



# social dimension

a. our people

b. safety, our priority

c. dialogue and cooperation

# dialogue and cooperation

## 2009 milestones

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

## 2010 goals

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

## Sustainability at ACCIONA

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

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

As a result:

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

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

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

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

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

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

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



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

## The Sustainability Master Plan

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

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



## ACCIONA seeks response from Copenhagen Climate Change Conference

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

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

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

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

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

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



## Dialogue and communication, commitment to transparency

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

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

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

### Expert opinions

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

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

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

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

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

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

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

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

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

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

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



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

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

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

### **ACCIONA Infrastructure**

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

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

## ACCIONA Infrastructure inaugurates a sustainable composting plant in Madrid

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

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


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

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

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



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



#### **ACCIONA Energy**

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

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

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

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

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

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

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

### ACCIONA Agua

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

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

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

## ACCIONA Agua commences sustainability project in Brazil


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

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

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

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

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



## The strategic importance of contributing to society

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

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

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

## Social Action Plan

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

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

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

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

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

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

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

The ACCIONA Microenergy Foundation

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

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

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

■ **Corporate Volunteer Programme.**

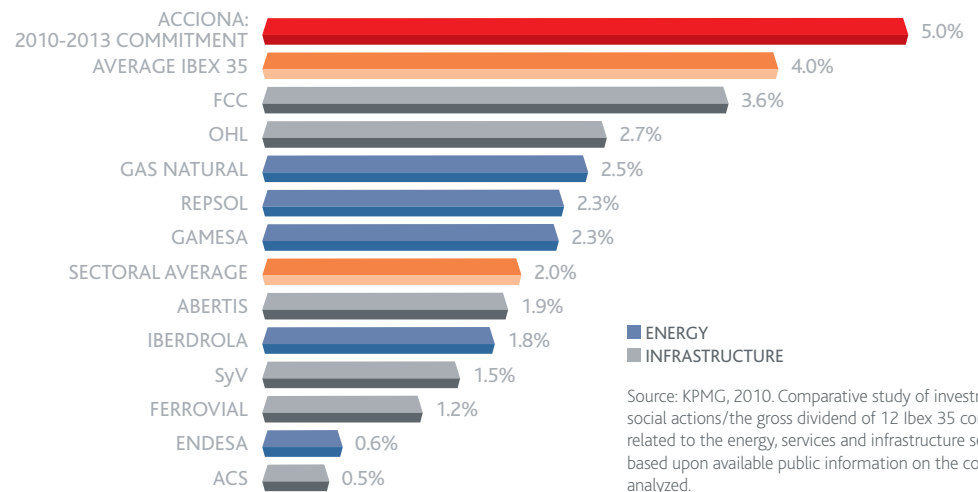
Through this programme, ACCIONA aims to enable its employees to act upon their concern for social responsibility.

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

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

### Percentage of social action investment

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



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

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



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

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

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

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

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

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

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

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

## Sustainability Workshop

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

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

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

## ACCIONA Microenergy Foundation, innovation within reach

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

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

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


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

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

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

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

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



## A strong institutional presence

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

### Europe against climate change

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

## External awards and distinctions

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

Recognition in 2009 included the following:

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

informs investors about companies which employ clean energies.

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

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

