

Social Dimension:

1. OUR PEOPLE

2. SAFETY, OUR PRIORITY

3. DIALOGUE AND COOPERATION

OUR GOAL: To contribute more value to the communities in which we are present

2008 MILESTONES

- ACCIONA maintained its position as sectoral leader in the Dow Jones Sustainability Index. It also received a Gold Class Sector Leader ranking, and appears in the Sustainability Yearbook.
- Australia included in the process of identification of and consultation with key opinion leaders with a view to establishing channels for dialogue in an effort to build a relationship of trust with the principal markets in which ACCIONA operates.
- Completion and approval of Ethical Channel instructions by the Audit Committee.
- Sponsorship of Expo Zaragoza 2008, "Water and Sustainable Development", as a result of ACCIONA's strategic alignment and positioning with the theme.
- ACCIONA included in the "Global 100 Most Sustainable Corporations in the World" index, presented at the World Economic Forum in Davos, Switzerland.
- ACCIONA honoured with the European Business Award Organisation's Corporate Responsibility Award. This distinction, awarded in 2009, gives recognition to the efforts made and the commitment undertaken by companies with regard to sustainability, and values the close link between sustainability and business strategy.

2009 GOALS

- Continue to be included in the most prestigious sustainability indices.
- Implement the Sustainability Workshop outside Spain.
- Extend the scope of internal communications to all employees worldwide. Dynamize the use of the intranet, encouraging agile cooperation and exchanges of information among employees.
- Implement action plans in all key markets, such as Welcome Packs in the short term and Sustainability Protocols in the medium term.
- Implement the first project of the ACCIONA Microenergy Foundation in Cajamarca, Peru.

OUR APPROACH

- We aim to catalyze the development of the societies where we operate. We believe in the need to adapt our business models to the challenges facing modern societies. We know that, in order to be successful, our projects must respond to the needs of those communities that will benefit from them. We want to effectively contribute to the creation of environments of well-being and opportunities for real development.

SUSTAINABLE BUSINESS MODELS

Since inception, ACCIONA has been committed to sustainable development. This extends to all areas of its activity, and is the hallmark of a company that is committed to the future.

ACCIONA aims "to be a leader in the production, development and management of infrastructure, energy and water, actively contributing to social well-being, sustainable development and the creation of value for stakeholders".

The Company's actions revolve around the three cornerstones of sustainability: promoting economic

development, creating social value and scrupulous respect for the environment.

ACCIONA's management aims to maximise value creation and well-being in the areas where it operates. It has taken on a commitment to renewable energies, efficient management of the water cycle and the creation of infrastructure with environmental and social added value.

The business model is based on a relationship of trust with stakeholders, evidenced by efforts to identify the social and environmental expectations of its key markets.

ACCIONA's actions take place around three basic pillars of sustainability:

- promotion of economic development,
- social value creation
- absolute respect for the environment

The Company's projects are designed to assimilate the specific features of local socioeconomic environments to meet the identified development needs and to successfully move towards models of development based on commitment and solidarity.

As part of its corporate social engagement, ACCIONA also implements programmes to promote awareness about sustainability, culture, integration, cooperation and solidarity.

A ground-breaking programme for executive training

ACCIONA executives are responsible for taking the lead in sustainable business models. They need to be prepared to take on these challenges. The Chronos programme was implemented in 2008 for 1,500 ACCIONA's executives and middle management. The programme, which breaks new ground in sustainability training, is divided into six units focused on reflecting about the impact of the surroundings on the Company's value and providing the tools to transform that impact into sustainable value for the Company. The three-month programme is conducted online. It was designed by the University of Cambridge, in cooperation with Fundación Entorno-BSCD España.

- **The Ethical Channel allows employees to put questions about, or report irregularities concerning, the Code of Conduct**
- **Welcome Packs identify the most critical elements in the area of sustainability**
- **Sustainability Protocols bring together ACCIONA's medium- and long-term aims and commitments**

DIALOGUE AND COMMUNICATION, GROWTH WITH TRANSPARENCY

The key to success for modern companies lies in the ability to meet the demands and expectations of their stakeholders. To this end, it is necessary to have an in-depth knowledge of the environments in which companies operate, establishing stable, efficient communications channels.

ACCIONA is committed to open dialogue and communication with all stakeholder groups, using a wide range of specific tools, from forums to internal communications channels, such as the Ethical Channel, available to employees so that they may ask questions and report breaches of the Code of Conduct.

Stakeholders: competitive advantages

In 2007, ACCIONA began identifying the principal social challenges and performance expectations faced by the Company in developing its businesses. This process began by identifying and consulting key opinion leaders to establish channels of dialogue and actions aimed at creating relationships of trust between the Company and its surroundings.

This process aims to convert ACCIONA's commitment to sustainable development into a tool for international expansion, to capitalise upon commitments and facilitate growth in new markets.

ACCIONA has conducted an extensive consultation process with key opinion leaders in Canada, the US, Mexico, Brazil, Chile and Poland; Australia was added in 2008.

In 2008, following the identification and consultation processes, short- and medium-term plans of action were developed for each of the markets, entitled "Welcome Packs" and "Sustainability Protocols".

This project aims to exploit opportunities within the Company's scope, to look for strategic, competitive advantages, and to build the trust necessary to operate successfully in ACCIONA's key markets.

The "Welcome Pack" identifies the activities the Company will undertake in the short term to address the most critical areas of sustainability.

The "Sustainability Protocol" serves as a medium- and long-term guide reflecting the actions, commitments and objectives needed to align ACCIONA activities with its commitment to sustainability.

Articulate, open communication

ACCIONA understands that interaction with its stakeholders is a continuous, open, transparent process. The Company uses all of the tools at its disposal so that dialogue and communication are adapted to every geographic and social situation. Coordinating and incorporating contributions into the Company's business plans will determine their success in the medium and long term.

STAKEHOLDER GROUPS	COMMUNICATION WITH STAKEHOLDER GROUPS
Shareholders, analysts and investors	<ul style="list-style-type: none"> • Shareholder office: a space on ACCIONA's corporate website with contact information for investors.
Employees	<ul style="list-style-type: none"> • Consulting executives. In 2008, ACCIONA continued the consultations regarding the perception and evaluation of the brand and the impact of the sustainability challenge on the Company's management model. • Employee satisfaction survey: These surveys, which aim to compile detailed information about ACCIONA's work environment, adopt an innovative approach and include factors such as corporate identity, management of intangibles and management style. • Intranet: In 2008, 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. • Ethical Channel: ACCIONA has provided employees with an "Ethical Channel" through which they may report irregular conduct and make queries about the Code of Conduct.
Customers	<ul style="list-style-type: none"> • 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 two examples of solid customer satisfaction measurement systems.
Suppliers and contractors	<ul style="list-style-type: none"> • Systems to grade and standardize suppliers: ACCIONA has standardized selection processes which enable it to select the best suppliers for each of its business areas. • Communications channels: ACCIONA provides suppliers and contractors with a range of methods for communication and control, questionnaires, and procedures for filing and handling complaints.
NGOs, sustainability specialists and local communities	<ul style="list-style-type: none"> • Corporate Social Responsibility Mailbox: Channel directed at the general public, where people interested in sustainable development can ask questions and make comments and suggestions. • 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. • 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.
Governments and public administrations	<ul style="list-style-type: none"> • ACCIONA participates in public consultation processes regarding regulatory proposals in its different areas of activity. It also participates in the process of drafting regulations related to its activities through round table discussions with industry associations. ACCIONA organises and participates in joint events between public administrations and companies in the sector.

Integration in all areas of our business

- As part of its commitment to integrating people with disabilities, ACCIONA designed its corporate website in line with the UNE 139803:2004 standard, applying accessibility parameters, defined by the Web Accessibility Initiative (WAI), and the guidelines of the World Wide Web

Consortium (W3C), to the AA level.

- Through this initiative, ACCIONA confirms its commitment to sustainability and transparency by making access to information universal, and differentiating itself through its socially responsible attitude.

Ethical Channel, one year of transparency and commitment

In May 2007, ACCIONA's Board of Directors approved a new Code of Conduct, and, with it, the creation of an Ethical Channel. This extremely important initiative provides employees with an effective tool for confidentially communicating irregularities that may affect ACCIONA's principles and values.

The Channel was the subject of an intense promotional campaign on the intranet and on ACCIONA's corporate web site. Forty thousand bilingual (Spanish-English) copies of the Code of Conduct were distributed, in addition to copies in French, Polish and Portuguese. All Human Resources departments were notified of the Channel's entry into force, so that they could inform employees of the Code of Conduct's features.

In parallel, a Code of Conduct Committee was created to manage communications received regarding breaches. The Company also developed an action protocol for cases of improper conduct, and a specific protocol in the event of sexual harassment or gender discrimination.

After more than a year in operation, at 31 December 2008, the Ethical Channel had received 56 communications, of which 26 led to an independent investigation; 25 were completed and measures were approved by the Audit Committee.

**ACCIONA's
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40,000
COPIES OF THE CODE OF
CONDUCT DISTRIBUTED

56
COMMUNICATIONS SENT
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26
INDEPENDENT
INVESTIGATIONS

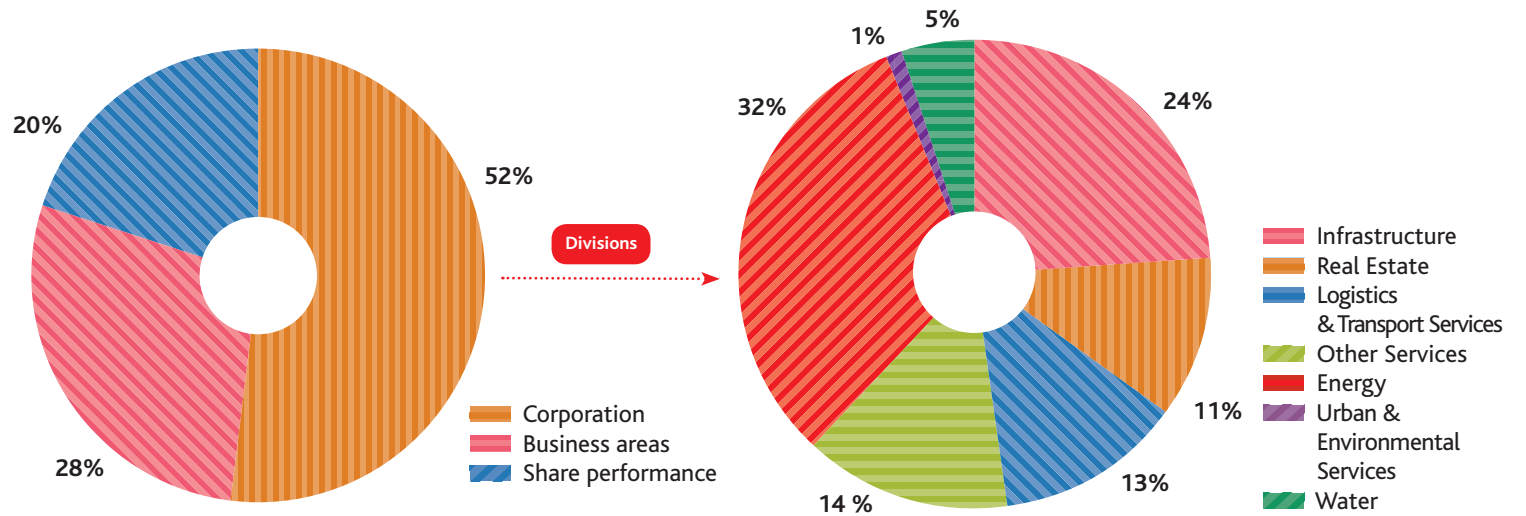
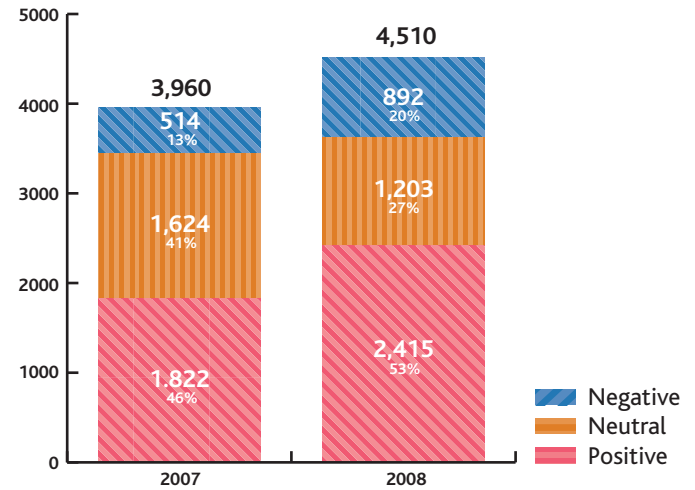
25
MEASURES APPROVED
BY THE AUDIT COMMITTEE

ACCIONA in the news

In 2008, ACCIONA was mentioned in the news 13.9% more often than in 2007. Positive news reports increased by 53%, negative news by 20%, and neutral news reports declined. A large part of the negative news was related to the performance of ACCIONA's stock, which was impacted by the global economic situation.

The largest single area of news (52%) was related to corporate issues. Energy and Infrastructure were the two divisions most referenced in the media.

Quantitative and qualitative breakdown 2007-2008



COMMITMENT AND MODERNITY

ACCIONA's contribution to community development is an integral part of its business plans. The Company's projects in the areas of energy, infrastructure and water stand out for their focus on innovation and sustainability as a means of differentiation and a source of competitive advantages. R&D and Innovation plays a key role in this context. ACCIONA is a leader in technological development and aims to maintain growth based upon excellence and social innovation.

ACCIONA's commitment to development and sustainability is based on two fundamental ideas:

- Promotion of well-being through projects and services;
- Implementation of social development projects, in line with business objectives and the needs identified in the areas in which the Company operates.

To make progress in this area, in 2007, ACCIONA approved its Social Action Policy, which formalises commitments, establishes strategic lines of action and monitors contributions and their impact on affected stakeholders.

SOCIAL DEVELOPMENT AND BUSINESS SUCCESS GO HAND IN HAND

ACCIONA Infraestructure

This area of business, whose competitive advantage is based on excellence, operates in all areas of construction, from engineering to project execution. All of its actions take account of economic, environmental and social aspects, while always having regard to overall sustainability.

The Lai Chi Kok Viaduct, at the forefront of modern infrastructure construction

- The Company inaugurated the Lai Chi Kok Viaduct (Hong Kong) in March 2008. The viaduct, which cost 110 million euros, is 1.4 kilometres long and spans an area of 280,000 m², much of it overlooking occupied residential and industrial areas with intense traffic; more than 300,000 vehicles are expected to use it daily.
- The viaduct was built using 15,000 tonnes of recycled concrete, which, after ensuring compliance with the project's specifications, was used essentially as infill. The concrete was recycled at an on-site plant.
- The environmental advantages of using recycled materials in the project are twofold: it reduces the volume of waste being disposed of in landfills, and it reduces the use of new materials as infill. Additional advantages derived from the use of recycled concrete were the reduced noise levels at the recycling plant and the mitigation of dust generation thanks to the use of sprinklers.
- The Lai Chi Kok Viaduct received the Gold Award in the Hong Kong Construction Industry Safety Award Scheme; this is the most prestigious safety award in the construction industry in Hong Kong, which recognises construction companies with noteworthy actions in the area of workplace health and safety. The Company also received the Considerate Contractor Site Award (CCSA) and Outstanding Environmental Management & Performance Grand Award (OEMPGA) in 2006 for the Tung Chung noise barriers.
- These awards reaffirm ACCIONA's commitment to sustainability, which is a fundamental principle guiding the Company's actions.

ACCIONA Energy

ACCIONA Energy is a world leader in the field of renewable energies. It develops and researches the leading clean energies and is the world's largest developer and builder of wind farms. ACCIONA Energy develops and collaborates on power generation projects using seven renewable energies: biomass, mini-hydroelectric, solar photovoltaic, solar thermal, solar thermoelectric, biodiesel and bioethanol.

World leader in renewable energies, ACCIONA Energy is the largest developer and constructor of wind farms in the world

29.7 MW

REGISTERED AS CDMS IN INDIA

116 MW

OF ACCIONA INSTALLED CAPACITY REACHED IN INDIA

What is the Clean Development Mechanism (CDM)?

- CDM is one of the flexible mechanisms envisaged in the Kyoto Protocol to reduce greenhouse gas (GHG) emissions. It aims to encourage projects, from public and private entities, in developing countries to contribute to sustainable development and to reducing GHG emissions.
- Developer companies and entities receive Certified Emissions Reductions (CERs), which may be used in industrialised countries to comply with emissions reduction requirements under the Kyoto Protocol.
- CERs can be sold in the emissions trading market, ensuring a project's economic viability and encouraging sustainable development initiatives in developing countries.

CDMs in India, environmental and social advantages

- The Company's Anaburu (16.5 MW) and Arasinagundi (13.2 MW) wind farms, located in Karnataka in southern India, have been registered as Clean Development Mechanisms (CDMs), by the Clean Development Mechanism Executive Board, under the United Nations Framework Convention on Climate Change (UNFCCC).
- The energy produced by the two farms over the ten years stipulated in the decision will avoid the emission of the 882,400 tonnes of CO₂ that would have been emitted by the region's conventional power plants in producing the same amount of energy. The wind farms' owner will receive Certified Emissions Reductions (CERs), which may be sold on the emissions trading market.
- CERs can be sold in the emissions trading market, ensuring the economic viability of the projects and encouraging sustainable development initiatives in developing countries.
- The construction of these two wind farms makes ACCIONA the first Spanish wind farm developer to own facilities in India. ACCIONA currently has 14 employees in its subsidiary's headquarters in Bangalore and plans to expand its presence in India in the coming years. ACCIONA is currently developing two other wind installations in India, for which registration as a CDM is at an advanced stage, with the result that the Company will have a total of 116 MW of installed capacity in the country.

ACCIONA Agua

ACCIONA Agua's mission is to be a leader in end-to-end water management, providing global solutions through innovation in design, construction and operation of drinking water, sewage and desalination plants. ACCIONA Agua is a world leader in reverse osmosis (RO) desalination, the most advanced, efficient and reliable technology available at present for obtaining drinking water from seawater. This division of ACCIONA meets the basic needs of millions of people.

ACCIONA Agua to make the Thames River drinkable

- **Thames Water, the company responsible for supplying water to the London area's more than eight million inhabitants, selected ACCIONA Agua to design and build a desalination plant for the Thames River.**
- **This plant, which will be the first to treat water from the Thames, will employ RO desalination technology. It is expected to produce 150 million litres of drinking water daily and will supply almost one million people in London during droughts.**
- **To avoid environmental impact and CO₂ emissions linked to the plant's operation, it will run exclusively on renewable energy.**
- **The plant will not be installed on the banks of the river, as is common practice, but, rather, on the Thames estuary, adjoining the current Beckton sewage plant, east of London. This is the first plant that will combine waste water reuse and desalination technology; as a result, it has been short-listed for the Global Water Awards 2009.**
- **This project represents another successful experience of ACCIONA Agua in international markets; it already operates in the US and Australia.**

- **ACCIONA Agua brings global solutions to water cycle management**
- **It is a world leader in reverse osmosis desalination for obtaining drinking water**
- **Thames Water chose ACCIONA to design and build a desalination plant for the River Thames**

SOCIAL DEVELOPMENT, A COMMITMENT AND A RESPONSIBILITY

ACCIONA ensures that its social commitment is effective and efficient by establishing objectives and priorities in the area of social development, in line with its business goals and the real needs of the communities in which it operates. ACCIONA's commitment to society does not stop at the bottom line: the Company is fully aware of its responsibility to take on a leading role in promoting sustainability.

To this end, it is vital to focus social programmes on the needs and expectations of local development. ACCIONA understands that the best way to achieve this goal is to align its development activity with collaborative actions, sponsorship and patronage. In this way, it aims to improve the effectiveness of its commitment, reinforcing activities that are already under way to solve problems and respond to real expectations.

MORE THAN
100,000
SCHOOLCHILDREN
EDUCATED IN
SUSTAINABILITY

ACCIONA created a "Sustainability Workshop" for schools

- ACCIONA has been implementing its educational programme, "Renewables: Energy for Sustainability", in Spain since 1994. Over the past 14 years, the programme has provided guided visits around wind farms and the Company's other facilities to more than 100,000 schoolchildren and teachers.
- In 2008, the programme, now known as "Sustainability Workshop", broadened its content to include different aspects of sustainability and extended its scope to other countries. This programme

enables ACCIONA to provide schools, teachers and students with a set of learning materials designed to instil environmental values and contribute to a world that is more sustainable, fairer and in harmony with nature.

- This initiative, which is part of the Decade of Education for Sustainable Development (2005-2014, DESD), a UN initiative headed by UNESCO, includes the following objectives:

1.- To contribute to the quality of education and initiate

cooperation with educational administrations in the area of Education for Sustainable Development (ESD).

2.- Forge closer links with the local communities where ACCIONA operates.

3.- Collaborate with schools to design education that is capable of generating environmental integrity and fair, economically viable development, without compromising current and future generations.

4.- Support the development of values, abilities and attitudes towards sustainability among

students and teachers.

5.- Support participation in the cultural change towards greater environmental sensitivity in schools.

- The Sustainability Workshop offers various resources: learning materials, teacher training, extra-curricular activities on innovation and sustainability, etc.
- 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.

In 2008, ACCIONA continued to support various institutions committed to solving society's problems:

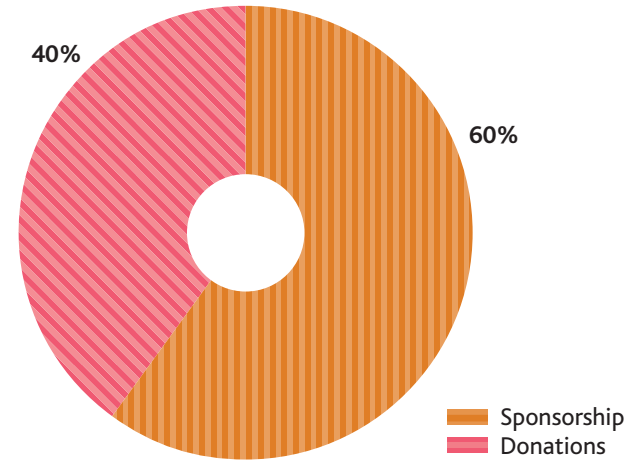
- ACCIONA, along with a number of other companies, signed an agreement to co-finance Spain's National Centre for Cardiovascular Research (CNIC) with 100 million euros; this is one of the the principal instances of corporate sponsorship of research in recent years, not only because of its size but also because of the results that are anticipated.
- The Company is a member of the business and society foundation, Fundación Empresa y Sociedad, which aims to boost sustainability of companies with respect to current social issues, the goal being for them to commit to better practices in this area.
- ACCIONA is the first Spanish company listed on the Ibex-35 to join the World Business Council for Sustainable Development (WBCSD), an association comprised of leading global companies that share a commitment to sustainable development through innovation, efficiency and corporate social responsibility. ACCIONA is an active

member of the WBCSD, participating in various working groups on climate change and energy, sustainable construction and the role of business in society, among other initiatives.

- Since 2005, ACCIONA has participated in the United Nations Global Compact, which is based on the commitment to adopt, support and promote a set of fundamental values in the fields of human rights, environmental protection and anti-corruption. It presented its Second Progress Report in 2008.

ACCIONA supports cultural and leisure activities. The Company helps to provide the leisure and cultural services that society demands, actively working with governments and private initiatives which promote activities of this type. In this area, of special note is ACCIONA's donation to the Prado Museum of a total of 2.5 million euros between now and 2011, which will enable the museum to display works from its collection that have been languishing in storage. In 2008, ACCIONA donated a total of 3,360,263 euros to sponsorship and patronage activities and 2,245,079 euros to various associations.

Sponsorship and donations



ACCIONA is present in the most prestigious sustainability indices in the world as a consequence of its efficient management of sustainability

External recognition, the motivation to move forward with our commitments

As a result of effective management of sustainability initiatives in 2008, ACCIONA is included in the most prestigious sustainability indices in the world, including the following:

- Dow Jones Sustainability Index (DJSI): ACCIONA is the sector leader for the second consecutive year;
- KLD Global Climate 100 Index: ACCIONA has been included in this index, which aims to promote investment in 100 companies that have played the greatest role in the fight against climate change by promoting renewable energies;
- ACCIONA is included in the Global 100, which lists the 100 most sustainable companies in the world. Only three Spanish companies are included in this index.

Furthermore, ACCIONA received the following awards in recognition of its efforts to promote sustainability in 2008:

- The SAMOTER International Award in Verona (Italy), in the foreign company

category. This award recognises ACCIONA's contributions to the development and management of infrastructure, real estate projects, transport and urban services and the development of renewable energies.

- The Tampa facility was named Desalination Plant of the Year by the magazine Global Water Intelligence.
- In 2008, ACCIONA was ranked tenth by the Spanish Monitor of Corporate Reputation (MERCOR). This index ranks the top 100 companies with the best corporate reputation in Spain.
- The 2008 International Occupational Risk Prevention Award in recognition of its commitment to raising awareness and applying values in promoting workplace health and safety.
- José Manuel Entrecanales, Chairman of ACCIONA, received the MDI 2008 award from the Master's Programme in Construction and Real Estate Company Management at Madrid's Polytechnic University as Leading Businessman in Construction and Real Estate Development.
- The Company received the medal of honour from Expo Zaragoza 2008 for its adoption of the event's theme, "Water and Sustainable Development".

- ACCIONA received the Ruban d'Honneur award for corporate responsibility. This award, which is part of the European Business Awards, recognises excellence, best practices and innovation among European Union companies.
- It was also finalist in the 4th TAW Web Accessibility Awards in the category of "Most Accessible Corporate Website". The TAW awards recognise the efforts of Spanish-speaking government entities and private companies in working for an accessible Internet.
- ACCIONA and ACS received the Gold Award, granted by The Canadian Council for Public-Private Partnerships; it is one of the sector's most prestigious awards in Canada. Furthermore, ACCIONA's construction of the A-30 autoroute in Canada was named North America Deal of the Year by PFI, a leading global publication.

ACCIONA Microenergy Foundation

- The ACCIONA Microenergy Foundation was created to focus the Company's efforts towards development activities which meet the real demands and needs of rural areas in the countries in which it operates.
- The Foundation's goal is to work with others to increase access to energy, water and infrastructure for people and communities who lack those resources.
- ACCIONA focuses its efforts on the fields it knows best, which are also essential areas for development: energy, water and infrastructure.
- ACCIONA wants to use its business capabilities to ensure that projects are long-lasting. The foundation aims to offer a technological solution and a social-business solution, based on the creation of a social fabric in the areas in which it operates.
- To this end, the ACCIONA MICROENERGY Foundation will create a non-profit organisation in each country in which ACCIONA operates, whose goal will be to increase access to energy and water for rural populations who have little prospect of gaining access to the national grids in the coming years.
- The main advantages of the electrification model proposed by the ACCIONA Microenergy Foundation are:
 - 1.- In addition to the donation of equipment, the Company ensures it is maintained and guarantees that the system continues to operate. The project is sustainable over time as a result of the initial donation.
 - 2.- It extends training to include technicians, creating a social fabric.
- ACCIONA Microenergy Foundation's first project is to provide basic access to electricity via photovoltaic panels to 3,500 homes in Cajamarca (Peru), a country where 66% of rural areas lack access to electricity.