

economic dimension

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

sustainability in the supply chain

2009 milestones

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

2010 goals

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

Sustainability in the supply chain

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

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

- Improve procurement processes to align the

supply chain with more sustainable models.

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

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

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

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

New Corporate Procurement Standard

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

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

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

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

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

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



An Awareness-Raising Plan for Sustainability in the Supply Chain

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

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


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

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


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

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

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



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



Commitment to the Global Compact

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

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

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

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

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


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

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

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

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

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



Supporting social integration

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

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

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

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

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

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

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

Sustainable timber

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

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

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

Certified timber in real estate developments

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

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

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

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

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



An increasingly sustainable value chain

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

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

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

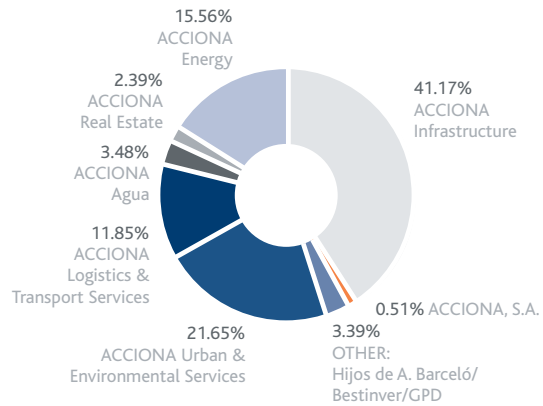
In 2009, ACCIONA Real Estate defined a system to manage quality and sustainability for the countries in which it operates; as a result, those systems now include the eco-efficiency requirements imposed on suppliers, and resources have been assigned to monitor compliance.

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

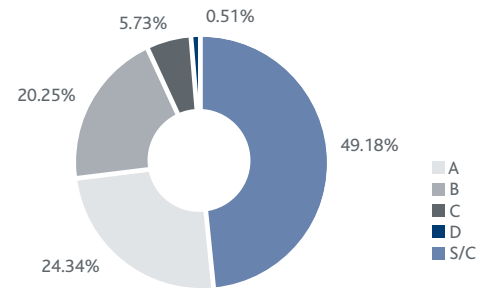
safety regulations and administrative obligations; technical capacity, delivery deadlines, and service and quality excellence.

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

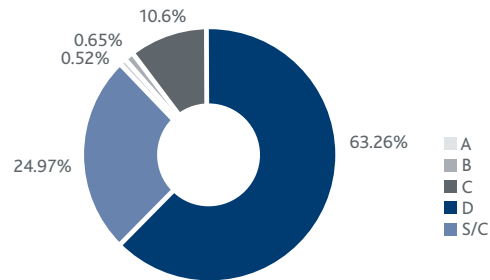
Breakdown of suppliers by business line



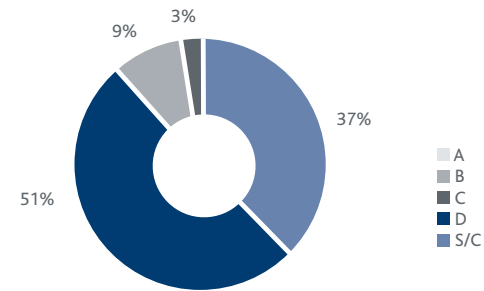
ACCIONA Installation Services supplier ratings



ACCIONA Agua supplier ratings



ACCIONA Infrastructure supplier ratings



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

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

DISTRIBUTION OF DOMESTIC AND INTERNATIONAL SUPPLIERS

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

ACCIONA biofuels production

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

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

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

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

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

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

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