

Committee of Independent Experts

COMMITTEE OF INDEPENDENT EXPERTS

Report of conclusions

Chairman

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Experts

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We were commissioned by independent auditor KPMG to draw up a Report of Conclusions on the adequacy of the information contained in the Sustainability Report and Corporate Governance Report of ACCIONA with regard to the issues which, in the opinion of the Committee members, are the

main matters which the Company must address in its public disclosures regarding its commitment and performance in pursuit of sustainable development.

To that end, we asked Company management the following questions independently:

QUESTIONS ASKED OF ACCIONA'S MANAGEMENT COMMITTEE

1. ACCIONA's Sustainability Report for 2007 refers to the Group's Climate Strategy, whose basic objective is to "reduce its Carbon Footprint". However, we find no quantification of this reduction target or of the degree of attainment and, therefore, the Committee wishes to know if there are quantified referenced objectives for reducing the Company's carbon footprint. If there are, it is recommended that those targets be presented in a clearly quantified form, explicitly mentioning the baseline year for the reductions and the target deadline, and referring to absolute emissions; information is also requested about the degree of compliance with those objectives.

2. In connection with greenhouse gas (GHG) emission by companies in the ACCIONA group, the Report

states that ACCIONA Logistics & Transport Services generates 70% of those emissions. If that is the case, the development of more efficient systems and modes of transport would clearly have an enormous impact on reducing GHG emissions by the ACCIONA companies. However, despite ACCIONA's efforts in research, development and innovation, as described in the Report, the Table of GHG emissions avoided by ACCIONA companies reveals that the transport sector accounts for less than 2% of avoided emissions (99,139 out of 6,508,809 t CO₂). What is ACCIONA's medium-term goal in connection with the advisable improvement of the transport sector from the standpoint of reducing GHG emissions?

3. The corporate environmental objectives for 2008 set out in ACCIONA's report include: To increase the percentage of businesses that have certified quality and

environmental management systems; to redefine and improve the management indicator system; to organise "improvement groups" at corporate level and in all the business lines to set out actions aimed at increasing process efficiency; and to improve environmental performance by setting out objectives for each business line and at a corporate level. In this respect, we ask: Do the environmental performance objectives include the identification of impacts on areas of high biodiversity, follow-up and correction in all phases of the project, and final assessment of performance and the degree of correction that is applicable? Does the Company undertake specific monitoring of projects (its own and those of subsidiaries) conducted in areas of tropical forest?

4. In the Annual Report, the Chairman of ACCIONA states that the Company, as the largest shareholder of Endesa: "leads the transition towards a sustainable energy model"; since Endesa is a key player in reducing CO₂ emissions from power generation, what measures does ACCIONA plan to implement to effect this change in the Company towards sustainability? And, since hydroelectric is one of ACCIONA's priorities: What is its position regarding Endesa's plans to build a number of dams in Chilean Patagonia which may substantially alter some of the planet's most valuable rivers and have apparently aroused considerable rejection at a local level?
5. As for the policy applied with regard to suppliers and customers: ACCIONA wishes to convey its commitment to the principles of the Global Compact to its suppliers, to which end it assesses and grades the suppliers: How many suppliers and/or contracts have been turned down due to failure to fulfil the requirements? Additionally, given the limited number of suppliers with environmental certification, what goal has ACCIONA set to increase the proportion of certified suppliers? And, regarding customers, ACCIONA declares that it actively encourages its customers to adapt their behaviour to the guidelines set out in the Code of Conduct: What specific measures are taken to promote responsible environmental practices among customers?
6. A number of questions arise with regard to the information about Efficiency: There are a number of factors that limit the analysis of the information: whereas consumption data is given in terms of absolute figures and efficiency indicators, only absolute figures of waste production are given, which makes it difficult to analyse trends. Regarding the consumption of materials, why does ACCIONA Logistics & Transport Services disclose figures for paper and lubricant, but not fuel? ACCIONA has also defined a three-year Energy Efficiency Plan: What are the specific improvement commitments it has made for that period?

7. ACCIONA's Sustainability Report discloses that the Group owns a biodiesel plant with an annual production capacity of 70,000 tonnes; the feedstock is canola, soy and palm oil; in connection with the latter two, it states that it only acquires raw materials from companies that belong to the Round Table on Responsible Soy and the Round Table on Sustainable Palm Oil. Given these fuels' impact on the environment, can the Company give information about the tonnes of each material that it imports, and the countries and specific regions from which they come?

8. In connection with ACCIONA Energy's water consumption, the table giving the breakdown of water consumption by source in the Report notes that, whereas total water consumption and the efficiency indicator have improved considerably, ground water consumption by

ACCIONA Energy increased significantly in 2007 with respect to 2006 (from 124,116 to 373,188 m³). What is the reason for such a large increase? Given the proven sensitivity of many aquifers to over-exploitation, what are the projections for the future use of ground water by ACCIONA Energy?

9. A clear accounting of the Company's contribution to the community, with monetary values, is an acknowledged best practice as regards companies' environmental and social transparency. Pages 173 and 175 of ACCIONA's Sustainability Report detail its commitment to the communities where it operates. However, the monetary amounts allocated to community action are not clearly explained, since some are approximate figures and others refer to commitments over several years and the contribution in the year in question is not specified; in other cases, no amount is disclosed for a particular action.

Therefore: Could the Company give more detail of the monetary amounts of the Company's community action for the year in question, i.e. the business resources allocated to socioeconomic development projects to support the most disadvantaged, mainly in the area of social services, healthcare, education, professional training and employment (including the value of monetary contributions and donations in kind)?

10. The information about ongoing litigation (Financial Statements) appears to suggest there is more attention to the response of the shareholders as stakeholders, as compared with consumers/customers. The Committee would like to know the reasons for the litigation and the complaints that gave rise to them, at least the most important ones, and the measures that ACCIONA will take to avoid - or at least minimise - situations of this type.

11. On page 88, the Report says that the Company “has a number of protocols in place to prevent harassment” and that it “fosters awareness-raising and training for executives and managers in equality and in discrimination prevention”. How does the Company assess the effectiveness of the protocols and the activities to raise awareness and prevent discrimination? Apart from executives and managers, how does the Company inform lower-level staff about these mechanisms and the channels available to make complaints without suffering reprisals?

12. Although ACCIONA’s Report states that 78% of its companies have ISO 9000 quality certification, there is no information about the regulations on consumer rights in the

various countries where they operate. Likewise, there is no information about customer health and safety regulations and their compliance or otherwise in the countries where the group companies operate. Please provide information and details.

13. A number of questions arise in connection with the Company’s actions with regard to workplace safety: a) Can the improvements to the frequency and severity indices of ACCIONA Infrastructures, disclosed in the Sustainability Report, be extrapolated to the Company’s other business units? b) Are the Company’s suppliers and contractors required to have similar safety protocols? c) What measures has the Company adopted to implement a policy of improvement in working conditions and workplace safety in

developing countries where it operates? What are the current accident and severity rates in those countries? d) And as a result of the implementation of the “Frágil” campaign: has any change been observed in workers’ attitudes towards a culture of safety?

14. ACCIONA’s Report describes pilot projects to integrate immigrant workers, consisting of training programmes in their countries of origin (Senegal) and placement in jobs in Spain. Do these immigrant workers enjoy the same wages and benefits as Spanish workers performing the same tasks? Does the Company offer these immigrant workers any additional benefits to ensure their families integrate during their period of employment in Spain?

15. Based on the Code of Ethics approved by ACCIONA: a) Is the information about the Code of Ethics Committee's actions made public? b) Is there any information about cases of corruption or bribery? If so: Where did it occur, in what business segment, and what actions were taken? Was this information disseminated throughout the Company and/or were these actions reported publicly?

After considering ACCIONA's replies to our questions and examining the content of its public disclosures, our opinion on the way in which the questions raised above have been addressed is as follows: This opinion does not, in any case, form part of the process of external verification by an independent external verifier.

CONCLUSIONS OF THE REPORT

The purpose of this Committee is to evaluate the different social, ethical, environmental and labour aspects of this entity that are most relevant for its stakeholders and other segments of society, and their treatment in the Sustainability and Corporate Governance Reports, in order to disclose both the positive aspects and the drawbacks, shortcomings or matters susceptible to improvement with regard to this company's situation and activities within the aforementioned framework. Accordingly, this Committee states as follows:

Of the replies and disclosures analysed in connection with our

fifteen questions above, we can distinguish three groups in terms of their degree of responsiveness to this Committee's wishes:

- There is a group of questions which have been answered adequately and coherently, with high-quality answers plus related and supplementary information. They are the following twelve questions: 1, 3, 4, 5, 6, 7, 9, 11, 12, 13, 14 and 15. Despite this high level of quality and responsiveness, the Committee members wish to make specific comments on five questions:

- As regards question 1, although the Company provided sufficient information, it is recommended that it quantify the basic Climate Strategy

targets, just as the Carbon Footprint data is monitored quantitatively.

- Regarding question 3, it is recommended that the Company expand and be more specific about the impact of subsidiaries on diversity, and that it provide more information about management of development projects in areas of tropical forest.

- As for question 4, although the Company decided in 2009 to sell its stake in Endesa, the response does not clarify how ACCIONA promoted the transition towards a sustainable energy model through Endesa itself in the preceding period.

- Regarding question 7, although the Company's reply is generally adequate, it fails to provide a specific breakdown of the materials' provenance by country and region, nor is any justification given for this omission.

- As for question 12, the Company provided detailed and relevant information about Prevention of Risk at Work in the various facets of its activity, but it did not respond about its customers' health and safety. It is recommended that this additional information be included in the reply.

- There is a second group of questions where we consider the answers and/or information provided is insufficient to a degree; to that end, we make the following recommendations: We refer to questions 2 and 10.

- The reply to question 2 provides some details about the fuel consumption optimisation measures envisaged in ACCIONA Trasmediterranea's Energy Efficiency Plan; however, there should be broader information about ACCIONA Logistics & Transport Services, which is what the question referred to; the

Committee recommends that specific data be given about the objectives on a broader level, and the emission reduction targets for Logistics & Transport Services overall.

- In its reply to question 10, the Company does not reveal the reasons for litigation against consolidated companies (2007 Financial Statements); although the subsequent final answer reveals that there are no risks or provisions at 2008 year-end, this reply ignores the specific aspects of the question raised by the Committee in connection with the preceding period.

- Finally, the Committee considers the answer to question 8 to be clearly insufficient, for the following reasons.

- The Company's reply is a terse statement which fails to respond to the Committee's question. The Company provides a series of specific

data on water consumption trends, but fails to give the reasons for the increase to which the question referred, and it also fails to provide the Company's projections for future usage of ground water. In this respect, it is recommended that, in future Sustainability Reports, the Company expand the content and explanations of the data in this area sufficiently.

Apart from the opinions, shortcomings and recommendations set out above, the Committee welcomes the fact that a Company such as this one is willing to be subjected to a detailed critical evaluation by a Committee of Independent Experts such as this one, comprising members of non-profit, academic and supranational entities, which serve as representatives of

broad civil society, which is increasingly acting as a watchdog for compliance by companies with ethical, social and environmental rules. We consider, moreover, that the transparency evidenced by some companies may serve as an example to other companies to provide the social and economic transparency that a modern society demands.

Signed by the Committee Chairman on 7 May 2009.



Signed: Jesús Lizcano Álvarez