

About this Report

Principles defining content and scope

This Report was prepared according to the G3 Guidelines of the Global Reporting Initiative

This Report aims to provide reliable, impartial information regarding ACCIONA's role in facing the main challenges of sustainable development. The Company also produces the following reports: the Annual Report, the Corporate Governance Report and Financial Statements, in addition to the information available on the website, www.acciona.es, and the 2005, 2006 and 2007 Sustainability Reports.

This Report has been drafted in accordance with the Global Reporting Initiative's G3 guidelines and the AA1000 standard since 2003 (hereinafter AA1000).


The G3 Guidelines address such issues as the content, scope, and subject matter of the Report, and ensure the quality of the information. The G3 Guidelines may be viewed at www.globalreporting.org.

In line with the GRI criteria, ACCIONA has self-declared an A+ score in applying the G3 Guidelines. Additionally, ACCIONA's self-declaration was checked independently by KPMG Asesores S.L., and submitted for a level check by the GRI.

Annexes to this Report include a GRI index to identify G3 principles and indicators in the text.

This Report also utilised the AA1000 to align the information with the expectations and concerns of ACCIONA stakeholders.

More information on this standard is available at www.accountability.org.uk.

	C	C+	B	B+	A	A+
Self-declaration→					✓
External assurance→					✓
GRI level check→					

ACCIONA IS DESIGNING ITS NEW CORPORATE RESPONSIBILITY STRATEGY

APPLICATION OF THE AA1000, AND SCOPE LIMITATIONS

ACCIONA is committed to identifying and understanding the social, environmental and economic impacts of its activity and stakeholders' vision of them. These are the principles that guide the Company's strategic approach to corporate responsibility. In particular, ACCIONA is designing a new Corporate Responsibility Strategy to guide the Company in this area to 2012. In defining this new strategic approach, ACCIONA seeks a framework of action that is suited to the actual situation of each of its businesses and markets.

• **Materiality Information is material if its omission or misrepresentation in the Report could influence the decisions and actions of the Reporting Organisation's Stakeholders. Materiality refers to the importance or relevance for the business of the various aspects related to sustainability.**

In drafting this Report, ACCIONA identified and selected the material aspects of its activities within the broad scope of corporate responsibility. The Company followed the GRI G3 Guidelines and, based on them, expanded upon each issue in accordance with stakeholder feedback obtained by a range of channels.

ACCIONA updated the 2007 materiality study based on the AA1000. As a supplementary measure, in 2008, the Company analysed a series of potentially relevant issues that are addressed by the Dow Jones Sustainability Index, the Company's scores and their relative weights in each category, and conclusions from the Committee of Independent Experts, which evaluated the adequacy of the information contained in ACCIONA's 2007 Sustainability Report. The goal was to obtain relevant information and thus focus the Report on issues that might jeopardise ACCIONA's reputation directly. The challenge was to identify and justify which issues are of interest to stakeholders and, therefore, pose a risk to the Company's reputation.

ACCIONA is committed to identifying and understanding the social, environmental and economic impacts of its activity

The conclusions from the analysis confirmed the importance of specific issues for ACCIONA's reputation, including: adaptation of its internal regulations to the recommendations in the Unified Corporate Governance Code; inclusion of the clause requiring compliance with the 10 Principles of the UN Global Compact in orders and contracts; progress in consulting stakeholders in markets outside Spain; the use of risk management maps; progress in the production of biofuels; energy efficiency; the definition of environmental objectives; progress in environmental indicator management models; progress in diversity and equality, etc. Moreover, a special effort was made to align ACCIONA's corporate responsibility strategies with the current global economic and financial uncertainty.

ACCIONA manages projects on the basis of the risks they entail.

• **Project management is carried out from the perspective of the risks that can be generated**
 • **ACCIONA also analyses, the expectations of all stakeholder groups**
 • **In 2007, a self-assessment process was launched for the management systems**

This approach must meet the expectations of all the Company's stakeholders. ACCIONA's projects and society as a whole will only benefit mutually if these expectations are analysed in detail.

In order to identify and manage the risks that threaten the attainment of ACCIONA's goals, risk maps for each line of business were used, which together create a risk map for the entire Group. The risk maps for each business area address the probability of each risk, the economic consequences, the impact on the Company's image, the Company's ability to manage the risk and the approach adopted to manage each risk.

• **Completeness** The completeness principle requires that the assurance process evaluate the extent to which the reporting organisation can identify and understand its sustainability performance associated with activities, products, services, sites and subsidiaries for which it has management and legal responsibility.

This Report aims to properly reflect the implications, risks and challenges inherent in each of the Company's business lines. To ensure completeness, this Report also rounds out relevant specific aspects with case studies and concrete examples.

In 2007, management systems in all of ACCIONA's divisions were self-assessed in an effort to ascertain the level of excellence. Five areas for assessment were identified, including a specific section on management of environmental aspects.

The Métrica project manages all ACCIONA's environmental indicators

Given the diversity of ACCIONA's businesses and the markets in which they operate, it is necessary to use a common action framework defined in line with the socioeconomic characteristics of key markets. In this vein, the principles underlying ACCIONA's strategy are transparency as well as understanding and meeting stakeholder expectations.

For greater readability and accessibility, graphs are used to illustrate control and management mechanisms, action plans and commitments in relevant areas.

Scope

Since 2005, the information in ACCIONA's Sustainability Reports has been structured into divisions. The scope is identified for each indicator. The data in the chapter "Efficiency in processes and excellence in management" includes the Company's international activity for the first time.

The Métrica Project, launched in 2007, aims to manage all of ACCIONA's environmental indicators appropriately.

In 2008, Métrica strengthened its position as the tool for monitoring and tracking the environmental performance of ACCIONA's processes and activities. The Company thus has mechanisms that guarantee reliable data collection and transparency.

Ninety-five percent of production centres participated in the Métrica project in 2008, including locations in other countries for

the first time. One of the Métrica project's main goals in 2008 was to increase the participation rate.

The information in the Report refers to all of ACCIONA's business lines.

Only Endesa financial figures have been included within the scope of this Report, so as to avoid variations within the consolidation perimeter that could alter data traceability and tracking.

ACCIONA sold its entire 25.01% stake in Endesa to Enel S.p.A. on 20 February 2009, with the result that Endesa will be excluded from the consolidation scope in 2009.

- **Responsiveness**

The responsiveness principle requires that the reporting organisation disclose what actions it has taken in response to stakeholder concerns and interests and also what indicators are included to reflect associated changes in sustainability performance.

Dialogue with stakeholders

An ongoing transparent relationship with its primary stakeholders is a key aspect of ACCIONA's corporate responsibility strategy. Knowing the expectations of its stakeholders is fundamental for designing and implementing strategies in line with ACCIONA's vision.

ACCIONA identifies and categorises stakeholders and defines stable communication channels with them. In 2007, ACCIONA commenced identification of the main socioeconomic and environmental aspects and stakeholder expectations

in its key markets, the final goal being to disseminate its commitment to sustainability and ascertain those markets' expectations of the Company. The main markets in the study were Canada, the US, Mexico, Brazil, Chile and Poland; Australia was added in 2008.

Committee of Independent Experts

In line with its commitment to transparency, and in an effort to directly include information received from stakeholders, ACCIONA engaged a Committee of Independent Experts to represent the expectations of its main stakeholders. To that end, the Committee was commissioned to draft a report with conclusions regarding the adequacy of the information contained in the Sustainability Report in relation to the main issues to which the Company should respond.

The committee is chaired by Jesús Lizcano (President of Spain's chapter of Transparency International and Professor at the Madrid Autonomous University), and comprises Juan Carlos

del Olmo Castillejo (WWF/Adena), María González de Asís (World Bank Institute), Aurelio García Loizaga (the ECODES ecological and development foundation), Ana Etchenique Calvo (CECU, the Spanish Confederation of Consumers & Users), Elena Arengo (Social Accountability International) and Edgardo García Larralde (Living Earth Foundation).

The continuous and transparent relationship with the main stakeholder groups is a fundamental element of the corporate responsibility strategy