During 2015, the OHS (Occupational Health and Safety) School of the ACCIONA campus received 3,309 visits and a total of 255 downloads were made. This year, there have been 26 new registrations.

OHS Training 2015 (Corporate University)

	No. hours	No. Employees	No. hours OHS employee/year
ACCIONA Infrastructure ⁽¹⁾	163,010.25	27,335	5.99
Construction	70,805.22	9,341	7.58
Water	19,527.90	2,334	8.37
Industrial	147	72	2.04
Services	73,482.13	15,660	4.69
ACCIONA Energy	27,999.30	2,694	10.39
Other businesses ⁽²⁾	2,405.97	1,871	1.29
TOTAL	194,367.52	31,972	6.08

(1) Infrastructure includes: Construction, Engineering, Services and Water.

(2) It includes Corporate, Hijos de Antonio Barceló, and Trasmediterranea.

As an example, there is an annual training plan at ACCIONA Infrastructure which includes different courses on occupational health and safety.

This year, within the general company objectives, the implementation of the international OHS course has been transferred to a global scale in its first edition that started in the month of July, to complete the training of Company employees with a global profile in OHS.

Furthermore, the division is certified in Spain by the FLC (Spanish Construction

Labour Foundation) to teach these courses, having renewed its accreditation in the year 2013, still in force in 2015.

As significant actions on a global scale, the following have been carried out:

- Third and Fourth Edition of the International OHS Course in an Open Programme format in the Learn in ACCIONA platform.
- Implementation of the induction course aimed at employees on construction sites, in multilingual format (4 languages).

ROAD SAFETY

In 2015, all divisions carried out actions to promote road safety and reduce accidents. Training and awareness-raising activities stand out as key tools in this area.

Unfortunately, during 2015, two work-related fatal traffic accidents internationally occurred, in Brazil and Peru (On route).

On route accidents With and without work leave	2014	2015
Corporation	3	4
Water	7	11
Energy	12	8
Construction	39	36
Services	68	29
Other businesses ⁽¹⁾	4	3
Industrial ⁽²⁾		3
ACCIONA	133	94

(1) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Logistics and Transport.

(2) Included in ACCIONA Infrastructure in 2014.

On mission accidents	2014	2015
Corporation	1	0
Water	8	24
Energy	1	1
Construction	10	7
Services	0	0
Other businesses ⁽¹⁾	0	0
ACCIONA Industrial ⁽²⁾		0
ACCIONA	20	32

(1) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Logistics and Transport.

(2) Included in ACCIONA Infrastructure in 2014.

Corporate

During this financial period, the Company carried out an analysis of the exposure to road traffic risk for 812 workers belonging to 13 companies. The results showed a low exposure to risk, confirmed by the drop in on route accidents. To strengthen this trend, several awareness-raising campaigns have been carried out:

- "Meeting Point: Road Safety and Unsafe Behaviour", in collaboration with FREMAP.
- Road safety campaign: "You drive your life and that of others" with awareness-raising videos regarding unsafe behaviour on the road such as distractions, alcohol consumption etc.
- Newsflashes regarding behavioural habits: "Advice for a healthy and safe trip these holidays"
- Online training in first aid.

ACCIONA Agua

In 2014 the Health and Safety Policy was revised, describing and analysing the company's commitments on issues regarding road safety. The Company drafted and approved the specific technical instruction document where all the mandatory preventive measures for this issue are described. Over the past two years, a specific assessment of road safety risks has been carried out, taking into account that all workers are exposed to this kind of risks. In 2015 work has continued on the road safety risk analyses started in 2014. Over both years, more than 13% of the staff has been assessed.

ACCIONA Energy

ACCIONA Energy has signed the European Road Safety Charter and continues to developing its commitments in accordance with the promotion and improvement of traffic accident prevention among all its employees.

HEALTH AND WELLBEING

ACCIONA promotes the health of its employees through regular medical examinations, campaigns for prevention and early detection of illnesses and psychosocial assessments of work conditions. It also facilitates access for expatriate workers to health services through preventive immunisation work and health insurance management.

These are the main figures for 2015:

- 16,036 medical examinations.
- 7,344 doctor and nurse visits
- 703 immunisations given to workers in all of ACCIONA's divisions.
- 113 workers trained in acting against biological risks.

Certain activities have been identified in several divisions that may cause occupational illnesses due to exposure to biological risk, overexertion and noise. In all these cases, the necessary preventive medical actions have been assessed and carried out to minimise or eliminate the risk. As a preventive measure, all workers exposed to this kind of risk are subject to monitoring.

Activities that may have an effect on the development of occupational illnesses in the construction industry such as silicosis, asbestosis or hypoacusis, are very unusual in the Company's activity. In those activities

Rate of occupational illnesses of own staff (globally)

	2014 Total	2015 Total
Corporation	0	0
Water	0	0
Energy	0.27	0
Construction	0.09	0.05
Services	0.02	0.01
Industrial	0	0
Other businesses*	0	0
ACCIONA	0.06	0.04

OOHS - OI = (No. of cases of occupational illnesses / Hours worked) x 200.000.

() It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Logistics and Transport.*

that involve risks, preventive measures are adopted such as hearing protection, protecting respiratory tracts etc.

In logistics and transport activities, there is a possible risk of occupational deafness in certain positions. To minimise the risks, specific studies are carried out by work centre, with external staff for diagnosis. Furthermore, training and awareness-raising activities are carried out. There are appropriate protection units and access limitation measures are established.

As part of ACCIONA's commitment to comprehensive health, in recent years the company has been promoting an

agreement with private health companies with very competitive conditions. The interest of workers in this service has progressively increased, reaching in 2015 a 22% participation rate over the total figure of people linked to this group.

HEALTH AND WELLBEING PLAN

Within the framework of its responsibility towards its workers, ACCIONA has implemented company-level strategies that invite workers to adopt healthy habits and reduce the occurrence of illnesses linked to current lifestyles such as a lack of exercise. Below are some of the actions carried out over recent years:

- **Collaboration with epidemiologists from the Pro CNIC Foundation.** For the analysis and study of the biochemical and anthropometric data necessary for monitoring the Health and Well-being Plan.
- **Creation of Back Schools within the Professional Contingency Plan of ACCIONA Infrastructure.** Focused on preventing accidents due to overexertion, achieving a direct reduction in accidents in 2015 of 35%.
- **"Promotion of Health in the Workplace".** The Spanish National Institute of Health and Hygiene in the Workplace (INSHT) in collaboration with the European Network for Workplace Health Promotion (ENWHP) recognises and certifies ACCIONA as one of the first Spanish companies to develop its programme of Good Practices in the "Promotion of Health in the Workplace", and is included in the Spanish Network of Healthy Companies.
- **Awareness-raising of emotional health and stress reduction.** Incorporation of new awareness-raising campaigns to improve emotional health and reduce stress by fostering mindfulness.
- **Conference on "Healthy Organization, Beyond Prevention".** Organised by ASPY Prevention.
- **"Health Promotion and Healthy Company Model".** Participation in the 9th National Conference on Occupational Risk Prevention Services in the Health Sector organised by Salud Madrid with a presentation on "Health Promotion and Healthy Company Model".

As part of this plan, activities are carried out to promote health and well-being in the different divisions of the Company. These mainly include awareness-raising regarding healthy life habits, the fostering of ergonomics in the workplace, and encouraging physical activity. Secondly, another aim of this programme is to form part of the value proposition to employees, which is related to Sustainability and included in ACCIONA's employer brand.

Award for Best Practices by the European Agency of Safety and Health for the execution of a Comprehensive Plan for Psychosocial Risk Prevention at ACCIONA Energy

Comprehensive Plan for Psychosocial Risk Prevention ACCIONA Energy

- On 9 March 2015, the European Agency for Safety and Health at the Workplace awarded ACCIONA Energy a special mention within its campaign "Healthy Jobs: Let's Manage Stress", for its comprehensive psychosocial risk prevention plan.
- The prevention and control of psychosocial risks within the company (as per the definition of the European Agency for Safety) centres on the negative psychosocial, physical and social consequences derived from deficiencies in the design, organisation and management of work.
- The plan is based on a study of possible risks based on personal surveys and semi-structured interviews, as well as on concrete experiences analysed by the health and safety committees and on preventive medical examinations of all employees.
- The risks identified are corrected by means of group actions (for instance, the involvement of Executives and Managers in maintaining a culture of respect towards people within the company), and through individual actions, such as the health and well-being programme of the ACCIONA group. Efficacy is measured by means of a monitoring and control process.

One of ACCIONA's main aims is to make further progress in the **adoption of integrated management systems** such as OHS

IMPROVEMENTS IN OCCUPATIONAL RISK PREVENTION MANAGEMENT IN ACCIONA AND PROGRESS MADE IN THE INTEGRATION OF SYSTEMS

One of ACCIONA's main aims is to continue to make progress in the adoption of integrated management systems. Since 2013, work has been carried out towards consolidating the partial integration of the OHS management system and in the area of Quality and Environment. In 2015, the Integrated Management System was 100% implemented at ACCIONA Energy, ACCIONA Agua and ACCIONA Construction and 90% at ACCIONA Service.

Likewise, work is ongoing on the globalisation of the Company's health and safety management. This will facilitate the consolidation of the system in all countries, gaining in efficiency, leveraging good practices and maximising the use of tools available in different parts of the world.

A global strategy will yield savings in certification costs, inasmuch as the basic methodologies are standardised with regard to the OHSAS 18001 standard while at the same time balancing local and client demands in a flexible manner.



OHSAS 18001 certifications by country and business line

Strategic countries	Corpor.	Const.	Energy	Water	Services	Log. and Transp. Serv.	Other
Spain	■	■	■	■	■	■	■
Australia		■	■	■			
Brazil		■	■				
Canada		■	■		■		
Chile		■	■				
Italy			■	■	■		
Mexico		■	■		■		
Poland		■	■				
United States			■				
Portugal			■		■		
Rest of the world							
Abu Dhabi		■					
Colombia		■					
Croatia			■				
Greece			■				
India			■				
Costa Rica			■				
South Africa			■				

The Energy Division has sold the Germany and Korea assets certified in previous financial years.

■ Certified system
 ■ Certified in 2015

RISK ASSESSMENT

The Company makes an effort to assess the risks associated with each activity. The risk assessment for each work centre is reviewed and updated in accordance with the commitment to continuous improvement. As part of the prevention management programme in 2015, several actions were carried out by the prevention services of ACCIONA's divisions, including:

- 4,642 risk assessments and safety inspections.
- 1,382 safety and emergency plans.
- 1,826 investigations into incidents.
- 148 audits by the OHS Management Systems.

Changing behaviour as a tool to prevent risk for workers

After a certain number of years some systems tend to stagnate. For this reason, in order to improve the attitude and conduct towards certain risks, work is being carried on psychosocial policies.

ACCIONA is dealing with this challenge by starting the BBS4U (Behaviour Based Safety) Project, among other things. This project considers the human factor of attitudes as a basic aspect to work on, and on which to design specific actions for workers, involving them in risk control from a behavioural approach.

OHS TARGETS IN EMPLOYEE PERFORMANCE EVALUATION

One of the criteria established for performance evaluation in the different divisions of the Company is compliance with the OHS targets defined in the SMP. Compliance is directly linked to a percentage of variable remuneration of employees. In addition, several divisions have set their own targets in this regard:

At Corporate, the following are included among the targets as indicators of performance evaluation:

- Maintenance of OHSAS certifications.
- Monitoring of Health and Well-being Plan
- Analysis of road safety risk in travel to and from work.
- Reduction of frequency rate.

ACCIONA Water, in turn, has set the following targets:

- Inclusion of the zero accident target in the employee variable
- Specific objectives regarding OHS in each work centre
- Internationalisation of the OHS process

- Implementation of the OHS Management System at an international level and certification in countries with more than 150 direct employees.
- Integration of OHS Management System.
- Compliance with targets defined in the Sustainability Master Plan.

ACCIONA Energy includes OHS targets for employees on three levels:

- at company level
- at department level
- at staff level

These aims are established at the start of the year and are reviewed on a monthly basis, directly affecting the bonuses of all employees

ACCIONA Construction annually defines health and safety targets that affect the performance evaluation. These aims are replicated in the OHS Department of areas and countries.

ACCIONA Industrial has an approved bonus model that includes a Safety indicator at Department/Project level and which applies to workers linked to Projects/Departments with their own profit and loss account.

ACCIONA Construction Chile

There is a bonus for Occupational Health and Safety target compliance that is paid to 100% of workers established as an agreement with the unions. It is paid every six months on compliance with:

- Frequency rate lower than 1.
- Safety rate lower than 35.
- Annual renewal of the OHSAS 18001 certification for Chile.
- Reduction of 5% for 2016 of work-related accident rates at country level compared to 2015.
- 100% satisfaction with observations and non-compliances in external or internal audits for both fixed centres and sites.
- Compliance with 80% of the personalised works programmes.
- Launch of at least five OHS campaigns in some of the ongoing work sites.

In 2015 certain projects have been set up to improve participation channels, such as the BBS4U, which engages workers in the improvement of safety behaviour.

WORKER PARTICIPATION

The Health and Safety Committees of the different divisions are responsible for channelling the consultations and participation of workers in OHS. As part of their duties, the prevention representatives meet on a quarterly basis at the Health and Safety Committee. They also pay visits to work centres and are informed about accidents, safety inspections, workers' complaints, risk assessments and other activities of the Prevention Department.

The percentage of employees represented by formal health and safety committees exceeds 99%.

Some of the divisions have email accounts or suggestions boxes where workers can communicate their concerns on health and safety. This includes Corporate, ACCIONA Industrial and ACCIONA Construction.

During 2015, within in the active search for improved participation channels, projects such as BBS4U were created linking the direct action of workers in the improvement of safety behaviour with a positive approach. Another project that achieves an increase in the level of participation of workers is the Professional Contingency Plan, which improves communication and the return to work of employees following an accident with a welcoming protocol.

The involvement of staff at collaborating companies is achieved through the business activity coordination committees set up in all the work centres where business competition is identified. These are attended by the health and safety employees appointed by each company represented.

Extension of the prevention commitment to the supply chain

Health and Safety are considered basic pillars at ACCIONA, and therefore the company works constantly to achieve an extension of this culture to its entire supply chain by means of good OHS practices. In this regard, ACCIONA monitors the accident rate in the supply chain of each division. In 2015, the frequency and severity rates of subcontracted personnel fell considerably from 2014 levels.

On a corporate level, the following initiatives have been developed:

- Dissemination of health and safety issues to the value chain through newsletters.
- Regular meetings on the coordination of business activities.
- Issuing of compliance reports on the Coordination of Business Activities, with financial repercussions for suppliers for missing targets.
- Preventative training in specific protocols of action in emergencies.
- Monitoring and reporting accident rates in the value chain.

At ACCIONA Energy it is normal practice to issue safety alerts informing contractors and customers of accidents that have taken place, their causes and the lessons gleaned from them.

At ACCIONA Infrastructure there is full participation from contractors and subcontractors and suppliers in almost all prevention activities, given that they participate in the procedures of the Company's normal management systems (risk identification, definition of controls, inspections, training and information, among others).

ACCIONA contractor accident rate indicators
(globally)

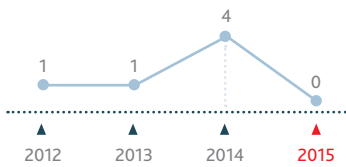
Group	2014		2015	
	Severity ⁽¹⁾	Frequency ⁽²⁾	Severity ⁽¹⁾	Frequency ⁽²⁾
Corporation	5.26	0.96	0	0
Water	11.81	1.01	2.52	0.28
Energy	30.58	1.81	55	1.61
Construction	65.52	3.08	32.35	2.86
Services	65.79	4.25	53.18	2.14
Industrial	-	-	12.35	1.42
Other businesses*	125.38	2.2	0	0
ACCIONA	50.42	2.52	23.4	1.71

(1) OHS - SR: (No. Working days lost due to work accident/Hours worked) x 200,000.

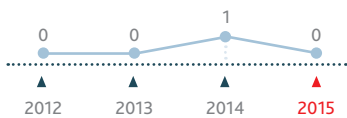
(2) OHS - FR: (No. accidents with work loss / hours worked) x 200,000

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Logistics and Transport.

→ **Evolution of fatal accidents of contractors at an international level**



→ **Evolution of fatal accidents at contractor level**



SUPPLY CHAIN TRAINING

With regard to Occupational Risk Prevention, ACCIONA includes contractors and suppliers within the emergencies plan of the centres, providing them with theory and practice in emergencies and first aid.

At ACCIONA Infrastructure, training is provided to own staff and staff from partner companies in accordance with local regulations and norms, as well as by continuous onsite training. In order to assess the quality of the training provided, quality questionnaires are handed out, and written tests are carried out to measure its effectiveness.

The Safety Standard is based on establishing a cultural environment that is based on people's behaviour, management tools (OHSAS 18001), communication and dissemination of information to integrate

safety in all of the activities carried out from employees to the entire supply chain. To achieve this, the following initiatives are implemented.

SAFETY WE DO

In order to establish an environment where good results include the protection of people as a matter of course, it is essential to establish strategies and processes that help the organisation to manage the risks associated with processes in a coherent way. "Safety we do" is the behaviour model that supports the culture of safety based on what people do. At ACCIONA Industrial-Services, the protection of people is based on 4 main ideas:

- Our business is to produce results.
- Results should be good in all regards, and we are all responsible for the results

- Safety is an intrinsic part of production, and therefore is also an intrinsic part of results.
- Risks—which affect results— cannot be controlled by a single group, and, therefore, must be controlled coherently by applying the measures established jointly by all those who take part in the activities.

Any process involves the exposure of personnel to specific risks that vary according to their place of work, their assignments, the type of equipment or machinery used, the conditions under which work is carried out, among others. This makes it necessary to ensure that

risk control is a constant element in all activities carried out by the organisation.

However, risk control cannot be effective if it is not structured and if a solid methodology assuring consistency is not defined in combination with effective communication processes to promote and consolidate the conscience of all members of staff. Raising awareness among people for their protection is a shared responsibility and ranges from individual to collective aspects and vice versa, with the same level of importance and responsibility attached to people and to the organisation itself.

TRIPLE ZERO

Risk management should start by defining a clear target that should be communicated to all people forming part of the organisation in order to ensure a specific, clear and simple direction. In this regard, the Triple Zero strategy defines the three principles on which risk management is based:

- Zero shifting: avoid improvising or failing to comply with the rules.
- Zero injuries: prevent incidents and any eventuality that may cause injuries to people and/or damage to property, goods and equipment.
- Zero fatalities: adequately manage risks associated to all those critical operations or activities where risks that could lead to fatal injuries are identified.

50:50

This is a model that implies the establishment of an environment of shared responsibility where safety is present in all the aspects and phases of works.

This environment implies that responsibility for safety

starts with the individual and is shared among work teams and different hierarchical levels, each and every one of them assuming responsibility for what it does, for the risks implied and for the way in which those risks are managed to avoid affecting other people.

STRATEGY 16.18

In order to achieve effective control with the aim of preventing the creation of complex environments that may lead to disorganised risk management, it is necessary to align people with the aims that the organisation sets itself.

This process will be carried out over two years and its ultimate aim is to establish a cultural platform based on:

- The integration of safety as a condition for work and a fundamental element of business.

- Shared responsibility as an essential part of risk management and the protection of people.

Furthermore, at ACCIONA Engineering and Industrial an invitation is made to participate in the training given to contractors, this being evidenced in the signature logs for the corresponding talks.

At ACCIONA, any external worker that is going to **work at one of its wind farms** must have proof of training in accordance with GWO standards

ACCIONA Energy: ESIP and QESIP Programmes

The OHS strategy in ACCIONA Energy has consolidated itself in the integration of health and safety management in the managerial line itself via the ESIP (within the Production area) and QESIP (within the Engineering and Construction area) programmes.

Specifically, ACCIONA Energy encourages and fosters the training of outsourced employees via the minimum training requirements that they should have to be able to operate in any of its installations. Thus, any outsourced worker that is going to work on one of its wind farms must prove that they have been trained in accordance with GWO standards.

ACCIONA Construction: Prevention Targets

Annual targets are monitored on a regular annual and weekly basis and were met in 2015. Below are several key actions for the improvement of safety in projects and the effectiveness of prevention management:

- Design and implementation of the BBS4U Project on safety improvement based on behaviour in close to 30 projects in several countries.
- Design of the ESAplus Project, "ACCIONA Construction Safety Standards", for special projects standardising and unifying the Company's OHS regulations at a global level, with standards in line with the demands of large mining and energy customers.
- Design of the LÍDER project for supervisors and middle management.

- Start up of the Professional Contingency Plan with the aim of reducing accidents and improving the climate of health and safety in the Company, and ultimately promoting the culture of safety.

- Design and implementation of the perception indicator for the culture of safety by means of the analysis of 285 questionnaires distributed across several areas.

Implementation of the PAC planning tool in the works planning phase of critical units (PAC) in 40 projects, with a total compliance rate of 90.62%. This year the industrial works and dam construction typologies have been added.

INNOVATION

Technology and progress

ACCIONA is committed to advanced technologies, developing business initiatives in the fields of the Internet of Things (IoT), mobility, Big Data, Advanced Analytics and digitisation, which place it at the forefront of innovation.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">■ Surpassing an innovation figure of 70 million euros, in line with the SMP 2015.	<ul style="list-style-type: none">■ Documented figure of 180.4 million euros in 2015.
<ul style="list-style-type: none">■ Designing the first large-scale additive manufacturing prototype for business application.	<ul style="list-style-type: none">■ Development of ACCIONA's first large-scale additive manufacturing machine, for which the prototype has been built.
<ul style="list-style-type: none">■ Finalising the technical validation of new wind turbine assembly systems and processes.	<ul style="list-style-type: none">■ Technical validation of new concrete tower manufacturing and wind turbine assembly systems, which make it possible to surpass the state of technology as regards the height of the towers, the cost of raising the wind turbine and logistics.
<ul style="list-style-type: none">■ Fostering the implementation of improvements in the Company's key processes to generate savings of at least 12 million euros.	<ul style="list-style-type: none">■ Achievement of savings of 26.2 million euros as a result of improvements to operational innovation processes.
<ul style="list-style-type: none">■ Executing pilot projects for the reduction of energy costs in water treatment plants.	<ul style="list-style-type: none">■ A peak power optimisation system has been successfully implemented at the Lorquí WWTP, which is expected to decrease energy costs. Furthermore, in August the execution of a pilot project at the Archena WWTP finalised, achieving a reduction of contracted power at the water treatment plant. In addition, with the hybridisation of renewable energies in the plant, it is expected that energy costs will be reduced by 30%.

»» The Company confirms its commitment to RDI, increasing the investment figure to 180 million euros in 2015

- ACCIONA has carried out the design and development of its first large-scale additive manufacturing prototype, which will make it possible to print elements on cementitious material, in a size that is appropriate for application to real scale construction
- The Company works together with entrepreneurs, start-ups and suppliers, making it easier for their innovations to reach the market thanks to the Group's purchasing policy. This initiative carried out in recent years has received the Comprendedor Award from the Fundación Empresa y Sociedad
- Improvements to the Company's operational innovation processes have brought about savings of 26.2 million euros

SMP 2020

2016 Challenges

- Maintain an innovation sales figure that exceeds the European average for the sectors in which ACCIONA is present, to preserve the Company's innovative leadership.
- Manufacture the first structural element with additive manufacturing.
- Create the new technological reality capture service via environment digitisation techniques to provide service to customers.
- Promote the implementation of improvements in the Company's key processes to generate savings of at least 15 million euros.
- Create new communication channels and improve the internal innovation platform Imagine.

Value creation through Technological Differentiation

ACCIONA maintains its firm commitment to innovation as the main tool for guaranteeing sustainability, competitive advantages and improving efficiency in all business units.

Every year, the Company challenges its innovative capacity with the aim of creating value in products and services through technological differentiation, anticipating its customers needs and requirements.

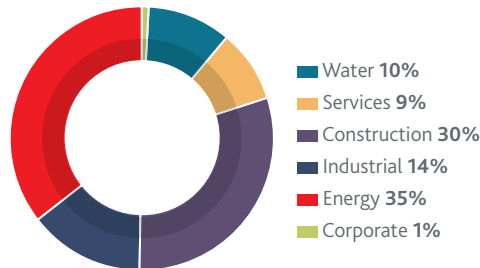
For this reason, the General Management of the Department of Innovation, Environment and Quality promotes the application of new generation technologies in business, deploying the opportunities they bring across the entire organisation, such as, for instance, new display technologies known as mixed reality (captured reality, augmented reality, virtual reality, 360° videos, etc.). Thanks to this drive, all of ACCIONA'S businesses already have proven experience with customers in Australia, Brazil and South Africa, and a new business line will soon be established.

Likewise, the Company continues to maintain its commitment to other advanced technologies. Having understood the progress being made in the fields of the Internet of Things (IoT), mobility, Big Data, Advanced Analytics and digitisation, business initiatives have been developed that put ACCIONA at the forefront of innovation. Furthermore, certain strategic agreements with world renowned universities and technological centres have been renewed and extended.

ACCIONA collaborates with entrepreneurs, start-ups and suppliers, making it easier for their innovations to reach the market thanks to the Group's purchasing policy. This initiative carried out in recent years has received the Compendedor Award by the Fundación Empresa y Sociedad.

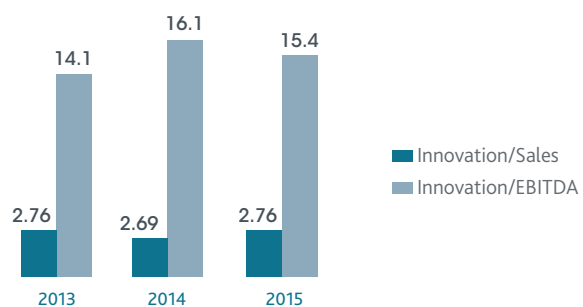
During 2015, 180.4 million euros was assigned to R&D&I in ACCIONA, which is around 3.14% more than the previous year, amounting to 876.4 million euros in the 2010-2015 period. This figure comfortably surpasses the goal of 500 million marked in the SMP 2015, and thus reflects ACCIONA's commitment to maintain itself at the vanguard of technology. In 2015, innovation was distributed according to the following percentages:

→ Innovation distribution figure by business line



During 2015, work has been carried out on 141 projects, of which 52 were developed in the Technological Centres, and the rest refer to innovation projects in the works, plants and installations.

→ Evolution of innovation intensity (%)



Innovation in ACCIONA, classified in the world rankings

ACCIONA stands out on the global scene as the 5th Spanish company and the 144th in Europe that makes most effort for the R&D&I figure, according to the report *2015 EU Industrial R&D Investment Scoreboard*, drafted by the European Commission's Economics of Industrial Research and Innovation (IRI).

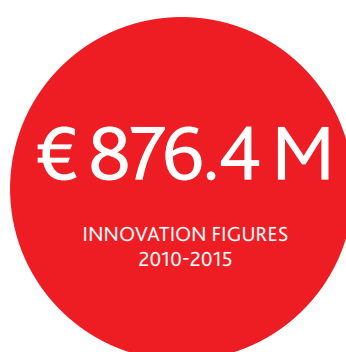
The Strategy& firm, strategy consultancy from PwC's, selects the 1,000 companies with the highest R&D&I figures and places them in a world innovation ranking. This ranking only features eight Spanish companies and ACCIONA ranks at 468, making it the 5th Spanish company. The evolution of the innovation figure and the commitment thereto is reflected in the following table:

	2008	2009	2010	2011	2012	2013	2014	2015	
R&D&I figure (M€)	71.3	92.2	88.1	93.6	166.2	173.2	174.9	180.4	
RANKING	EU	305	213	184	212	212	143	139	144
	SP	9	6	6	8	9	5	5	5
	Strategy&	-	-	541	626	620	461	447	468

R&D&I Management

ACCIONA works with documented methodologies that make it possible to structure, quantify and qualify its processes. Since 2013, the year in which the "Management of Innovation" Corporate Standard was approved, new procedures and instructions have been adapted and developed with the aim of aligning them with the Company's strategy.

ACCIONA's commitment to innovation was compensated in the 2nd monitoring audit carried out by AENOR during November 2015, where once again it was established that the R&D&I Management System complies with the requirements specified in regulation UNE166002:2014. In application of said standard, the Strategic Innovation Plans for each business unit have been reviewed and approved for a three-year period.



Technological and Competitive Observatory

The Technological and Competitive Observatory has adapted its strategy to the needs of its customers, improving the surveillance process with the incorporation of new monitoring services that complement the work carried out by the businesses in this field. This extension of services is the result of the new capacities

generated by new information gathering and semantic analysis tools, adapted to the cycle of technological surveillance. One should note the dissemination of periodical publications of a technological and strategic nature, the contents of which were reinforced through the development of workshops that bring technological trends closer to its businesses.

Some milestones of 2015

Increase in the number of internal customers compared to the previous year, with the number of reports made increasing by 16%.

Implementation of a new monitoring platform with semantic technology that makes it possible to increase the amount of data stored and improve the speed of analysis of large amounts of internal and external information, making it possible to optimise the technological and competitive surveillance process.

Internal dissemination via the technical and innovative weekly news publication (newsletter) and through a quarterly publication that covers the technological trends and progress made in different fields (Signals of Change).

Organisation of workshops targeted at employees from different businesses and profiles, where technological trends are analysed. The topics were: INDUSTRY 4.0, Robotics & Advanced Automation, Big Data, IoT-Handling.

Presence in international forums on strategic and competitive intelligence such as Strategic and Competitive Intelligence Professionals (SCIP).

Business innovation and internationalisation

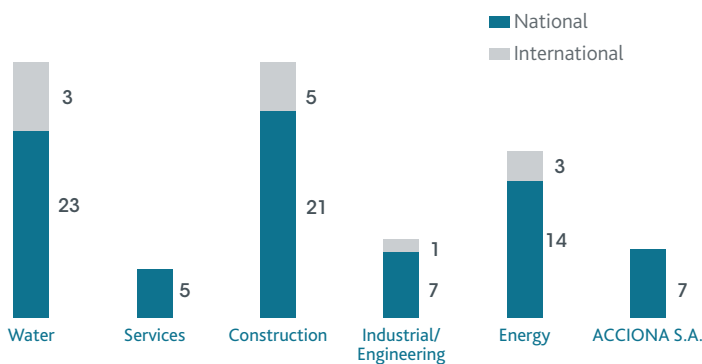
ACCIONA is involved in the creation of value through innovation, in compliance with its mission to be pioneers in development and sustainability, having reached in 2015 the highest figure in its history of innovation with 89 projects of this kind. With this premise, the Group carries out its activity providing innovative solutions in the development of its business, anticipating the needs of the customers and setting itself apart from the competition.

The figure relating to all business innovation activities, as certified and audited by external bodies during the year, amounted to 147.2 million euros, which represents more than 80% of ACCIONA's total R&D&I figure.

The portfolio of international business innovation projects rose to 12, with an associated figure of 82.6 million euros. The efforts to internationalise innovation in ACCIONA have translated into 45.8% of the total innovation of the ACCIONA Group now being carried out outside our country.

The portfolio of **international business innovation projects** rose to **12**, with an associated figure of **82.6 million euros**

→ Geographical breakdown of the number of business innovation projects in 2015



Innovation figure in 2015 (million euros)

	Innovation figure
Spain	97.8
Australia	0.8
Brazil	9.1
Colombia	8.8
South Africa	10.4
Mexico	37.7
Poland	5.6
UAE	0.3
Norway	9.9
Total	180.4

Continuous improvement of processes, greater efficiency in operations

During 2015, a verified figure of 26.2 million Euro was saved as a result of operational improvements to ACCIONA processes, exceeding the target of 12 million euros established for this financial year.

Of the 59 initiatives on which work has been carried out, the following especially stand out (broken down by business line):

Infrastructure

- Improvements in the building processes in national and international projects and implementation of R&D&I in works.
- Improvements in the co-digestion and deodorisation processes in WWTP.
- Integration of renewable energies (photovoltaic and wind) in water treatment plants, to reduce energy consumption.
- Energy efficiency initiatives for customers --, managing to optimise energy costs. Process re-engineering of integral logistics services in automotive plants.
- Implementation of new concepts of 3D review in the design phase for large EPC projects in industrial plants.

	Verified Savings (million euros)	Achievement%
Infrastructure	16.3	262%
Energy	7.9	158%
Other Businesses*	2.0	253%
ACCIONA Total	26.2	218%

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Logistics and Transport.

Energy

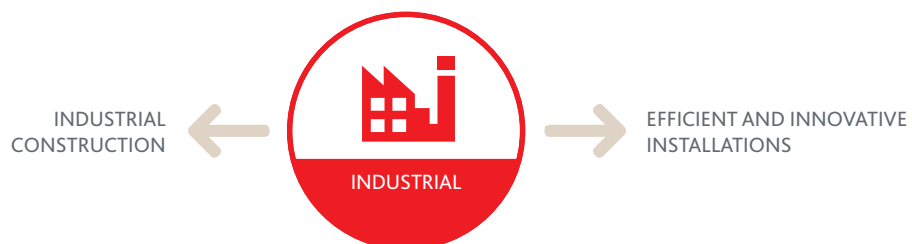
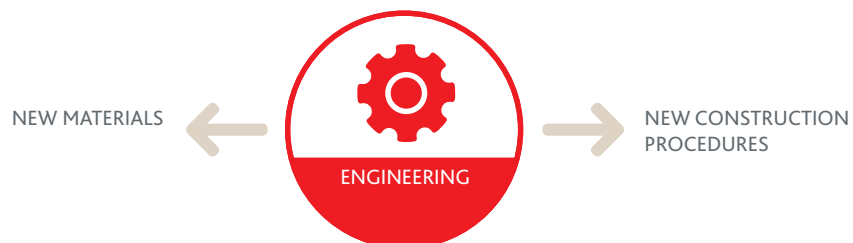
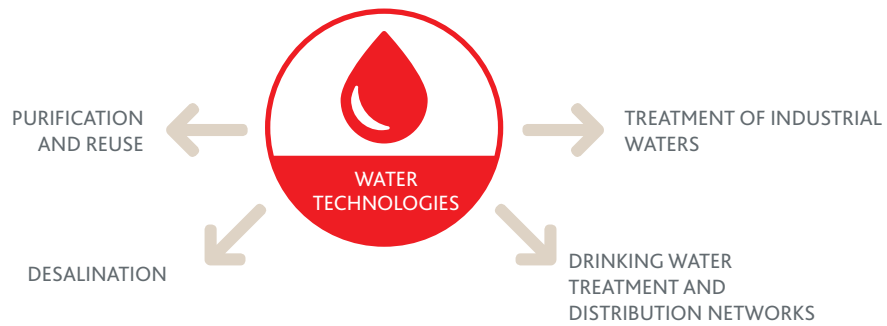
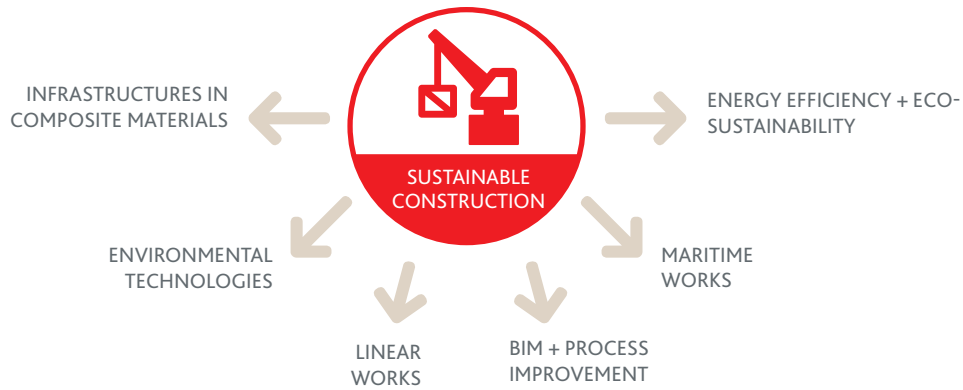
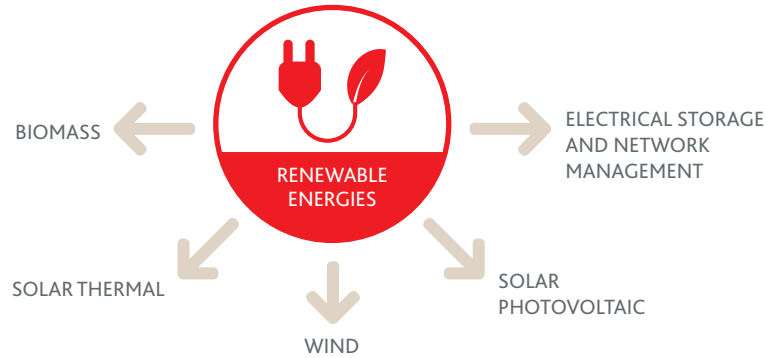
- In 2015, the CoE 1616 project was launched, with a view to reducing the cost of energy in the AW3000 range by a further 16% in addition to the 27% drop reached at the end of 2014. Some of the innovations that the new range incorporates to achieve this target have been protected by means of six patents that have been registered this year.

Other businesses

- At Trasmediterranea two ships have been painted with fluoropolymer coatings, reducing friction and therefore energy consumption and CO₂ emissions.
- Real Estate has improved its process of hiring professional services, relating it with the land's maximum buildable area.

In 2015 the figure saved as a result of operational improvements to processes was 26.2 million euros

STRATEGIC R&D&I LINES IN ACCIONA



Throughout the financial year numerous projects have taken place, including the following:

- **Continuation of the programme for reduction of the cost of energy (CoE) in wind turbines:** in the period 2013-2014, the goal to achieve a 20% drop in the cost of energy market was exceeded, reaching 27%. In 2015, the project was relaunched as CoE 1616 with the aim of reducing the cost of energy during the 2015-2016 period by a further 16% in addition to the already achieved reduction, maintaining the quality of the product and its features. This financial year it has been possible to achieve a reduction in the cost of energy of more than 9% compared to the target of 7%.
- **Configuration and launch of New Hybrid Energy Storage for Wind Integration (HYWINDESS):** this project aims to develop a demonstrator for a hybrid storage system (energy and power modules) with new converters and a control system incorporating advanced models of prediction in the Experimental Barasoain farm (Navarra, Spain). This project has already been awarded the Eurogia+ label, and is in the phase for approval on a national scale.
- **Implementation of the VETRA®DEC process:** this process allows a significant increase of the plant conversion (water catchment/water production), thus allowing for prior processes such as catchment and pre-treatment to be smaller in size, reducing both OPEX and CAPEX. For this reason, it has already been offered on two occasions at the SWRO plant in Namibia (for water supply to the uranium mines) and at the SWRO plant of the Petroperú Talara refinery.
- **Construction and operation of the anaerobic biological reactor pilot plant (OptiAnMBR):** during 2015, the pilot demo plant that will serve to optimise the process and validate the technology used has been designed, built and commissioned at the waste water treatment plant in Archena.
- **Development and application of display technology to projects:** a multiplatform display has been developed that allows instant remote access to virtual models of the works and installations, from any location and without the need to install additional software. In addition to 3D browsing, the display has different tools such as the section of models through cross sections and the measurement of elements, and also makes it possible to add comments, images, files, links and areas of interest that can be shared between the different users.

■ **Demonstration and validation of operating conditions of Microgrids in real scenarios at a building or neighbourhood level:** during 2015, a microgrid was installed in a building in Barcelona belonging to ACCIONA Service with the aim of supplying up to 60kWh/day. The results obtained during the validation that was carried

out this year in different scenarios, show that it is possible to reach an electric supply contribution of up to 40% of the building's consumption during the favourable days of radiation, while in the less favourable months 10% of the total necessary amount was reached. This project was developed in the Technological Construction Centre.

Sharing innovation

The Imagine platform is an innovation space in which all employees can share their innovative ideas and talents in order to generate new products, solutions and/or services that make ACCIONA a more dynamic, flexible and innovative organisation.

During 2015 different initiatives were undertaken, which were aimed at improving and encouraging all of ACCIONA to make the most of the Imagine initiative:

- Design of a new innovation methodology, the aim of which is to promote employee creativity, channelling their talents in order to achieve innovative solutions that provide an answer to the new and specific challenges faced by each business unit.
- Selection of a new online tool with greater functionalities that makes it possible to carry out expert analyses of the viability of ideas to ensure that they are correctly assessed and selected, giving them greater potential for becoming projects within ACCIONA.
- Design and integration of the innovation channel that will form part of the online tool.
- Design of a course with specific contents on issues of creativity and innovation to promote and stimulate the abilities of the Company's employees in these areas.

More than 200 employees from all of the business units attended and interacted with applications built using the latest technology at the Big Data conference

Technology Transfer

Technologically, 2015 has been characterised by the execution of projects of fast implementation, and has been focused on advanced display technologies, including the Captured Reality technology, which, following its use in the ACCIONA businesses, is being put at the disposal of customers.

With the aim of disseminating the technological capacities and the experiences gathered in the field of advanced display, different stands were presented within the Big Data conference held in the last quarter of the year, attended by more than 200 employees from all business units, who were able to find out about different projects carried out at ACCIONA, as well as having the chance to interact with applications built using the latest technology. The conference was attended by first class technology companies who specialise in Big Data and who are developing projects in different parts of the world in the field of Internet of Things (IoT), which showcase current perspectives and trends in data capture, storage, analysis and simulation.

HIGHLIGHTED PROJECTS:

- **Reality capture and digital terrain modelling with drones (UAVs) in B-40 (Barcelona):** via the use of drones, a topographic survey of the B-40 motorway in Barcelona was carried out, making it possible to validate this technology and extend its use to other ACCIONA Construction works. The great potential of this technology can be found in its flexibility, precision, resolution, time savings, lower operating costs and safety in the workplace, which make it a very versatile tool for creating digital models of the terrain or carrying out the monitoring of projects.
- **First virtual reality for mobiles app. ACCIONA Experience:** this technology makes it possible to have immersive experiences via a mobile app that shows all of ACCIONA's flagship projects of recent years. This implies competitive differentiation and a new way of selling the ACCIONA brand and its technological capacity. This technique, implemented at the Department of Corporate Innovation, was used as a marketing and dissemination tool at the Asia Pacific Cities Summit & Mayors' Forum, Brazil Windpower 2015, Windaba 2015 South Africa and the EWEA 2015 Paris.
- **Immersive experiences with 360° videos:** committing to technologies that offer immersive experiences, during the "Fuegos del Apóstol 2015" show, ACCIONA Productions and Design put at the disposal of users a 4k quality 360° video, providing viewers with a chance to relive the live show from the Plaza del Obradoiro.
- **Reduction of electrical consumption costs by taking processes off grid in water treatment plants:** at the waste water treatment plant of Archena, it has been possible to take a 4.8 kW pump off-grid, thanks to the energy supply offered by 12 kW of photovoltaic panels, 72 kWh of batteries and a back up generator.
- **Integration of renewable energies in WWTP and WWPS and energy optimisation algorithms to reduce energy costs in water treatment plants (LIFE Renewat):** the "Renewat" project is framed within the European LIFE+ programme, with the aim of reducing energy consumption in a water treatment plant by means of the introduction of renewable energies. During 2015, an innovative hybrid renewable generation system was developed, combining 5kW of wind energy and 100kW of photovoltaic energy together with an energy accumulation system. The novel control system developed regulates and prioritises the renewable hybrid energy generation system. Since it was commissioned, a total of 63,260 kWh of renewable energy has been generated, which has avoided the emission of 41,119 kg of CO₂.

Technological Centres

Technological Centre of Madrid	Technological Centre of Pamplona	Technological Centre of Barcelona
<p>Aims to lead technological development in the areas of construction, transport and environmental infrastructures. Specifically, it focuses on the improvement of applications of new materials, and infrastructures for transport and mining and the improvement of processes.</p>	<p>Nucleus of the innovation activity for renewable energies where most of the strategic lines of research are developed: wind, solar photovoltaic and thermal, biomass, integration of renewable energies into the electricity grid, storage of energy and manufacture of wind turbines.</p>	<p>Develops and researches cutting edge solutions for the purification, desalination, drinking water treatment and management of distribution grids throughout the entire water cycle value chain.</p>

In addition, ACCIONA collaborates with the following Technological Centres: Spanish National Research Council (CSIC), Energy, Environmental and Centro de Investigaciones Energéticas, Medioambientales y Tecnológicas (CIEMAT), National Renewable Energy Centre (CENER), Advanced Technology Centre for Renewable Energies of Andalusia (CTAER), Institute of Nanoscience and

Nanotechnology (CIN2), Advisory Board of the Universidad Carlos III de Madrid Business Forum, TECNALIA, Technological Center of Navarre of the Cetena Foundation (CEMITEC), Massachusetts Institute of Technology (MIT), Polytechnic University of Cantabria, Eduardo Torroja Construction Science Institute (IETcc), and the Polytechnic University of Catalonia, among others.

Strategic Agreements and Recognitions

ACCIONA has renewed and extended certain strategic agreements with world-renowned universities and technological centres.

RECOGNITIONS

- 14th Fundación Torres Quevedo award for Business Collaboration for the Company's relationship with the University of Cantabria (UC), which the Foundation forms part of. This award recognises
- ACCIONA's track record of working in collaboration with the research groups of this university.
- OBRA CEMEX Awards for the Development of the Industrial Works and Special Award for Innovation in Processes and Constructive Techniques.
- Eolo Award 2015 for rural wind energy integration awarded to the municipality of Falces, which has three wind farms owned by ACCIONA Energy.
- Comprendedor Award from the Fundación Empresa y Sociedad. The Company received the award as a result of its joint work with entrepreneurs, start-ups and suppliers, which makes it easier for its innovations to reach the market thanks to the Company's purchasing policy.

ENVIRONMENT

Protecting our surroundings

The fight against climate change, the sustainable use of natural resources and biodiversity protection constitute the main elements of ACCIONA's environmental strategy.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">■ Improve the ratio of CO₂ emissions avoided to CO₂ emissions generated by 15% (2009 baseline).	<ul style="list-style-type: none">■ Ratio of avoided tonnes of CO₂ emissions, 28.4 (2009 ratio: 7.8).
<ul style="list-style-type: none">■ Reduce the energy consumption ratio (energy/sales) by 15% (2009 baseline).	<ul style="list-style-type: none">■ Energy consumption ratio (energy/sales) reduced by 26% (2009 baseline).
<ul style="list-style-type: none">■ Increase the positive net contribution of ACCIONA's water footprint by five times compared with the 2009 baseline.	<ul style="list-style-type: none">■ Generation of a positive impact on the planet of 495 hm³ (ACCIONA's water footprint), 6.5 times the water footprint for 2009.
<ul style="list-style-type: none">■ Report on the Scope 3 carbon footprint of ACCIONA and of all its suppliers and draft a plan of measures to agree on emissions reductions with the most active suppliers.	<ul style="list-style-type: none">■ Calculation of the CO₂ emissions of all suppliers (a total of 28,000). Design of the SCO2PE_by ACCIONA programme whose aim is to drive a reduction in emissions in the supply chain.
<ul style="list-style-type: none">■ Offset the CO₂ emissions generated by the Company's most representative events.	<ul style="list-style-type: none">■ Offsetting of the emissions associated with 11 customer events, 13 Company events and 2 activities connected with Company employees, totalling 66,456 t CO₂.
<ul style="list-style-type: none">■ Launch new service offerings for customers regarding the offsetting of their emissions.	<ul style="list-style-type: none">■ Promotion of services with environmental offsetting with the organisation of 24 carbon neutral events both for customers and Company events.
<ul style="list-style-type: none">■ Strengthen the Company's environmental risk management.	<ul style="list-style-type: none">■ Development of corporate regulatory documents and specific working documents on the management of environmental risks associated with climate change and water for ACCIONA and the supply chain.
<ul style="list-style-type: none">■ Consolidate the ACCIONA Compensation and Biodiversity Improvement Programme. Monitoring and control of actions executed.	<ul style="list-style-type: none">■ Promotion of actions and start-up of the Plan of Action for Biodiversity (PAB) connected with the development of business.
<ul style="list-style-type: none">■ Disseminate the Advanced Environment Course for employees and suppliers of ACCIONA.	<ul style="list-style-type: none">■ Launch of the course on a national and international level accessible to: employees, suppliers and other groups such as the ONCE Foundation and the Prodis Foundation, amongst others.
<ul style="list-style-type: none">■ Publish the most relevant actions taken by ACCIONA in terms of the protection and conservation of biodiversity.	<ul style="list-style-type: none">■ Publication in this report.

» In 2015, the Company consolidated its position as a leading company in the contribution to fighting climate change, using renewable technologies, reducing and offsetting emissions and generating a positive water footprint of 495 hm³ on the planet

→ 17.2 million tonnes of CO₂ avoided

→ Initiatives with suppliers:

- Calculation for the 2nd consecutive year of greenhouse gases emitted by 28,000 suppliers and the launch of SCO2PE_by ACCIONA: a collaborative programme with suppliers to foster emissions reductions
- Business-related water consumption analysed on the whole of the supply chain

→ CDP World Leader:

- Climate Change, Record Score of 100A
- Supply Chain: CDP Supplier Climate A List
- Water: Highest rating A

→ Environmental risk management: Development of regulatory documents and specific analyses of climate change and water

→ 45% of energy consumed comes from renewable sources

SMP 2020

2016 Challenges

- Improve efficiency in operations.
- Prepare the document containing the waste management programme through to 2020 with the identification of pilot experiences.
- Create a portfolio of Life Cycle Analysis projects.
- Develop plans to monitor and reduce water consumption in 10 production sites with intensive use of water resources.
- Apply the water risk management method for at least one Company activity.
- Highlight biodiversity actions.

Low-carbon business model

SPECIFIC ENVIRONMENTAL POLICIES

Respect for the environment is an essential principle in all ACCIONA's work. The Company has four specific policies approved by the Board of Directors: Environmental Policy, Biodiversity Policy, Climate Change Policy and Water Policy. These come together to form the ACCIONA Policy Book, which reflects the commitments and policies applicable to the Company in economic, social and environmental matters (available in the Company website: <http://www.accionacom.com/sustainability/environment/>).

Compliance with the commitment to the environment is driven by the Chairman and the Board of Directors and monitored by Senior Management. This commitment therefore applies to all business lines and all countries in which the Company operates.

INVESTMENT AND ENVIRONMENTAL COST

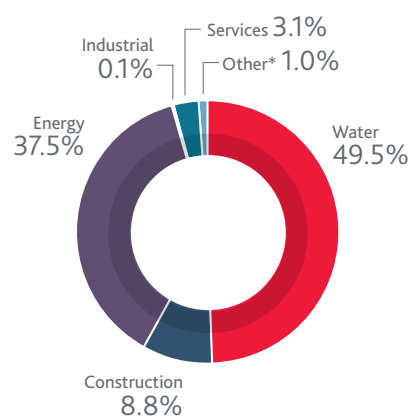
A total of 49% of the Group's global sales and 79% of EBITDA are hinged on business that comes under the scope of what the *United Nations Environment Programme* (UNEP) defines as the Green Economy.

<http://www.pnuma.org/english/resourceefficiency/index.php>.

In 2015, 382 million euros were allocated to environmental investments and expenses, a reduction of 31.79% on the previous year. Environmental expenses rose to 266 million euros and investments to 116 million.

The greatest effort went into the waste water purification and environmental prevention areas and measures to minimise environmental impact.

→ ACCIONA's environmental figures by business line



(*): It includes Corporate, Hijos de Antonio Barceló, Real Estate and Trasmediterranea.

The promotion of environmental protection and the initiatives implemented in this respect by the Company have generated various subsidies:

- Trasmediterranea has been subsidised by the port authorities - for the fourth year running - for good environmental practices in ships with ISO 14001 certification, with a 5% reduction on T1 (tax charged to ships for use of the port water and installations). For the second year running, the ships included in the Spanish government agency *Puertos del Estado* quality certifications have been subsidised with a 5% reduction on T1. The shipping stations of Barcelona, Valencia and Cadiz have also benefited from a 15% reduction each on the activity tax.
- Canal de Isabel II subsidised ACCIONA Agua for the La China WWTP (Madrid) for the production of energy at the plant.

One of the keys to the ACCIONA business is **being able to rely on specific, qualified staff on all levels**, which ensures high quality in the performance of all activities, at all times

FUNCTIONAL STRATEGIC STRUCTURE

One of the keys to the ACCIONA business is being able to rely on specific, qualified staff on all functional, hierarchical and geographic levels of the Company. This means that top quality and experience can be employed at all times in pursuing the Company's business, always according to the strictest environmental standards.

As described in the Sustainability Master Plan 2015 (SMP 2015), the development of strategic initiatives and fulfilment of the targets for the Environment area are brought to the attention of the Sustainability Committee of the Board of Directors, guaranteeing the integration of the environmental variable and the application of environmental policies, principles and strategy in the Company's business.

Qualified personnel	
<ul style="list-style-type: none"> ■ General Management of the Innovation, Environment and Quality Area 	<ul style="list-style-type: none"> ■ This branch of management, which reports directly to the Chairman, defines environmental policies and establishes strategic priorities with regard to the environment, thereby promoting and leading the Company's various initiatives focused on reducing and offsetting its footprint on the planet.
<ul style="list-style-type: none"> ■ Environment, Quality and Processes Director 	<ul style="list-style-type: none"> ■ He/She transmits corporate policies and strategies to each business division and integrates and coordinates the network of supervisors and technicians that implement the environmental actions and objectives for each activity, centre, area and/or technology.
<ul style="list-style-type: none"> ■ Environment, Quality and Processes Committee 	<ul style="list-style-type: none"> ■ Consisting of the management team of the Environment, Quality and Processes at Corporate and Division levels. The Committee's objectives include ensuring that the Company's environmental and quality strategy is in line with the growth of its businesses. It also monitors the strategic objectives incidents as well as the measures implemented to tackle them. In addition, the Committee oversees the Company's Environment and Quality Communication Plan.
<ul style="list-style-type: none"> ■ Employees with environmental responsibilities 	<ul style="list-style-type: none"> ■ 190 people are responsible for environmental issues in ACCIONA.

ENVIRONMENTAL TRAINING

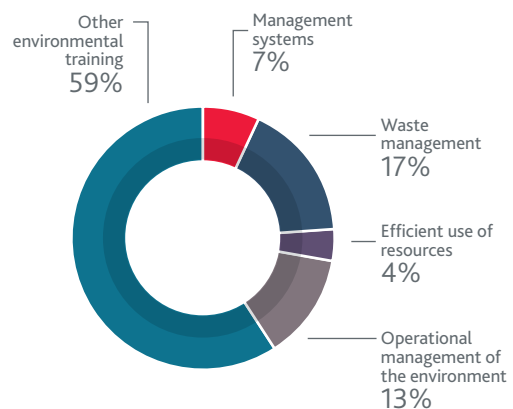
Waste management, efficient resource consumption, operational environmental management, etc, are just some of the matters discussed in the environmental training delivered to ACCIONA employees in 2015 for a total of 34,618 hours.

In 2015, the Advanced Environment Course was completed by 4,359 people, of whom 3,064 passed.

The aim of the course was to provide information on the main environmental variables and future international trends. It consisted of five themed blocks: introduction to the environment, climate change, water, energy and biodiversity. Those who passed were awarded a qualification by the University of Alcalá.

The course was launched on a national and international level and was first made available to employees and suppliers. Thereafter it was extended to include other groups, such as the ONCE Foundation, the Prodis Foundation, families of employees, secondary schools and professional training institutes in Spain, as well as 371 prominent institutions working in the fight against climate change.

→ Breakdown of hours of training by subject in 2015



Total hours of environmental training by business line in 2015

	Total hours
Energy	8,601
Construction	13,347
Water	5,641
Services	3,197
Other businesses*	3,832
TOTAL	34,618

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate and Trasmediterranea

Environmental Responsibility Training: Personal and Corporate Responsibility

In collaboration with Legal Affairs, in 2014 training was delivered on legal environmental liability by the prestigious Uría Menéndez law firm. In 2015, this action was replicated in various cities throughout Spain. In all, more than 200 employees attended the training courses.

The training aimed to spread awareness within the organisation of legal responsibilities with regard to the environment stemming from the Company's business activities (under Spanish legislation).

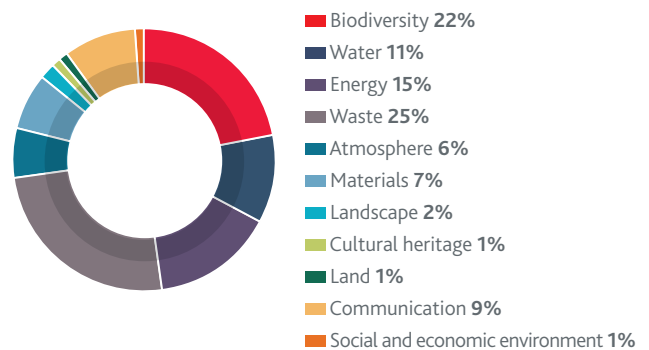
A full recording of this training event is available to ACCIONA employees via the intranet.

GOOD PRACTICES AND UNIQUE ENVIRONMENTAL ACTIONS

ACCIONA identifies, analyses and assesses environmental actions in order to recognise and make public the most significant events within and outside the organisation. The Company weighs up and selects the actions that stand out for their positive net effect on the environment, their innovative nature or their scientific and/or social interest.

In 2015, 511 environmental actions were identified, analysed and assessed, of which 28% are linked to ACCIONA Energy, 12% to ACCIONA Service, 33% to ACCIONA Agua and 21% to ACCIONA Construction. Of these actions, 73 have been selected as good practices and unique actions.

→ Main fields of environmental actions analyzed



Comprehensive environmental management

ENVIRONMENTAL PRINCIPLES AS CONTINUOUS IMPROVEMENT

The Company establishes a common framework of action that enables the coordination of the various environmental management systems of each of the divisions guided by the principles of continuous improvement.

In this respect, ACCIONA's environmental management systems are verified and certified by accredited independent entities in accordance with UNE-EN ISO 14001:2008. A total of 90% of revenue was certified in 2015.

This model enables ACCIONA to establish systems by which to identify and assess the Company's environmental footprint and devise mechanisms to facilitate its reduction. The management model is structured according to the following elements:

- Identification and assessment of the environmental impacts that can be caused when carrying out the Company's business.
- Analysis of environmental risks by means of a technical procedure that quantifies the risk of an accident occurring resulting in environmental damages.
- Identification and verification of legal requirements using an online legal requirements and standards tool that ACCIONA has implemented with a view to strengthening the management of environmental obligations. In 2015, there were 598 sites registered with the tool.
- Operational control by means of the corporate Metrics tool, which compiles all the quantitative environmental information relating to each site and facility.
- Registration and classification of environmental near-misses at all ACCIONA sites and installations. An environmental near-miss is any incident not resulting in damages for the environment but with the potential to do so. In 2015, the Company recorded 166 environmental near-misses, relating to small waste water and sludge spills, minor leaks of oil and thermal fluids and confined spills of chemical substances, etc. An analysis of this type of event has enabled prevention and correction measures to be established.
- Corporate crisis management system to deal with possible environmental emergencies.
- Implementation of continuous improvement tools.
- Establishment of annual environmental targets in all ACCIONA businesses.

Environmental targets	Degree of compliance
ACCIONA Agua	
10% reduction in electricity consumption. Sewage service.	100
10% reduction in the concentration of boron in water as compared with 2014. Roque Prieto Desal Plant.	100
5% reduction in the consumption of drinking water (monthly average in m ³ consumed) as compared with 2014. Blanca WWTP.	70
0.5% increase in the dryness of dehydrated sludge as compared with 2014. Agaete WWTP.	100
ACCIONA Construction	
Definition and establishment of an environmental Management Monitoring System (MMS).	85
ACCIONA Industrial	
Establishment of at least one environmental measure with the aim of collaborating in achieving the objectives set out in the SMP 2010-2015 as regards energy efficiency and the Company's environmental footprint.	100
ACCIONA Service	
Reduce electricity consumption by 5% in a pilot building (Valportillo).	100
Reduce electricity consumption by at least 5% in the offices in León.	100
ACCIONA Energy	
Study of the activity of bats in wind farms.	100
Maintain energy consumption/sales within a safety margin of 15% with respect to 2014.	100
ACCIONA Trasmediterranea	
Redefinition of the environmental KPIs.	100
Development of fact sheets on the main environmental impacts.	100

ENVIRONMENTAL IMPACT ASSESSMENT AND MANAGEMENT

The assessments of the environmental impact of the projects pursued by the Company reflect its preventive focus. In 2015, there were 18 projects in progress subject to an Environmental Impact Study (EIS). Sixteen of these were being processed by the competent public authorities of Australia, Canada, USA, Spain and Greece and another two obtained favourable environmental impact declarations in Spain and Greece. The EISs for these projects have been published in the relevant official journals and on the platforms enabled for such by the public administrations to channel local participation and collect any claims in this respect.

ACCIONA has also carried out 306 Environmental Monitoring Plans (EMPs) in sites and installations under construction, operation and maintenance. In the specific case of ACCIONA Infrastructure, the environmental measures specified by the client are being carried out as set forth in the terms and conditions and contract stipulated.

The Company has also carried out a specific environmental survey in 181 facilities with more than 184 complementary studies.

In 2015, the **corporate environmental risk management standard** was prepared, seeking to foster and convey a global environmental risk management model throughout the Company

PLAN 10+: ASSESSMENT AND MINIMISATION OF THE MAIN ENVIRONMENTAL PROBLEMS

Since 2011, the Plan 10+ has acted as a basic tool by which to assess and minimise the Company's environmental problems.

As a result of this plan, in 2015 a total of 111 different solutions were applied to problems encountered and a further 42 corrective actions were defined. These include:

- Minimisation of the problems associated with the drowning of wildlife in the Company's facilities.
- Acoustic pollution corrective measures in energy installations.

ACCIONA'S ENVIRONMENTAL RISK MANAGEMENT

The Board of Directors drives risk management, a process that consists of identifying and assessing potential events that may affect the Company, managing its risks within accepted tolerance thresholds and providing reasonable security of achieving the objectives. To do so, ACCIONA relies on its risk management policy, the aim of which is to integrate risk management as a part of the Company's strategy, establishing the framework and principles of the risk management system. This system establishes the management mechanisms necessary to help achieve the Company's objectives within the established acceptable level of risk.

Within this reference framework and taking a preventive approach, ACCIONA promotes the integration of environmental risk management in its business operations for the purpose of improving its capacity to mitigate such risks.

In 2015, the corporate environmental risk management standard was prepared. This will come into force in 2016 and seeks to boost and implement throughout the Company a global environmental risk management model.

This standard is accompanied by three specific procedures for the management of environmental risks connected with climate change, the management of environmental risks associated with water resources and the management of environmental risks within the framework of environmental responsibility.

Parallel to the regulatory development carried out, in 2015 two working documents were also prepared which analyse the risks associated with climate change and water resources with the aim of investigating these aspects of crucial importance both for the world and for the Company. The scope of this also applies to the whole of the ACCIONA supply chain.

Since 2011, ACCIONA has had a corporate environmental crisis management system in place, which sets out the measures to implement and the responsibilities and resources necessary to ensure the correct management of a crisis situation. Corporate crisis management regulations enable the systematic identification of risks that may result from an environmental incident.

Fighting climate change: a strategic priority

ACCIONA sees the fight against the effects of climate change as a strategic priority. This is why the Company's activities are carried out based on a low-carbon business portfolio which enables us to:

- Reduce or mitigate the adverse effects of climate change.
- Decrease atmospheric emissions through mainly renewable generation.
- Promote energy savings.
- Respond to global demands regarding renewable energy, sustainable infrastructures, water and services.

In the same way, ACCIONA also extends its commitment to fight climate change to the entire value chain through:

- Collaboration and cooperation with other companies, public institutions, social organisations, suppliers and other stakeholders.

- Raising-awareness and training.
- Transparent and comprehensive information on this subject.

ACCIONA's commitments in the fight against climate change

During the COP 21, ACCIONA announced its commitment to become carbon neutral in 2016. This will mean that the Company will minimise its CO₂ emissions associated with its operations and will offset the emissions it is unable to reduce against carbon credits.

ACCIONA's has taken on the challenge to be carbon neutral in 2016 following the end of the Company's five-year SMP, which, among other goals, reduced CO₂ emissions by 46% and prevented the emission of 85.7 million tonnes of CO₂ since 2009, to a large extent thanks to the production of renewable energy.

ACCIONA will be investing 2,500 million dollars in renewable energies in the next five years, mainly in developing countries, to increase its installed capacity to 10,500 MW. This will enable the company to avoid the emission of more than 20 million tonnes of CO₂ per year, equivalent to the emissions generated by more than four million cars.

RISKS ASSOCIATED WITH CLIMATE CHANGE

At ACCIONA, the identification and management of risks associated with climate change are coordinated by a multi-disciplinary work team for the entire Group, guaranteeing their compliance with the Company's Global Risk Policy. The team thus outlines the acceptable level of tolerance for the time spent above the level of exposure set.

The analysis of the environmental risks connected with climate change uses the Intergovernmental Panel on Climate Change (IPCC) assessment method, which assesses risk based on the mitigation scenario at the world level, the level of danger or source of risk for a specific region, the exposure of the business assessed and the vulnerability or tendency of the business to suffer a negative event. The analysis includes the risks of the ACCIONA supply chain. A total of 101 environmental risks are analysed for ACCIONA associated with climate change and 88 for ACCIONA'S suppliers. This derives from the analysis of 12 physical, regulatory, reputational and socio-economic dangers.

Once the risk has been defined, the parameters considered for its assessment are the probability of its occurrence, economic-financial consequences, impact on corporate image, negative impact on sustainability, the company's capacity to manage the risk and the risk management systems established.

As a highlight, in 2015 a specific working document was prepared on the environmental risks associated with climate change.

MITIGATION OF CLIMATE CHANGE THROUGH THE BUSINESS

The Company helps offset the use of fossil energy in the national electricity mixes, thereby successfully avoiding all CO₂ emissions associated with them through its electricity generation activity.

In 2015 a specific working document was prepared on the **environmental risks associated with climate change**

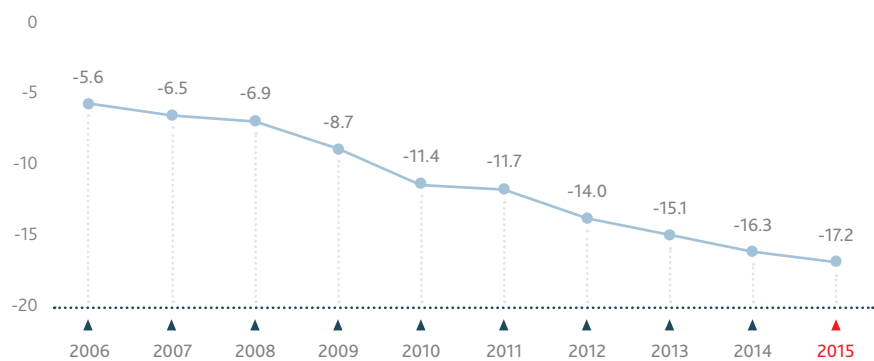
In the same way, ACCIONA provides solutions for energy efficiency, both in its own business and for its customers, successfully optimising consumption patterns in which CO₂ emissions are offset.

The Company also carries out emission offsetting projects, both on its own and in customer events, helping improve the profitability of projects fighting climate change by acquiring credits.

CO₂ EMISSIONS AVOIDED

In 2015, ACCIONA avoided the emission of 17.2 million tonnes of CO₂, mainly as a result of its generation of energy from renewable sources. The figure assumes an improvement of nearly 6% with respect to last year's figure.

→ **Emissions avoided**
(Millions of tonnes of CO₂)



Emissions avoided by geographic area in 2015

(renewable generation)

	Installed capacity (MW)	Output (GWh)	Emissions avoided (tonnes of CO ₂)
USA	692	2,021	1,465,153
Australia	305	963	779,391
Canada	181	477	319,933
Croatia	30	74	51,792
Greece	48	104	80,878
Italy	156	217	126,307
Hungary	24	48	33,078
India	86	209	188,546
Costa Rica	50	303	219,603
Chile	45	111	88,006
South Africa	213	438	413,627
Portugal	166	379	279,470
Mexico	557	2,255	1,203,956
Poland	71	185	170,847
Spain	5,933	13,199	10,281,674
TOTAL	8,557	20,982	15,702,260

Weekly trends in emissions avoided by ACCIONA as a result of renewable production are indicated by an emission meter on the Company's website: <http://www.accionacomissions-meter/>

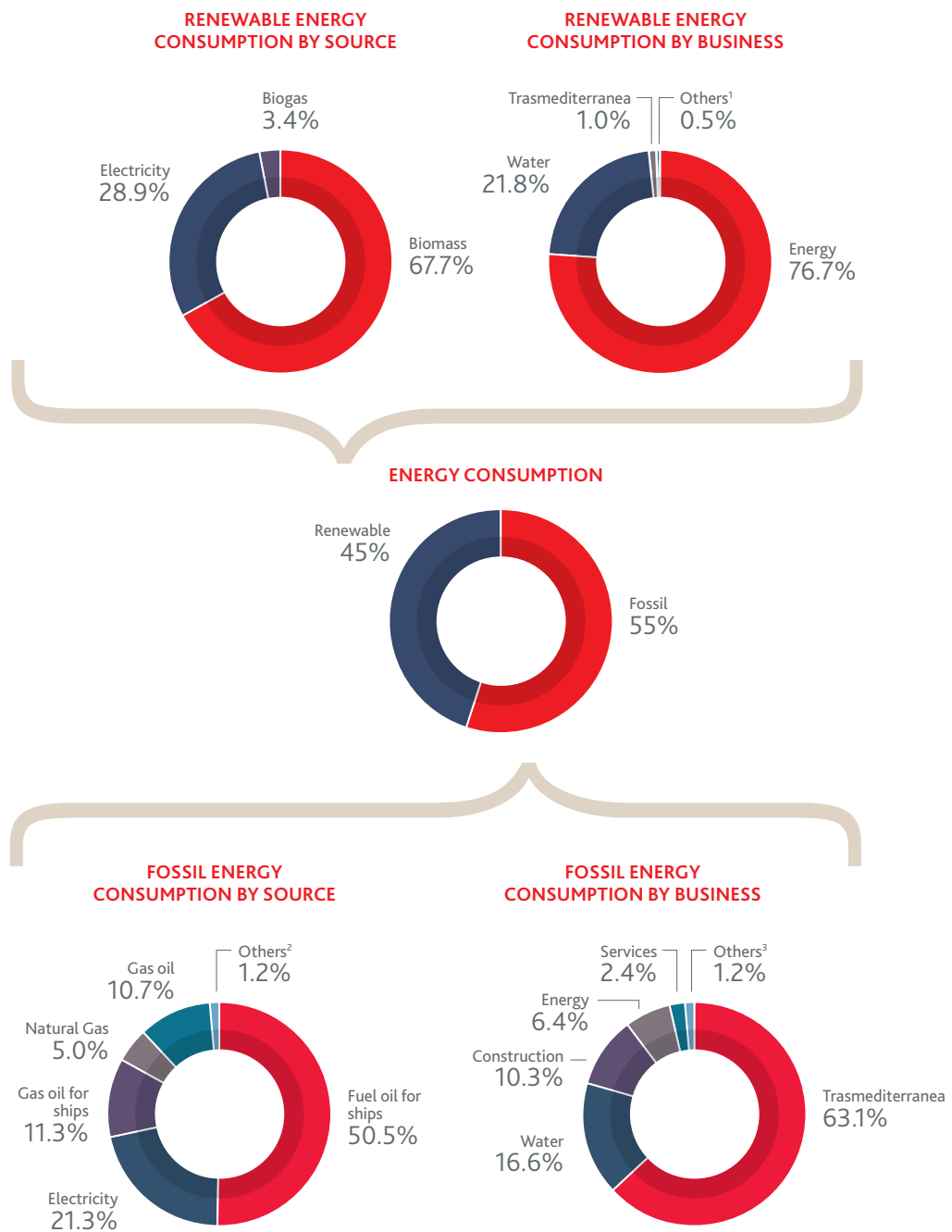
Additionally, the sale of wind turbines to third parties in 2015, whose total power output, came to 871.5 MW, adds to the total emissions avoided by the Company's own renewable generation, making for nearly 1.5 million additional tonnes.

ENERGY CONSUMPTION, PRIORITISING RENEWABLES

In 2015, the Company's energy consumption was 13,217 TJ, of which 45% came from renewable sources,

meaning that the Company's energy intensity of fossil origin came in at 1.1 TJ/M€, making for a 55.3% reduction since 2009 (the base year for the SMP 2015). To a large extent, this was thanks to the

Company opting to purchase electricity of certified renewable origin. In Spain, green electricity bought by ACCIONA in 2015 amounted to 88% of the total.



(1) It includes Construction, Services, Real Estate and Hijos de Antonio Barceló.

(2) It includes Propane, Petrol and Fuel oil.

(3) It includes Real Estate and Hijos de Antonio Barceló.

EXTERNAL ENERGY CONSUMPTION

The most significant energy consumption outside of the organisation is that associated with the following activities, calculated in accordance with the Company's Scope 3 categories:

External energy consumption

(GJ)

Type	2013	2014	2015	
Assets leased to the organisation	2,527,442	3,098,024	1,911,173	
Assets leased by the organisation	7,381	8,337	Incorporated as internal energy consumption	
Employee commutes to work	403,768	448,162	681,871	
Business trips	199,248	227,058	231,023	
Waste of the organisation	228,718	380,344	200,520	
Use of products sold by the organisation			21,005	
Waste arising from products sold by the organisation	2,024	2,444	11,744	
Suppliers: 100% of purchases of goods and services from 28,000 suppliers comprising the supply chain	Coal	6,154,470	3,407,828	5,078,045
	Oil		20,284,487	23,106,810
	Natural gas	1,181,130	5,206,782	755,234
	Electricity (renewable)	165,170	913,848	1,385,922
	Electricity (nuclear)	918,410	660,496	754,187
TOTAL	11,787,761	34,637,811	34,137,533	

In 2015, more than **100,000 MWh per year were saved** in 26 projects run by the Company with customers of up to six different nationalities

ENERGY EFFICIENCY FOR CUSTOMERS

ACCIONA acts as an ESE (Energy Service Enterprise), developing projects involving the responsibility of analysing opportunities, designing tailor-made solutions, demonstrating technical-economic viability, investing in actions and guaranteeing savings for customers.

The Company proposes a model that consists of assuming the initial investment and allocating savings to amortise investments, cover operating costs and encourage the customer to make a medium-term commitment with ACCIONA as energy manager.

In 2015, the Company had 26 projects running with customers of up to 6 different

nationalities. Through the model described, savings are being achieved of more than 100,000 MWh per year (40% from natural gas) in these projects, avoiding the emission of more than 34,000 t CO₂ into the atmosphere. The energy savings also go hand-in-hand with annual financial savings estimated at up to 7.5 million euros.

Scope 2 emissions dropped by 2% from 2014

EMISSIONS GENERATED

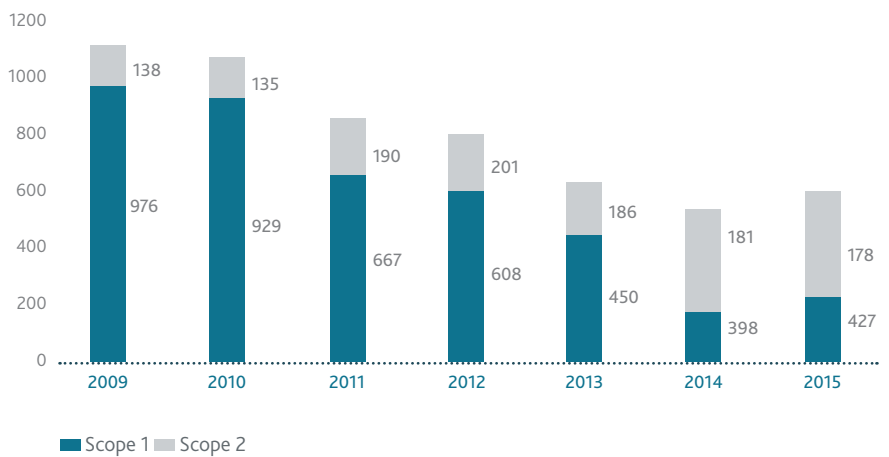
Total Scope 1 and 2 CO₂ emissions in 2015 came to 605,635 tonnes, a reduction of 45.7% on the emissions recorded for 2009 (the base year of the SMP 2015).

Scope 1 emissions have risen slightly due to the increased business of Trasmediterranea with its own ships, thereby using fewer third party fleets. Despite this, the joint emissions of both shipping activities have dropped by 5.2% last year.

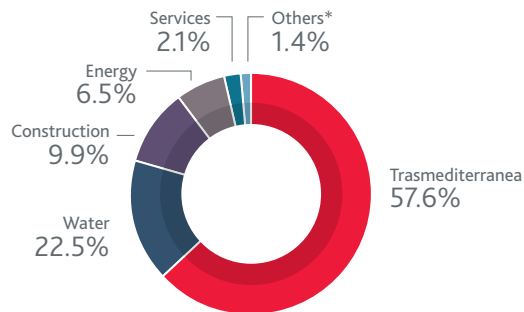
Scope 2 emissions dropped by 1.5% from 2014 despite the 8% increase in electricity consumption by the Company last year. The Company's ongoing commitment to purchasing electricity of certified renewable origin makes a considerable contribution to this reduction in emissions, allowing for the avoidance of emissions of 148,519 t CO₂ in 2015. As a result, Scope 2 emissions came in at 178,343 t CO₂, (178,343 t CO₂ Scope 2 market based vs 326,861 t CO₂ Scope 2 location based).

Additionally, the negotiation of new contracts for electricity of certified renewable origin has improved the financial conditions for purchase, generating savings of up to 1.5% on these new contracts.

→ **Trend of emissions generated**
(thousands of tonnes of CO₂)



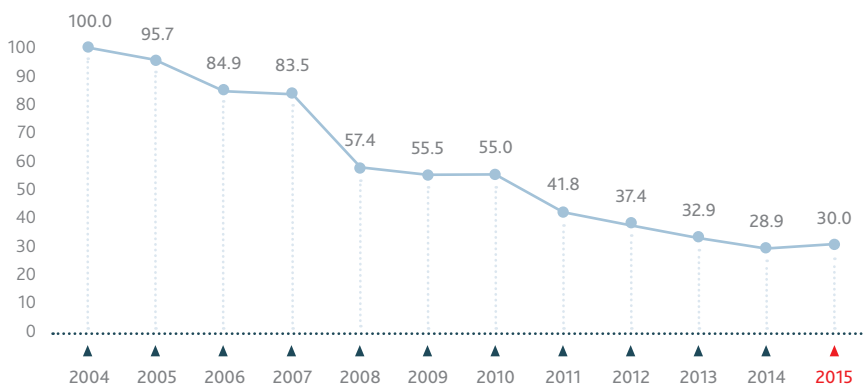
→ **CO₂ emissions by business line**



(*) It includes Bestinver, Hijos de Antonio Barceló and Real Estate.

The ACCIONA carbon intensity value increased slightly over last year's figure, although it has decreased by 70% since 2004, coming in at 92.6 t CO₂/M€ sales.

→ **Energy intensity index**
(TJ/sales. Baseline= 100 at 2004)



CALCULATING EMISSIONS GENERATED

The emissions generated are calculated according to the criteria defined in the GHG Protocol under the financial control scheme. The conversion factors used are those indicated by:

- The Intergovernmental Panel on Climate Change (IPCC) in the 2006 IPCC Directives for greenhouse gas inventories.
- The International Energy Agency and Red Eléctrica de España.
- The Department for Environment, Food and Rural Affairs of the United Kingdom.
- The European Environment Agency.

INDIRECT EMISSIONS: SCOPE 3

Scope 3 emissions analysed by ACCIONA include the following categories: assets leased to the organisation and by the organisation, employee commutes to

work, business trips, waste generated by the Company and that deriving from the products it sells and suppliers-purchases of goods and services.

Please note that for the second year running, ACCIONA has calculated the CO₂ emissions of all of its suppliers (a total of 28,000). Of particular interest is the 2015 launch of the **SCO2PE_by ACCIONA** programme implemented with the collaboration of suppliers to help bring about a reduction in emissions throughout the supply chain.

Also of note is the fact that zero emissions were recorded in the business travel and employee commute categories. ACCIONA achieved this through the use of offsetting mechanisms in compliance with the Company's commitment with workers concerning sustainable mobility. As a result, a total of 66,027 t CO₂ (16,263 corresponding to business travel and 49,764 to employee commutes) was neutralised.

ACCIONA has a collaboration programme with suppliers to foster the reduction of emissions throughout its supply chain

Scope 3 emissions(t CO₂)

Type	2013	2014	2015	
Assets leased to the organisation	192,609	226,499	144,587	
Assets leased by the organisation	463	534	Incorporated in Scopes 1 and 2	
Employee commutes to work	29,417	32,651	0	
Business trips	13,959	16,352	0	
Waste of the organisation	16,948	28,183	14,859	
Waste arising from products sold by the organisation	150	181	870	
Use of products sold by the organisation			1,666	
Suppliers: 100% of purchases of goods and services from 28,000 suppliers comprising the supply chain	Products, services and raw materials	515,013	912,036	957,027
	Capital assets		144,911	347,264
	Fuel consumption	81,994	163,885	104,145
	Electricity consumption	10,828		
	Transport	66,981	288,632	472,056
TOTAL (t CO₂)	928,363	1,813,864	2,042,474*	

* Increase in emissions due to larger volumes of purchases from suppliers in more CO₂-intensive countries as a result of the increased globalisation of ACCIONA.

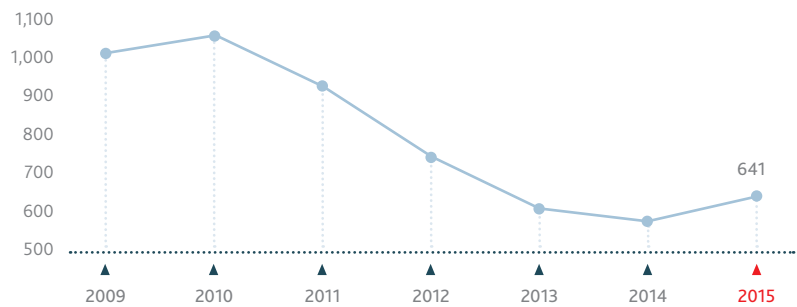
THE EUROPEAN UNION'S GHG EMISSION ALLOWANCE TRADING SCHEME

ACCIONA has five solar thermal installations subject to the European Community emission allowance trading scheme, which use natural gas as an auxiliary source of energy. These installations draw on technical improvements made available to minimise their CO₂ emissions into the atmosphere.

Facilities subject to the EU emission allowance trading scheme

Facility	Technology	Emissions verified in 2015 (tonnes of CO ₂)
Termosolar Alvarado	Solar thermal	1,860
Termosolar Palma del Río I	Solar thermal	353
Termosolar Palma del Río II	Solar thermal	422
Termosolar Majadas	Solar thermal	2,860
Termosolar Orellana	Solar thermal	933

→ **PM10 emissions**
(t PM10)



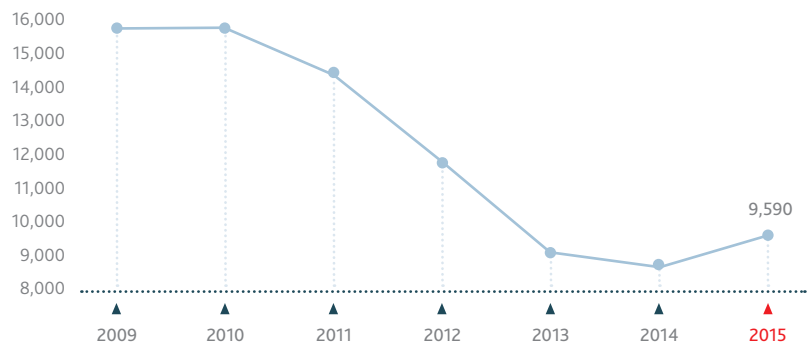
OTHER EMISSIONS

In 2015, global emissions of NOx came to 9,590 tonnes, of SOx to 2,237 tonnes and of PM10 641 tonnes. These figures were 10%, 16% and 13% higher than last year's figures, respectively. This is due to the increased business of Trasmediterranea using its own ships. Nevertheless, the figures are respectively 39%, 41% and 37% below the 2009 figures (base year of the Company's SMP).

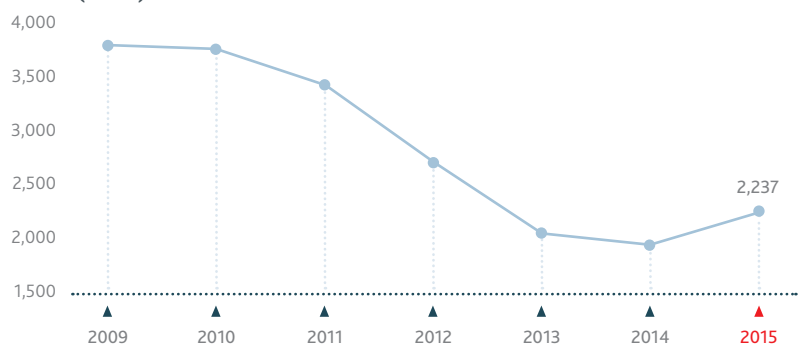
Similarly, the amount of SF6 emitted was estimated based on the inventory taken of the Company's equipment that contains this type of compound. In 2015, these emissions were estimated at 0.44 tonnes.

Lastly, ACCIONA's biogenic emissions in 2015 amounted to 418,296 t of CO₂.

→ **NOx emissions**
(t NOx)



→ **SOx emissions**
(t SOx)



PLANS TO REDUCE ENERGY CONSUMPTION AND EMISSIONS IN ALL BUSINESS DIVISIONS

Within the framework of its Climate Change Policy, the Company is preparing plans and programmes for reducing energy consumption and emissions:

ACCIONA has offset 100% of the CO₂ emissions generated by the commutes of all its employees and by business travel

PHASE 1: Initial studies and the analysis of measures to be implemented

ENERGY EFFICIENCY PROJECTS IN THE WATER TREATMENT INDUSTRY

ACCIONA is the leader in the water treatment sector with the ability to design, construct and operate drinking water treatment plants, waste water purification plants, tertiary treatment plants for re-use and reverse-osmosis desalination plants.

In 2015, the Company developed four innovative projects in the field of water treatment with the main aim of reducing energy consumption.

Below are some examples:

- ACCIONA's participation in the LIFE-OFREA project seeks to use advanced desalination techniques to increase quality for the reuse of high salinity purified water and to reduce energy consumption (as well as its costs and associated CO₂ emissions) by up to 20%.
- In the LIFE Celsius project in which ACCIONA is involved, the aim is to reduce energy consumption (and CO₂ emissions and associated costs) in the waste water purification process in warm climate regions by up to 60%.

PHASE 2: Implementation and monitoring of measures

THE USE OF FLUOROPOLYMER COATINGS IN TRASMEDITERRANEA'S JOSÉ MARÍA ENTRECANALES AND SUPER FAST BALEARES SHIPS

In 2015, Trasmediterranea launched a strategy to reduce the energy consumption of its ships. To do so, two new ships were painted with fluoropolymer compounds.

Fluoropolymer coatings have up to 60% less roughness in the finish than conventional paints, making for lower hydrodynamic resistance as the ships travel. This measure has shown that reductions of around 6% can be achieved in energy consumption, CO₂ emissions and fuel costs.

In 2015, more than 4,400 tonnes of CO₂ were saved, in addition to 57,300 GJ and 1,420 tonnes of fuel oil.

In all, since 2011, 10 Trasmediterranea ships have used this type of paint in their surface finishes (8 in the current fleet), consolidating the Company's decision to achieve greater energy efficiency and lower CO₂ emissions.

OPTIMISATION OF ROUTES IN THE CONSTRUCTION BUSINESS

In 2015, ACCIONA continued to optimise the routes covered in its construction sites for the procurement of materials, waste disposal, earth moving and worker transport.

By searching for suppliers and landfills that were closer to the sites and for larger capacity means of transport, 13 works completed by the Company successfully optimised the initially planned routes.

As a result, up to 3.2 million kms of travel were avoided, providing fuel savings with an energy content of 13,500 MWh, the equivalent of approximately 3,600 t of CO₂ not released into the atmosphere.

SUSTAINABLE MOBILITY

The Company's efforts in sustainable mobility in 2015 focussed on two areas:

- **Employee mobility:** by means of the initiative 'A very powerful click: we offset your emissions and plant trees', the Company made a CO₂ emissions calculator available to its employees to inform them about the emissions associated with their commutes and provide a series of recommendations to promote sustainable mobility habits. As part of this initiative, the Company committed to neutralise all the emissions of employees answering the survey and to plant a tree for each response received. Finally, ACCIONA also chose to go one step further and has offset 100% of the CO₂ emissions produced by the commutes of all its employees in addition to the emissions generated by business travel, neutralising a total of 66,027 t CO₂.
- **Electric vehicle:** in this line of work, ACCIONA worked throughout 2015 on planning the extension of the electric vehicle recharging infrastructure in its main corporate offices and on promoting electric mobility, for example through its participation for the second year running in the demanding Dakar rally with the only electric vehicle in the competition, the ACCIONA 100% EcoPowered. For last year's race, the vehicle benefitted from improvements such as a weight reduction of 40% and the incorporation of 8 packs of more efficient batteries. The vehicle successfully completed 10 of the 13 stages of the rally.

PARTICIPATION IN THE CARBON MARKETS

ACCIONA has actively participated in the development of projects associated with the fight against climate change in developing and emerging countries, and supports the transfer of clean technologies through the use of flexible mechanisms, such as the Clean Development Mechanism (CDM). In 2015, ACCIONA undertook 8 CDM projects in Chile, Costa Rica, India and Mexico totalling almost 750 MW of renewable installed capacity.

ACCIONA also takes part in the voluntary carbon market through the *Verified Carbon Standard (VCS)* programme, with two wind power projects in the US with a joint capacity of 255 MW.

These projects save annual emissions of more than 2.2 million tonnes of CO₂ into the atmosphere.

VOLUNTARY CO₂ EMISSIONS OFFSETTING

ACCIONA develops specific actions to reduce and offset CO₂ emissions associated both with the Company's own events and customer services.

Since 2011, almost 71,000 tCO₂ have been offset through these mechanisms by using carbon credits that contribute to the fight against climate change.

In 2015, emissions were offset for 11 customer events, 13 of the Company's own events and 2 activities connected with Company employees totalling 66,456 t of offset CO₂.

Electric vehicles to maintain historic parks and gardens

Since early 2014, ACCIONA Service has been entrusted by the Madrid City Council to fully conserve the eight historic parks subject to special protection in the capital.

This service includes parks and gardens classified as cultural heritage sites and parks that have representative elements that are more than a century old, such as the Jardines del Buen Retiro, the Parque del Oeste and the Jardines de Sabatini.

The mobility solutions used by the Company in this service are worthy of note, including up to 14 electric vehicles used to carry out the park conservation works.

The use of this type of vehicles, which last year travelled up to 11,140 km in carrying out the park works, guarantees minimal impact on the climate and avoids generating NOx and SOx gases, whose emissions into the atmosphere have become a growing problem for large cities.

Treating, managing and optimising water resources

The Company meets the supply needs of more than 90 million people in 20 countries across the globe through the management of the full water cycle (catchment, treatment of drinking water and desalination, purification and return to the environment).

Water Tool of the World Business Council for Sustainable Development) as well as the unique features of the business, optimising the Company's activities that facilitate access to drinking water and sanitation, essential human rights recognised in 2010 by the United Nations General Assembly.

POSITIVE WATER FOOTPRINT ON THE PLANET

In 2015, ACCIONA approved the corporate procedure describing the method developed to calculate the Company's water footprint, which is based on two international methods (Water Footprint and Global

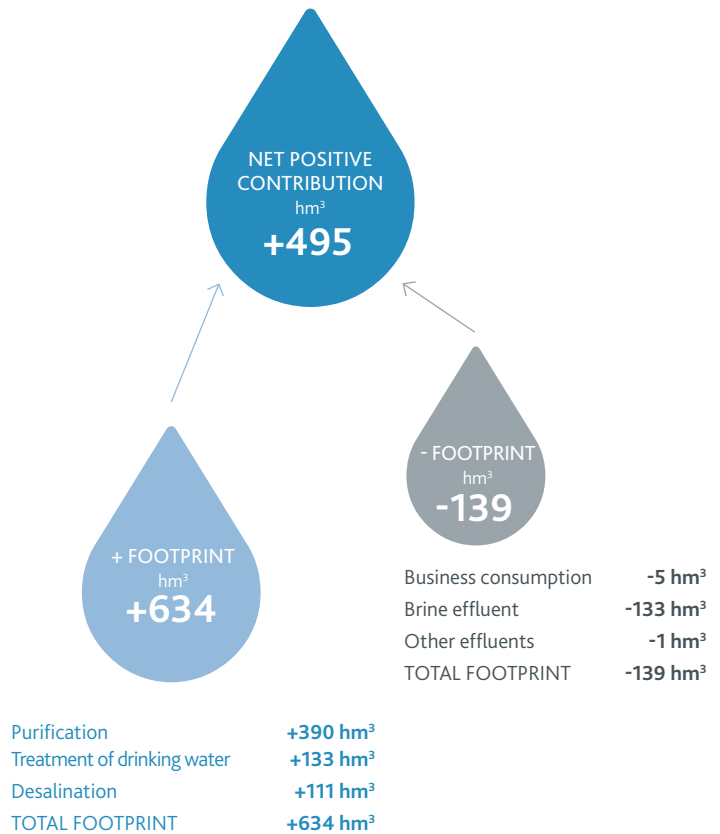
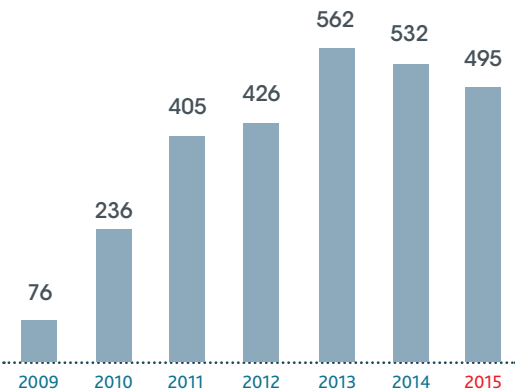
In 2015, ACCIONA's water footprint generated a positive impact on the planet of 495 hm³, a figure equivalent to the annual consumption of a population of more than 10 million people (considering the average consumption per person in Spain).

Assessment of the water footprint of ACCIONA by world region (hm³)

	Spain	Europe (excluding Spain)	North America	Central and South America	Africa	Asia and Oceania
2015	315.7	143.7	-0.2	-0.9	-2.7	39.1
2014	357	118.1	1.3	-1	-6.9	63.3
2013	375.6	160.4	2.1	-0.7	-4.3	29.3
2012	264.9	165.3	0.4	-0.6	-3.8	-0.1
2011	229.5	168.6	0.2	0.7	6	0

ACCIONA Agua is the business line that makes the greatest contribution to the Company's positive water footprint, thanks to the purification and drinking water activities that improve water quality without significantly impacting water resource reserves.

→ **Net positive contribution** (hm³)



WATER TREATED BY ACCIONA

In 2015, the treatment plants managed by ACCIONA desalinated, made drinkable and purified 634 hm³ of water.

ACCIONA's managed water volume evolution (hm³)

Type	2009	2010	2011	2012	2013	2014	2015
Desalinated water	112	104	98	121	99	89	111
Treated drinking water	47	27	35	51	133	143	133
Treated sewage water	88	182	376	396	431	416	390
TOTAL	247	313	509	568	663	648	634

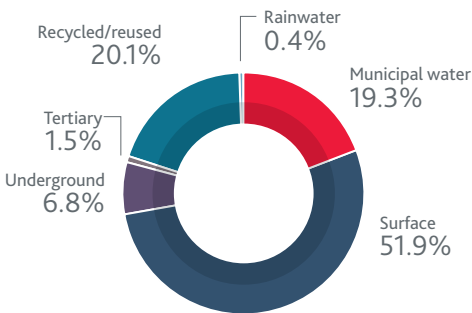
ACCIONA Agua is the business line that makes the **greatest contribution to the Company's water footprint**, given that the water treatment and purification activities improve water quality

ACCIONA's water consumption dropped by 6.2% from 2014

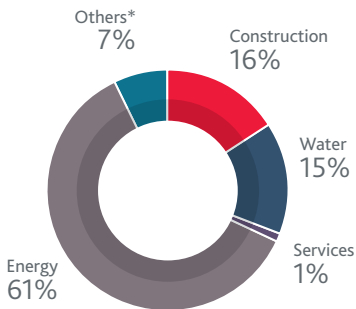
WATER CONSUMED BY ACCIONA

Water consumption dropped by 6.2% from 2014. ACCIONA has also continued to use recycled and reused water from tertiary networks and rainwater. These sources account for 22% of the Company's total consumption.

→ Water consumption by source

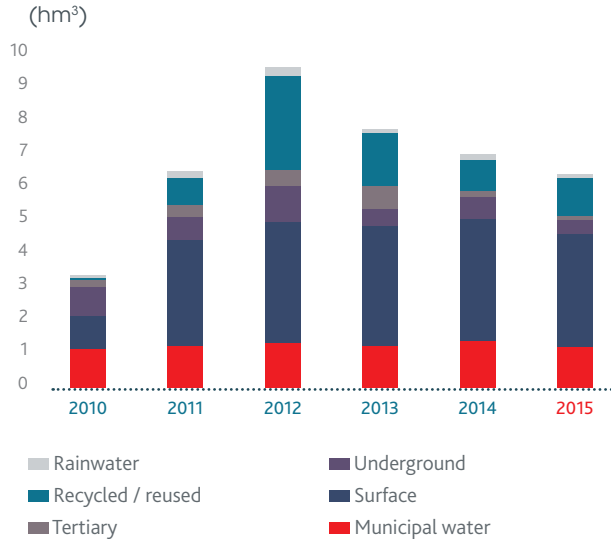


→ Distribution of water consumption by business line



(* It includes Hijos de Antonio Barceló, Real Estate and Trasmediterranea

→ Water consumption trend



ACCIONA, a pioneer in measuring the water consumption of all its suppliers

ACCIONA has measured the total water consumption associated with the activities of its 28,000 suppliers in 75 different countries, and has identified 500 suppliers that account for 70% of the total consumption of the supply chain. With this initiative, the Company has become the first major Spanish company, and indeed one of the first in the world, to analyse the water consumption for the whole of its supply chain.

This study has enabled ACCIONA to understand, among other variables, what proportion of water consumption in the supply chain is due to direct suppliers. It has also made it possible to identify suppliers with less intensive water consumption, verify what supply activities are water consumption intensive in countries with water risks, and to identify activities carried out by ACCIONA that have the greatest relevance in the global calculation of consumption within the supply chain.

WATER TRANSFERS BY ACCIONA

Certain Company facilities use water in a way that does not actually consume it as it is returned to the environment from which it was taken in the same conditions in terms of quality, and with no significant effect on the surrounding ecosystems. The water considered in this section, referred to as 'water transfers' comprises of:

Water transferred by ACCIONA (hm³)

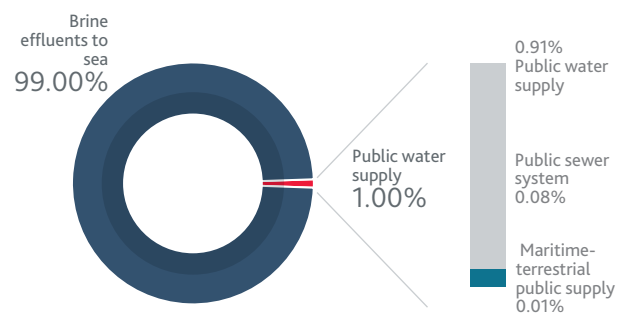
	2015
Surface for refrigeration returned to source	24.3
Used in turbines in hydroelectric plants	25,411.4
Tertiary for refrigeration returned to intake at WWTPs	3.0
Groundwater and runoff water in construction works	5.8
TOTAL	25,444.5

ACCIONA EFFLUENTS

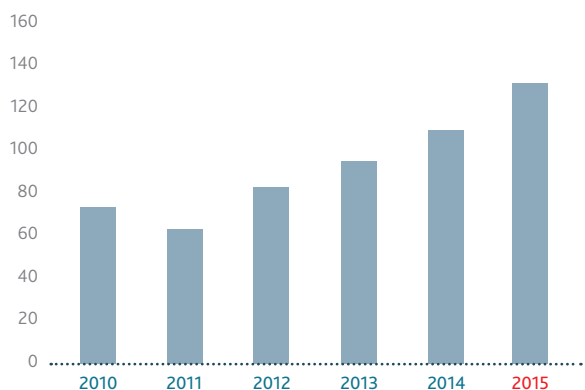
More than 99% of ACCIONA's effluent volume corresponds to brine from the desalination plants, with total brine effluents released into the sea of 133 hm³.

The effluents released into the public water supply and sewage networks have dropped by 16% and 15%, respectively, taking the year 2014 as a base, complying with the specifications of the corresponding effluent authorisations.

→ **Distribution of effluents by type**



→ **Trend of brine effluents (m³)**



Individual water management actions

Environmental actions in the site of Bello WWTP, Colombia

ACCIONA Agua is taking part in the construction of the Bello WWTP (Colombia), the country's largest purification plant.

In order to minimise water consumption, a closed circuit has been designed in which water used for washing purposes is then reused. This measure is within the framework of the management programme for liquid waste from works and provides a double benefit. On the one hand, it avoids the emission of particulates into the atmosphere and on the other hand, it saves up to 70% of total water consumed in the centre, reusing 48,600 m³.

Water-saving measures in winemaking

Hijos de Antonio Barceló are carrying out measures aimed at optimising water consumption. For example, in 2015 two initiatives started in 2014 were continued, producing important results:

- Re-grafting with varieties that require less water: a total of 38 hectares of land have been re-grafted with grape varieties that consume considerably less water than existing varieties (with a provision to re-graft a further 38 hectares over the next few years). The implementation of this measure has helped achieve savings in water consumption of up to 70% with respect to the previous grape variety. Another of the advantages of this measure has been less labour required, resulting in savings in fuel and atmospheric emissions.
- Using fertilisers that increase water retention capacity in roots: water savings were approximately 5-10% with respect to 2014. The consumption of water has been reduced, achieving a greater average wood weight of around 10% and more foliage, thereby facilitating the ripening and quality of the grapes.

WATER-RELATED OPPORTUNITIES AND RISKS

Water-related risks

In order to assess the physical and reputational risks of water consumption, ACCIONA uses the benchmark data provided by the *Global Water Tool of the World Business Council for Sustainable Development (WBCSD)* and the tools of the *World Resources Institute (WRI)*. In the case of regulatory risks, the Company has a regulatory implementation tool established in most centres. On the other hand, the tool used to assess social risk is a social impact management method created by ACCIONA to identify and assess the social risks, amongst others, of using basic resources like water, on local communities, employees, owners, associations and other stakeholders.

Especially worthy of note is the specific working document prepared in 2015 regarding the environmental risks associated with water resources.

The consumption of municipal, surface and groundwater in 2015

Country	Water consumption (m ³)
Spain	4,104,823.0
USA	394,692.1
Italy	119,044.4
Brazil	92,331.9
South Africa*	83,741.1
Australia	66,535.7
Chile	61,105.4
Mexico	39,949.5
Poland*	18,442.0
Costa Rica	12,162.4
Peru	10,291.7
Venezuela	9,668.0
Colombia	7,008.4
Ecuador	6,045.5
Dominican Republic	2,400.0
Panama	1,570.0
Morocco*	1,513.3
Portugal	1,491.9
India*	1,342.7
Sweden	709.0
Trinidad and Tobago	585.2
Saudi Arabia*	550.0
Canada	477.1
Andorra	270.0
Croatia	90.0
Cyprus*	77.0
Greece	30.5

*Countries suffering from water stress according to the Global Water Tool of the World Business Council for Sustainable Development (less than 1,700m³ fresh water available per year, per person).

Water-related opportunities

ACCIONA today takes its solutions in terms of purification, drinking water production and desalination to areas of the planet that suffer from major water deficiencies.

Water treatment in regions with poor quality water

Part of the more than 450 plants constructed by the Company helped guarantee access to drinking water in areas with water stress, and helped ensure sustainability in areas with low sanitation levels.

In 2015, the following actions were carried out:

- Start of construction in Qatar of the first desalination plant using the reverse osmosis technique on a large scale in the country. Design and construction of the desalination units using this advanced technology. The plant will have daily capacity of 164,000 m³.
- Construction of the Oum Azza drinking water plant (432,000 m³ per day) in Morocco and the Al Jubail desalination plants (100,000 m³ per day) in Saudi Arabia and Fujairah in the United Arab Emirates (137,000 m³ per day). The Middle East and North Africa are among the areas with the greatest water stress on the planet.
- Opening of the purification plant of Los Tajos in Costa Rica, which will serve more than a million people. It will reduce untreated sewage from 20% to 0.1% on a national scale.
- Award of the construction of the Los Angelinos drinking water plant in Colombia, which will attend to the needs of 350,000 inhabitants of municipalities classified as having a high risk of drinking water shortages.

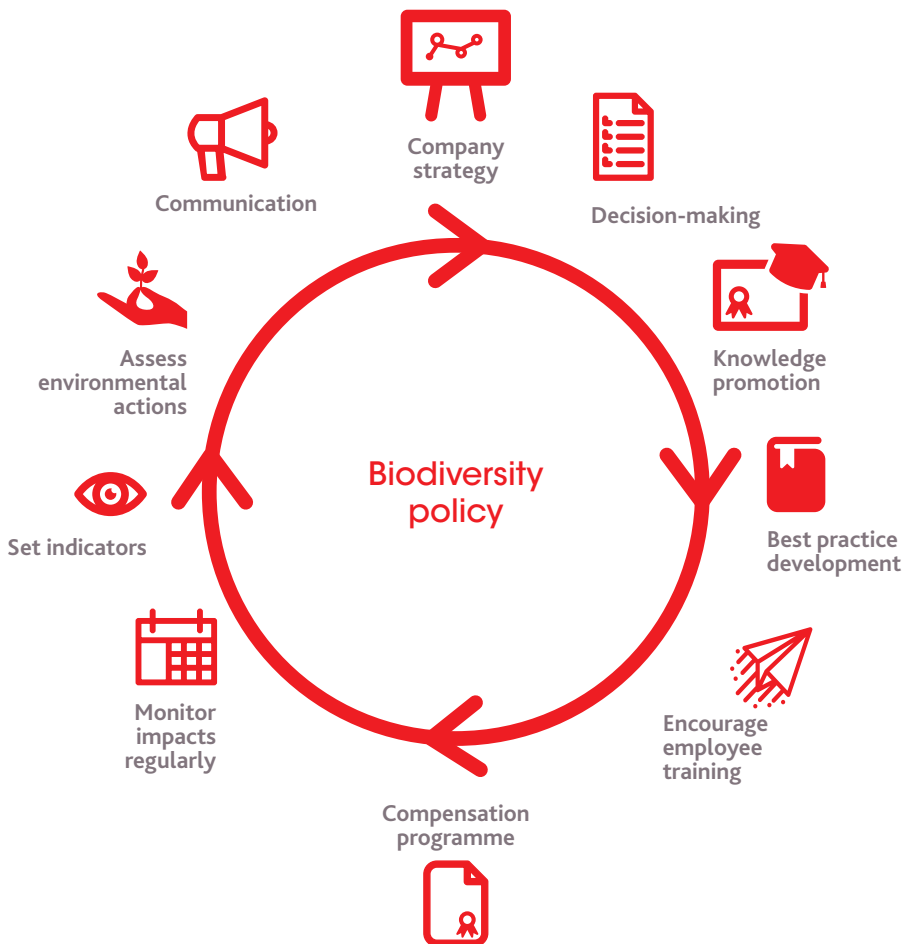
Environmental protection and biodiversity

The 2011-2020 Strategic Biological Diversity Plan acknowledges the progress made in the integration of the conservation of biodiversity and the sustainable use of resources in business.

For ACCIONA, the conservation of biodiversity and the responsible use of natural heritage are a necessary condition

for global sustainability, as well as an ethical commitment. Since 2011, the Company has had its very own specific Natural Environment and Biodiversity organisational unit, as well as a panel of experts in the matter and a specific corporate biodiversity policy.

For ACCIONA, the conservation of biodiversity and the responsible use of natural heritage are in addition to an ethical commitment, a necessary condition for global sustainability



MAIN LINES ACTION IN 2015

Biodiversity compensation and enhancement programme

According to the OECD, climate change may be the main factor behind the loss of biodiversity by 2050. Aware of this, ACCIONA supports an innovative programme consisting of the design and implementation of voluntary initiatives that go beyond simple administrative environmental requirements in order to improve the situation of certain threatened species and/or ecosystems.

Nest huts for protected species in ACCIONA installations

In the last few decades, nocturnal birds of prey have seen their populations drop in various different countries for different reasons, including the scarcity of suitable nesting places.

The Company began its "Nest huts for protected species in ACCIONA installations" project back in 2012, with a view to helping these species. Since the project was launched, more than 500 nesting huts have been built, mostly in Spain.

In 2015, nest huts were also sent to Portugal, where they were installed for protected species. In all countries, the nest huts were constructed in collaboration with Special Employment Centres in order to promote the social integration and employment of people with intellectual disabilities.

In 2015, the level of occupation of nest huts in Spain was 38%. Thanks to this project, more than 100 young of birds of prey such as owls, Eurasian scops owls, little owls, common kestrels and lesser kestrels, have been born.

Regional Network for the protection of threatened species

Together with the Council of Extremadura, ACCIONA has created the Regional Network for the protection of threatened species, a programme intended to facilitate the conservation or recovery of the red kite and other protected birds of prey.

To do so, several feeding points have been created in the Parque Nacional de Monfragüe in Trujillo (Cáceres) and in Roca de la Sierra (Badajoz), and a selective feeding system has been developed that specifically aids the species in greatest danger of extinction.

The main aim of this initiative is the recovery of the red kite, a species that is in real danger of extinction.

The result of this project has been very satisfactory, as the target species have been regularly observed at the feeding points, particularly the red kite, the black kite, the cinereous vulture and the Egyptian vulture during breeding times.

This initiative on the part of ACCIONA has been included in the Decennial Revision Report of the Monfragüe Biosphere Reserve (MBR) in UNESCO's Man and the Biosphere Programme. The report lists the project among the main conservation programmes in Monfragüe and emphasises its innovative nature.

Breeding in captivity and behavioural study of the European mink

ACCIONA has been collaborating with the Foundation for Research in Ethology and Biodiversity (FIEB) since 2012 on the project of breeding in captivity of the European mink, a species in danger of extinction that is currently the most endangered mammal in Europe.

FIEB's Spanish research centre (in Toledo) is one of the only two centres authorised for breeding this species in captivity throughout the country. Here, in 2015, four young European minks were born in perfect health, a real success in terms of the continuity of the species.

ACCIONA is collaborating to help extend and improve the centre's facilities, which are also equipped with a closed circuit television system and sensors to enable 24-hour monitoring of the animals.

Action Plans for Biodiversity (PABs) linked to the development of the work of ACCIONA in the scope of the SMP 2015 target for Biodiversity.

Study of the activity of bats in wind farms. ACCIONA Energy

In 2015, ACCIONA Energy carried out various studies analysing the inter-relation of bats and wind turbines. Ultrasound recorders were used at heights, along with tests with repellents and an ornithological radar, which enabled the identification of the species present in the study areas and the correlation of this activity and the behaviour of each species. These studies help establish a set of measures in some projects connected with machine start-up speeds on certain dates and in certain time zones, aiming to reduce the risk of incidents during the periods in which the identified species are most active.

Prevention of whale collisions. Trasmediterranea

Trasmediterranea is a member of the work group for the prevention of collisions within the 'Canary Islands with the Sea' project of the whale research group of La Laguna University, financed by the Biodiversity Foundation - MAGRAMA. The aim of the work group is to reduce the impact of whale collisions in the Canary Islands, resulting in the improved conservation of marine fauna, improved safety at sea and increased public and shipping satisfaction, resulting from combining the need for transport with the need to conserve nature.

Best business practices in biodiversity

ACCIONA is aware that its actions can affect biodiversity. This is why, in each of the phases relating to the design, construction, operation and maintenance of its activities, the Company identifies and assesses the possible impact on biodiversity in order to adequately manage these activities.

In all projects and activities, a preliminary analysis is conducted of the environment, taking into account the existence of any protected species, the presence of protected fauna and flora and the proximity to water sources. This minimises the effect on the natural environment. Environmental surveillance plans are also established to control and implement preventive and corrective measures related to the project.

Recovery of fish fauna in hydroelectric plants. ACCIONA Energy

Dry seasons in the summer and early autumn are the periods during which numerous works and maintenance can be carried out on hydroelectric plants. With a view to controlling these actions, which may alter the environment for fish fauna, ACCIONA Energy has a protocol governing the management of fish recovery. This recovery is achieved in coordination with the environmental administration.

During the final emptying stages, the fish that have remained in the canal are caught and then put into specially prepared water tanks. Thereafter, they are moved to certain points of the river where the fish are released. Prior to release, their numbers and size are recorded.

Depending on the number and type of canals dredged, considerable quantities of fish may be recovered (1,000 - 2,000 per year).

Recovery of flora in the Jardín Botánico de Baja California Sur, Mexico. ACCIONA Industrial

In 2014, ACCIONA Industrial was awarded the design, supply, construction and commissioning of the fifth phase of the thermal plant of Baja California Sur.

As part of the agreements reached with the Federal Electricity Commission (FEC) and ACCIONA for the care and protection of the environment, the Jardín Botánico Kaelmet has been created in the city of La Paz, Mexico.

The Jardín Botánico Kaelmet houses more than 3,500 examples of protected species.

ACCIONA has played a prominent role in this botanical garden, guaranteeing a survival rate of 95% for the relocated species. It also handed over the garden to the Universidad Autónoma de Baja California Sur (UABS), which is in charge of managing it and will ensure that this area is used as an environmental school.

INDICATORS OF BIODIVERSITY PERFORMANCE

Protected and unprotected areas of high biodiversity value

ACCIONA controls and monitors the plants that are adjacent to or located in protected and unprotected areas of high biodiversity value.

Business line	No. of facilities in protected areas and unprotected areas of high biodiversity value	Surface area of the facilities in protected areas and unprotected areas of high biodiversity value (ha)	No. of facilities adjacent to protected areas and unprotected areas of high biodiversity value
Energy*	140	527.70	1
Water	26	30.19	25
Construction	43	1,345.30	18
Services	3	15.50	0
Other	10	25.27	0
TOTAL	222	1,943.96	44

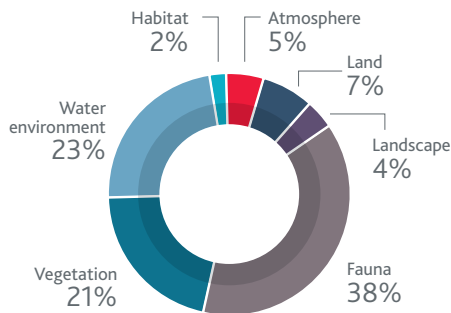
(*) As a criterion, the Company does not count the reservoir surface.

Plantings carried out by ACCIONA in 2015 will absorb over 3,300 tonnes of CO₂/year, equivalent to the CO₂ emissions produced by 1,400 cars

Identification and valuation of the most significant effects

ACCIONA has also identified and assessed the most significant effects at each of the ACCIONA facilities located adjacent to or within protected and unprotected areas of high biodiversity value.

→ Nature of the impacts



The assessment took into account the species affected, the surface area of the facility within the protected area, the duration of the impacts, and whether they were reversible or irreversible.

Protected species

In the same way, ACCIONA identifies the species affected by the installations included on the red list prepared by the International Union for Conservation of Nature (IUCN) or included in national catalogues.

Number of protected species affected by ACCIONA's facilities

Protection category. IUCN red list		No. of species
CR	Critically endangered	1
EN	Endangered	7
VU	Vulnerable	7
NT	Near threatened	13
LC	Least concern	98
Other national catalogues		19
TOTAL		145

Restoration and protection of habitats

En 2015, ACCIONA protected and restored 225 hectares in the areas surrounding its projects and in virtually all cases the measures were verified by external professionals.

Some of these actions are services supplied by Acciona Environment such as the regeneration of beaches).

EMISSIONS AVOIDED THROUGH OUR PLANTATIONS

In 2015, the Company carried out work on the restoration of areas affected and on landscape integration.

Green areas have also been created and maintained and plantations have been developed in areas that have deteriorated or lack vegetation, with the aim of increasing the diversity of native vegetation and supporting the species of fauna living there.

2015 ACCIONA plantations

Type	No. of examples	No. of species
Trees	182,712	1
Shrubs and flowers	615,766	7
Total examples planted	798,478	7

The plantings carried out by ACCIONA in 2015 will absorb more than 3,300 metric tonnes of CO₂/year¹, equivalent to the CO₂ emissions produced by the use of 1,400 cars.

¹ Source: 'Carbon Sinks', Climate Change Office of the Ministry of Environment. Considering the maritime pine (*Pinus pinaster*) as the typical tree, and based on the assumption that bushes absorb one-tenth as much as a tree.

BODIES OF WATER AFFECTED SIGNIFICANTLY BY CATCHMENT OR EFFLUENT

In ACCIONA Energy, water needs to be collected for the production of renewable electricity via its hydraulic plants. The water collected then flows through the plant before being returned to the source without any change to its composition.

As a supplier of drinking water, ACCIONA Agua needs to collect water for its Drinking Water Treatment Plants (DWTPs). This activity as a whole has a positive environmental impact given that in addition to improving the quality of water, it also provides the population with a basic service.

ACCIONA also constructs various infrastructures that need to collect water to carry out their activities. To do so, it controls extraction, considering both duration and time as well as quantity.

The Company and the environmental administration establish means of prevention by which to minimise any possible effects on the species that can be found in the river ecosystems.

It should be noted that the activities described have an overall positive impact on the environment.

TREATMENT OF THE MAIN RISKS AND OPPORTUNITIES ASSOCIATED WITH BIODIVERSITY

ACCIONA is aware that biodiversity is in itself a key natural asset of great value and therefore promotes biodiversity optimisation and conservation, taking into account the direct and indirect effects of its business.

ACCIONA concretely assesses the effect on natural spaces and species to prevent and correct this. It works on identifying the risks deriving from its activities and the capacity to mitigate them. Risk analysis is an essential aspect in the prevention of effects prior to executing projects.

The management of risks associated with biodiversity starts out from their integration into the operations of the different businesses with the aim of improving their capacity to mitigate them. This management starts with the choice of the locations of the installations and the monitoring and control of construction processes, establishing any preventive and corrective actions necessary to deal with the effects that may be generated.

Moreover, in order to monitor the environmental aspects, supervisory and control plans are prepared in most sites and installations, with an implementation protocol in place should any problems arise.

Facilities in protected and unprotected areas of high biodiversity value in 2015

Facility	Protected Area (PA) affected by the facilities	Geographic location
Seawater desalination facility (1)	SAC	USA
WWTP (1)	NP	Australia
WWTP (1)	NP	Italy
WWTP (22)	BR, SCI, SPA, NP	Spain
Drinking water treatment plant (2)	SCI	Spain
Seawater desalination facility (6)	PL, NP, SCI, SPA, NR, Ramsar	Spain
Pumping station (15)	NP	Spain
Comprehensive service (4)	SPA, SCI, NP	Spain
Electricity line (6)	SCI, SPA, IBA	Spain
Wind farm (47)	SCI, SPA, NP, BR, NM, IBA	Spain
Wind farm (2)	Native grasslands	USA
Wind farm (2)	SCI	Italy
Wind farm (1)	Ramsar	Canada
Photovoltaic (1)	SCI, SPA	Spain
Habitat improvement	SPA, SCI, NP	Spain
Linear infrastructure (roads) (11)	SAC, SPA, SCI, SEPP, HCI, NP, BR	Spain
Linear infrastructure (tunnels) (2)	NP, PL, HCI	Spain
Dam (1)	SCI, SPA, NR	Spain
Supply system (1)	SCI	Spain
Maintenance (1)	NP	Spain
Habitat improvement	PPA (PERMANENT PRESERVATION AREA)	Brazil
Maintenance (1)	PPA (PERMANENT PRESERVATION AREA)	Brazil
Lineal infrastructure (roads) (2)	PPA (PERMANENT PRESERVATION AREA)	Brazil
Construction (6)	NR, BR, Ramsar	Mexico

SAC: Special Area of Conservation; SPA: Special Protection Area for birds; SCI: Site of Community Importance; BR: Biosphere Reserve; IBA: Important Bird Area; HCI: Natural Habitat of Community Interest; NR: Natural Reserve; NP: Natural Park; PL: Protected Landscape; NM: Natural Monument; SEPP: Special Environmental Protection Plan; NRMP: Natural Resource Management Plan; SPEPP: Special Physical Environment Protection Plan; PPA: Permanent Protection Area; ACI: Asset of Cultural Interest."

Sustainable resource use and waste management

With the aim of minimising waste generation and the use of natural resources, ACCIONA incorporates in its activities all methodologies, processes, technologies, and good practices aimed at minimising waste generation and the use of natural resources.

Similarly, the Company advocates the use of tools to assess its impact on the entire value chain and the selection of products and processes that most respect the environment.

REUSE AND RECYCLING OF WASTE GENERATED

ACCIONA develops procedures and technologies aiming to minimise, separate, reuse, recycle and optimise waste. The Company sees these options as priority lines of action instead of elimination. In this way, of the 8,919,759 t waste generated by the Company (8,909,870 t non-hazardous waste and 9,889 t hazardous waste), a total of 3,148,317 t are re-used (and the remaining 5,771,441 t are sent to the landfill or authorised manager).

In addition to the means and good practices already implemented, there are also new, innovative technologies that ACCIONA is studying in its research centres. The Company also establishes continuous improvement objectives in the waste treatment centres it manages. Some of the activities carried out here include:

- Study of new technologies for the recycling and reuse of waste generated by ACCIONA Infrastructures and other sectors, such as mining, paper, the production of bioethanol and steel, reducing the quantities of these sent to landfills. Improvements are expected regarding the processing of construction and demolition waste to obtain aggregates for concretes and asphalt mixtures; white slag and ash to replace cement; and oils, stillage and lignin to modify tars.
- Optimisation of connections and sections of road like the section of Lleida in Rosselló of the A-14 motorway, which enabled the minimisation of the volume of earth movement. It is estimated that the generation of land to be managed as waste has been reduced to 440,000 m³ with respect to the initial plans. In addition, 17,000 m³ of plant land has been successfully reused in the environmental restoration of the work.

Resource consumption

		2012	2013	2014	2015
ACCIONA Construction					
Wood	t	2,263	120,576	16,963	1,660
Land reused from another project	m ³	1,607,840	934,014	858,448	484,163
Concrete and mortar	m ³	2,046,521	1,808,076	1,483,011	942,991
Cement	t	213,455	232,900	253,783	234,729
Aggregates and breakwaters (natural)	t	10,710,985	6,337,446	7,031,239	3,468,341
Aggregates from recycled material	t	253,391	469,752	394,783	73,217
Steel	t	443,879	291,406	188,610	678,755
ACCIONA Energy					
Sodium hydroxide	l	199,158	43,663	25,109	29,480
Sodium hypochlorite	l	252,150	80,203	51,375	42,883
Hydrochloric acid	l	235,716	79,609	56,858	62,689
HTF (Solar thermal)	kg	131,302	53,080	49,008	147,800
ACCIONA Agua					
Sulphuric acid	l	597,042	140,844	306,546	1,445,725
Sodium hydroxide	l	274,718	372,671	854,495	1,262,962
Sodium hypochlorite	kg	1,395,669	1,440,012	3,877,666	3,238,149
Polyelectrolyte	kg	379,487	366,699	530,277	554,272
Calcium hydroxide	kg	963,025	872,752	1,428,961	2,670,076
Carbon dioxide	kg	796,242	566,271	3,430,505	3,769,232
ACCIONA Service*					
Oils	l	-	37,123	44,189	42,153
Lubricants	kg	-	3,784	3,942	8,217
Chemical cleaning consumables	kg	-	26,489	262,334	292,346

*Until 2012, the data relates to the joint report of ACCIONA Agua and ACCIONA Service.

■ Optimisation of 100% of the ash and slag generated in three biomass electricity generation plants. Ash is very much appreciated in agriculture as a fertiliser given its considerable potassium content.

Fuel slag can be used both in agriculture and in construction. In all, 2,500 tonnes of ash and 26,300 tonnes of slag have been successfully exploited that would otherwise have ended up in a landfill.

■ Optimisation of the processes in the mechanical-biological Botarell waste treatment plant (Tarragona) to increase recovery of organic and other usable materials from 40%, last year, to 50% in 2015, reducing the portion sent to the landfill, and to increase the recovery of aluminium to 67%.

Waste generation

(t)

Business line		2011	2012	2013	2014	2015
Energy	Non-hazardous waste	30,997	26,018	35,059	28,619	31,640
	Hazardous waste	2,581	1,450	1,015	1,739	2,157
Water	Non-hazardous waste	172,790	193,460	183,179	362,903	415,856
	Hazardous waste	22	29	46	51	95
Construction	Non-hazardous waste: Land and debris	9,487,644	7,914,619	6,767,742	15,766,795	8,203,040
	Non-hazardous waste: Other	9,007	7,938	6,516	10,471	44,661
	Hazardous waste	195	185	170	329	724
Services	Non-hazardous waste	17,325	58,302	13,617	16,846	31,640
	Hazardous waste	13	10	15	5	59
Trasmediterranea	Non-hazardous waste	7,220	5,621	4,761	4,790	4,830
	Hazardous waste	8,230	7,668	6,114	4,924	6,853
Hijos de Antonio Barceló	Non-hazardous waste*	1,462	1,520	1,841	2,065	14,251
	Hazardous waste	1	1	2	2	1

(*) It increased due to the five-year extraction of sludge in Bodegas Viña Mayor

Management of non-hazardous waste

	% Landfill			% Recycling			% Reuse		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
Debris	82%	62%	72%	13%	15%	25%	6%	23%	3%
Wood	28%	16%	9%	63%	29%	61%	9%	54%	30%
Metals	4%	1%	2%	95%	95%	96%	1%	4%	2%
Plastics	27%	37%	23%	67%	63%	70%	6%	0%	7%
Land	52%	60%	62%	0%	0%	0%	48%	40%	38%
Ash	0%	0%	0%	100%	100%	100%	0%	0%	0%
Slag	34%	0%	0%	66%	100%	100%	0%	0%	0%
Dehydrated sludge	19%	28%	19%	6%	8%	7%	75%	64%	74%

LIFE CYCLE ANALYSIS

The Company has developed numerous projects in which Live Cycle Analysis (LCA) was incorporated. The following stand out:

- Comparative LCA of using compound materials instead of concrete in sheet piles.
- LCA: process for manufacturing waterproofing for tunnels.
- LCA: manufacturing process of offshore structures.
- LCA: biological cladding to avoid the corrosion of steel structures by microbial action.
- LCA of the bioremediation technology compared with traditional technologies for treating contaminated soils.

PREVENTION AND CONTROL OF ACCIDENTAL SPILLS

ACCIONA adopts the measures necessary to prevent, control and minimise accidental spills through incident information systems and plans to minimise the risk of discharges.

In 2015, the Company recorded 19 incidents that entailed significant spills with a total volume of 759 m³. All cases were satisfactorily resolved by adopting the corrective and compensatory measures necessary to rectify the situation.

Sustainable construction and efficient building management

ACCIONA aims to minimise environmental impact throughout the life cycle of sustainable construction projects and efficient building management.

SUSTAINABLE OFFICE MANAGEMENT PLAN

2015 marks the end of the sustainable office management plan that began in 2012 and is part of the Company's SMP 2015.

During the period for which the management plan was in force, efficiency has been increased in the offices in which ACCIONA carries out its core business through the implementation of measures in three different areas: People, Processes and Properties.

Some of the most successful actions carried out in the last three years have been:

- Contracting of electricity of certified renewable origin in the main offices in which ACCIONA goes about its business.
- Certification in accordance with standard ISO 50001 of energy management of one of the properties dedicated to the Company's R&D&I.
- Performance of energy audits in properties with the greatest energy consumption.
- Equipment of infrastructures to increase efficiency in employee mobility: access to electric vehicle charging stations, establishment of remote attendance solutions for work meetings and parking places for bicycles.
- Installation of lighting solutions using LED and/or low energy consumption technology in parking areas and elsewhere.
- Reduction of paper consumption by using a unified printer management system and the digitisation of various publications of the Company.

The measures described have successfully reduced the energy intensity of the offices by 27%. Furthermore, the intensity of CO₂

emissions from the use of gas oil, natural gas and electricity has dropped by 73% since 2009. The values of both indicators for 2015 are as follows: 211 kWh/m² and 23 kgCO₂/m². The water consumption ratio stood at 0.5 m³/m².

ECO-EFFICIENT CONSTRUCTION

ACCIONA takes part in construction sustainability certification projects such as the BREEAM and LEED systems. Through these programmes, building managers can obtain a quantifiable acknowledgement of the commitment to sustainability, acquiring precise information on the way the building behaves and thereby drawing up a framework or reference guide for the future.

BREEAM certification for all new developments by ACCIONA Real Estate in Spain

ACCIONA Real Estate applies innovations to its projects regarding energy savings, rational water consumption and sustainability, and aims to consolidate this commitment through the certification of all its new housing developments in Spain under the prestigious BREEAM regime.

The achievement of BREEAM certification assures future property users an objective assessment of up to ten different categories relating to sustainability: rational use of energy and water, effective waste management, use of low environmental impact materials, accessibility to transport services, health and well-being etc. This means that maintenance costs can be reduced while providing greater levels of well-being and comfort and helping reduce the environmental footprint.

Innovation in Construction – the World's first composite lighthouse installed in Valencia

ACCIONA Infrastructures has developed a construction solution based on the use of composite materials that enable infrastructures to be constructed while saving on the duration of the works by 40% and avoiding 20% of emitted contamination associated with construction.

The use of this technique made it possible to construct the new Valencia lighthouse whose structure consists entirely of composite materials developed in ACCIONA Infrastructures' R&D&i centre. The lighthouse is also innovative due to its energy self-sufficiency thanks to the installation of ten solar panels on its structure and a vertical axis wind turbine.

By using composite materials in the construction of the lighthouse, a contribution was made to reduce the CO₂ emissions in the construction process with lesser use of resources and lighter transport.

Additionally, the useful life of the infrastructure was extended, as these materials are not very affected by the corrosion caused by the climate conditions of the area.

ENVIRONMENTAL SANCTIONS AND FINES

In 2015, the following environmental sanctions and fines were applied:

Number and amount of environment-related sanctions applied in 2015

	No. of sanctions applied	No. of sanctions open	No. of sanctions closed	Amount of sanctions (€)
Water	6	5	1	294
Energy	16	9	6	12,700
Construction	35	29	7	13,329
Services	0	0	0	0
Trasmediterranea	1	0	1	0
Hijos de Antonio Barceló	0	0	0	0
TOTAL	58	43	15	26,323

Of the total amount of sanctions closed in 2015, there are two that exceed 5,000 euros: 12,600 euros (ACCIONA Energy) and 7,628 euros (ACCIONA Construction).

VALUE CIRCLE

Management Quality Extension

The Company is responsible for providing value to its stakeholders through the excellent management of its processes. The culture of quality and efficiency extends to the divisions, countries where it operates and to its supply chain in order to improve people's quality of life by increasing the availability of essential products and services and attending to its customer expectations.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">■ PROCUR-e Project. Implement the new Supplier Portal and the Bidding Tool throughout the ACCIONA Group. Redesign the process for approval and assessment of suppliers as a result of this project.	<ul style="list-style-type: none">■ Implementation of PROCUR-e in the Corporate, Construction, Industrial, Water, Energy, Services and Trasmediterranea divisions.■ Development of a new supplier approval process by redesigning the process and criteria for approval.
<ul style="list-style-type: none">■ Increase transparency and traceability of each of the relations of ACCIONA with its suppliers, generating records of each communication, and integrating processes with the bidding tool.	<ul style="list-style-type: none">■ Implementation of PROCUR-e allowing the traceability of all communications and milestones of procurement processes. Through PROCUR-e, 510 processes have been managed and 87 processes have been awarded.
<ul style="list-style-type: none">■ Improve supplier risk management by developing mechanisms for risk identification and expansion of the identification of other variables besides corruption, human rights, environmental legislation and so on.	<ul style="list-style-type: none">■ Development in PROCUR-e of the Risk Map version 1.0. A total of 2,457 suppliers were able to complete the questionnaire allowing their assessment with the new risk map.
<ul style="list-style-type: none">■ Fostering and measuring responsible procurement through bidding processes that include sustainability criteria.	<ul style="list-style-type: none">■ Defining a new guide for responsible procurement based on sustainability standards.
<ul style="list-style-type: none">■ Sending self-assessment questionnaires to suppliers with a turnover >100,000 euros in all Group companies (estimated 3,400).	<ul style="list-style-type: none">■ Send the PROCUR-e questionnaire to 4,815 suppliers with a turnover >100,000 euros well above the target.
<ul style="list-style-type: none">■ Four calls for tenders for the training of suppliers on environment, human and labour rights, and Occupational Health and Safety (OHS).	<ul style="list-style-type: none">■ Execution of the tenders, training 628 suppliers with a total of 1,822 supplier employees.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none"> 65% of suppliers in Spain will have a rating (estimated 211 suppliers). 	<ul style="list-style-type: none"> Goal exceeded, rating assigned to 506 domestic suppliers through the PROCUR-e tool.
<ul style="list-style-type: none"> Develop a training programme in processes and continuous improvement for employees of all divisions of ACCIONA. 	<ul style="list-style-type: none"> First ACCIONA Conference on Efficient Processes held, with the participation of 65 employees: formed of six working groups in which 33 people from different businesses participated, with the aim of providing initiatives to improve the six key processes for ACCIONA. Employees from all divisions represented.
<ul style="list-style-type: none"> Training groups of employees and suppliers on the environment through an advanced environmental course with a certificate accredited by a recognised university, as well as its dissemination. 	<ul style="list-style-type: none"> Launching, both nationally and internationally, the advanced course on the environment, making it available to the following groups: employees and their families, suppliers, the ONCE Foundation, the Prodis Foundation, the Exit Foundation and schools throughout Spain. More than 4,000 ACCIONA employees have taken the course, the year having closed with 75% of the students passing the course and obtaining a certificate from the University of Alcalá, a partner of this initiative.
<ul style="list-style-type: none"> Designing an updated tool for quality and environmental management and reporting. 	<ul style="list-style-type: none"> Design of GestioMAC, the new tool for quality and environmental management and reporting. Definition of requirements and design of modules by type of data; also, a pilot test was developed.
<ul style="list-style-type: none"> Progress in the optimisation of the ACCIONA Group certifications. 	<ul style="list-style-type: none"> Conduct a detailed analysis of ACCIONA certifications and make progress in the incorporation of the new ISO 9001: 2015 and ISO 14001: 2015 standards requirements, which will allow the design of the optimisation strategy for the management system certifications.
<ul style="list-style-type: none"> Make progress in unifying management systems in the Infrastructure division (Construction, Industrial, Water and Services). 	<ul style="list-style-type: none"> Preparation of 90% of the unified documents for the whole division. Inclusion of ACCIONA Rail Services in the ACCIONA Service certificate.
<ul style="list-style-type: none"> Expand the coverage of the ACCIONA regulatory system. 	<ul style="list-style-type: none"> Expanded coverage of the Company's regulatory system to a larger number of activities, both at corporate level and each of the divisions.
<ul style="list-style-type: none"> Achieve the ISO 50001 certification at a centre of an ACCIONA Service customer. 	<ul style="list-style-type: none"> Integration of its management systems and implementation of the EMAS Regulation (Environmental Management and Auditing Community System) for the Madrid offices and the maintenance service of parks and gardens of the city of Leon. Meetings to assess the strategic Services activity in order to obtain the ISO 50001 certification, selecting the energy efficiency activity.

» Continued efforts to improve the supply chain, products and services, and customer relationships are embodied in the implementation of new tools and management practices

- Implementation of PROCUR-e to support supply chain management
 - Combines two functions: Supplier Portal and Bidding Tool
- Ethical principles such as those of the Global Compact have been included in the Self Declaration of Responsibility for Suppliers in PROCUR-e
- Preparation of technical documentation and videos explaining the changes in the ISO 9001 : 2015 and ISO 14001 : 2015 standards which will be disseminated to certain interest groups

SMP 2020

2016 Challenges

- Implement the PROCUR-e Risk Map in procurement processes > 100,000 euros.
- Increase the procurement volume and bids managed through PROCUR-e.
- Carry out "enhanced due diligence" of suppliers when the Risk Map V1.0 Integrity variable is at high risk.
- Design NO - GO policy proposals for the ACCIONA Group in coordination with businesses.
- Measure purchases with "sustainable procurement" criteria.
- Launch four calls for tenders to suppliers of the six training courses.
- Establish dialogue sessions with customers in the Company's most important operations.
- Define parameters and conduct an assessment of the environmental, social and corporate governance performance of selected customers.

Responsible management of the supply chain

ACCIONA is committed to implementing a responsible management process with suppliers, contractors and partners to transfer sustainability criteria to its supply chain.

Through the progress made in its management systems and risk analysis, the Company ensures transparency in its hiring processes and evaluates the capabilities and practices of its suppliers to ensure compliance with principles that guarantee a responsible supply chain.

In order to ensure responsible management, in 2015, the Company implemented the PROCUR-e tool throughout the Group. This e-commerce platform seeks to support the management of the supply chain through its two functions: Supplier Portal and Bidding Tool.

SUPPLIERS, CONTRACTORS AND PARTNERS

In 2015, procurement spending volume (Purchase Orders) totalled 3,250 million euros. These purchases were managed through 150,464 orders of which 137,503 were issued including commitment to the principles of the Global Compact.

ACCIONA has established business relationships through 19,585 purchase orders with suppliers. This number has been greatly reduced at a national level as a result of the declining business and the international expansion with new hiring processes of ACCIONA's large-scale projects outside of Spain.

With the aim of ensuring responsible management of the supply chain, **ACCIONA has implemented the PROCUR-e tool throughout the Group**

Geographical distribution of suppliers by business line in 2015

Business line	Total common	% Total	National	International	Total non-common
Energy	3,795	19%	3,455	340	4,102
Water	916	5%	704	212	1,078
Construction	8,621	44%	8,235	386	9,001
Industrial	186	1%	90	96	217
Services	4,033	21%	3,932	101	4,434
Corporate	426	2%	385	41	503
Trasmediterranea	598	3%	545	53	702
Other businesses *	1,010	5%	953	57	1,123
Total	19,585	100%	18,299	1,286	21,160

Note 1: throughout this Report, the data displayed is based on the total number of common suppliers among the various businesses of the ACCIONA Group.

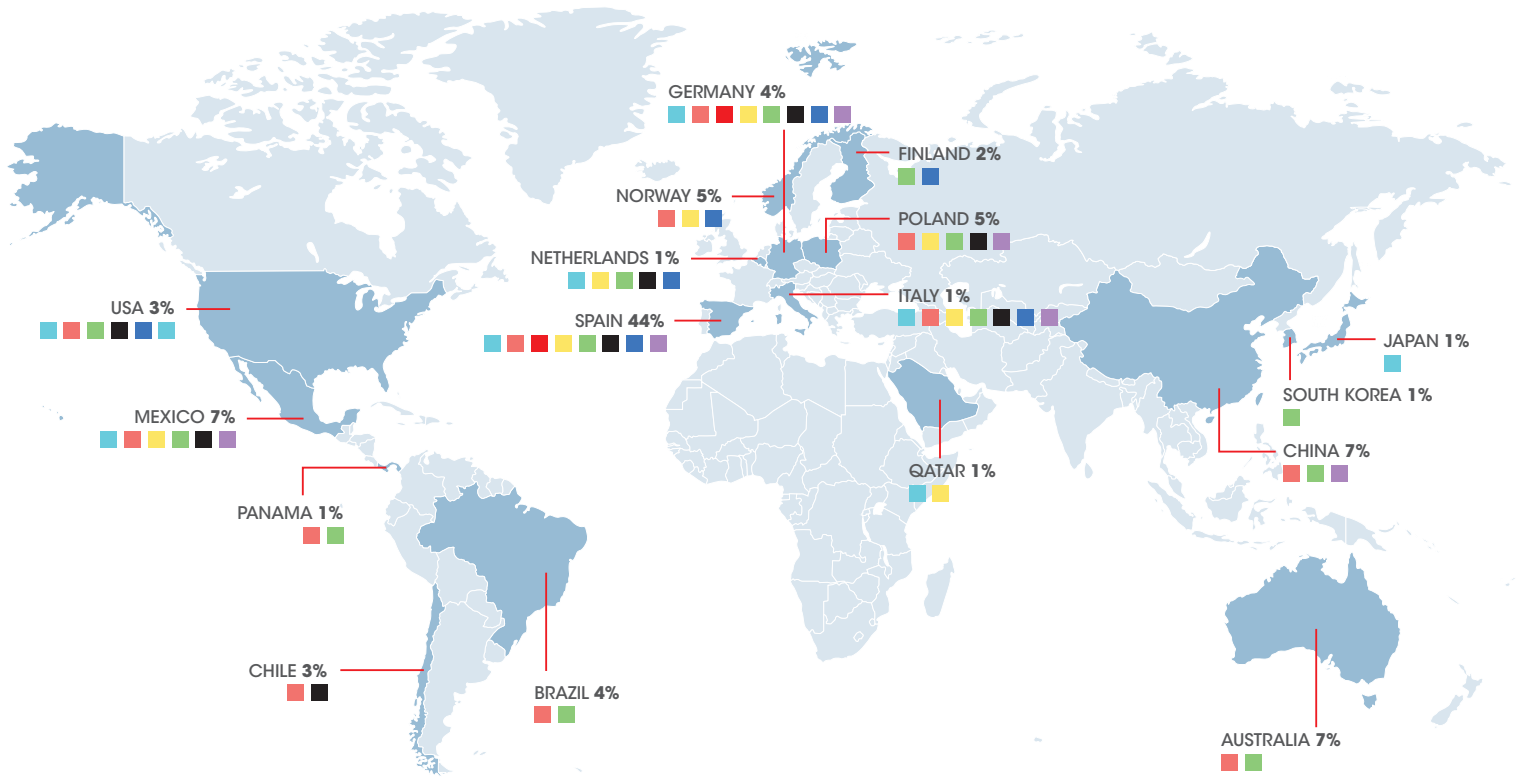
Note 2: common means it is counted only once for the purposes of the table even if they work for several businesses.

Note 3: non-common means they are entered in the accounts according to the ACCIONA companies for which they work.

(*) It includes Bestinver, Corporate, Hijos de Antonio Barceló and Real Estate.

→ Geographical distribution of suppliers by business line in 2015

Source of Supplies



Percentages for the procurement spending volume in 2015 through orders to suppliers including Group companies according to their countries.

- ACCIONA Agua
- ACCIONA Construction
- ACCIONA Industrial
- ACCIONA Service
- ACCIONA Energy
- CORPORATION
- Trasmediterranea
- Other businesses

ACCIONA has increased purchases in countries such as Germany, Australia, China, USA, Norway and Poland and reduced them markedly in Spain.

Critical suppliers

During 2015, the Company redefined the level of criticality of suppliers and contractors as defined by economic risk. That is, any supplier with a business relationship in the last 12 months and whose activity with the Group exceeds 100,000 euros (aggregate amount) is considered critical.

The calculation of the aggregate amount is carried out monthly, extracting data from the different procurement systems of the Group and displaying the data in PROCUR-e.

Some 15% of the supplier base had a purchase volume equal to or greater than 100,000 euros, representing 93% of the total contracted amount.

Local Suppliers

During 2015, ACCIONA further strengthened its commitment to local suppliers in all countries where it operates. On the one hand, opening up opportunities to suppliers in newly established countries, and secondly developing existing relationships from previous projects.

At the close of 2015, 90% of suppliers with whom ACCIONA was commercially related were local suppliers.

Critical suppliers by business line in 2015

Business line	Total	Critical	% Total
Energy	3,795	621	16
Water	916	176	19
Construction	8,621	1,561	18
Industrial	186	79	42
Services	4,033	219	5
Corporate	426	74	17
Trasmediterranea	598	97	16
Other businesses*	1,010	79	8
TOTAL	19,585	2,906	15

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate, and Logistics and Transport.

Local suppliers by business line in 2015

Business line	Total	Local	% Total
Energy	3,795	2,970	78
Water	916	704	77
Construction	8,621	8,017	93
Industrial	186	20	11
Services	4,033	3,932	97
Corporate	426	384	90
Trasmediterranea	598	545	91
Other businesses*	1,010	951	94
TOTAL	19,585	17,523	90

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate, and Logistics and Transport.

Through PROCUR-e, ACCIONA identifies the risks associated with the supply chain

Audits and environmental, labour and social assessment of suppliers

The Company also values positively in its tenders the contracting of suppliers that have quality, environmental and occupational risk prevention certifications according to benchmark international standards ISO 9001, ISO 14001 and OHSAS 18001, as well as suppliers that carry out audits and inspections of their suppliers to check the validity of their certifications.

Through PROCUR-e, the Company has analysed 2,457 suppliers. The following table shows the reported certifications.

In 2016, the Company will develop specific plans to verify the questionnaires in this matter.

RISK IDENTIFICATION IN THE SUPPLY CHAIN AND RESPONSIBLE MANAGEMENT ACTIONS

Through the PROCUR-e tool and its integration with business procurement systems, ACCIONA has identified two types of risks associated with the procurement processes:

- **Compliance, sustainability, environmental and social risks:** linked to corporate responsibility and sustainability, such as reducing environmental impact, respect for internationally recognised human and labour rights; and its forced labour, as well as transparency and ethics in procurement processes.

The Company implements certain control mechanisms such as the Self Declaration of Responsibility for Suppliers accessing the platform, the request for minimum data for the basic registration, a risk map and the establishment of general hiring conditions, among others. In addition, any supplier who wants to submit tenders to ACCIONA must complete the entire registration process, which involves completing a questionnaire that allows calculation of the Risk Map.

- **Operational risks:** linked to business earnings and referring to the supplier-customer relationship during the procurement process: missed deadlines, disruption of supply and service, quality of supply or service, dependency or economic factors.

Reported Certifications

Business line	2014			2015		
	ISO 9001	ISO 14001	OHSAS 18001	ISO 9001	ISO 14001	OHSAS 18001
Energy	67%	50%	48%	65%	39%	37%
Water	52%	17%	8%	63%	31%	33%
Construction	8%	5%	2%	59%	34%	35%
Industrial	-	-	-	73%	45%	55%
Services	8%	5%	1%	63%	43%	38%
Corporate	56%	35%	36%	59%	33%	33%
Trasmediterranea	-	-	-	67%	33%	42%
Other businesses*	-	-	-	44%	25%	38%

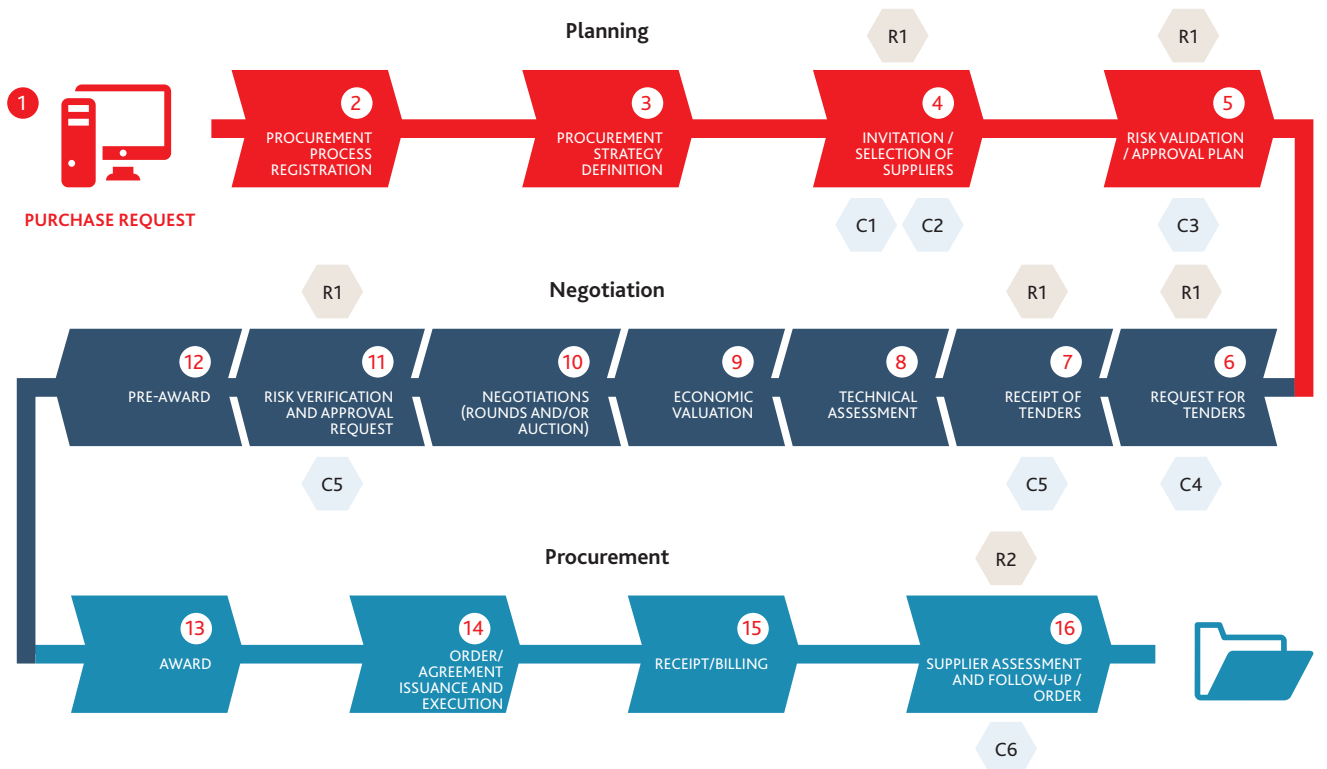
Note: % obtained on fully registered suppliers in PROCUR-e (2,457), and their statements regarding their possession of different certifications.

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate, and Logistics and Transport.

For these risks, the Company conducts a mandatory assessment for all orders over 100,000 euros.

The PROCUR-e procurement process is governed by the following operating scheme:

→ Corporate Procurement Standard



R1 Compliance, sustainability, environmental and social risks			R2 Operational risks		
C1	C2	C3	C4	C5	C6
Self Declaration of Responsibility for Suppliers <ul style="list-style-type: none"> United Nations Global Compact Code of Conduct Ethical Principles Integrity, Quality and Environmental Minimum Requirements 	Basic registration <ul style="list-style-type: none"> General data Contact data 	Supplier's risk map variables <ul style="list-style-type: none"> Supplier's Integrity Country Risk CR and Sustainability Economic Solvency Economic Dependency OHS Risk Environmental/CO₂ Risk Expired legal documentation ISO Situation Supplier Assessment 	General hiring conditions <ul style="list-style-type: none"> Ethical Principles for Suppliers, Contractors, Partners and Ethical Channel Confidentiality Data Protection 	Complete registration <ul style="list-style-type: none"> Business Data Corporate Responsibility and Sustainability General Observations Categories 	Supply/service evaluation <ul style="list-style-type: none"> Terms OHS Quality and Environment Administrative duties Technical capabilities

The new risk map version 1.0 monitors critical supplier risks and is a valuable tool for the decision-making process

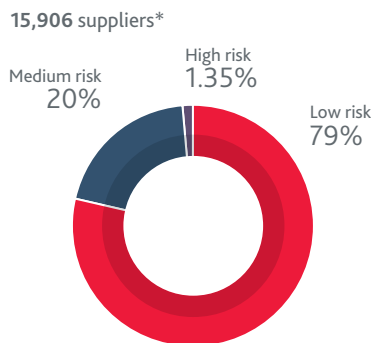
SUPPLY CHAIN RISK MAP

The risk map is the cornerstone for controlling the supply chain risk. It ensures identification of potential areas for improvement in suppliers, as well as communication of the Company's criteria and policies regarding corporate responsibility and sustainability.

During 2015, ACCIONA developed and deepened its analysis by better assessing the supply chain risk, distinguishing two types of risk map:

- **Global Risk Map – 2014 Criteria:** analysis of all suppliers with the methodology used in previous years to analyse trends. 81.21% of all suppliers were analysed involving a contracted amount of 3,059 million euros.

→ 2015 Global risk map



(*) High risk: 214
Medium risk: 3,102
Low risk: 12,590

In making the map, it has been considered several factors such as economic issues, activity, country risk and type of supplier.

Understanding the overall risk allows comparison with previous years, the design of actions for risk mitigation fundamentally based on enhanced due diligence, and the development of plans to correct deficiencies that are subsequently supervised and checked by the General Department of the Procurement Area.

The risk level has not differed much from that of 2014. The percentage of suppliers with very low risk has increased and high risk suppliers have increased insignificantly.

In total, in 2015 more than 2,728 suppliers with a contracted amount higher than 100,000 euros were examined, 93.87% of that group's total, and about 14% of the total suppliers' base, representing 88.7% of the total amount contracted by the Group.

Moreover, after this analysis, higher risk countries were detected with regard to human rights, such as China, Colombia, India and Mexico.

Notably, more than 98% of ACCIONA's supply chain has a low/medium risk level.

- **New risk map version 1.0:** a more complete and comprehensive study conducted with information from the PROCUR-e suppliers master. It combines

information provided by the supplier and information drawn from third-party systems.

The tool is aimed at monitoring the risks of suppliers that ACCIONA considers critical, thus providing very valuable information in the decision-making process.

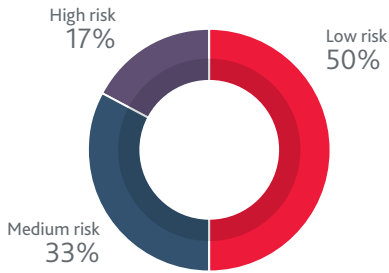
This risk map version 1.0 increases the number of variables to ten, including integrity, dependency, economic solvency, legal documentation status, ISO status and assessment of suppliers. Also, the mandatory "Corporate Responsibility and Sustainability" variable was incorporated in the calculation of the map.

In addition, the variables for prevention of occupational and environmental hazards have been redefined, gaining more weight within the map and increasing applicable requirements.

These variables place the supplier in one of the three risk levels: low, medium and high.

During 2015, the number of suppliers on PROCUR-e with a contracted amount higher than 100,000 euros that have a risk map was 588.

→ Risk map in PROCUR-e version 1.0 2015¹



(1) Suppliers with a contracted amount higher than 100,000 euros.

With the new risk map in PROCUR-e implemented throughout 2015, ACCIONA increased the number of high-risk suppliers.

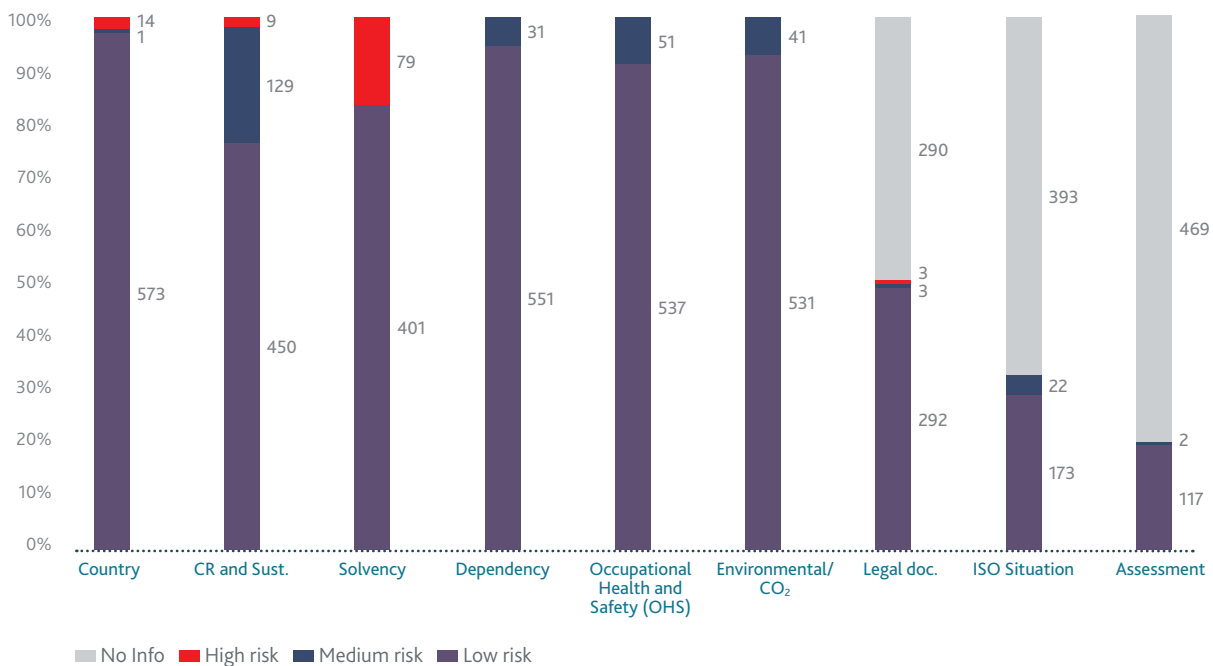
The main reason is that the new analysis is more comprehensive and more variables were examined in it, along with the information from external sources of

verification that provide greater value to the data contained therein.

In the chart below, there is disclosure the risk distribution for each of the individual variables that make up the new risk map in version 1.0:

→ PROCUR-e Risk Map in version 1.0

(588 suppliers with contract volume > 100,000 euros)



Legend: No Info (light grey), High risk (red), Medium risk (dark blue), Low risk (dark purple)

Counting the total number of suppliers, 79 have been penalised due to the high risk observed in their economic solvency. The other two variables that accumulate the most risk are that of country risk due to the internationalisation process and to a lesser extent that of "CR and Sustainability". In these risks, the established policy is the implementation of an audit and, in the case of identifying Non-compliance, the establishment of an "Improvement Plan" with the supplier, who must resolve areas of Non-compliance within three months.

In turn, ACCIONA calculated the risk map in PROCUR-e of a total of 2,457 suppliers independently of the billing and data available in PROCUR-e.

The results are very similar to the risk map for suppliers with a contracted amount higher than 100,000 euros. These show that the risk level increases and that the primary cause is once again economic solvency.

ACCIONA provides training to its procurement employees on sustainability. More than 250 people assigned to the procurement and technical staff function —both nationally and internationally (Australia and Mexico)— have been trained in PROCUR-e. This has not only meant training in the operation of an e-procurement platform, but also more actively communicating the ACCIONA values and principles schematically embodied in the risk map.

RISK MAP "CR & SUSTAINABILITY" VARIABLE

In 2015, the ACCIONA Group self-assessment questionnaire was integrated into the PROCUR-e risk map—as one more variable in the risk map—the "CR & Sustainability" variable. Additionally, the number of questions was increased from 25 to 37 mandatory and 17 optional questions, keeping the structure of the four basic building blocks: transparency and business ethics, human rights and social action, safety and health, and quality and environment.

The questionnaire was sent via PROCUR-e to 4,815 suppliers of whom 4,004 are domestic and the rest international, obtaining a rating in corporate responsibility and sustainability for 2,457, from which their risk map was generated.

Variable "CR and Sustainability"	2015
B-	71
B	668
A-	892
A	618
A+	208
TOTAL	2,457

The average supplier rating remains A- (as in 2014), but the average supplier score has improved from 46.38 to 52.45.

In order to extend sustainability, the Company strives to communicate, inform and educate the small supplier especially (fewer than 50 employees), since this group represents 62% of suppliers with a risk map in PROCUR-e (of a total of 2,457).

The average risk rating of suppliers is still **A-** (as in 2014)



EXTENSION OF ETHICAL PRINCIPLES

ACCIONA views the dissemination of the Company's ethical principles to its supply chain as a priority to ensure alignment with its suppliers with a view to assuring the sustainability of its businesses in the different sectors where it operates.

Thus, in 2015 it carried out more than 259,000 communications to suppliers via orders, contracts, bidding documents, newsletters and training courses.

During the financial year it revised its ethical clauses in order to add 'Sustainable Procurement' as a clause. The inclusion of these clauses pursues the termination of contracts with suppliers that do not incorporate into their activity corporate responsibility and sustainability criteria in line with ACCIONA standards.

More than 137,000 orders and contracts incorporated these ethical clauses in 2015.

Nationally, the inclusion rate of these clauses reaches almost 100%, while at international level it depends on several factors, including the country where it operates and the degree of implementation that the procurement function has therein, or if it concerns joint venture projects, where it sometimes proves more difficult to implement the ACCIONA standards.

The ethical clauses include ACCIONA's commitment to the Global Compact and the recommendation to its suppliers, contractors and partners to adhere to it and to report progress made in this regard.

In addition to these clauses, in ACCIONA Energy 420 tenders were launched that discriminate in favour of the supply of sustainable products. At ACCIONA Service a total of 1,045 orders was issued with sustainable criteria, differentiating in them 17 sustainable products and three contracts with "Special Employment Centres". In the case of the Kathu project in South Africa, ACCIONA Industrial has incorporated the Black Economic Empowerment (BEE) programme in addition to the ethical clauses. This is a set of affirmative action policies, laws and actions designed to favour the South African black community (Blacks, Coloureds, Chinese and Indians).

In 2015, the Self Declaration of Responsibility document for Suppliers of the ACCIONA Group was incorporated into PROCUR-e. This document expressly refers to the Global Compact and includes links to the Ethical Principles and Code of Conduct, in addition to incorporating the minimum ACCIONA standards on Integrity, Quality and Environment. Any supplier that does not accept this form cannot work with ACCIONA.

NEW PROCEDURE FOR THE APPROVAL AND ASSESSMENT OF SUPPLIERS

In 2015, work was conducted on the new edition of the Corporate supplier approval and assessment procedure. This was in response to the need develop the approval process to reflect the increasing importance of risk management in the supply chain.

The new edition is the result of the joint work of the Procurement, Environment, OHS, Sustainability and Quality units of the Group's core businesses and the Corporate units. This new version of the procedure is reflected and managed through the PROCUR-e tool.

The main changes are the approval in PROCUR-e and common status for all major businesses, the validity period being kept at three years; the new economic amount for suppliers; the online risk monitoring of critical suppliers; the establishment of minimum criteria for approval; the drafting of the audit protocol and the establishment of minimum criteria for passing an audit.

In 2015, the approved suppliers in the main companies of the ACCIONA Group are:

- 1,732 approved suppliers in SAP in the companies or businesses of Corporate, ACCIONA Energy and ACCIONA Service.
- 2,486 approved suppliers in the SEO of domestic ACCIONA Construction.
- 1,060 approved suppliers in ACCIONA Water.
- 41 approved suppliers in Trasmediterranea.

AUDIT PLAN 2015 AND VERIFICATION OF QUESTIONNAIRES

In 2015 we continued with the Audit Plan launched in 2013 as part of ESG (Environmental, Social and Governance).

External Audits

During 2015, 169 supplier audits were carried out by external auditors. ACCIONA has also redefined its own new audit protocol. It significantly increased the number of international audits from seven in 2014 to 43 in 2015, and began carrying out audits in risk countries where ACCIONA operates such as Qatar or Mexico.

Number of External Supplier Audits 2015

Business line	International	Domestic	Total Audits 2015
Energy	29	36	65
Water	3	16	19
Construction	0	34	34
Industrial	1	9	10
Services	9	23	32
Corporate	0	6	6
Trasmediterranea	0	1	1
Other businesses*	1	1	2
TOTAL	43	126	169

(*) It includes Bestinver, Hijos de Antonio Barceló, Real Estate, and Logistics and Transport.

Some 66% of suppliers had zero Serious Non-compliances (SNCs). The remaining 34% will try to resolve the Serious Non-compliances detected within the prescribed period by availing themselves of the action plan for that purpose. Suppliers can upload the evidence in following up on the SNCs established in each case.

Internal Audits

In 2015, ACCIONA Construction conducted 203 remote audits during the supplier approval process. Additionally, seven onsite inspections/audits were conducted, five of them for verification of various contracted supplies. Compliance with environmental certifications was also validated, as well as the different social and ethical issues identified in the questionnaires given. The remaining two checked the factories' production capabilities and the quality of the product offered.

Also, 182 supplier audits were conducted by own staff of the Quality and Inspection and Control departments of the divisions in order to ensure that they meet the requirements established by ACCIONA mainly on product quality, the manufacturing process and the service delivered. Worthy of note are the six audits of Chinese salt suppliers. In these checks the ACCIONA risk map of these suppliers was validated in addition product technical qualification.

Questionnaire verifications

In addition to audits, ACCIONA has third party systems that verify and monitor supplier information.

Of the 2,457 suppliers identified in 2015 with a risk map, the information provided by outside companies regarding 1,018 suppliers was verified and validated.

General Disability Act

Through PROCUR-e, ACCIONA evaluates what suppliers state regarding compliance with the General Disability Act (LGD as per its Spanish acronym). Some 83% of the 2,457 suppliers state that they comply with the law or have a certificate of excellence.

Resolution of Serious Non-compliances

Throughout 2015, a follow-up was conducted of most of the Serious Non-compliances (SNCs) detected in the audited suppliers in 2014, 25% of the SNCs detected last year having been resolved.

For the rest which have not passed the SNCs audits, plans are being developed with the procurement units to disqualify these suppliers.

TRAINING, COMMUNICATION OF BEST PRACTICES TO SUPPLIERS

Since the launch in 2011 of the Supplier Campus at the General Department of the Procurement Area with the support of the Corporate University of ACCIONA, knowledge has been expanded and best practices have been disseminated to suppliers and contractors with regard to Social Responsibility and Sustainability by means of online courses.

In 2015, four training calls were conducted with a notable increase in participation, this being the year in which the largest number of suppliers were trained. In total, since this activity was started, 2,584 suppliers have been trained involving 4,942 employees. The call in 2015 focused on suppliers registered in PROCUR-e. This increase in registered suppliers is another example of how PROCUR-e operates as a communication channel with suppliers.

Training for suppliers in 2015

Course	Suppliers	People
CR and Sustainability in the Supply Chain	139	408
Equality and Prevention of Discrimination	114	326
Disability Awareness	110	307
Code of Conduct	131	379
Basic concepts, international OHS management and rules	134	402
Total	628	1,822

In 2015, the Environmental Course was launched, which was taken by 107 suppliers. The benefits generated from this training will be allocated to the development of social and/or environmental activities.

In addition, the dissemination of best practices has continued by sending four issues of the OHS quarterly newsletter to suppliers of all divisions in its bilingual version (Spanish and English). The newsletter reached more than 28,900 supplier emails (22,745 single-source suppliers), of whom over 25% are international.

Throughout 2015, communications continued with suppliers through the already mature channels in ACCIONA: ACCIONA: compreresponsable@ACCIONA.com, boletinproveedores@accion.com y proveedores@ACCIONA.es, as well as new ones such as procure.help@ACCIONA.com.

Suppliers also have the ethical channel to report any irregular practices, which ACCIONA will then review.

Through these mailboxes, communications have been sent to more than 117,000 suppliers, both domestic and international.

PROCUREMENT PROCESSES UNDER SUSTAINABILITY CRITERIA

In order to energise and comply with the Sustainability Master Plan 2015 (specifically, the goal of encouraging and promoting responsible procurement through tenders incorporating sustainability criteria), the Company has redefined the criteria for identifying purchases that may be classified as sustainable.

A purchase may be classified as sustainable if at least one of the following conditions is met:

1. The product/service to be purchased is sustainable in itself: it possesses a certificate, tag, label or ecological accreditation.
2. The product, not being sustainable, is acquired through companies that promote business efficiency, pursue the public interest and promote social responsibility.

The necessary upgrades have been implemented in different procurement systems to allow buyers to mark and justify purchases with this factor. Some of the actions are explained below:

Renewable energy: ACCIONA continues to increase the procurement of electrical power from green sources in Spain. During the year, out of the 638 GWh purchased, 88% was green, an increase of 14 percentage points compared to 2014.

We have the Renewable Energy Guarantee of Origin (REGO) issued by the Spanish National Commission of Markets and Competition (CNMC as per its Spanish acronym). As a result, during the last quarter of 2015, 760 supply points became green energy contracted.

Eco-efficient vehicle fleet: the active fleet in 2015 was made up of 331 vehicles, of which 107 were low emission vehicles, i.e., emitting under 120g CO₂/km, which also implies lower fuel consumption. Some 99.7% of the active fleet has EURO5 and EURO6 engines, and 2.7% are hybrid powered vehicles with EURO5 and EURO6 engines (a total of nine vehicles, two more than the previous year). This means lower CO₂ emissions and a reduction in NOx emissions and particles.

Sustainable wood: in 2015, 491.5 tons of the wood consumed by ACCIONA Construction were certified. ACCIONA

S.A., ACCIONA Energy and ACCIONA Service include this clause in all orders and contracts involving wood: "The Customer shall ask the Supplier for the forest products chain of custody certificate (FSC, PEFC, or similar) for all wooden elements that are the subject of this request."

Hiring of Special Employment Centres (CEE, as per its Spanish acronym)

Throughout 2015, we worked together with 29 Special Employment Centres, whose main purpose is to promote the inclusion of differently-abled people into the workplace. Hiring throughout 2015 totalled the equivalent of 2,692,794.71 euros, a 30% increase over the previous year. The Company relies on these centres for the supply of products and services throughout the Group, mainly for the supply of workwear. There is a framework contract currently in force with several CEEs for laundry services, safety material, travel agency services, printing, vending machines, among others.

BREEAM Seal: ACCIONA Real Estate has studied the feasibility of certifying building projects which are expected to develop as of 2016 using the BREEAM seal of sustainability.

In developing the new BBVA headquarters, **96.41% of the wood used complied** with FSC criteria ensuring it comes from sustainable forests

Sustainable products in ACCIONA

Construction

- Development of the first front panel from biological composite materials in the framework of the I+D+i BioBuild European project.
- In developing the new headquarters of BBVA, soil erosion and sedimentation was controlled, 100% of inert waste generated on site was managed and 96.41% of the wood used met the Forest Stewardship Council's Principles (FSC) criteria, which ensures it has been sourced from responsibly and sustainably managed forests, among other measures.

ENERGY SAVINGS, COST SAVINGS.

BEST PRACTICES

- At the Llagostera WWTP facility a cogeneration system was installed using turbines for the use of biogas which reduces domestic consumption of the process by 40%. The cost savings are equivalent to 9% of the energy consumption.
- In the Hospital del Norte, the air conditioning management system was monitored to ensure the daily detection of incidents in the system relating to

inefficient use of the infrastructure.

Work is being done in the validation of containers for medical waste, which means a reduction of around 10% by weight of medical waste, providing an annual reduction of more than 10 tons of waste. Also, an average reduction of 14.96% of actual consumption in kWh of natural gas and 7.5% of actual consumption in kWh of electricity was achieved, compared to the estimated consumption.

- ACCIONA Industrial obtained a solar thermal project in South Africa using 100 MW tower technology, instead of the conventional parabolic trough technology, in which the use of HTF is no longer necessary. This affords a mitigation of environmental risk and a reduction in oil costs, which for a plant of this kind represents savings of approximately 20 million US dollars.

ACCIONA with excellent management

The General Department of the Innovation, Environment and Quality Area, reporting directly to the Chairman, defines the strategic priorities for quality and processes for the Group. Its strategic document is the "Quality Policy", which contains the principles and commitments of the Company in this area.

During 2015, a total of 5,636 hours of training in and awareness of quality and processes were provided at ACCIONA with the aim of ensuring that employees have the technical knowledge to carry out their activities and get acquainted with the Company's commitments and policy.

Adapting to the new ISO 9001 and ISO 14001 standards

Coinciding with the publication (September 2015) of new versions of the standards, different training sessions were held aimed at quality and environment professionals of the divisions (80 participants). They became acquainted with the changes—and their implications for management systems—led by an expert from one of the world's largest certification bodies.

To continue with dissemination in this area, technical documentation was prepared in digital format and explanatory videos were posted about the major changes that these ISO standards incorporate. It is anticipated that during the first quarter of 2016, this documentation will be available to ACCIONA suppliers.

IMPROVEMENT GOALS ESTABLISHED FOR 2015

The ACCIONA divisions set their improvement goal programme annually as part of their management systems. The following are listed below as an example:

Make progress in the certification of management systems	
Energy: Achieve the ISO 14001, 9001 and OHSAS 18001 certifications in Costa Rica, Chile and South Africa.	100% achieved
Hijos de Antonio Barceló: obtain the FSSC certification in Bodegas Palacio.	100% achieved
Improve the quality of products and services	
Construction: implement the BIM (Building Information Modelling) methodology.	100% achieved BIM unit created and assigned business person.
Services: implement the Contract Management Global System defined at the Division level in three contracts.	100% achieved
Real Estate: improve the energy rating of at least 20% of the existing housing stock as of April 2015. Achieve 120 t CO ₂ /year avoided emissions (target for the period 2015-2017).	2015 goal achieved 100% Conduct a feasibility study and actions to take in order to improve the energy certification of rented dwellings.
Reduce the environmental footprint	
Energy: study of the activity of bats in wind farms.	100% achieved Conducted the studies planned in Mexico and Spain.
Hijos de Antonio Barceló: reduce the generation of sewage sludge from Bodegas Peñascal.	100% achieved Reduction of 6.6% in kilograms of waste/litre sold compared to 2014.
Water: install screens in the Güeñes (Vizcaya) Sewage Water Treatment Plant, allowing cleaner water discharged into the river.	100% achieved

IMPLEMENTATION OF CERTIFIED MANAGEMENT SYSTEMS

All divisions of ACCIONA have management systems implemented and certified in accordance with international benchmark standards (ISO 9001, ISO 14001, ISO 50001, ISO 22000, SA8000, etc.). The aim of ACCIONA with this procedure is to ensure organisational commitment to continuous improvement of processes and activities, reinforcing the competence of its staff and the organisational capacity to carry this out in each of the countries it operates.

Some 92% of the Group's sales are certified as per ISO 9001 and 90% of sales as per ISO 14001, 3% more than in 2014.

Activities certified by business line

Business line	ISO 9001 and ISO 14001 Certifications
ENERGY	<ul style="list-style-type: none"> ■ 100% MW installed. ■ 100% in ISO 9001 wind turbines manufactured and/or assembled in Brazil, Spain, India and the United States (100% 14001 in Brazil, Spain and USA). ■ 100% green energy marketing.
CONSTRUCTION	<ul style="list-style-type: none"> ■ 100% construction activity in Abu Dhabi, Australia, Brazil, Canada, Chile, Colombia, Ecuador, Spain, Mexico, Panama, Peru and Poland. ■ 100% of concessions.
WATER	<ul style="list-style-type: none"> ■ 100% water treatment activities in Australia, Spain and Italy. ■ 100% of comprehensive water management services in Spain.
SERVICES	<ul style="list-style-type: none"> ■ 100% of the ACCIONA Environment activities. ■ 100% of the ACCIONA Urban Services activities. ■ 100% of the Energías Renovables Operación y Mantenimiento (EROM) activities. ■ 100% of the ACCIONA Rail Services train and station cleaning. ■ 100% of transport and international logistics activities in ISO 9001. ■ 100% of passenger boarding bridges handling and driving activities in Spain (100% Germany in ISO 9001). ■ 100% event organising and exhibition staging and museums. ■ All activities of ACCIONA Facility Services, except conventional cleaning.
OTHER BUSINESSES	<ul style="list-style-type: none"> ■ 100% of passenger and cargo transport (maritime shipping) activities. ■ 100% of the wines produced in the Peñascal, Viña Mayor, Caserío de Dueñas and Palacio vineyards (also in ISO 9001: 100% Viña Mayor, Caserío de Dueñas and Finca Anzil vineyards). ■ 100% of real estate development activities and management of student dormitories in Spain (100% ISO 9001 in real estate in Poland).

92% of the Group's sales are certified as per ISO 9001 standard and 90% as per ISO 14001 standard, 3% more than in 2014

New certifications in ISO 9001 and ISO 14001

ACCIONA Energy			ACCIONA Service	
Quality and environmental management systems under the ISO 9001 and ISO 14001 standards			Work has been conducted to integrate management systems, including in 2015, ACCIONA Rail Services into the ACCIONA Service global certificate.	
Chile	Costa Rica	South Africa	The company Entorno Urbano y Medio Ambiente (ACCIONA Service) has certified its integrated quality and environmental management system.	Expansion of the scope of ISO 9001 and ISO 14001 certifications from EROM to the activities of: <ul style="list-style-type: none"> ■ Training in the GWO standard ■ Conducting of training activities
Certification of ACCIONA Energía Chile, S.A. and Punta Palmeras Wind Farm with the scope: Operation and Maintenance of Wind Farms services	Certification of ACCIONA Energía Costa Rica, S.A. and Chiripa Wind Farm with the scope: Operation and Maintenance of Wind Farms	Certification of ACCIONA Energy South Africa Global (Pty) Ltd with the scope: Construction, Operation and Maintenance of Renewable Energy Plants support services. 1 st Certification in Africa		
ACCIONA Construction			ACCIONA Windpower India	ACCIONA Concessions
Spain	Panama		Certification of the nacelles assembly plant of Chennai (India) in ISO 9001:2008.	It was awarded both certifications (9001 & 14001) at the Gran Hospital Can Misses (Balearic Islands)
Expansion of the scope of its ISO 9001 and ISO 14001 certification to the activities of "Manufacturing and assembly of structures in composite materials (fibreglass and carbon)"	Implementation of management systems and obtaining the ISO 9001 and ISO 14001			

Other certifications obtained in 2015

- EMAS Certification for the services of maintenance and cleaning of gardens and green areas of the city of Leon and in the Madrid offices of ACCIONA Environment.
- ACCIONA Construcción México was awarded the Socially Responsible Company Badge.
- Energy management systems as per ISO 50001: management system certification of the Infanta Sofía de Madrid University Hospital and expansion of the scope of the ACCIONA Water certification to thermal drying centres Rubí and that of the Amposta WWTP.
- ACCIONA Facility Services has renewed its certification under the SA8000 standard. The company has had this certificate since 2000. This certificate ensures the ethical behaviour of the company and its employees.

- In the centre of Bodegas Palacio (Hijos de Antonio Barceló) the Food Safety System Certification (FSSC) 22000 was implemented and certified by an external institution to bring it in line with the other centres.
- Trasmediterranea has renewed for the second consecutive year the quality of service certificate for shipping companies, based on the quality reference frame of the Spanish National Ports Authority (*Puertos del Estado*).

IMPROVEMENT TOOLS

The internal and external audits, both of customers and certification bodies in relation to ACCIONA management systems, constitute one of the main tools that the Company has in order to identify opportunities for improvement.

During 2015, 378 internal audits were conducted and 135 customer audits were received. Non-compliances identified

during these audits are examined and managed, with the necessary action plans being carried out to address them.

In addition, ACCIONA launches specific improvement groups whose results lead to Lessons Learned and Best Practices that are disseminated throughout the organisation.

Groups and improvement programmes

During 2015, ACCIONA launched 35 improvement groups consisting of multidisciplinary teams whose mission is to identify, examine and propose innovative ideas and solutions, as well as identify and classify risks and customer satisfaction and loyalty, among others.

Production CoE Project. ACCIONA Energy

Due to the success of the Cost of Energy project in ACCIONA Windpower, similar projects are being developed in other areas of the Energy division, such as the CoE Production project, which has been proposed with the following goals:

- Decreased costs during the period 2015-2016
- Increasing production, improving availability and efficiency
- Lengthening the life of assets

In 2015, seven working groups were defined, directly engaging more than 100 people who have spent 10,000 hours throughout the year. The project leader carries out continuous monitoring of the initiatives and the progress of each group is regularly monitored by the project manager to ensure success.

During its development, 318 initiatives were identified, examined in detail and prioritised by estimated savings, of which 28 were finally approved and seven already completed. For the three goals for the period 2015-2016, the degree of compliance at the end of 2015 was over 50%.

Lessons learned and best practices

Lessons learned and best practices are a tool that ACCIONA uses to document and share the knowledge gained with the experience in performing certain tasks, and to make it available for the benefit of the entire Company. They also serve as lead elements for new projects.

In 2015, 106* lessons learned and best practices were identified.

The dissemination methods in the organisation are varied: quarterly newsletters, intranet, repositories in the servers of each business, QSE warnings (in the case of ACCIONA Energy) and emails, among others.

QSE WARNINGS ACCIONA Energy

These documents reflect incidents at Company premises which have had an impact on environmental or occupational risk prevention matters. Such documents include, both descriptively and visually, the incident that took place by answering the following questions: Where and when?, what?, how?, and all lessons learned are gathered.

These are found on the Company's intranet and each time a new one is generated or an existing one is modified, a notification is sent to all employees.

ACCIONA'S COMMITMENT TO ITS CUSTOMERS

Meeting the needs and expectations of its customers is a priority goal of ACCIONA.

ACCIONA customers are primarily large customers from both the public and private sectors. However, in several of its businesses, such as Hijos de Antonio Barceló, Trasmediterranea and ACCIONA Real Estate, the company has B2C consumers or customers (Business to Consumer).

Citizens are the main users of some of the services provided by the Company. Listed below are some of the main services and products offered by ACCIONA and the customers and users thereof:

*This figure includes the 25 lessons learned identified in ACCIONA Construction, which were approved by the Technical Committee held on 03/08/16.

PRODUCTS AND SERVICES	PUBLIC SECTOR	PRIVATE SECTOR (B2B)	PRIVATE SECTOR (B2C)	USERS OF SERVICES
ACCIONA Energy				
Sale of energy from renewable sources	15 customers			
Renewable technologies EPC contracts	Comisión Federal de Electricidad (CFE, Mexico), Eskom (South Africa), etc.	Private investors: Blackstone, Cemex, Nova Scotia Power, GDF-Suez		
Sale of wind turbines	Customers are wide-ranging from those requesting the installation of a wind turbine, such as Triodos Renewables, to customers such as Voltalia, for which nearly 400 MW were installed between 2014 and 2015			
ACCIONA Construction				
<ul style="list-style-type: none"> ■ Civil work ■ Concessions ■ Maintenance of Infrastructures 	<ul style="list-style-type: none"> ■ Governance ■ Public Administrations ■ Other Public Institutions 			
<ul style="list-style-type: none"> ■ Building 		Private companies		
ACCIONA Industrial				
<ul style="list-style-type: none"> ■ EPC Projects ■ O&M industrial plants 		5 customers: 98% billing		
<ul style="list-style-type: none"> ■ Electrical installations and HVAC works 	2 customers: 2% billing			
ACCIONA Water				
Water Services Management	Municipalities			15.3 million users in 180 municipalities in Spain and Peru
Drinking water treatment plant construction and O&M	Water managing public companies	Private companies		115 plants supplying more than 26 million people
Construction and O&M of waste water treatment plants				300 plants supplying more than 54 million people
Construction and O&M of desalination plants				Total capacity of 2.7 million m ³ /day supplying more than 13 million people
ACCIONA Service				
Wide range of services to offer complete solutions:	9% billing:	91% billing		
<ul style="list-style-type: none"> ■ Handling 		20%		9 million people served in the airports of Palma and Frankfurt
<ul style="list-style-type: none"> ■ Cleaning 	4%	28%		
<ul style="list-style-type: none"> ■ Maintenance 		11%		
<ul style="list-style-type: none"> ■ Forwarding 		11%		
<ul style="list-style-type: none"> ■ Gardening 	3%	1%		
<ul style="list-style-type: none"> ■ Waste collection and treatment 	2%	0.2%		0.3 million users of services
<ul style="list-style-type: none"> ■ Other 		28.8%		
Other businesses: Trasmediterranea				
Maritime passenger and cargo transport		Travel agencies	<ul style="list-style-type: none"> ■ Passenger customers: 2.5 million ■ Cargo customers: 1,125 	
Other businesses: Hijos de Antonio Barcelo				
Real estate development, management of assets for rent			<ul style="list-style-type: none"> ■ Residential assets for sale: 34% billing ■ Property operations: 31% billing ■ Residential assets for rent: 27% ■ Student dormitories and hotels: 8% 	
Wine production and marketing		<ul style="list-style-type: none"> ■ Large surfaces ■ HORECA (Distribution) ■ Exports 	<ul style="list-style-type: none"> ■ Direct sale: consumers 	

ACCIONA Green Energy Developments (a subsidiary of ACCIONA Energy)

It manages the sale of electricity produced by the Group's facilities and other special regime producers. It supplies electricity to large consumers with a guarantee of 100% renewable origin (accredited by the CNMC). It provides support and advice in order to offer a more convenient mode of contracting.

Over the years, this business has developed a Demand Management plan to encourage its customers to change their electricity consumption habits for more sustainable ones. Some of these measures are described below:

Awareness campaign, offering of energy advice services in all proposals, conducting of customer energy audits and 100% *quick assessment* of customers.

Offer discounts for non-peak consumption on a percentage of the portfolio (segmented), 100% of the energy is sold with renewable origin certificates and the bill indicates the CO₂ emissions avoided by green energy consumption, compared to the mix of Red Eléctrica de España.

Finally, carbon credits (VERs /CERs /others) are offered to all customers, and EPC/ ABB offers are made to industrial companies to develop projects in which the use of renewable energy is promoted versus other conventional energy sources.

One of ACCIONA's communication channels with its customers is ACCIONA Agua Servicios **virtual offices** in which subscribers can perform multiple steps

CUSTOMER RELATIONSHIP AND COMMUNICATION

Given the diversity of customers that ACCIONA has, the communication channels are very varied, pursuing greater accessibility and agility in its dialogue with the Company.

- **Tailored management service:** In ACCIONA Energy business operations managers advise and serve the customer during all phases of the relationship. This practice also applies to the most important projects of the Industrial, Construction, Water and in some cases Real Estate divisions.
- **Customer websites:** ACCIONA Green Energy, Trasmediterranea and Hijos de Antonio Barceló offer these websites, which contain specific sections for information consultation and other

sections where customers can contact the Company, as well as online services.

- **Computer software applications:** Different companies have computer applications to improve the customer experience, whether to report the actions being undertaken, for communication with the Company or as an additional sales channel. Trasmediterranea, aware that the experience of travelling changes at high speed, and in line with the advancement of its digital strategy, has created the TrasmeFerry app: a new free sales channel available in four languages.
- **Physical points of customer service and dealing directly with customers:** All companies that manage large construction and/or production projects, as well as concessions, hold regular meetings with their customers.

- **Call centres and telephone lines:** there are phone lines and *call centres* to serve customers 24 hours a day in various businesses of the Company.
- **Online services offered to customers:** Many companies offer online customer services to provide information about their services or as an additional sales channel. ACCIONA Agua Servicios has enabled virtual offices in six concessions. Some 83,531 subscribers can access the service of smart meters, check receipts, fees, request initiation/interruption of services, post notices and send satisfaction or claims surveys.

CUSTOMER SATISFACTION

Customers are one of ACCIONA's main stakeholders and their opinion is very important to the Company. Their satisfaction is one of the most important aspects in measuring the performance of the organisation and appropriate actions are taken for improvement. In addition, it is one of the main issues contained in the Quality Corporate Policy.

All businesses have procedures for measuring customer satisfaction for which the system to be applied is established.

For this work, during the year 2015 the following methods were used:

Surveys: They provide insight into the issues with which the customer is less satisfied and establish the necessary measures for improvement. In 2015, a total of 29,398 direct customer surveys were conducted, both on paper and *online* and through specific apps for mobile phones. Trasmediterranea, for instance, has managed to increase the number of surveys received by 42%.

Meetings: ACCIONA Green Energy, through the person responsible for customer management, annually selects the most representative customers for their energy sales activity, and holds individual meetings with them on perceived quality.

ACCIONA Energy India held a feedback meeting on their customer satisfaction

Improvement goals and results achieved in 2015

ACCIONA Green Energy (ACCIONA Energy)	
Renew 80% of the customer base, measured as % of contracts renewed from 2015 to 2016	Result = 81.32% Degree of achievement = 102%
ACCIONA Blades (ACCIONA Energy)	
Receiving a maximum of four Noncompliances	Result = 11 Noncompliances Not achieved as a result of having more blades under warranty and because the production of 3 MW wind turbines surpassed that of the 1.5 MW. Customer requirements are more restrictive for the more powerful machine.
EROM (ACCIONA Service)	
Improve by 1% the overall satisfaction rating	Result: 3% improvement Degree of achievement = 300%
ACCIONA Facility Services (ACCIONA Service)	
Maintain service levels as per Facility Management customer-defined indicators	Degree of achievement = 108%

survey. The feedback response was full satisfaction with the products and services of the Company.

Internal information assessment:

ACCIONA also uses the assessment of existing internal information in the Company arising from the day-to-day operations carried out. This is obtained

from the different areas of the company that at some point are in contact with customers: after-sales service, quality departments and business development departments.

Project managers are in continuous dialogue with customers, resolving any issues that may arise and launching proposals that may be identified for improvement.

"Service Focus 2015" ACCIONA Agua Servicios

ACCIONA Agua Servicios, in three Spanish municipalities where it has the concession for integrated water services, has selected a sample of 200 subscribers —with an average confidence level of 80%— who have been asked to evaluate two basic parameters: water quality and service continuity; and identify their patterns of behaviour and preferences. The average assessment of the water quality parameter was 7 and that of the supply continuity was 8 (both out of a maximum of 10). The results, along with a plan of improvement initiatives, will be proposed to the three municipalities in order to increase subscriber satisfaction.

Results

SATISFACTION RATE

ACCIONA annually measures customer satisfaction levels at all Divisions. In 2015, the Company achieved a global customer satisfaction rate of 98%. The breakdown of customer satisfaction rates for different products and services is detailed below:

Business line	Satisfied customers (%)
Energy	100%
Construction	100%
Water	100%
Services	100%
Industrial	100%
Other businesses*	79%

(*) It includes Hijos de Antonio Barceló and Trasmediterranea.

LOYALTY

ACCIONA also measures customer loyalty in order to establish lasting relationships by means of specific indicators and by direct questions about the replication of experiences with ACCIONA.

The customer loyalty assessment is conducted through the Net Promoter Score (NPS) Indicator which measures customer loyalty based on a comparison with competitors, on recommendations/requirements made to other potential customers and/or the possibility of repeat purchases or contracts with ACCIONA.

For example, in the ACCIONA Construction satisfaction survey of construction sites in Spain, three types of the NPS Indicator were measured:

- 77% of surveys indicate that ACCIONA Construction is 'better' or 'much better' than the competition.

ACCIONA Energy in Canada

Worthy of note are the following qualitative assessments made by the customer:

- **Design and construction phase of the Hermanville/Clearspring wind farm.**

The customer sent a letter noting a high degree of satisfaction during implementation and commissioning.

- **Construction phase of the South Canoe/Minas Energy wind farm.**

Customer appreciation of the efforts made in the negotiation phase to fulfil expectations in terms of energy cost. The customer also noted that communication has been excellent and high quality.

The percentage of satisfied customers reached 98%

Improvement goals for 2016

Business	Improvement goal
ACCIONA Green Energy	Renew at least 80% of the customer base measured as % of contracts renewed from 2016 to 2017.
ACCIONA Blades	Achieve a number of customer Noncompliances throughout the year less than or equal to four. Achieve a score in customer satisfaction surveys higher than or equal to 4 points.
EROM (ACCIONA Service)	Maintain or improve the overall grade given by customers.
ACCIONA Real Estate	Expand the communication channels and establish strategies to get more responses.
Hijos de Antonio Barcelo	Improve the customer Global Satisfaction: rated "Very Good".
	Optimise the current satisfaction survey, increasing the mix of direct customers. Focus on: delivery times and claims management.

- 93% of respondents who assessed this aspect, indicated they would hire ACCIONA again.

- 95% of respondents indicated that they would recommend it.

CUSTOMER COMPLAINTS AND CLAIMS SERVICE

ACCIONA acts with due diligence in response to customer complaints and claims. It has specific procedures in place at all divisions, providing a wide range of accessible channels. The number of complaints received are recorded and measured and people are assigned responsibility for resolving complaints and claims by assessing their causes, and obtaining the result of the degree of resolution of closed/pending complaints and the time invested in that.

Worthy of note is the Customer Service (CS) of Trasmediterranea, which is the organisational structure through which all complaints and claims made and incidences reported by passengers are collected, handled and resolved. CS does not limit itself to providing solutions to complaints and claims, but also seeks to convey to the Company as a whole a spirit of awareness and support for a dissatisfied customer, enhancing the processes of continuous improvement and generating new business opportunities, complaints being viewed as an opportunity to win customer loyalty and meet purchasing expectations more accurately.

Business to Business claims per business line in 2015

Business line	Number of claims
Energy	19
Construction	28
Water	10
Services	126
Industrial	0
Hijos de Antonio Barceló	166
Total	349

The number of Business to Business claims decreased by 64% from 2014. The average of closed claims was 80%.

In addition, in 2015 the Business to Customer claims measuring application was introduced in order to deepen the understanding of consumer and final user complaints regarding projects, products and services provided by ACCIONA.

Business to Customer claims per business line in 2015

Business line	Number of claims	Total number of customers	Number of claims per every 1,000 customers
Trasmediterranea (passengers who have made a claim)	2,303	2,451,833	0.94
ACCIONA Real Estate (buyers of residential customer houses for sale)	6	29	*
Hijos de Antonio Barceló (direct sale of wines)	90	3,290	27.36
ACCIONA Agua Servicios (subscribers of the comprehensive water management service in Spain)	2,400	8,300,000	0.29
ACCIONA Service (users of urban waste management services in municipalities) / (users of airport <i>handling</i> services (Palma and Frankfurt))	246	252,110	0.98
	45	9,294,215	0.01
Total	5,084		6

(*) Real Estate does not consolidate for the ratio of complaints average per thousand customers because its total number of B2C customers is outside the range of other customers/users in the table.

ACCIONA has no evidence of complaints by customers received by other businesses.

Resolution times are not comparable in the different businesses of ACCIONA as claims have inherently significant differences according to the nature of each activity depending on the technical complexity, different distribution of the causes and various external factors, among others.

One example is the Wineries where most claims are due to errors in the management of orders, which have an 'immediate' time of resolution. At ACCIONA Airport Services, claims are resolved on average within 48 hours. However, in Business to Business operations, as well as Construction, deadlines for resolving claims are longer as they are influenced by factors such as weather conditions, the execution phase of the work, and so on.

CUSTOMER HEALTH AND SAFETY

Customer health and safety is a high priority for ACCIONA. For its successful management, it carries out various actions related to its products and services:

- Regulatory inspections and compliance with applicable law.
- Incorporation of elements to strengthen the safety of products and services.
- Analysis of critical points and product quality control.
- Continuous monitoring of facilities.
- Security management systems.
- Information for customers for the safe use of its products and services.

The Security Management Systems implemented by the Company ensure the development of the activities according to international standards established for each sector, as shown in the table on the right.

ACCIONA covers aspects of online security and privacy of its customers through:

- A built-in platform in fraud detection systems in the area of Information Technology and Communication.
- Feedback on security issues such as hacker attacks or issues with the firewall to block unauthorised access.
- Contingency plans for possible failures.

During 2015, the Company had no evidence of claims for breach of legal regulations or voluntary codes regarding privacy and loss of customer data.

Labelling of products and services

ACCIONA carries out communication actions aimed at informing its customers on the safe use of its products and services through labelling information, the delivery of product manuals, equipment documentation, contractual requirements, adherence to international programmes for the promotion of responsible consumption, etc.

One of the information tools for products and services provided by the Company available to interested parties is ACCIONA's web page. In addition, it makes available to interested parties the annual Sustainability Report, which details information about products and services provided, and the commitment to sustainability.

With regard to the labelling of products and services provided by ACCIONA, products put on the market by Hijos de Antonio Barceló carry specific information in the labelling under the regulations in force such

Security Management Systems

ACCIONA Airport Services	At its Palma de Mallorca branch it has the ISAGO (Safety Audit of Ground Operations) certificate, which ensures the development and implementation of the security system in accordance with the International Air Transport Association (IATA) regulations.
Trasmediterranea	There is a Safety Management System (SMS), whose procedures are approved by the General Department of Merchant Marine (DGMM, as per its Spanish acronym), where all required safety practices are collected, among other aspects. This system is audited annually by the DGMM.
Hijos de Antonio Barcelo	Bodegas Peñascal, Viña Mayor, Caserío de Dueñas and Bodegas Palacio (the latter certified in 2015) have the FSSC 22000 (Food Safety System Certification) certification, which represents a new approach in managing food safety risks throughout the supply chain.
ACCIONA Facility Services	It has a System of Food Safety Management certified according to ISO 22000 for its food plant industrial cleaning operations.

as the alcohol content and presence of allergens (sulphites) and voluntary quality references (DOP, *Vinos de la Tierra*, etc.).

In the case of ACCIONA Real Estate, at the time of recording the title deed of a house, buyers are given the pertinent user manuals for the equipment that forms part of the facility, as well as warranty certificates. In addition, the Residents Association is given the Building Records, which contain information on all agents who have participated in the construction of the building, technical information and quality certificates of all the materials used, recommendations for use and maintenance, as-built plans of the building, and so on.

In addition, all infrastructure, projects and products built and supplied by the Company have the required technical documentation to facilitate operation and maintenance (*as-built* projects, operation and maintenance manuals, etc.).

ACCIONA products, if the regulations so require, have the corresponding CE marking, such as, for example, the CE certification of aggregates at the El Estrellín quarry or the metal structure certification of the Central Workshops, both of ACCIONA Construction.

During 2015, ACCIONA did not supply banned products or services, and is not aware through the information collection

systems set up by the Company of any incidents, nor has it received fines or penalties related to the information and labelling of products or services.

Actions with customers

In addition to the communication channels described above, in 2015 ACCIONA carried out specific actions to strengthen ties with customers. Noteworthy among these are the presentation of the first virtual reality app called "ACCIONA Experience", the partnership between ACCIONA Facility Services and an institutional customer to carry out awareness campaigns to reduce the environmental footprint, the participation of ACCIONA Productions and Design (APD) in Quito (Ecuador) in the Smart City Spanish Model Conference before representatives of Ecuadoran Ministries and Municipalities, among other actions.

SOCIETY

Community well-being

ACCIONA works with the firm commitment of contributing to the sustainable development of communities, generating positive impacts and minimising negative ones through social impact management.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none"> Continue the initiatives in Peru and Mexico (Light at home). 	<ul style="list-style-type: none"> Opening of 10 Light at home franchise centres in Peru. Installation of 2,272 Third-Generation Home Solar Systems in Mexico.
<ul style="list-style-type: none"> Continue with the implementation of the EduPack educational package. 	<ul style="list-style-type: none"> Implement the EDUpack scholarships in Colombia, Costa Rica and Mexico.
<ul style="list-style-type: none"> Design and implement employees' financial donation to social projects, linked to flexible and Company remuneration. 	<ul style="list-style-type: none"> Design of the programme of employees' financial donation to social projects linked to flexible and Company remuneration.
<ul style="list-style-type: none"> Implement social impact management methodology in 100% of the projects of the Construction, Water and Energy divisions. 	<ul style="list-style-type: none"> Implementation of the methodology in 47 projects in 18 countries. This is 100% of the projects subject to the implementation of the methodology.
<ul style="list-style-type: none"> Carry out periodical volunteering initiatives for employees, including Volunteer Day and the "Shall we donate?" campaign. 	<ul style="list-style-type: none"> Launch of five volunteering initiatives: Volunteer Day, ACCIONA Microenergía Foundation, Princesa de Girona Foundation, Exit Foundation and the "Shall we donate?" campaign.

SMP 2020

2016 Challenges
<ul style="list-style-type: none"> Update the social impact management procedure and carry out training activities. Extend the socioeconomic footprint analysis methodology to ACCIONA Infrastructure and consolidate it in ACCIONA Energy. Carry out periodical volunteering initiatives for employees. Participate actively in work groups that help to achieve the Sustainable Development Goals. Increase the number of customers in Mexico and improve the quality of service in Peru. Develop the Mexico/Chile University workshop.

» The Social Action Plan responds to the real needs of communities through medium- and long-term sustainable projects in locations where the Company is present

- Opening of 10 Light at home franchise centres in Peru and installation of 2,272 Third-Generation Home Solar Systems in Mexico
- Implementation of the social impact management methodology in 47 projects in 18 countries
- 750 volunteers in 12 countries
- ACCIONA Energy receives the Infrastructure 360° Award sponsored by the Inter-American Development Bank, recognising the social initiative developed in Oaxaca, Mexico

Social impact management of ACCIONA projects

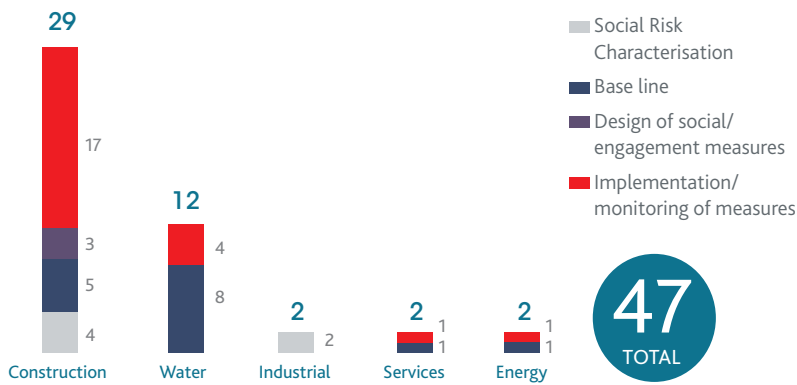
Within its sustainable business model, ACCIONA continues to study the social impact derived from the development of its projects and services in the community, understanding Social Impact Management (SIM) as a process of analysis and treatment of social consequences, both negative and positive.

The methodology makes it possible to prevent risks affecting local stakeholder groups, such as:

- Impact on basic services in communities: electricity, water, education, health or communications.
- Change in the continuity of the economic activities of the local communities.
- Impact on the rights of vulnerable groups such as indigenous people, people with low income, children and elderly people, among others.
- Impact on the direct or indirect rights of employees.

During 2015, the different phases of the Social Impact Management methodology were applied in 47 Construction, Industrial, Water, Services and Energy projects in a total of 18 countries (Australia, Brazil, Cape Verde, Chile, Colombia, Ecuador, Egypt, Spain, Gabon, Italy, Mexico, Norway, Peru, Poland, Portugal, Qatar, South Africa and Trinidad and Tobago).

→ **Status of implementation of SIM methodology**
(by phases*)



(*) **Social risk characterization:** identification and assessment of social risks, from the earliest phases of the project.

Base line study: identification of populations or settlements that are in the area of influence of the project, and study of their socio-demographic characteristics.

Design of social measures: proposal of the most appropriate measures with a view to managing the social impacts derived from the project.

Implementation/monitoring of measures: launch of the measures identified with a view to managing the social impact resulting from the project, and offering an added value to communities.

The main social measures implemented to mitigate the negative impacts and strengthen the positive impacts in 2015 were the following:

- Information campaigns about the project
- Improvement of Infrastructures
- Education and Health Campaigns
- Local procurement of goods and services
- Hiring local staff

With a continuous improvement approach, one has detected the need to strengthen both social risk characterisation in the earliest phases of the project, as well as engagement with communities. For this reason, during 2016 the corporate procedure will be updated with the contributions of the different businesses, while the studies, business development and other local equipment teams will continue to receive training.

ACCIONA's Social Commitment

The Company maintains the commitment of contributing to social and economic development wherever it is present by means of medium- and long-term sustainable projects. In the framework of the Sustainability Master Plan (SMP), ACCIONA aims to align 100% of the social contribution with its Social Action Plan.

ACCIONA identifies, assesses and monitors its contribution to communities by means of the Social Action Plan and the social impact management of projects. In 2015, the Company's social contribution reached

7 million euros, equivalent to 4.89% of the dividend corresponding to 2015 (data published in point 29 of the Proposal for the distribution of the Annual Accounts results).

Since 2010, ACCIONA measures and assesses its social action, applying the international methodology of the London Benchmarking Group (LBG), allowing for a global vision and a comparison of results with other companies.

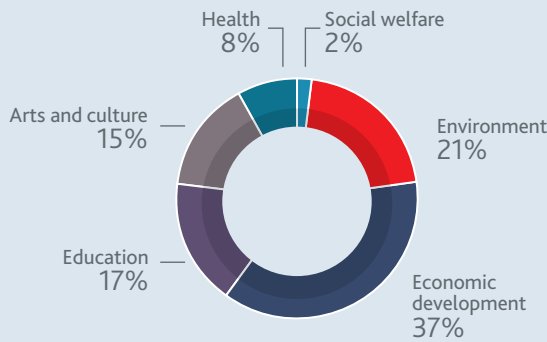
The Company **contributes to economic and social development** wherever it is present through sustainable projects

Social Action Plan 2015

→ Contribution by area of action 2015 (LBG Methodology)

BASIC SERVICES
(ENERGY AND WATER)

- Peru: Electricity is supplied to approximately 16,000 users.
- Mexico: A total of 2,272 3rd Generation Solar Home Systems (3GSHS) are supplied, benefiting approximately 15,000 people



PROMOTION OF SUSTAINABILITY

- Education of children and youth in issues of sustainability

SOCIAL INVESTMENT ASSOCIATED WITH PROJECTS

- Projects in 18 countries

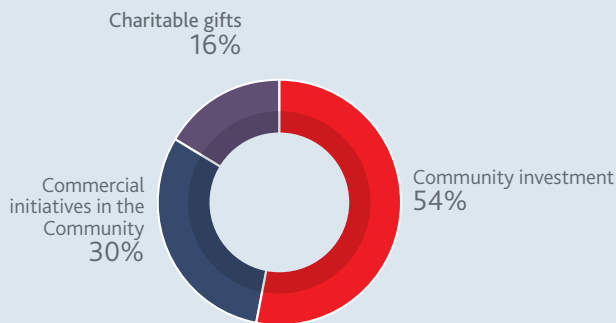
SPONSORSHIP AND PATRONAGE

- ProCnic, Princesa de Asturias Foundation, Fero Foundation, among others

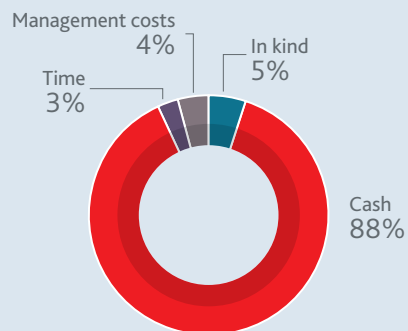
VOLUNTEERING PROGRAMME

- 750 volunteers in 12 countries.

Motivation for 2015 initiatives (LBG Methodology)



Type of Contribution in 2015 (LBG Methodology)



**ACCESS TO BASIC SERVICES:
ACCIONA MICROENERGÍA
FOUNDATION**

In 2015, the General Assembly of the United Nations approved all seventeen Sustainable Development Goals. The main activity carried out by the Foundation since its creation has been endorsed by goal number seven: "Guarantee access to an accessible, reliable, sustainable and modern energy for all".

ACCIONA Microenergía Foundation 2015, in numbers



30,000

PEOPLE OF LOW INCOME WITH ACCESS TO BASIC ELECTRICITY SERVICES



€497,188

TOTAL SAVINGS IN THE ENERGY COST



CHILDREN IN WHOSE HOMES THERE ARE PHOTOVOLTAIC PANELS, REMAIN ON AVERAGE

0.4 years*

MORE IN PRIMARY SCHOOLING AND 11.6% MORE CHILDREN GO ON TO SECONDARY EDUCATION



1,925 t CO₂

OF AVOIDED EMISSIONS TO THE ATMOSPHERE



3,977,739

HOURS OF ADDITIONAL ACTIVITY, OF WHICH 377,687 HAVE BEEN USED BY CHILDREN FOR SCHOOL HOMEWORK



PREVENT THE DUMPING OF

7,787 kg

OF BATTERIES WITH POLLUTING METALS IN SENSITIVE MATERIALS

(*) According to the Inter-American Development Bank (IDB).

Through ACCIONA Microenergía Peru, exploitation has continued of the **3,910 Solar Home Systems** that supply electricity to some **16,000 users**

In Peru the 3,910 Solar Home Systems (SHS) installed have continued to be exploited via ACCIONA Microenergía Peru, supplying electricity to approximately 16,000 users. Corporate volunteers have participated in preventive maintenance work.

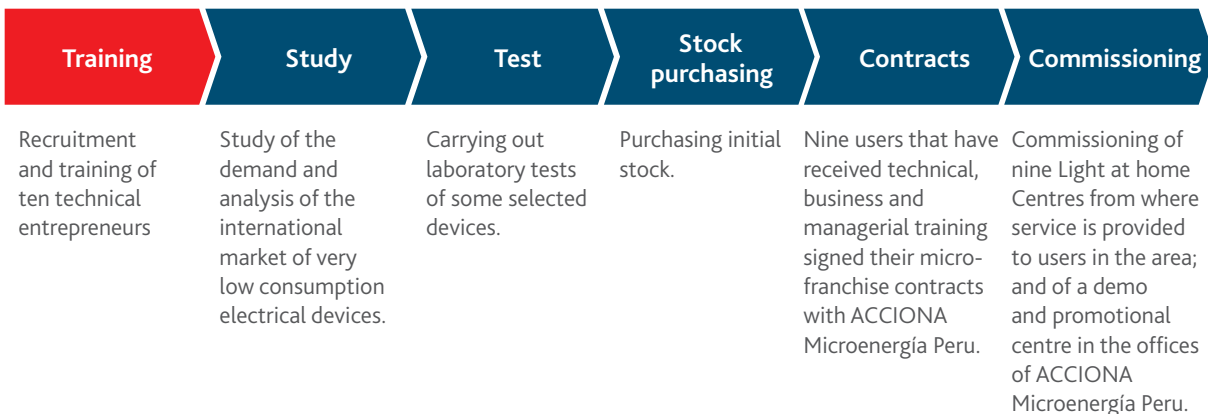
Rural Electrification with Supply and Service Centres

The development of the Light at home Centres forms part of the "Rural Electrification of Supply and Service Centres", carried out in collaboration with the Universidad Politécnica de Madrid and the Fundación Ingenieros del ICAI para el Desarrollo, and co-financed by the Spanish

Agency of International Cooperation for Development (AECID). The purpose of this project is to offer users, through the Light at home Centres managed under a micro-franchise model, additional technical services and sale of efficient electrical

devices, affordable and of high quality compatible with Home Solar Systems.

In terms of milestones, the following stand out for 2015:



In Mexico, the *Luz en Casa Oaxaca* programme increased its reach significantly with the supply of 2,272 3rd Generation Solar Home Systems (3GSHS) to families in 175 towns. This means that the programme reaches 3,602 homes – that is, almost 15,000 people –, which enjoy electric lighting, mobile telephone charging and connection to small household appliances.

To guarantee maximum levels of functionality of the 3GSHS, four new Customer Service Centres (CSC) have been set up, joining the already existing centre in the Isthmus region. This CSC network guarantees the technical sustainability of the service, given that it puts at the disposal of its users, in strategic key locations, repair services, technical advice and sales of high energy efficiency devices at affordable prices, of good quality, and compatible with the 3GSHS.

Furthermore, in 2015 an agreement was signed between the members of the Public-Private Alliance for Development, ACCIONA Microenergía Mexico, the Government of the State of Oaxaca and the Spanish and Mexican Agencies of International Cooperation for Development to develop the *Luz en Casa* Project 2015 (LCO15), with which the *Luz en Casa Oaxaca* programme will conclude in 2016.

Likewise, in 2015 the Foundation continued to take part in other initiatives, such as the Public-Private Alliance for Humanitarian Action, which seeks energy solutions in refugee camps in Shire (Ethiopia). This project was formalised in the month of October with the signing of the corresponding Agreement between partners: AECID, Universidad Politécnica de Madrid, Phillips, Iberdrola and ACCIONA Microenergía Foundation. This is the first alliance of this type in Spain. On the other hand, following the field visit, a team of corporate volunteers carried out a study of the viability of building biodigesters to generate gas for cooking.

In brief, the ACCIONA Microenergía Foundation has continued to work with the aim of improving people's lives, fostering, directing and participating in projects that facilitate access to services that favour development. Furthermore, it has aimed to include society in general by disseminating its activities in the media, especially in social media, and by participating in different events.

**PROMOTION OF SUSTAINABILITY
Sustainability Workshop**

The aim of ACCIONA with the Sustainability Workshop programme is for girls and boys to gain a better understanding of future problems and their influence in sustainable

development. In this regard, children aged 10 to 16 approach topics such as water conservation and quality, energy saving and efficiency, and urban planning, mobility and sustainable building.

During 2015, Mexico adapted the modules on Sustainability, Renewable Energy, Smart Cities, Waste and Water to its school curriculum, implementing these in the first three years of secondary school in some schools in the Oaxaca area.

EduPack

In 2014 EduPack was created, an initiative with the aim of providing a solution that adapts to the educational needs of the communities where ACCIONA is operating.

These initiatives can be implemented individually or jointly, directly in schools, education centres or local communities, provided they are in areas of influence of a project being carried out by ACCIONA.

During 2015, EduPack was implemented in Colombia, Costa Rica and Mexico.

**SOCIAL INVESTMENT
ASSOCIATED TO PROJECTS**

ACCIONA maintains its commitment towards communities where it is present, seeking to help their economic growth,

Sustainability Workshop	Competition and Scholarship	Road Safety Education
<p>The Sustainability Workshop focuses on promoting education on sustainability issues; aimed at teachers and children aged 10 to 16, with a view to contributing to new generations having a better understanding of the problems of the future.</p>	<p>Our objective is to contribute to explaining sustainability values to students and teachers and to incentivise these students to better interpret the principles of sustainability, as well as giving awards to the best students in their last school year to enable them to continue their studies at university or higher education centres.</p>	<p>We consider it essential for everyone to travel safely and easily on public roads in any situation, not only as drivers, but also as pedestrians, learning to value individual and collective life, strengthening the rules of coexistence and fostering attitudes of respect and solidarity.</p>

social development and environmental preservation.

Depending on the nature of each project and its impact on the community, the Company contributes with different social initiatives.

ACCIONA Energy

Oaxacas Complex, Mexico

With four wind farms operating currently in La Venta (Juchitán, Oaxaca), the Company is carrying out periodic studies to detect the needs of the communities and promote specific projects that contribute to the development of La Venta.

The activities carried out in 2015 include:

- Delivery of EduPack scholarships, recognising students with the best results in their last year of higher secondary education so they can continue with their university studies.
- Development of a 1 kW wind turbine prototype by the students of Universidad del Istmo and other institutions which will provide clean wind energy to the community centre and make it possible to save in costs that will be reinvested in new social initiatives.
- Full refurbishment of La Venta games community park.
- Contribution to access to higher education through agreements and initiatives set into motion with different academic institutions.
- Provision of training workshops at the Bioclimatic Community Centre.
- Integral Football Project: refurbishment of the football pitch, as well as the creation of the Football and Leadership Academy for boys and girls aged 6 to 15 through the

Vive Sano Foundation, whose mission is to create sports and emotional programmes to avoid antisocial behaviour, obesity, alcoholism, drug addiction and intra-family violence.

More than 15,500 people benefitted from these initiatives in 2015.

Sishen Photovoltaic Plant, South Africa

The Sishen photovoltaic plant is located in the municipality of Dibeng in the province of Northern Cape in the south-east of South Africa.

The impact studies that ACCIONA Energy carried out at the start of the project showed a high rate of poverty and unemployment in the areas of influence of the project.

The activities carried out in 2015 include:

- Food programme at breakfast at the Deben primary school. Its aim is to deal with students' lack of adequate nutrition at the primary school. This programme has benefitted 1,625 children.
- Kinderkinetics Programme. It aims to promote the growth and development of children in the first year of Deben primary school by putting into practice rehabilitation activities appropriate for children with developmental problems and attempting to combat poor school performance.
- Musical performance. The aim sought is to mitigate the self-destructive tendencies of alcohol and drug abuse, frequent among communities with few resources close to the project, such as Deben and Mapoteng, giving the opportunity to 250 young people to participate in a dance, instrument-playing and music programme.

- Teaching an educational course to teachers on topics such as renewable energies, mathematics, social sciences and geography.

- Additional school support for students with learning difficulties.

- Talks with community children about dental hygiene.

- Donation of uniforms, shoes and school materials to orphaned children.

- Development of a technical training programme in energy and mining sectors.

Wind farms in Australia, Canada, USA and Poland

With the construction and operation of wind farms, ACCIONA seeks to create added value at the local level, establishing different channels to allow communication with communities near the farms.

The initiatives being carried out include aid to education through scholarships, training aimed at school pupils on topics of sustainability, wind energy, the environment and support to local organisations, among others.

ACCIONA Industrial

Hydroelectric Plant of San Rafael, Mexico

The project consists of building a hydroelectric plant on the site of the already existing San Rafael dam to produce electrical energy. The initial aim is to regulate the discharges made by the Aguamilpa Solidaridad hydroelectric plant into the River Santiago, thus preserving the environmental conditions of the region and supplying water for irrigation.

Within the initiatives carried out throughout 2015, which have benefitted 2,050 people, the following can be highlighted:

- Repair of the Ejido San Rafael access road.
- Cleaning of the septic tank at the Lázaro Cárdenas Primary School.
- Donation of material to the IMSS UMR62 San Rafael clinic for the construction of an incinerator.
- Donation of building material for repairs in parish installations.

ACCIONA Construction

Pucallpa Prison, Peru

The project consists of the extension of the Pucallpa prison, for which works started in August 2014.

ACCIONA put in motion the following initiatives during 2015:

- Support to cultural, sports, and social activities of the community.
- Maintenance and cleaning of the nine existing sediment basins in the prison.
- Hiring local staff.
- Improvement and refurbishment of access to the plot adjacent to the prison.
- Donation of food and children's toys to an indigenous community in the forest.

- Donation of sports clothing and toys for the neediest children in the community.
- Donation of concrete for the construction of classrooms inside the prison.
- Training talks.

Jala-Puerto Vallarta Road, Mexico

Within the social actions carried out in the area by ACCIONA Construction, the following initiatives stand out:

- Talks to secondary students about construction processes, works and environmental safety.
- Cleaning of the route in the municipality of Ahuacatlán, Nayarit, facilitating access to the community.
- Donation of concrete for paving a nursery school.

Construction of the Second Phase of Alonso Felipe de Andrade Market, Ciudad del Carmen, Campeche, Mexico

This work seeks to contribute to the development of Ciudad del Carmen, improving and organising the current market. Activities carried out in 2015:

- Vaccine campaigns, among them, for the prevention of dengue.
- Hiring local labour with different levels of schooling.
- Periodical cleaning of the areas nearby the construction to minimise the degree of pollution caused by the inhabitants of its area.
- Informative talks.

ACCIONA Agua

Desalination Plant, Copiapó, Chile

Located in the Atacama desert, ACCIONA Agua built and now operates this plant. During 2015 the following initiatives were carried out:

- Talks to raise awareness of the project among members of the community.
- Talks about recycling.
- Donation of material for the nursery school in the commune of Atacama.
- Road irrigation.
- Planting of trees.

Ibarra WWTP, Ecuador

The WWTP has been designed by ACCIONA Agua following a rigorous environmental protection plan to avoid any negative impact on the environment where it is located.

The key initiatives of 2015 were:

- Construction of a well to facilitate access of the neighbours of the WWTP to the spring waters for their use in irrigation, as well as comprehensively analysing the water for its appropriate use in the irrigation of community fields.
- Training of site staff in environmental topics.

Benefits associated with social investment projects

Benefits for the Community	Benefits for the Company
<ul style="list-style-type: none"> ■ Improvement of the living conditions of the communities. ■ Improvement of the economy of the communities. ■ Creation of local employment and fostering local self-employment via micro-enterprises. ■ Job insertion for people at risk of social exclusion. ■ Access to electrical lighting. ■ Improvement of health in the communities. ■ Access to education. 	<ul style="list-style-type: none"> ■ Improvement of public infrastructures. ■ Increase of awareness with regard to the environment and mitigation of impacts. ■ Promotion of sports. ■ Smooth communication between the community and ACCIONA to resolve complaints and queries. ■ Involvement of the community in the project's initiatives. ■ Conservation of local identity.
<ul style="list-style-type: none"> ■ Establishment of alliances and links with local bodies and institutions. ■ Dissemination in local media of the development of the project. ■ Collaboration with international and national institutions. ■ Increase in employees' pride in belonging to the company. ■ Improvement of corporate image and reputation. 	

Measurement of the socioeconomic impact of our activities

<p>ACCIONA's sustainable behaviour requires taking into account social, environmental and economic aspects. For this reason in 2015, a model has been developed to measure the socio-economic footprint produced by ACCIONA's activities in a specific country.</p> <p>The model* obtains quantitative results of the impact of the Company's activity in terms of employment generation (direct, indirect and induced) and contribution to country's GDP, as well as taking into account other positive effects on the environment and communities.</p>	<p>During 2015, two studies were carried out for ACCIONA Energy:</p> <ul style="list-style-type: none"> ■ Socioeconomic impact on Mexico of wind technology. ■ Socioeconomic impact on South Africa of two technologies: wind and solar photovoltaic. 	<p>Both studies focused on two main aspects:</p> <ul style="list-style-type: none"> ■ Real impact of the Company's activities on the country during 2014. ■ Impact per installed MW, based on the average CAPEX and OPEX data, considering the entire life cycle of the installation. <p>Throughout 2016, the scope of the measurements will be extended to two more countries for ACCIONA Energy and a pilot will be started for ACCIONA Infrastructure.</p>
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* Methodology based on input/output tables derived from the Leontief studies.

1 direct: these correspond to jobs directly related to ACCIONA Energy's main activities (not taking into account the intermediate inputs necessary to manufacture the equipment, and excluding own employees).

2 indirect: these include the sectors that support or supply the main activities of ACCIONA Energy.

3 induced: these refer to the employment generated beyond the ACCIONA Energy sector, that is, jobs generated by the consumption of direct or indirect employees.

DONATIONS

During 2015, ACCIONA Solar made four donations to three NGOs, contributing to several projects in the improvement of the living conditions of the communities by means of access to electricity through renewable energies.

Energy without Borders

Donation of 163 photovoltaic panels for their incorporation into a renewable energy generation project to electrify a shepherd school in an estate near Salamanca.

Donation of nine photovoltaic panels to a renewable energy generation project for electrification of the eco-village of Nyumbani (Kenya), a self-sustainable community giving shelter to orphan children affected by AIDS.

Africa Direct

Donation of 123 photovoltaic panels to a renewable energy generation project to electrify a school in Yumbe (Uganda), *The Immaculate School*.

GEDEOM

Donation of 180 photovoltaic panels to a renewable energy generation project to electrify a maternal and child clinic in the Democratic Republic of Congo.

Sponsorship and patronage

Furthermore, ACCIONA's commitment to society is materialised in the development of extensive work in sponsorship, patronage and collaborations channelled through agreements with relevant institutions representative of society. The aim of these activities is to benefit initiatives with greater repercussions for everyone and which are considered as priorities in the fields of health, education and culture.

In the field of health, in 2015 ACCIONA maintained active participation in the Pro CNIC Foundation created to channel private contributions to the National Cardiovascular Research Centre (*Centro Nacional de Investigaciones Cardiovasculares* or CNIC), where companies combine their efforts and channel their commitment to research and scientific patronage.

Likewise, it has worked with other non-profit organisations in this field such as the Fero Foundation (development of oncological research), Hiru Hamabi Association (treatment of minors affected by brain damage), among others.

In the field of culture, during 2015 the activities organised by the ACCIONA Cathedra, in collaboration with SUR, School of Artistic Professions, continued. This

collaboration started in 2014 and includes a series of lectures open to the public.

Also worthy of mention is the collaboration of several divisions of the Company with other associations to which it has provided support, both financial and operational, with examples such as the collaboration of Trasmediterranea and Proyecto Hombre, the Wheelchair Basketball Club and ACCIONA Service with the SEUR Foundation (corporate agreement).

Corporate volunteering

In line with the Social Action Plan, ACCIONA has a Volunteer Programme whose purpose is to generate a culture of collaboration and solidarity that raises awareness among staff regarding the needs of other social groups.

Throughout 2015, more than 750 ACCIONA volunteers participated in different initiatives. Below are some examples:

415 ACCIONA employees
imparted workshops on
sustainability to more than
8,000 school children in 12
countries in 2015

ACCIONA Volunteer Day

For the fourth consecutive year, on the occasion of the World Environment Day and framed within its commitment to education, ACCIONA held its Volunteer Day. A total of 415 of the Company's employees in Australia, Brazil, Chile, Colombia, Costa Rica, Spain, United States, Italy, Mexico, Poland, Portugal and Sweden, visited schools to teach a workshop on sustainability, educating more than 8,000 pupils.

Shall we donate? campaign

For the fourth consecutive year the *Shall we donate?* campaign was held with the aim of collecting food and toys to donate them to the Food Bank and the Spanish Red Cross. ACCIONA's employees managed to send 3,500 kilograms of food to the Food Bank and close to 70 boxes with toys and other products to the Spanish Red Cross. ACCIONA made a donation equal to the amount donated by the employees.

Volunteers of the ACCIONA

Microenergía Foundation

ACCIONA Microenergía Peru was assisted by 12 volunteers from the Company who travelled during their holiday time to Cajamarca to take part in the Light at home Cajamarca project. They took part in works for the distribution and supervision of the installation of the home solar systems. In 2015, for the first time, two volunteers took part in the *Luz en Casa* Oaxaca

project in Mexico. The Foundation has also regularly benefited from the experience and accumulated knowledge of two more volunteers who, having retired, decided to devote part of their time to the ongoing projects.

Exit Foundation

In 2015, 16 volunteers from ACCIONA took part for the first time in the Coach project, an initiative led by the Exit Foundation, whose aim is to improve the employability of young people at risk of social exclusion aged 16 to 19, by means of coaching and mentoring activities.

Princesa de Girona Foundation

For the third consecutive year, 40 volunteer mentors from ACCIONA have taken part in the *Apadrinando el Talento* (Sponsoring Talent) project, led by the Princesa de Girona Foundation. The aim is to improve the employability of young people with higher qualifications originating from difficult environments to guarantee equal opportunities in access to the employment market through a series of mentoring sessions.

STAKEHOLDER ENGAGEMENT

Listening to Everyone

ACCIONA establishes the strategy of its Sustainability Master Plan by taking into account the interests and expectations of communities, investors, customers, employees and authorities.

SPM 2015

Challenges	Advances
<ul style="list-style-type: none">■ 2020 Consultation: consider the stakeholders' expectations in drafting the Sustainability Master Plan 2020.	<ul style="list-style-type: none">■ Consultations with 15 experts and sustainability opinion leaders: United Nations Global Compact, RobecoSAM, WBCSD, WEF, Credit Suisse, Greenpeace, Global Water Development.
<ul style="list-style-type: none">■ Continue the consultation with customers.	<ul style="list-style-type: none">■ Customers' consultations:<ul style="list-style-type: none">• Energy: EDPR• Construction: Jernbaneverket - JBV (Norway) and Manabi Mineração (Brazil)• Water: ONED (Morocco) and Aguas del Algarve (Portugal)• Services: Michelin (Spain)

*In the SMP 2020, this work area is included under the **Society** section. To find out about the Stakeholder Engagement objectives for 2016, please refer to the chapter on Society.*

» By taking part in leading forums and dialogues with stakeholders, ACCIONA has managed to align its sustainability strategy by integrating a diverse vision

- Drafting and forwarding of regulatory proposals, aimed at improving the competitive position of renewable energies with regard to more polluting conventional technologies
- ACCIONA has engaged in constant, seamless communication with analysts and investors by means of roadshows, conferences and visits, that have been reflected in more than 300 contacts
- For the design of the strategy for the Sustainability Master Plan 2020, ACCIONA has consulted its main stakeholders

Stakeholder Engagement
(G4-24, G4-25, G4-26 AND G4-27)

Communication and dialogue form the pillars of the relationship between ACCIONA and its stakeholders. The Company needs to understand the expectations generated in terms of its performance with regard to sustainability, and to this end, it engages in a continuous dialogue that broadens its knowledge.

Its relationship with stakeholders is forged via two main paths:

- Consultations associated to projects. The Company consults the stakeholders integrated in the social and environmental assessment about their projects.
- Periodical consultations regarding the SMP, with the aim of discussing, revising and updating ACCIONA's sustainability strategy.



Governments and Regulatory Bodies (G4-26 AND G4-27)

ACCIONA continues to strengthen its commitment to caring and respecting the environment by supporting the use of renewable energies and sustainability, committing to reducing its climate footprint.

Embracing the challenge and striving to achieve sustainable development, the Company puts great importance on dialogue and cooperation with corporations and authorities, and therefore engages in active participation with associations, forums and work groups of all areas and sectors where it carries out its activities, defending both individually and in collaboration with other agents, the positions aimed at promoting regulations that are coherent with sustainable development in line with ACCIONA's vision.

To this aim, ACCIONA promotes the drafting of studies and the dissemination of their results, and actively participates in the presentation of proposals, comments or allegations at the hearings for the

different procedures aimed at establishing the regulatory framework of each sector.

The following actions of the Company, resulting from its collaboration with stakeholders in 2015, are especially worthy of note:

I.- REGARDING ENERGY

Against the background of the recent reform of the regulatory framework in Spain applicable to renewable energies, ACCIONA has continued working, be it individually or by means of collaborations with other companies and associations in the sector, in the drafting and forwarding of regulatory proposals, aimed at improving the competitive position of renewable energies compared to more polluting conventional technologies.

One of the great achievements in this field has been the opening up of the electrical system adjustment service market to the participation of renewable energies.

As regards the regulatory framework for energy in the EU, ACCIONA is also actively involved in drafting proposals and taking part in European Commission consultations, thus contributing to committing to a greater presence and a more favourable treatment of renewable energies in the new EU regulations, in line with the goals set by the EU for 2020 and 2030.

As part of the current debate regarding the Energy Union and security of supply, ACCIONA defends the search for greater energy independence through a greater development of local resources: supporting and incentivising growth and competitiveness of clean technologies and eliminating their disadvantages compared to polluting technologies. This is ACCIONA's stance, and one it has always defended by taking part in forums and conferences, and specifically, by participating in consultations regarding capacity and design mechanisms of the electricity market, promoting the design

One of the greatest achievements has been the **opening up of the electrical system adjustment service market to the participation of renewable energies**

of an internal electricity market that is capable of integrating an ever-increasing percentage of renewable energies. The result of these consultations and the future developments derived from them are extremely important, given that the resulting legislation will include conditions for generation that will be applicable in the coming years.

ACCIONA participates in both regional and national renewable energy associations: AEE, APPA, UNEF and Protermosolar; and as well as in Europe: EWEA and ESTELA, where it holds high-ranking positions. On an international level, the Company works with GWEC, striving to promote renewable energies, especially wind energy. ACCIONA has been present at conferences, stressing the importance of renewable energies in the fight against climate change, as the only existing environmentally-friendly, non-contaminating energy sources, which constitute the cleanest energy available at present. ACCIONA has attended different events that are worthy of note: in Brussels

regarding the Energy Union package; at the round table regarding "Sustainability, Energy and Companies", organised by *El Periódico de Catalunya*; at the conference regarding the challenges in the energy sector, held at the University of Valladolid; and the Spanish Wind Energy Association (AEE) Congress as well as Global Wind Day, held in Navarra.

II.- REGARDING THE AREA OF INFRASTRUCTURES, WATER AND SERVICES

In the regulation of the rail sector, the Company continues to be involved in developing Spanish regulations, forwarding proposals geared to helping comply with European guidelines as well as to improve the design of the market liberalisation model. ACCIONA faces the start of a new stage of passenger transport in Spain, where competition is consolidated as the foundation for an efficient, economically sustainable model that is geared to providing the best service to consumers.

As regards water, the Company is involved in actions aimed at promoting regulations that are coherent with the sustainable development of the water sector, by means of the presentation of proposals, comments or allegations in the hearings for the different procedures. In this context, regarding the areas of Water and Energy, ACCIONA took part in the process of drafting the Royal Decree that modifies the regulations regarding the public water domain, specifically defending a fair balance between the need to preserve resources (environmental flows) and respecting hydroelectric exploitation contracts. Also regarding water, ACCIONA participates in national associations and intervenes in regulatory projects within the European Union.

Investors and Analysts (G4-26 AND G4-27)

In 2015, ACCIONA maintained ongoing and open communications with analysts and investors in order to keep them up-to-date with the Group's results and strategy and to answer their questions, always with a view to providing the information needed for decisions on investing in the Company.

Main actions of dialogue with analysts and investors:

- Organisation of 12 roadshows and 12 conferences, visiting the financial centres of London, Switzerland (Geneva and Zurich), Paris, Frankfurt, Benelux, New York, Madrid, Barcelona and Zaragoza, as well as 2 reverse roadshows held at the Company's offices.
- Organisation of a trip to Navarra with a group of Spanish investors, including a visit to the renewable energy control centre (CECOER), Windpower's wind turbine assembly plant and the Vedadillo wind farm.
- Constant meetings and conference calls
- Throughout 2015, these actions made it possible to make 301 contacts with investors.
- Organisation of three topical breakfasts aimed at analysts covering value, which dealt with the division of Infrastructures, debt structure and Company financing, and the extension of the useful life of the ACCIONA's portfolio of renewable assets as well as their maintenance policy. This series of breakfasts aims to facilitate a greater understanding of business and specific topics, while also giving visibility to the Company's management team.

■ In 2015, the investor relations team has also engaged in continuous communication with the market through the social network for investors, Unience.com, where information of interest is shared with the investment community and analysts (relevant facts, presentations, results, press releases, among others).

As regards the evolution of the markets during this financial year, although the first half of the year was marked by a more benign environment, the second showed greater volatility.

In the case of ACCIONA, 2015 has been marked by the operational improvement of the Company's businesses, laying the foundations for future growth and the strengthening of the Company's financial risk reduction, once the challenges of regulatory reform are overcome.

Following two years marked by a tight Plan of Action that dictated the actions of the Group, the market has continued to seek short-term catalysts and focused its attention on corporate operations that the Company has working on in 2015.

Thus, the community of analysts and investors welcomed the agreement reached between ACCIONA Windpower (AWP) and the wind turbine manufacturer Nordex, by which ACCIONA provides AWP in exchange for a 29.9% stake in the German company, thus creating a world leader in the on-shore wind turbine manufacturing sector. Also followed closely was the operation with part of the real estate assets on which work is still being carried out, as well as other operations that were not closed, such as the potential flotation of a yield co in the US (due to the increase in total profitability required by the market both in dividend and in future growth rates), or the Transmediterranea sale process (given that the price of the offer did not reflect the value expectations in a context of operational improvements in the business).

From a more general point of view, the market has shown the need for greater clarity regarding the Company's short- and medium-term strategy.

In addition to cash generation capacity, the investment expected for the coming years (technologies and markets) and the Group's deleveraging capacity, one of the recurring questions was the expected behaviour for the construction business and, specifically, the margins of the international activity.

The media (G4-26 AND G4-27)

The Company considers the relationship with the media as essential, and therefore works hard to seek its continuous improvement. The introduction of metrics implemented to assess media presence has provided a valuable comparative analysis of how the external perception of the Company has evolved, as well as the achievements obtained. The results highlight the drop in neutral information regarding ACCIONA's reputation and interests, and the increase in positive information in similar proportions.

The 34% increase in published press releases has been a driving force for the media presence with positive information for the Company. In the cover given to these communications, the merger of ACCIONA Windpower and Nordex to create a world leader in the wind energy industry stands out especially, as do major international contracts such as the metro in Quito (Ecuador), the Toowoomba highway in Australia, the Site C dam in Canada, or the Norwegian high speed rail tunnels.

A specific theme of communication during 2015 has been the Company's commitment to fighting climate change. Although a permanent line of action in the Company's management, the 21st

International Climate Change Conference (COP21) in Paris – in whose preparation and development ACCIONA has taken on an active position and presence – has been a catalyst for initiatives and information, primely the Company's commitment to become a carbon neutral company by 2016.

Beyond the dissemination of its activity as a company, one of ACCIONA's communication goals is to strengthen public knowledge of the economic and environmental advantages of renewable energies and their international growth.

With regard to the dissemination of the Sustainability Master Plan policies, the information mostly focuses on the environment, followed by dissemination and leadership, mainly related to the Climate Change Conference in Paris and prior initiatives geared to making it successful. However, the global integration of sustainability in the company's activities means that, increasingly, the information in the media reflects several interwoven, simultaneous lines of action of the SMP.



Employees

(G4-26 AND G4-27)

ACCIONA puts at the disposal of its employees tools and means to facilitate communication and dialogue. Below we include some of them and the Company's milestones of 2015.

- Internal communication email box: this email box regularly receives messages and questions from employees, which are dealt with individually, either answering directly or referring the request, incident or comment to the departments responsible for the different issues raised. In 2015, a total of 259 messages were handled.

- Corporate intranet: via the intranet, users can comment or "like" the information published by the Company. In 2015 a total of 355 comments and 8,764 "likes" were received.

New areas were created, such as the sections on Australia, Mexico, ACCIONA Windpower, the Lawyer's Corner, ACCIONA Productions and Design and ACCIONA Dakar. In addition, prominent sections such as Brand Centre and IT Services have been updated.

- Climate and Engagement Survey 2015: launched in five languages, it received 4,821 answers and 860 comments and opinions given confidentially and anonymously via the online forms and on paper in the climate survey.

- Emailing platform: in 2015, a total of 520 communications were sent from Internal

Communication to the Company's employees via the corporate emailing platform (in 2014, there was a total of 393). These communications include those aimed at all of the employees, but also communications segmented by groups, languages, countries, divisions, provided these are managed in a corporate manner.

- Main newsletters : ACCIONA has a weekly newsletter sent via email through its corporate platform. It is the weekly Flash newsletter, published in Spanish. The English version, E-news, is published on a monthly basis and is a compilation of the Company's communications in English. A total of 72 weekly Flash newsletters and 12 monthly E-news newsletters were sent.

- Meeting points: meetings or encounters are held where regardless of physical presence, employees from specific groups or different countries are invited to participate live via video streaming. In 2015, 8 broadcasts took place, which were viewed by a total of 2,212 connected users.

- The Company also resorts to more conventional internal communication channels, and on some occasions on paper, payroll inserts, notice boards, posters and leaflets to reinforce campaigns or one-off communiqués.

Interacciona

In 2015, the Departments of IT and Internal Communication started to work on the evolution of Interacciona. It is a new common space that aims to facilitate and foster internal collaborations, and makes it possible to make use of all of the Company's information and knowledge. The new platform will also have social media features, being accessible and intuitive so employees can get as much as possible from the information in their daily activities.

4,821

RESPONSES AND 860
COMMENTS AND
OPINIONS REGARDING
THE CLIMATE AND
ENGAGEMENT SURVEY

Customers (G4-26 AND G4-27)

During this year, the Company has continued promoting communication and engagement with customers of its main lines of business by holding meetings with them.

These meetings enable the Company to share its strategy and sustainability initiatives, as well as to find out about the needs and expectations of customers regarding these issues.

Customers were shown via presentations a summary of the main achievements of the SMP 2010-2015, and the Company sought the opinion of customers regarding ACCIONA's SMP 2020 in order to improve its alignment.

Specifically, customers showed special interest in issues such as:

- ACCIONA's commitment to the fight against climate change and its goal to become carbon neutral by 2016.
- The Company's environmental actions.
- The supply chain's sustainable management systems.
- The management of the social impact of the projects and the relationship with local communities.

Engagement with
different stakeholders
helped align the
strategy of the SMP
2020

Local communities (G4-26 AND G4-27)

Engagement with local communities makes it possible to find out and manage the concerns and expectations that arise with ACCIONA's activities. This way, the Company seeks integration of its project in the social and environmental context, establishing communication channels with the communities with the aim of finding sustainable development opportunities.

Below we describe some examples within the projects of the different lines of business of the Company, with others being included under the Society section:

ALCÁNTARA WWTP (BRAZIL)

Since the start of the works, ACCIONA Agua Brazil has been keen to establish a dialogue with local communities via

different communication channels. Periodical community meetings have been held in order for all of those affected to find out about the details of the works, as well as door-to-door communications with a team specialising in social work and participations in social events in schools near the sites, which have been attended by the client as well as by political representatives of the municipality.

MT GELLIBRAND WIND FARM (AUSTRALIA)

During this year, ACCIONA's team has made door-to-door visits and has held meetings with the neighbours of the project. In addition to supplying a contact email address and telephone number, through its newsletter the company

offered neighbours the option to contact them to talk about the project in the event of not being at home when they visited.

RT. HON. HERB GRAY PARKWAY (CANADA)

During the construction works on the road, periodical informative meetings were held with local communities, as well as publications of specific informational dossiers that provided information on the progress of the project and the environmental values to be protected.

Furthermore, by means of an endangered species control and monitoring programme, the inhabitants of the area took part in the recovery of flora species to revive their use in ancient customs.

DISSEMINATION AND LEADERSHIP

Sustainable positioning

ACCIONA assigns a key role to communication when it comes to conveying its commitment to sustainable development by means of good practices in its business lines. The Company positions itself as a benchmark for sustainability and believes it necessary to share details of its sustainable management with its stakeholders.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">Continually participate in benchmark organisations	<ul style="list-style-type: none">Participate in forums and debates, both nationally and internationally: The Prince of Wales's Corporate Leaders Group (CLG), Global Compact, World Business Council for Sustainable Development (WBCSD), Sustainable Energy for All (SE4All), World Bank and World Economic Forum, among others.
<ul style="list-style-type: none">Develop and approve the SMP 2020.	<ul style="list-style-type: none">SMP 2020 presented to the Chairman of ACCIONA and approved by the Board of Directors.
<ul style="list-style-type: none">Develop new communication material for dissemination, both internally and externally.	<ul style="list-style-type: none">Use of updated dissemination tools such as the corporate website, the website for disseminating information on sustainability issues, the wide dissemination in social media and the new audiovisual pieces developed and updated (videos, infographics, etc.).

In the SMP 2020, this work area is included under the **Society** section. To find out about the Dissemination and Leadership objectives for 2016, please refer to the chapter on Society.

» ACCIONA actively takes part in international initiatives to strengthen and disseminate its commitment to fighting climate change, promoting sustainable development and other good practices in this field

- Participation in the creation of the CEO Climate Leadership Group within the framework of the 2015 World Economic Forum
- Support to the Fossil Fuel Subsidy Reform Communiqué and the Paris Pledge for Action, during the Paris Climate Conference (COP21)
- One of the world's TOP100 in the 5th Social Media Sustainability Index

Dissemination of ACCIONA's principles

Recognition as a leader in sustainability must be complemented with the dissemination of a model of the company based on the opportunities afforded by sustainable development. For this, ACCIONA has carried out different activities through both internal and external communications channels: videos, leaflets, online publications, internal and external newsletters, magazine, active presence on social media, among others.

Active presence in a number of organisations and initiatives:

As a world leader in sustainability, both for its strategic value and for the dissemination of its sustainable company model, ACCIONA takes an active part in international initiatives that strengthen its commitment to sustainable development, the fight against climate change and the dissemination of these issues.

ACCIONA's roadmap for 2015 was marked by the launch of the Agenda 2030, with the definition of the Sustainable Development Goals by the United Nations, and the hosting of the Paris Climate Conference (COP21).

During the COP21, ACCIONA presented its commitment to become carbon neutral by 2016

ACCIONA AT COP21

ACCIONA was an observer of the multilateral negotiations that took place at the Climate Conference, where for the first time all of the gathered countries committed to the common goal of limiting greenhouse gas emissions. The Company participated in different forums both with the private sector and with civil society. It also showcased the first "zero emissions" ACCIONA 100% Ecopowered vehicle, which took part in the Dakar Rally.

The Company participated directly in the following events.

- *Executive Committee (WBCSD).*
- *Accelerating Climate Action of Global Compact Forum*
- *Caring for Climate Business Forum, together with the Global Compact Network Spain.*
- *Global Compact Lima-Paris Caring for Climate Action Agenda.*
- *Energy for Tomorrow Panel by the International New York Times.*
- *Rethinking Business Series Climate Change Panel organised by Financial Times & Coca-Cola Enterprises.*

It also actively participated in the dissemination of everything relating to the Climate Conference (news, events, interviews, videos, messages on social networks, etc.) through the COP21 website *Meeting Point* (<http://cop21meetingpoint.org/>).

During the COP21, ACCIONA signed the following communiqués and commitments:

Fossil Fuel Subsidy Reform Communiqué

The Friends of Fossil Fuel Subsidy Reform (FFFSR) organisation makes a call for the international community to increase efforts to gradually eliminate subsidies to fossil fuels.

Paris Pledge for Action to combat climate change.

ACCIONA has joined the Paris Pledge for Action, a call made by companies, investors, cities and regions across the world for a fast, effective implementation of the agreement reached at the COP21 in Paris to combat climate change and limit global warming to less than 2 °C, and thus ensure an effective fight against climate change.

In Paris, ACCIONA, together with the Global Compact Spain Network, took part in the Business Forum organised by Caring for Climate, where the Company's commitment to sustainability in its supply chain was explained.

During the World Economic Forum (WEF) in Davos, ACCIONA's Chairman took part in the launch of the **CEO Climate Leadership work group**, an initiative promoted by United Nations and the WEF

UNITED NATIONS INITIATIVES

Sustainable Energy for All (SE4All)

ACCIONA's Chairman, José Manuel Entrecanales, has been a member of the Advisory Board since 2013 and, together with the Director-General of the International Renewable Energy Agency (IRENA), co-chairs the Renewable Energy Committee.

In May 2015, the second yearly SE4All forum took place, where ACCIONA's Chairman attended both the panel *Global Action Agenda: Achieving Sustainable Energy for All by 2030*, and a new meeting of the Advisory Board. The Global Sustainable Energy for All Commitment Platform was also launched in said forum.

United Nations Global Compact

ACCIONA has been an active member of the United Nations Global Compact since 2005, committing to incorporating the Ten Principles of the Global Compact (human rights, labour, environment and anti-corruption) in the Company's activities.

In September 2015, at the United Nations headquarters, ACCIONA attended the Sustainable Development Summit to formally adopt the Sustainable Development Goals (SDGs). Unlike the previous Millennium Development Goals, the new goals are more focused on sustainability and give the private sector a more prominent role. The essence of four of the goals adopted –water, renewable

energies, resilient infrastructures and climate change– form the foundations for the Company's business model.

Likewise, ACCIONA has participated in the benchmark publication *Global Compact Yearbook 2015*, which highlights the best practices of companies in sustainability issues. In turn, the Company has contributed to the edition of the final report of the UNGC/RICS, led by the Global Compact and the Royal Institution of Chartered Surveyors, established to promote sustainability in the Real Estate and Construction sectors.

Global Compact LEAD

Since 2010, ACCIONA has been part of Global Compact LEAD, an initiative formed by 47 companies, whose objective is to reach a new level of environmental, social and governance action, and to establish a new reference point for corporate sustainability. Since early in 2014, the Company has been a member of the Board of Directors, having actively participated in round tables, work groups and teleconferences.

Global Compact Network Spain

During 2015, ACCIONA had an active involvement with the Global Compact Network Spain in different forums and meetings. The highlights of these initiatives have been as follows:

In November 2015, ACCIONA's Chairman took part in the meeting of Spanish companies with the United Nations

Secretary General, Ban Ki-moon, organised by the Global Compact Network Spain, where he highlighted the importance of the recently approved Sustainable Development Goals and the numerous challenges and opportunities they bring for the private sector.

Towards the end of the year, the Company participated in the COP21 debate *Is transformation already under way?*, which addressed the role of companies, the lack of regulations put in place by administrations, the financing of the agreement and the obligations for transparency following the agreement signed at the COP21 in Paris.

WORLD ECONOMIC FORUM

In January 2015, during the World Economic Forum (WEF) at Davos, ACCIONA's Chairman, José Manuel Entrecanales, took part in the launch of the CEO Climate Leadership work group, an initiative promoted by the United Nations and the WEF, comprising leading companies across the world, with the aim of fostering contribution by the private sector in the fight against climate change.

In April 2015, the undersigned CEOs of this group expressed in a communiqué to world leaders the need to reach an ambitious climate agreement at the COP21 held in December in Paris and aligned with the Sustainable Development Goals, which were approved in September 2015.

ACCIONA takes part in the creation of the **Spanish Green Growth Group**

THE PRINCE OF WALES'S CORPORATE LEADERS GROUP (CLG)

Since joining the Prince of Wales's Corporate Leaders Group (CLG) in 2009, ACCIONA has been a part of group of leading European companies whose common denominator is their conviction of the urgent need to develop new long-term policies to fight climate change.

During 2015, the Company took part in the numerous meetings and work groups organised by this group. These include the participation of ACCIONA's Chairman in the framework of the tenth anniversary of the Corporate Leaders Group on Climate Change, chaired by the Prince of Wales, in the **Leadership for the Future** conference, which aimed to foster a new international agreement in the private sector to fight climate change in 2015.

Likewise, ACCIONA signed the EU ETS Market Stability Reserve letter. The European companies and associations signing this letter urge law-makers in the European Council and Parliament to start negotiations urgently and to arrive at an agreement regarding the market stability reserve as soon as possible. With this agreement, said reserve would enter into force in 2017 and the 900 million accumulated emission allowances would be transferred to the reserve immediately.

SPANISH GREEN GROWTH GROUP

With the support of The Prince of Wales's Corporate Leaders Group (CLG), ACCIONA has participated in the creation of the Spanish Green Growth Group. This group was presented in May 2015, with the desire to collaborate with companies and administrations in the creation of a roadmap (Barcelona Declaration) towards a low-carbon economy. The objective of the Group is to lead the medium and long-term initiatives and demonstrate a commitment to incorporating climate policies in company strategies. In short, it shows what a model for green growth should be in Spain.

WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (WBCSD)

ACCIONA's Chairman formed part of the Executive Committee supervising the long-term strategy and vision of the World Business Council for Sustainable Development (WBCSD) until December 2015. ACCIONA was the first Spanish company listed on the IBEX 35 to become part of this world network and, since then, it has been an active member of this Committee, having participated in

dissemination, training and research activities in different fields.

Throughout 2015, the company has co-led, together with other companies in the sector, the project "Scaling up Renewables in the electricity mix", which seeks to promote renewable energies within the Low Carbon Technology Partnerships initiative (LCTPi), (<http://lctpi.wbcserver.org/>).

This initiative brings together more than 140 companies and 50 partners in accelerating the development and transition towards the use of low carbon technologies, strengthening the goals for reducing emissions and accelerating the development of technology in support of progress towards renewable energy reaching at least 1 TW of installed capacity in 2020.

CSR INNOLABS PROJECT

In 2013, ACCIONA joined the CSR Innolabs project, led by the Inter-American Development Bank (IADB). CSR Innolabs is a network of companies whose aim is to promote Corporate Social Responsibility (CSR) in Latin America. In April 2015 the final report of the project was published, entitled *The Keys to the Evaluation, Measurement and Management of Social Impact in Latin America and the Caribbean*. The aim of the report is to help the improvement of the processes of evaluation and measurement of the social impact of the activities of the companies in Latin America and the Caribbean.

FUNDACIÓN CONSEJO ESPAÑA-EE.UU.

In December 2015, José Manuel Entrecanales was appointed Chairman of the Fundación Consejo España-EE.UU. by the Trust.

The aims of the Fundación Consejo España-EE.UU. are to foster cooperation in the economic, commercial, business, scientific and cultural arenas, and to develop projects that lead to a better understanding and benefits between both countries.

EXTERNAL DISSEMINATION OF OUR SUSTAINABILITY PRINCIPLES

In 2015, ACCIONA was present in forums, debates and meetings with different organisations and also collaborated in many publications, consolidating the Company's position, and encouraging external debate regarding sustainability practices. Among these, the following are noteworthy:

- Social Media event on the occasion of World Water Day and Earth Day.
- Talks at Sustainable Brands, Carbon Expo, Business Climate Summit, among others.
- Articles in different media: press, blogs.
- Participation in publications: *II Report of the Social Impact of the Companies* (Fundación SERES), *Spanish companies create value: Corporate Social Responsibility in Latin America* (Minister for Foreign Affairs and Cooperation - Spain Brand), *Global Compact 15th Anniversary Report*.
- Chats at different universities regarding sustainability issues (Universidad Complutense de Madrid and the University of Texas, among others).
- Support to social media campaigns: *Yes to wind power* promoted by the Spanish electricity sector, *#ReJobs* organised by IRENA, *One Million Commitments to Climate* from The Ministry of Agriculture, Food and the Environment.
- Interviews in the media (regarding Climate Change, among other issues).

The english website version, **Sustainability for all** has seen visits multiply exponentially since to 2014

ACCIONA IS COMMITTED TO RAISING AWARENESS AND DISSEMINATION THROUGH THE "SUSTAINABILITY FOR ALL" WEBSITE

In 2015, the website *Sostenibilidad para todos* with its English version, *Sustainability for all*, has made a great qualitative and quantitative leap, confirming the upward trend it showed in 2014.

Since its creation in 2013, it has focused its activity on providing information regarding sustainability challenges, and on offering a public space for dialogue on how to

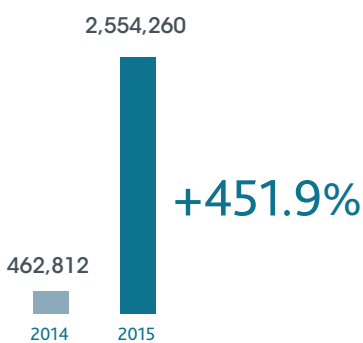
combine economic and social development with the preservation of natural resources.

The website consists of four sections that offer training and updated information in a simple, accessible and practical format, which focuses on reflecting on how we wish to live in the future, the limits of natural resources and what alternatives could be used to solve the greatest challenges to social progress.

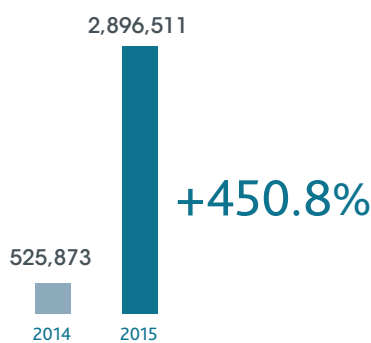
The dissemination of content is extended through the use of social tools and media. In March 2014, the English version was launched, which has seen visits multiply exponentially in a short period of time.

2014-2015 Comparison of the "Sustainability for all" website

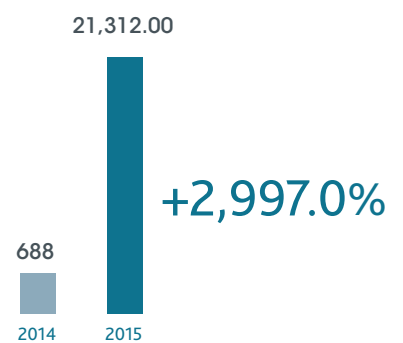
→ **Users**
Website in Spanish



→ **Visits**
Website in Spanish



→ **Pages viewed**
Website in Spanish



ACCOUNTABILITY

Committed to transparency

ACCIONA maintains its commitment to transparency and rigour presenting the information on its activities in a measurable, verifiable manner, in accordance with the most advanced international reporting standards.

SMP 2015

Challenges	Advances
<ul style="list-style-type: none">■ Draft the 2014 Sustainability Report (according to the GRI G4 guide).	<ul style="list-style-type: none">■ The 2014 Sustainability Report produced according to the GRI G4 guide, at the "comprehensive" level.
<ul style="list-style-type: none">■ Verify key indicators of the 2014 Sustainability Report with a reasonable level of assurance.	<ul style="list-style-type: none">■ Several environmental and labour indicators of the 2014 Sustainability Report reviewed by an independent third party with a reasonable degree of assurance (among others, CO₂ emissions, energy consumption, diversity in the staff).
<ul style="list-style-type: none">■ Draft the 2014 Integrated Report.	<ul style="list-style-type: none">■ Integrated Report drafted for third consecutive year in accordance with the framework of the International Integrated Reporting Council (IIRC).

In the SMP 2020, this work area is included under the **Corporate Governance** section. To find out about the Accountability objectives for 2016, please refer to the chapter on Corporate Governance.

» ACCIONA establishes measurable, verifiable and transparent commitments to face sustainability challenges. Accountability to stakeholders forms part of this transparency

- The 2014 Sustainability Report was approved by the General Shareholders' Meeting, with 99.73% of the share capital represented in favour
- ACCIONA's presence on the Dow Jones Sustainability World Index for the ninth consecutive year reconfirmed
- ACCIONA classified as a *Prime* company by oekom research due to its environmental and social performance
- ACCIONA included in The Climate A List 2015 of CDP
- ACCIONA obtains the first position in the annual ranking Top 100 Green Utilities by Energy Intelligence, a ranking that assesses companies on the basis of their CO₂ emissions and their installed renewable capacity

Rigorous reporting

Transparency implies being accountable about the aims and the progress made in the implementation of the initiatives included in the Sustainability Master Plan (SMP). This is one of the Company's most relevant areas of work, given that it reveals to its stakeholders the compliance with its commitments in a measurable and quantifiable manner. The periodical review of the progress made by the Master Plan makes it possible to make the necessary adjustments and guarantee that the set goals are reached, respond to the expectations of the stakeholders and to the Company's commitment to improving its performance in sustainability.

ACCIONA is accountable to its stakeholders in different ways.

SUSTAINABILITY REPORT

Every year, in its Sustainability Report, ACCIONA offers detailed information regarding its performance in social, environmental, and corporate governance, reflecting the progress made in the compliance with its objectives within the framework of the SMP, as well as the challenges to overcome.

In the drafting of this document, the Company takes as reference the indications of the GRI (Global Reporting Initiative) international standard, using since 2014 the GRI G4 guide, which focuses on reporting the most relevant issues for each company. The 2014 Report presented information and detailed data in accordance with the "comprehensive" level of the G4 guide.

Likewise, in line with its commitment to transparency and rigour, ACCIONA again requested an external assurance company to review a set of relevant indicators of the Sustainability Report, such as CO₂ emissions, the consumption of energy and staff details, among others, with a greater level of assurance (reasonable level). During the review of the data, procedures were applied aimed at obtaining evidence regarding the processes and controls used by the Company in the preparation of the Report focusing on the internal controls. Furthermore, the external assurance team reviewed the management and reporting of the non-financial information at a project level at ACCIONA's facilities in Algeria, Australia, Brazil, Chile, Spain and the United States.

It should be pointed out that since 2012, the content of the Sustainability Report that ACCIONA publishes annually is subject to the review and approval of the General Shareholders' Meeting. By voting, the shareholders make statements on the initiatives and the Company's social, environmental and corporate governance performance, described in the Sustainability Report. In this way, they inform the Board of Directors of their opinion on the subject. In June 2015, ACCIONA's General Shareholders' Meeting approved the 2014 Sustainability Report, with 99.73% of the share capital represented in favour.

INTEGRATED REPORT

In 2015, for third consecutive year, ACCIONA drafted its Integrated Report in accordance with the framework of The International Integrated Reporting Council, (IIRC) published in its definitive version in December 2013. Following the principles of this guide, the objective has been to offer integrated and relevant information that helps present the Company with a cross-cutting, forward looking vision, focussing on the internal and external elements that make it possible to create and distribute value in the short-, medium- and long-term.

This report seeks to connect the economic-financial, social, environmental and governance information of ACCIONA, presenting the Company's strategy, the value creation model that characterises it, the future trends which it wishes to answer, and the challenges and risks which it must face, as well as the context and the performance of each line of business.

QUARTERLY RESULTS REPORT

Since 2011, ACCIONA includes a specific annex on sustainability in the quarterly results reports. In this annex, information is provided regarding the presence of the Company in sustainability indexes, highlighting specific actions in this field for each period.

Award of the RobecoSAM Silver Class 2016 distinction in the *Sustainability Yearbook 2016*

DOW JONES SUSTAINABILITY INDEX

Every year, ACCIONA provides RobecoSAM's sustainable investment analysts with the necessary information to be assessed according to the economic, social and environmental criteria established for the selection of companies on the Dow Jones Sustainability Index.

ACCIONA's presence among the world's most sustainable companies reconfirmed

For the ninth year in a row, ACCIONA has been selected to form part of the Dow Jones Sustainability World Index (DJSI World), according to the results of the assessment carried out by the sustainable investment company RobecoSAM, in 2015.



ROBECOSAM
Sustainability Award
Silver Class 2016

Furthermore, the Company has been awarded the RobecoSAM Silver Class 2016 distinction according to the RobecoSAM *Sustainability Yearbook 2016*, which recognises companies with the best sustainability practices in each sector on a world level.

Compared to the previous year, ACCIONA has improved its total score as well as its score for each of the three dimensions assessed: economic, social and environmental, thus consolidating its upward trend since it became part of this index in the Electric Utilities sector.

With regard to the economic dimension the good results obtained in the Risk Management sections are noteworthy of mention. In the environmental dimension, ACCIONA continues to excel thanks to its Biodiversity policies and is recognised for its commitment to Electricity Generation based on renewable energies, both categories in which it achieves maximum scores. Socially, worthy of mention is the improvement of the score for the Human Capital Development parameter, as well as for Stakeholder Engagement, strengthened this year thanks to the implementation of the Social Impact Management methodology in ACCIONA projects.

For the 2015 review, DJSI World invited 3,470 companies of which 1,845 were analysed. The 317 companies (compared to 319 the previous year) finally selected represent those with the world's best corporate sustainability practices.

CDP

On an annual basis, ACCIONA provides detailed information regarding its strategy, practices, performance and goals in the fight against climate change. Likewise, it responds to the specific CDP Water Disclosure questionnaire regarding water issues, making public its water footprint and providing information about the different aspects of the management of this resource.

**GLOBAL COMPACT
COMMUNICATION ON PROGRESS
"ADVANCED LEVEL"**

Through its annual Communication on Progress Report, the Company gives account of the progress made in the implementation and promotion of the UN Global Compact's ten principles and the goals set out in terms of human rights, labour, environment and anti-corruption. In accordance with this commitment, in 2015 ACCIONA published its annual Communication on Progress, obtaining "Advanced level" for the fifth consecutive year.

ACCIONA achieves the highest scores in transparency and performance in the fight against climate change, according to CDP

In 2015, ACCIONA has been included in the The Climate A List created by CDP, which lists the 113 companies that have obtained the maximum score (A) for their performance in the fight against climate change, of a total of 2,000 companies assessed. Furthermore, ACCIONA's transparency in environmental information has been awarded the maximum score of 100 points by CDP, and therefore once again it has been selected to form part of the CDP Iberia 125 Climate Disclosure Leadership 2015.

Thanks to its high scores for performance and transparency, the Company has been awarded the Record Score of 100A by CDP.

ACCIONA has also obtained the maximum score as a Sustainable Supplier according to CDP, going on to form part of the The Supplier Climate A List.

Presence in sustainability indexes

Economic, environmental and social actions are subject to the study of a large number of specialised agencies. These actions are very often reflected in the publication of indexes and specific reports on this issue. The presence of ACCIONA in these selective sustainability indexes is proof of the trust it has gained with

institutional investors who understand sustainability as a good indicator of the quality of management and transparency.

ACCIONA is present in the following indexes (information as of closing of the Report):



The results of the 2015 review confirm that for the ninth year in a row ACCIONA is part of the Dow Jones Sustainability World index (DJSI World), which includes the companies with the best social, environmental and corporate governance practices. ACCIONA has been assessed within the Electric Utilities sector.



FTSE4Good

In 2015, ACCIONA has revalidated its presence on the FTSE4Good index which includes companies complying with strict social and environmental criteria, and which also stand out for their good practices in sustainability.



2015 Constituent
MSCI Global
Climate Index

ACCIONA has been selected as a part of the MSCI Global Climate Index¹. This index includes the leading companies in the mitigation of factors that contribute to short- and long-term climate change.



ACCIONA forms part of The Climate 'A' list created by CDP, comprising companies leading the way in climate change through their actions. It is also included in the CDP Iberia 125 Climate Disclosure Leadership Index 2015 and in The Supplier Climate A List.

(1) Disclaimer: The inclusion of ACCIONA S.A. in any MSCI index, and the use of MSCI logos, trademarks, service marks or index names herein do not constitute a sponsorship, endorsement or promotion of ACCIONA S.A. by MSCI or any of its affiliates. The MSCI indexes are the exclusive property of MSCI. MSCI and the MSCI index names and logos are trademarks or service marks of MSCI or its affiliates.

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G4-2	ACCIONA's commitment – Introduction (p. 56-58)	
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G4-3	Company Profile (p. 4-7)	
G4-4	Company Profile (p. 11-14)	
G4-5	2015 Corporate Governance Report (p. 1)	
G4-6	Company profile (p. 12-13)	
G4-7	2014 Corporate Governance Report (p. 1-2)	
G4-8	Company profile (p. 11-13); Value Circle (p. 175-176)	
G4-9	Triple bottom line (p. 18-23)	
G4-10	People (p. 81-82)	
G4-11	People (p. 91)	
G4-12	Value circle (p. 159-164)	
G4-13	2015 Annual Accounts (p. 172-178); Corporate Governance (p. 68-69)	
G4-14	Corporate Governance - Risk management (p. 75-77)	
G4-15	Dissemination and leadership (p. 203-207); Corporate Governance (p. 72)	
G4-16	Dissemination and leadership (p. 203-207)	
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G4-17	About this report (p. 8); 2015 Annual Accounts (p. 146-159)	
G4-18	Materiality analysis (p. 36; 38); About this report (p. 8-9)	
G4-19	Materiality analysis (p. 40; 42; 45; 48; 50)	
G4-20	Materiality analysis (p. 50-55)	
G4-21	Materiality analysis (p. 50-55)	
G4-22	No restatements were made this year compared to 2014.	
G4-23	There were no significant changes in scope or coverage of any aspect compared to 2014.	
STAKEHOLDER PARTICIPATION		
G4-24	Stakeholder engagement (p. 195)	
G4-25	Materiality analysis (p. 37-38); Stakeholder engagement (p. 195)	

GENERAL STANDARD DISCLOSURES		
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G4-26	Materiality analysis (p. 37-38); Stakeholder engagement (p. 195-196; 198-201)	
G4-27	Stakeholder engagement (p. 195-196; 198-201)	
REPORT PROFILE		
G4-28	2015	
G4-29	2014	
G4-30	About this report (p. 8)	
G4-31	responsabilidadcorporativa@acciona.es	
G4-32	About this report (p. 8); Content Index GRI G4 (p. 216)	
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G4-34	2015 Corporate Governance Report; Corporate Governance (p. 68-70)	
G4-35	ACCIONA's commitment (p. 56-57, 64)	
G4-36	ACCIONA's commitment (p. 64)	
G4-37	ACCIONA's commitment (p. 64)	
G4-38	Corporate Governance (p. 68-71)	
G4-39	Corporate Governance (p. 68-71); 2015 Corporate Governance Report (p. 7); Regulations of the Board of Directors (p. 17)	
G4-40	2015 Corporate Governance Report (p. 17)	
G4-41	2015 Corporate Governance Report (p. 31)	
G4-42	2015 Corporate Governance Report (p. 25; 53)	
G4-43	ACCIONA's commitment (p. 64)	
G4-44	Corporate Governance (p. 70); 2015 Corporate Governance Report (p.18)	
G4-45	ACCIONA's commitment (p. 56); Corporate Governance (p. 75); Stakeholder engagement (p. 195)	
G4-46	Corporate Governance (p. 75-77)	
G4-47	2015 Corporate Governance Report (p. 32)	
G4-48	Regulations of the Board of Directors (p. 26-27)	
G4-49	2015 Corporate Governance Report (p. 36)	
G4-50	Corporate Governance - integrity framework (p. 72-74)	

GENERAL STANDARD DISCLOSURES		
General standard disclosures	Page (or link)	Omissions
G4-51	Annual report on the remuneration of directors for 2015 (p. 2-3); Corporate Governance (p. 70-71)	
G4-52	Annual report on the remuneration of directors for 2015 (p. 2-3); Corporate Governance (p. 70-71)	
G4-53	Annual report on the remuneration of directors for 2015 (p. 23); Corporate Governance (p. 70-71)	
G4-54		Due to the recent reorganisation of the Company's business divisions and the effect that this reorganisation has on the distribution of employees and executives, both in Spain and in our markets, the information on these ratios is still confidential and subject to changes. Consequently, the information is not available insofar as this internal reorganisation process is not yet complete.
G4-55		Due to the recent reorganisation of the Company's business divisions, and the effect that this reorganisation has on the distribution of employees and executives, both in Spain and in our markets, the information on these ratios is still confidential and subject to changes. Consequently, the information is not available insofar as this internal reorganisation process is not yet complete.
ETHICS AND INTEGRITY		
G4-56	Company profile (p. 10); Corporate Governance (p. 72-74)	
G4-57	Corporate Governance (p. 72-74)	
G4-58	Corporate Governance (p. 72-74)	

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CATEGORY: ECONOMY		
Material aspect: Procurement practices		
G4-DMA	Value circle (p. 162-163)	
G4-EC9	Value circle (p. 161)	
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G4-DMA	Environment (p. 152-153)	
G4-EN1	Environment (p. 152)	
G4-EN2	Environment (p. 153)	
Material aspect: Energy		
G4-DMA	Environment (p. 129-130)	
G4-EN3	Environment (p. 132)	
G4-EN4	Environment (p. 133)	
G4-EN5	Environment (p. 135)	
G4-EN6	Environment (p. 138-139)	
G4-EN7	Environment (p. 138-139)	
Material aspect: Water		
G4-DMA	Environment (p. 140-141)	
G4-EN8	Environment (p. 142)	
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G4-EN10	Environment (p. 141)	
Material aspect: Biodiversity		
G4-DMA	Environment (p. 146-149)	
G4-EN11	Environment (p. 149-150)	
G4-EN12	Environment (p. 150-151)	
G4-EN13	Environment (p. 150-151)	
G4-EN14	Environment (p. 150)	
Material aspect: Emissions		
G4-DMA	Environment (p. 129-130)	
G4-EN15	Environment (p. 134)	
G4-EN16	Environment (p. 134)	
G4-EN17	Environment (p. 135-136)	
G4-EN18	Environment (p. 134)	
G4-EN19	Environment (p. 131; 138-139)	
G4-EN20	ACCIONA does not use ozone-depleting gases in its facilities.	
G4-EN21	Environment (p. 137)	
Material aspect: Effluents and waste		
G4-DMA	Environment (p. 143; 152)	
G4-EN22	Environment (p. 143)	
G4-EN23	Environment (p. 153)	
G4-EN24	Environment (p. 154)	

SPECIFIC STANDARD DISCLOSURES		
DMA and Indicators	Page (or link)	Omissions
G4-EN25	Environment (p. 153)	
G4-EN26	Environment (p. 143; 151)	
Material aspect: Products and services		
G4-DMA	Environment (p. 138-139); Innovation (p. 114-117); Company profile (p. 10)	
G4-EN27	Environment (p. 138-139); Innovation (p. 114-117); Company profile (p. 10)	
G4-EN28	Given the nature of ACCIONA's activity, only three types of products are produced: wines bottled in reusable glass, wind turbines and houses. These last two categories have a long useful life, and therefore have not yet reached the end of this life.	
Material aspect: Regulatory compliance		
G4-DMA	Environment (p. 155)	
G4-EN29	Environment (p. 155)	
Material aspect: Transport		
G4-DMA	Environment (p. 139)	
G4-EN30	Environment (p. 139)	
Material aspect: Overall		
G4-DMA	Environment (p. 122-126)	
G4-EN31	Environment (p. 122)	
Material aspect: Supplier environmental assessment		
G4-DMA	Value circle (p. 162-165)	
G4-EN32	Value circle (p. 162-165)	
G4-EN33	Value circle (p. 162)	
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G4-DMA	Corporate Governance (p. 74); Society (p. 183-184)	
G4-EN34	Corporate Governance (p. 74)	
CATEGORY: SOCIAL PERFORMANCE		
Sub-category: Labor practices and decent work		
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G4-DMA	People (p. 80-81); Value circle (p. 167)	
G4-LA1	People (p. 82; 92)	
G4-LA2	People (p. 89)	
G4-LA3	People (p. 82)	
Material aspect: Occupational health and safety		
G4-DMA	People (p. 95)	
G4-LA5	People (p. 95)	
G4-LA6	People (p. 95-96)	
G4-LA7	People (p. 99)	
G4-LA8	People (p. 103-104)	
Material aspect: Training and education		
G4-DMA	People (p. 85-88)	
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SPECIFIC STANDARD DISCLOSURES		
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G4-DMA	People (p. 91-94)	
G4-LA12	People (p. 92-93); Corporate Governance (p. 69)	
Material aspect: Equal remuneration for women and men		
G4-LA13	People (p. 93)	
Material aspect: Supplier assessment for labor practices		
G4-DMA	Value circle (p. 162-165); People (p. 104)	
G4-LA14	Value circle (p. 162-167)	
G4-LA15	Value circle (p. 162-167)	
Sub-category: Human Rights		
Material aspect: Investment		
G4-DMA	Society (p. 183-184); Value circle (p. 164-166)	
G4-HR1	Society (p. 183-184); Value circle (p. 164-166)	
G4-HR2	Corporate Governance (p. 72-74)	
Material aspect: Freedom of association and collective bargaining		
G4-DMA	People (p. 91)	
G4-HR4	Value Circle (p. 166-168)	
Material aspect: Forced or compulsory labor		
G4-DMA	Corporate Governance (p. 72-74); Value circle (p. 162-168)	
G4-HR6	Value circle (p. 166-168)	
Material aspect: Indigenous rights		
G4-DMA	Society (p. 189-191)	
G4-HR8	Corporate Governance (p. 75-77)	
Material aspect: Assessment		
G4-DMA	Society (p. 183-184)	
G4-HR9	Society (p. 183-184)	
Material aspect: Supplier human rights assessment		
G4-DMA	Value circle (p. 162-167)	
G4-HR10	Value circle (p. 162-167)	
G4-HR11	Value circle (p. 165-166)	
Sub-category: Society		
Material aspect: Local communities		
G4-DMA	Society (p. 183-184)	
G4-SO1	Society (p. 183-184; 189-191)	
G4-SO2	Society (p. 183-184)	
Material aspect: Anti-corruption		
G4-DMA	Corporate Governance (p. 73-74)	
G4-SO3	Corporate Governance (p. 75-77)	

SPECIFIC STANDARD DISCLOSURES		
DMA and Indicators	Page (or link)	Omissions
G4-SO4	Corporate Governance (p. 72-74)	
G4-SO5	Corporate Governance (p. 72-74)	
Material aspect: Anti-competitive behavior		
G4-DMA	Corporate Governance (p. 72-74)	
G4-SO7	Between the end of 2010 and 2012, the National Competition Commission imposed various sanctions on the company Trasmediterranea, S.A. Some of the periods of time considered for the imposition of the sanctions correspond to dates on which ACCIONA was not managing this company. ACCIONA is also in formal disagreement with the sanctions imposed, and has filed administrative appeals against them.	
Material aspect: Supplier assessment for impacts on society		
G4-DMA	Value circle (p. 162-166)	
G4-SO9	Value circle (p. 162-166)	
G4-SO10	Value circle (p. 161-162; 166-167)	
Sub-category: Product responsibility		
Material aspect: Customer health and safety		
G4-DMA	Society (p. 180-181)	
G4-PR1	Society (p. 180-181)	
G4-PR2	Society (p. 180-181)	

SECTOR SUPPLEMENT: CONSTRUCTION & REAL ESTATE		
DMA and Indicators	Page (or link)	Omissions
CRE1	Environment (p. 154-155)	
CRE2	Environment (p. 154-155)	
CRE3	Environment (p. 154-155)	
CRE4	Environment (p. 154-155)	
CRE5	Environment (p. 147-150)	
CRE6	People (p. 101-102)	
CRE7	According to the information available to the Company, it has not been necessary, in the projects currently in progress, to carry out any population displacements under its responsibility. However, a few houses have been expropriated in isolated cases when these were not compatible with the construction of the infrastructure, and compensation was paid in these cases. In the majority of projects, expropriations and evictions are carried out by the client before the Company begins its operations.	
CRE8	Environment (p. 127-128; 154-155)	

SECTOR SUPPLEMENT: ELECTRIC UTILITIES		
DMA and Indicators	Page (or link)	Omissions
EU1	Company profile (p. 11); 2015 Results Report (p. 12)	
EU2	Performance in the regions (p. 25; 27; 29; 31; 33; 35) 2015 Results Report (p. 12)	
EU3	Value circle (p. 176)	
EU4		ACCIONA has no significant activity in the transmission and distribution of electricity.
EU5	Environment (p. 135-136)	
EU10	2015 Results Report (p. 12)	
EU11		ACCIONA does not have a significant number of thermal plants. The plants of this type are used exclusively for its own electricity consumption.
EU12		ACCIONA has no significant activity in the transmission and distribution of electricity.
EU13	Environment (p. 147-149)	
EU15	In accordance with the principles of non-discrimination, diversity and non-exclusion on age grounds, the Company does not make any forecasting projections for retirements in the short, medium or long term.	
EU17		The available information systems do not allow information to be disaggregated according to days worked since the majority of contracts are performed on a per-service basis rather than a number of hours/days.
EU18	People (p. 104-106)	The Company's information systems do not allow this information to be reported.
EU22	According to the information available to the Company, it has not been necessary, in the projects currently in progress, to carry out any population displacements under its responsibility. However, a few houses have been expropriated in isolated cases when these were not compatible with the construction of the infrastructure, and in such cases compensation was paid. In the majority of projects, expropriations and evictions are carried out by the client before the Company begins its operations.	
EU25	Value circle (p. 180-181)	
EU26		ACCIONA has no significant activity in the transmission and distribution of electricity.
EU27		ACCIONA has no significant activity in the transmission and distribution of electricity.
EU28		ACCIONA has no significant activity in the transmission and distribution of electricity.
EU29		ACCIONA has no significant activity in the transmission and distribution of electricity.
EU30		ACCIONA has no significant activity in the transmission and distribution of electricity.



Independent

assurance report



KPMG Asesores S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Independent Review Report for ACCIONA, S.A.

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

In accordance with our engagement letter, ACCIONA, S.A. management has requested that we provide reasonable and limited assurance on the non-financial information contained in the Sustainability Report of ACCIONA, S.A. (hereinafter ACCIONA) for the year ended 31 December 2015 (hereinafter "the Report").

The indicators covered by reasonable assurance are GRI G4-10, G4-11, G4-EC5, G4-EC6, G4-EC9, G4-EN3, G4-EN11, G4-EN15, G4-EN16, G4-EN21, G4-LA1, G4-LA3, G4-LA5, G4-LA11, G4-LA12, G4-LA13, on the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and on the qualitative information related to the progress on complying with Sustainability Master Plan objectives. The indicators covered by limited assurance comprise the other indicators described in the GRI Index of the Report.

ACCIONA management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) and the Sector Supplement for Construction & Real Estate and Electric Utilities of the Global Reporting Initiative as described in point G4-32 of the Report for limited and reasonable assurance indicators.

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 ACCIONA's objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived. These responsibilities include establishing such controls as management determines are necessary to enable the preparation of limited and reasonable assurance indicators that are free from material misstatement whether due to fraud or error.

Our responsibility is to carry out a review to provide reasonable assurance on the preparation and presentation of the indicators GRI G4-10, G4-11, G4-EC5, G4-EC6, G4-EC9, G4-EN3, G4-EN11, G4-EN15, G4-EN16, G4-EN21, G4-LA1, G4-LA3, G4-LA5, G4-LA11, G4-LA12, G4-LA13, on the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and on the qualitative information related to the progress on complying with Sustainability Master Plan objectives, a limited assurance review on the preparation and presentation of the other indicators within the review scope, and to express a conclusion based on the work performed. 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 (IAASB) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement.

KPMG applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Internal Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We have also conducted our engagement in accordance with Accountability Assurance Standard AA1000 APS 2008 (Type 2), which covers not only the nature and extent of the organisation's adherence to the AA1000 APS, but also evaluates the reliability of performance information as indicated in the scope.

The procedures selected in our reasonable assurance engagement depend on our judgement, including the assessment of the risks of material misstatement of the indicators whether due to fraud or error.

In making those risk assessments, we have considered internal control relevant to the preparation and presentation of the indicators in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of ACCIONA's internal control over the preparation and presentation of the Report.

Our engagement also includes assessing the appropriateness of the indicators with the criteria of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines, obtaining an understanding of the compilation of the financial and non-financial information to the sources from which it was obtained, evaluating the reasonableness of estimates made by ACCIONA, and re-computation of the calculations of the reasonable assurance indicators.

Our limited assurance engagement consisted of making enquiries of management and persons responsible for the preparation of information presented in the Report, and applying analytical and other evidence gathering procedures. These procedures included:

- Verification of ACCIONA's processes for determining the material issues, and the participation of stakeholder groups therein.
- Interviews with management and relevant staff at group level and selected business unit level concerning sustainability strategy and policies and corporate responsibility for material issues, and the implementation of these across the business of ACCIONA.
- Evaluation through interviews concerning the consistency of the description of the application of ACCIONA's policies and strategy on sustainability, governance, ethics and integrity.
- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of the consistency of information comparing General Basic Content with internal systems and documentation.
- Analysis of the processes of compiling 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.
- Review of ten sites through visits and remote review, selected on the basis of a risk analysis including the consideration of both quantitative and qualitative criteria.
- Review of the application of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines' requirements in accordance with the comprehensive option for preparing Reports.
- 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.

- Verification that the financial information reflected in the Report was audited by independent third parties.

Our multidisciplinary team included specialists in AA1000 APS, stakeholder group dialogue and in social, environmental and economic business performance.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not be taken as an auditor's report.

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this Independent Review Report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.

- In our opinion, the indicators GRI G4-10, G4-11, G4-EC5, G4-EC6, G4-EC9, G4-EN3, G4-EN11, G4-EN15, G4-EN16, G4-EN21, G4-LA1, G4-LA3, G4-LA5, G4-LA11, G4-LA12, G4-LA13, the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and the qualitative information related to the progress on complying with Sustainability Master Plan objectives, reviewed with reasonable assurance, are prepared and presented, in all material aspects, in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) and the Sector Supplement for Construction & Real Estate and Electric Utilities of the Global Reporting Initiative as described in point G4-32 of the GRI Index, including the reliability of data, adequacy of the information presented and the absence of significant deviations and omissions.
- Based on the limited assurance procedures performed and the evidence obtained, as described above, nothing has come to our attention that causes us to believe that the limited assurance indicators have not in all material respects, been prepared and presented in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) and the Sector Supplement for Construction & Real Estate and Electric Utilities of the Global Reporting Initiative as described in point G4-32 of the GRI Index, including the reliability of data, adequacy of the information presented and the absence of significant deviations and omissions.
- Additionally, nothing has come to our attention that causes us to believe that as a result of ACCIONA implementing the procedures described in sections G4-26 and G4-27 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 is committed to its main stakeholders through its Sustainability Master Plan 2015 (hereinafter SMP 2015) which reflects their interests and expectations. For each of the main stakeholders of ACCIONA, the company has active communication channels throughout the year through which consultations have been treated, primarily associated to projects and communications related to the PDS. Thus, in 2015, ACCIONA has taken into account its main stakeholders in the design of the new Sustainability Master Plan. However, the company does not have a common procedure to ensure participation nor a hierarchy of stakeholders that allows to reflect priorities in the relationship of the company with these groups and, thus, enabling a proper and full decision-making process.

In relation to the MATERIALITY principle

With the main objective of establishing and transmitting relevant issues for ACCIONA, the company annually conducts a materiality analysis where it identifies, prioritizes and validates the identified issues. In line with the exercise performed for the previous Sustainability Report, the results of the 2015 analysis are shown for the main divisions of the company (ACCIONA Energy and ACCIONA Infrastructures, which integrates the business areas of Construction, Industrial, Water and Services). Furthermore, the aforementioned analysis provides detail on how material issues impact within the company and outside of it for the different divisions, exercise that could be reinforced through the identification of the parties who may be involved in the value chain of the company. Moreover, the materiality analysis still does not cover all of ACCIONA businesses, being advisable to expand the scope of this exercise to encompass the business line "Other activities". Finally, it is recommended to check the degree of importance given to material issues in the contents of the Report, so that it is consistent with the results of the analysis.

In relation to the RESPONSIVENESS principle

ACCIONA achieves its stated commitments and reports consistently, aligned with the interests and expectations of its stakeholders through the SMP 2015. During 2015, the company assessed its performance in relation to the targets set in the Plan, articulating the basis for the future SMP for the coming years. ACCIONA continues applying the methodology of social impact assessment in its main divisions with the aim of identifying the generation of positive and negative impacts but has not developed a procedure for the assessment and/or evaluation of the degree of effectiveness of the implemented actions. This procedure should consider the prioritization of responses depending on the relevance, maturity of the issue and the need for company resources.

In accordance with the terms of our engagement, this Independent Review Report has been prepared for ACCIONA in relation to its 2015 Sustainability Report and for no other purpose or in any other context.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

20 April 2016





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