

ACCIONA's Vision and Strategy

OUR GOAL: To develop projects for a better future

SUCCESS RELATED TO SUSTAINABILITY

- Sustainability has been the key to our success in recent years.
- We want to carry out ground-breaking projects that come to be known as part of the new model for growth, aimed at improving people's quality of life.
- Innovation, technology, protection of the environment and social commitment are the main factors that guide our growth on the world's new socioeconomic stage.
- That's why we use economic, environmental and social standards to measure our business success.

A DIFFERENT, MORE SUSTAINABLE WORLD

Pessimism resulting from the current economic and financial crisis is causing people to question capitalism and market forces. This situation could result in basic environmental, social and energy objectives being demoted, the only goal being to recover from the crisis in the short term with complete disregard for sustainability.

This would be paradoxical, given that this crisis is precisely the result of the insustainability of the current model. The gradual revision of this model is one of the few available avenues for overcoming the current situation.

The crisis requires a revision of our current model of growth and consumption, and a slowdown in the current pace of growth in emissions

and environmental deterioration. Structural changes are needed to revitalise global economic growth.

ACCIONA is committed to sustainability in order to encourage successful business models based on development and innovation. Today, more than ever, this is what will guide our Company's future.

ACCIONA's prospects for growth lie in solving some of the most complex problems and challenges facing society today: infrastructure, energy and water supply.

Infrastructure is the backbone of economic progress and development. Energy is the motor of industry and ensures social well-being, but there is a constant demand for greater capacity and availability. Water

• **Infrastructure**
is the backbone of economic progress and development

• **Energy**
is the motor of industry and ensures social well-being

• **Water**
is essential for life and economic prosperity

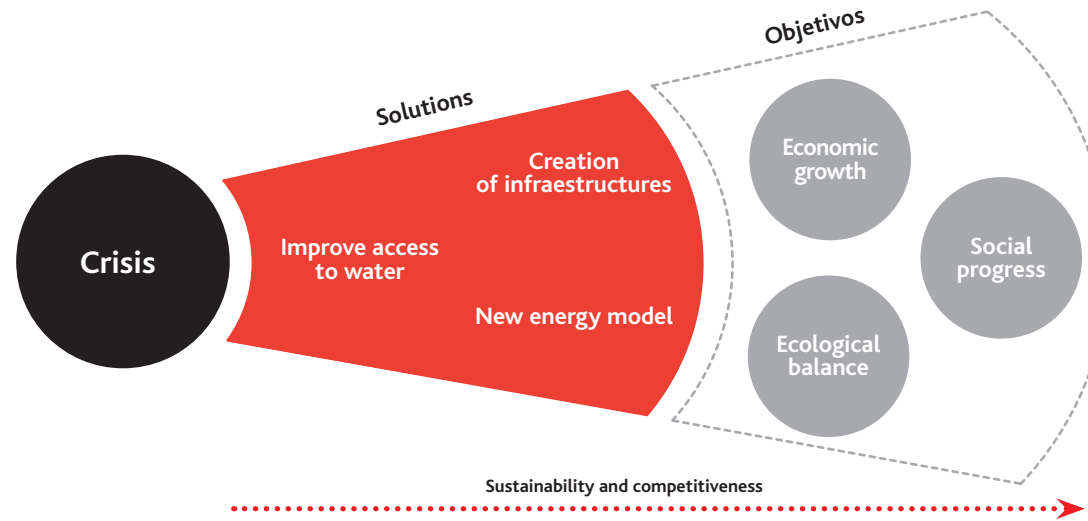
is essential for life and economic prosperity; a sufficient supply of appropriate quality is one of the biggest challenges we face today.

A shared effective response to these three major global challenges is the only way to guarantee economic growth, social progress and environmental balance in the future.

ACCIONA, a pioneer in development and sustainability, bases its growth strategy on these pillars.

Sustainability and successful solutions for changing times

- Strengthening the three pillars of ACCIONA's business model is the driving force behind its growth and profitability. Investment criteria encourage a sustainable growth strategy by maintaining a flexible business model in changing times. These are ACCIONA's solutions for overcoming the current economic and financial uncertainty.



Strengthening the three pillars of ACCIONA's business model is the motor of its growth and profitability

A benchmark for responsible investment

- ACCIONA retained its position as industry leader in the Dow Jones Sustainability World Index (DJSI World) and Dow Jones Stoxx Sustainability Index (DJSI Stoxx) in 2008; these are the world's leading benchmarks in sustainability and socially-responsible investment.
- ACCIONA not only reaffirmed the recognition it received in 2007, but also attained the top scores in the environmental and social dimensions in its industry, beating its score from last year. Its position, and improvement, within the most prestigious sustainability indices represents an acknowledgement of ACCIONA's search for excellence in its commitment to sustainable development.
- The Dow Jones indices comprise the companies that are most advanced in the field of sustainability, in its economic, social and environmental dimensions, both worldwide (DJSI World) and in Europe (DJSI Stoxx). In 2008, the indices were made up of 320 and 162 companies, respectively.
- Because of the exhaustive information they require, and the rigorous analysis and the scoring system to choose the "best in class" in each case, the DJSI indices are world-leading benchmarks in the field of Corporate Social Responsibility and Sustainable Development.
- The DJSI family of indices catalyses socially-responsible investing strategies. Investment managers in over 16 countries currently manage approximately US\$6 billion (around 4.6bn euros) referenced to the Dow Jones Sustainability Indices.
- ACCIONA is already a member of other sustainability indices, such as S&P Global Clean Energy Index, and the KLD Global Climate 100 Index, whose goal is to promote investment in the 100 multinational companies with proven leadership in combating climate change through renewable energy, clean technology, efficiency and future fuels.

SUSTAINABILITY IS THE BACKBONE OF INNOVATIVE BUSINESS MODELS

In its constant quest for competitiveness and differentiation, ACCIONA develops its businesses using effective management models that enable it to mitigate possible risks, strengthen its abilities and garner worldwide renown.

Corporate Social Responsibility is a tool that guides ACCIONA's management models and successful business strategies in its different areas of activity.

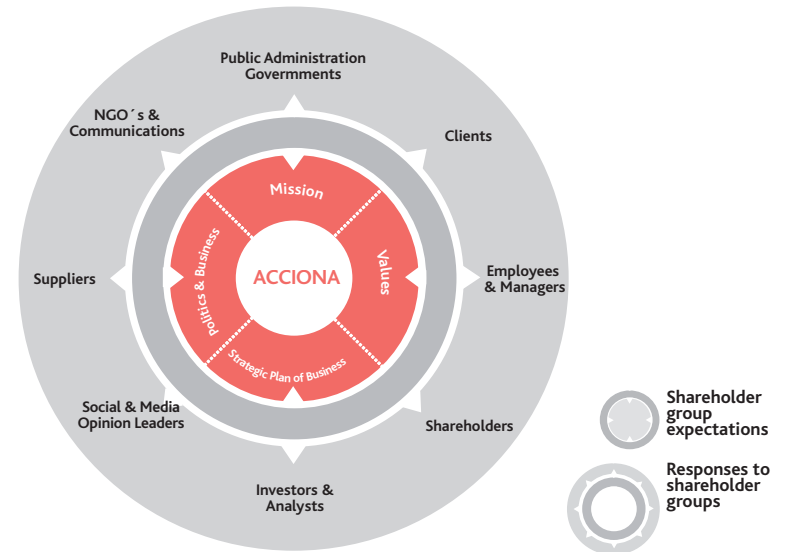
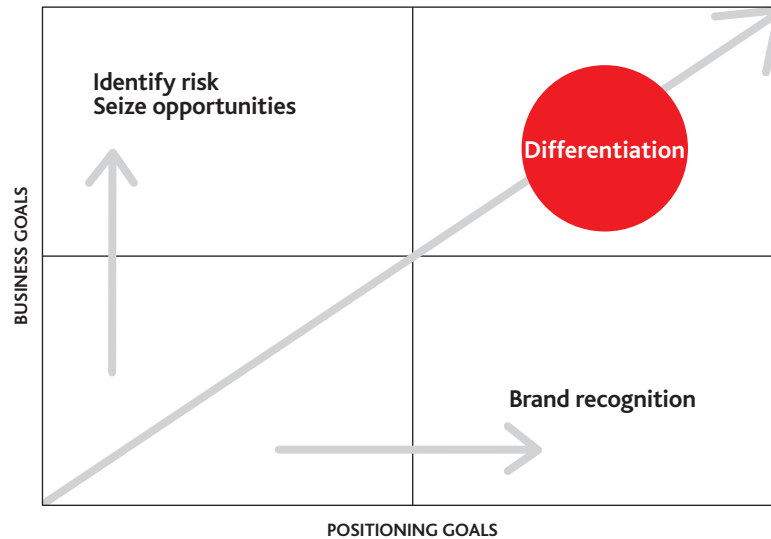
ACCIONA's strategic plan has enabled it to base its growth and profitability on vectors of progress in sustainable development.

To make this commitment a tool to support business development, ACCIONA anticipates trends, gives priority to efficient management, and designs functional modern and innovative models for the organisation as a whole. Another priority is to create a favourable motivational environment to facilitate the inclusion of these aspects throughout the Company.

ACCIONA considers active dialogue with stakeholders to be essential, as it is a means to meet their full expectations and build trust.

ACCIONA is a modern innovative company which seeks to be held in esteem for its projects, which merge profitability and growth in a sustainability-based business model.

Management efficiency and active dialogue with stakeholder groups



New markets, new challenges

- Given the diversity of its businesses and the markets in which the Company operates, ACCIONA relies on a common framework of action defined in line with the socioeconomic characteristics of its key markets. This framework enables the Company to realise its commitment to corporate social responsibility effectively.
- In this vein, the main pillars of ACCIONA's strategy are transparency, understanding and meeting stakeholder expectations.
- Before developing its business projects, ACCIONA identifies the key aspects and the main stakeholders with a view to establishing channels for dialogue and confidence to establish a model that builds trust within society in the markets where it operates.
- ACCIONA also extensively consults key opinion leaders in various countries to disseminate its commitment to sustainability and understand the expectations of those markets. The main markets examined to date are Canada, the US, Mexico, Brazil, Chile, Poland and (as of 2008) Australia.
- All of this information, together with an in-depth analysis of those countries' social and environmental situations, enables ACCIONA to design tailor-made plans of action for each market, making its commitment to sustainable development the engine for growth in new markets. These plans of action are known as Welcome Packs (short term) and Sustainability Protocols (medium to long term).

**ACCIONA
designs
action plans
adapted to each
market**

NEW COMMITMENTS TO FUTURE GROWTH

ACCIONA relies on trust for improving coordination with third parties, reducing transaction costs and optimising the impact of communication.

The goal of ACCIONA's corporate social responsibility model is twofold:

- To align business projects with social needs and risk reduction.
- To create real value in societies where the Company operates.

In line with these commitments, ACCIONA is designing its new Corporate Social Responsibility strategy, which will guide the Company's actions in this area until 2012. In defining this new strategic approach, ACCIONA seeks a framework of action adapted to the real situation of each business and market.

A pillar of the design and implementation of this new strategy is the definition of effective formulae to identify specific socioeconomic

features upon which to develop the main lines of action. One example is the use of pioneering methods for stakeholder consultation and participation.

This commitment is based on four principles that will maintain ACCIONA's position as a leader in sustainable development:

1. Identification of challenges.

Understanding in great detail the main issues in the social and environmental agendas of the markets where ACCIONA operates enables it to design its commitment to sustainable development in line with stakeholder expectations.

2. Strategic priorities. ACCIONA prioritises the challenges identified by establishing objectives for each of them depending on their strategic importance.

3. Key actions. Once strategic priorities are established, specific lines of action are designed with short-term and long-term objectives.

A mechanism to reduce emissions

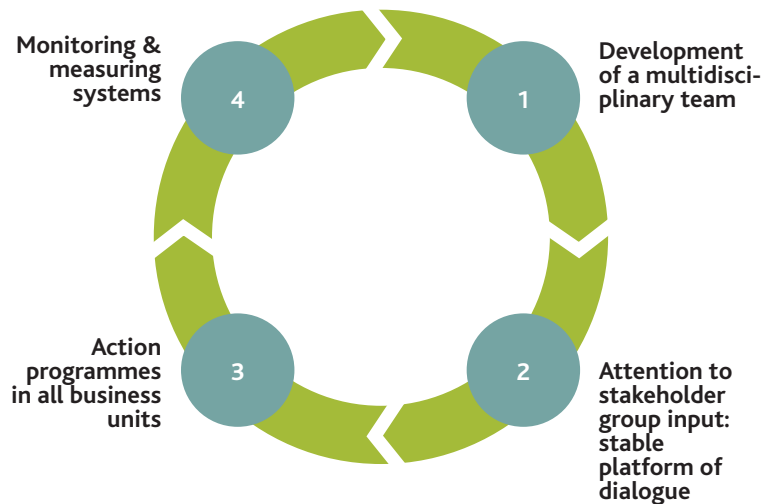
- **Clean Development Mechanisms (CDMs) are one of the flexibility mechanisms envisaged in the Kyoto Protocol for emissions reduction. They encourage public and private entities to implement projects in developing countries that contribute to sustainable development and an overall reduction in greenhouse gas emissions.**
- **The developer receives certified emission reduction credits (CERs), which can be counted towards meeting Kyoto emission-reduction targets.**
- **CERs can be sold in the emissions trading market, ensuring the project's economic viability and encouraging sustainable development initiatives in developing countries.**

4. Common framework of action.

To advance towards innovative and sustainable growth management models, ACCIONA allocates the resources that are needed to implement its sustainable development strategy.



Excellence in Corporate Responsibility Models



Stakeholder consultation on the wind energy project in Karnataka, India

- The Clean Development Mechanism (CDM) Executive Board, which reports to the United Nations Framework Convention on Climate Change (UNFCCC), has registered two ACCIONA-owned wind farms in the state of Karnataka, in southern India, as a CDM.
- This project aims to encourage sustainable development and harness renewable energy in the region through the installation of 18 wind turbine generators with a total capacity of 29.7 MW. The electricity generated will replace power from non-renewable sources, reducing pollutant emissions into the atmosphere.
- This project has the following goals in terms of sustainable development, to:
 - Develop the wind sector as a source of renewable energy and mitigate India's energy deficit.
 - Create a significant number of jobs for the local population during farm construction and throughout the facilities' useful lives.
- Stakeholder consultations are announced in the local press, through letters sent to the heads of relevant institutions and with personal visits to neighbouring villages with a view to including all stakeholder perceptions with regard to the project. This measure helped identify and enable contact with a wide range of stakeholders, including plant employees, contractors, government representatives and local residents. Detailed project information was offered and doubts and concerns were resolved during the meeting.
- Stakeholders' opinions of the project were broadly positive; in particular, they felt that it would significantly improve the area's socioeconomic situation by creating jobs and increasing land values. Stakeholders only expressed a slight concern that the machinery could potentially damage roads during the construction phase - a minor inconvenience compared with all of the project's benefits.

NOTEWORTHY ACTIVITIES ARTICULATING ACCIONA'S STRATEGY

In line with its strategic approach, ACCIONA made significant progress in 2008 in its quest for excellence in managing corporate responsibility. It has:

- Fully complied with another recommendation of the Unified Corporate Governance Code was fully complied with. Additionally, Ms Consuelo Crespo Bofill was appointed as a member of the Board of Directors.
- Expanded the scope and improved methodologies and processes in the Risk Management System; updated risk maps for each business area, building a risk map for ACCIONA Group.
- Recorded a 129% increase with respect to 2007 in the number of orders that carry a clause regarding the ten principles of the United Nations Global Compact.
- Ranked first among construction companies and ninth out of 21 Spanish companies in the EU Industrial R&D Investment Scoreboard.
- Started up installations to develop new lines of research: a pilot plant to grow microalgae for biodiesel production and two new laboratories in the Madrid Technology Centre (robotics and virtual reality).
- Completed the first training and selection programme for Senegalese workers, who are hired by ACCIONA in their home country and then integrated into the Company in Spain.
- Completed the audit process on gender equality in all of the Company's business lines. Implemented nationwide online courses to raise awareness among all employees and provide training on equality and avoidance of discrimination.
- Launched the plan to disseminate results of the 2007-2008 opinion poll.
- Created an Institute for Workplace Health and Safety, under the Human Resources and Organisation Area, to establish training actions in the area of workplace health and safety and external and internal fora on safety.
- First in-house seminar on Workplace Health and Safety as part of the European Week of Health and Safety organised by the Madrid Training Institute.

- Drafted the 2008-2012 Environmental Efficiency Plan. The main objective of this project is to structure and organise the various environmental improvement initiatives by implementing environmental management systems, speeding up the improvement of efficiency ratios.
 - Organised a working group to exchange experiences and synergies in the implementation and monitoring of systems to manage international activity.
 - Integrated the Métrica Project as a tool for monitoring the environmental performance of ACCIONA's different processes and activities with the goal of improving environmental data capture at work centres.
- Integrated ACCIONA's Energy Efficiency Plan, the main goals of which are: energy saving and energy, efficient water consumption and efficient waste management.
 - Included Australia in the plan to identify and consult key opinion leaders, aimed at establishing channels for dialogue to build a relationship of trust with the principal markets in which ACCIONA operates.

• **The Environmental Efficiency Plan speeds up improvements in efficiency ratios**

• **The Métrica Project controls ACCIONA's environmental performance**

• **The Energy Efficiency Plan contributes to savings in energy, water and waste**