
STAKEHOLDER ENGAGEMENT

Listen to take action

In order to offer practical and sustainable responses, ACCIONA's strategy must be based on the various expectations and interests of its stakeholders through direct dialogue with customers, communities, investors and the authorities involved in the decision-making process.

2014

Challenges	Advances
<ul style="list-style-type: none">■ Direct consultations with the main stakeholders in key markets for reviewing and updating the SMP.	<ul style="list-style-type: none">■ Consultations with the main stakeholders.
<ul style="list-style-type: none">■ Consultations with Company customers.	<ul style="list-style-type: none">■ Meetings with, among others, Acuated, the Costarican Institute of Aqueducts and Sewers, Danone and Sedapal.

2015

Challenges
<ul style="list-style-type: none">■ 2020 Consultations: Consider stakeholder expectations in drafting the 2020 Master Plan.
<ul style="list-style-type: none">■ Continue the consultations with customers.



By participating in various forums, conventions and dialogues, ACCIONA aligned and transmitted its business vision and ambition, related to sustainability, to its stakeholders.

- Participation, in collaboration with other companies and associations in the sector, in the process of reforming the regulatory energy framework in Spain and in the EU
- Ongoing and smooth communication with analysts and investors (284 in total)
- Meetings on the topic of sustainability with customers of the main business lines

STAKEHOLDER ENGAGEMENT
(G4-24, G4-25, G4-26 and G4-27)

ACCIONA considers it of vital importance to be aware of its stakeholders' expectations in relation to its performance regarding sustainability. Dialogue with stakeholders must therefore be ongoing, fluid and transparent.

ACCIONA approaches the dialogue process with a two-fold focus:

- Periodic consultations with stakeholders to discuss, review and update important topics in the SMP.
- Stakeholder consultations integrated into the systematics for evaluating the social and environmental impact of its projects.

Some of the main initiatives with the various stakeholders are highlighted below. In addition, the remaining chapters of this report include further examples of the actions conducted in 2014.



ACCIONA encourages taking the legislative measures necessary to carry out the **plan for Growth, Competition and Efficiency**

GOVERNMENTS AND REGULATORY BODIES

(G4-26 and G4-27)

ACCIONA considers dialogue between companies and the authorities involved in the decision-making to be a fundamental component for moving forward and adopting beneficial solutions that go beyond these two groups since they affect all market players and society.

To actively take part in this dialogue, ACCIONA is present in, and collaborates with, various associations in the sectors in which it works, always with a view to assuming positions that are in line with ACCIONA's vision, which necessarily implies a stance in favor of sustainability.

As one of the vehicles that drives this dialogue, ACCIONA supports, both individually and in partnership with other players, the preparation of studies and the dissemination of their results. The Company is also involved in actions intended to promote regulations consistent with the sustainable development of the sectors in which the Company carries out its activities, by submitting proposals, comments or arguments at the different hearing procedures.

Regulatory framework for energy policies in Spain

Throughout the process of reforming the Spanish regulatory framework applicable to renewable energies, ACCIONA took part, in collaboration with other companies and associations in the sector, in the public consultation process by drafting and reporting on regulatory proposals. The Company also participated directly through collaborations with other companies and sector associations. Certain aspects noteworthy of mention are as follows:

- The increase in the role of renewable energies on the markets (for example, in providing adjustment services).
- The elimination of unnecessary charges that may be detrimental to their competitive position with regard to conventional and more contaminating technologies (for example, the elimination of the obligation to finance payments for the interruptibility system or possible payments for capacity).
- The adjustment of certain aspects of the new remuneration system for renewable energies that may entail unfavorable treatment for this type of energy with regard to other regulated activities in the electricity sector.

Regulatory framework for energy policies in the EU

In the European Union, ACCIONA has participated both directly and in collaboration with Spanish and European associations in the discussion on the design of the new regulatory framework for energy and climate policies in the EU for the period after 2020, defending all regulatory proposals that favor mechanisms which, without neglecting economic sustainability, facilitate greater penetration of renewable energies and the decarbonization of the economy.

ACCIONA participates in various forums, entities and working groups in which it defends the importance of renewable energies as an alternative to fossil fuels. By way of example, as part of the current debate on the European Energy Union (a concept that is inseparably tied to the security of supply and energy independence), ACCIONA defends incentive systems that are economically sustainable, favor growth and competition using clean technologies and eliminate the disadvantages thereof with regard to contaminating technologies (the environmental costs of which are not internalized). ACCIONA also actively defends the need for European Union commitments regarding the promotion of clean energy to be based on an effective governance system that guarantees their compliance, through binding targets

if possible. The Company also actively participates, both individually and jointly with other companies, in the drafting and promotion of proposals to strengthen the internationalization of costs incurred as a result of CO₂ emissions and other greenhouse gases.

Liberalization of passenger transport by rail

In the process of reforming Spanish legislation regarding rail transport, which began for the purpose of complying with the European directives, ACCIONA took part in the discussion regarding the design of the liberalization model.

The governing principle in the various actions carried out by the Company aimed at assessing the conditions of the liberalization process and collaborating in defining the actions to be carried out in order to successfully complete the process, is always to ensure the establishment of an operational framework that ensures not only the transparency of the liberalization process but also a balance between the existing operator and the new operator with regard to the provision of service, always with a view to really opening up the market to competition as a premise that must lead to an efficient and economically sustainable model that aims to provide customers with the best service.

Energy efficiency measures

ACCIONA also participates in the debate on efficiency measures, through the drafting and reporting on proposals within the context of enacting regulations that implement legislation on growth, competition and efficiency.

Specifically, ACCIONA encourages taking legislative or other types of measures necessary to carry out the Action Plan for growth, competition and efficiency, an alternative to making economic contributions to the national energy efficiency fund.

ACCIONA aims to design a system in which companies are directly involved in reaching their energy savings targets, such that the system is not a mere mechanism for financing public actions (economic contributions to a fund) but rather generates true economic activity associated with efficiency. The Company also promotes the development of an energy efficiency certificates market associated with the effective implementation of energy savings measures –activities already carried out–, which is expected to generate sustainable economic activity (closely tied with green economy and compliance with the EU targets for 2020 and 2030) and create jobs.

INVESTORS AND ANALYSTS (G4-26 and G4-27)

In 2014, ACCIONA maintained ongoing and smooth communication with analysts and equity and debt investors in order to keep them up-to-date with the Group's results and strategy and to answer their questions, always with a view to providing the information needed for decisions on investing in the Company. The main actions involving dialogue with analysts and investors are as follows:

- The Company participated in 3 roadshows and 11 conferences, visiting the financial centers of London, Paris, Madrid, Barcelona and Zaragoza, as well as 2 reverse roadshows at the Company's offices.
- Ongoing meetings and conference calls were also held.
- These actions allowed the Company to maintain contact with 284 investors in 2014.
- In 2014 the investor relations team also communicated with the market through the investors social network, www.unience.com, which was launched in 2013. This is an open group through which investors have the opportunity to follow the share price and interact with the Company. This platform provides information that may be of interest to



the investment community and analysts (significant events, presentations, results, press releases, etc.).

With regard to the most relevant topics for the market, macroeconomic indicators showed reason for concern regarding the continued weak recovery of global economic activity, which did not meet initial expectations of a fast recovery, due mostly to the poor performance of the eurozone and Japan.

In Spain, 2014 was characterized as the first full year in which the new regulatory framework for renewable energies was applied. Although this gave rise to significant reductions in the remuneration of ACCIONA's portfolio, it also provided the renewable energy sector with stability and regulatory visibility.

With regard to ACCIONA, the year was marked by the divestments which, together with the improvement in the Group's operations, strengthened the Company's financial position thanks to a significant reduction in the Group's leveraging. This therefore provided a response to one of the main concerns of the market. In 2014 the Company divested a total of 629 million euros, most notably including the sale to the KKR global infrastructures fund of one third of AEI (ACCIONA Energy International), the sale of the renewable assets that the Company had in Germany

(150 MW in wind power) and the total or partial sale of certain concessions.

There were also recurring themes: the capacity to generate free cash flow, details on the debt and its structure, the Company's plans to enhance the Spanish portfolio of renewable assets now that there is a stable regulatory framework that provides visibility in the medium term, the future growth projections and which markets will have investment opportunities, as well as the recovery forecasts for the construction activity in Spain.

THE MEDIA (G4-26 and G4-27)

The importance of the media as a channel for informing society of the Company's activities led ACCIONA to develop its own tool for measuring its presence in the media. The introduction of metrics also provides more detailed knowledge of the interests of the media to improve management of the content released by the Company. This set of metrics includes an analysis of the information most directly linked to the Sustainability Master Plan, which allows the degree of dissemination of the Company's various policies and advances to be analyzed. Environmental information is predominant and highlights the Company's actions with regard to protecting the environment as well as those that give notice of its projection in

society and its commitment to innovation. A system for monitoring and measuring information in online media was also incorporated in accordance with the growing weight the digital channels have in order to cover the public's information needs.

In addition to communicating its own business activities, ACCIONA has actively contributed to disclosing in the media the advantages and importance of renewable energies in the energy mix. The institutional participation of ACCIONA and its Chairman, José Manuel Entrecanales, in international forums and institutions promoting sustainable development has been a platform through which these messages have been disseminated.

The increasing need for customized information has led to personal dialogue with the media in order to provide requested data and content, although active information is maintained through press releases, with a total of 71 notices issued. A specific line of action in its policy on relationships with the media has been to enhance its presence on television and radio, achieving closer contact with the media both in the agenda of content disseminated and in the informational resources and materials generated.

EMPLOYEES
(G4-26 and G4-27)

In 2014, ACCIONA maintained constant lines of communication and dialogue with employees through internal channels of communication. The main focus of the internal communication activities is to provide knowledge of the Company and its activities, and to facilitate the collaboration and participation of its employees in corporate processes and initiatives, the dissemination of information and management of its processes.

The Company received 85 requests for information, queries or suggestions from employees through the internal communications inbox.

393 communications were sent through e-mail and the Company newsletters (Flash and enews), along with other specific segmented communications and newsletters. The e-mails were sent to a total of 1,243,982 recipients. In 2014, 66 weekly newsletters in Spanish (Flash) reached an average of 4,027 new openings (a 23.5% increase on 2013) and 2,282 new readers (a 30% increase on 2013).

Interacciona

Interacciona is ACCIONA's corporate intranet which is available in Spanish and English, and in 2014 an extensive section in Brazilian Portuguese was included. Potential single users of Interacciona ranged from 9,892 to 11,139. Interacciona reached 1,461,245 visits and 4,923,203 website visits. The intranet reached 3,998 single users per day and 6,311 single users per month (65.7% of possible Interacciona users regularly access the intranet). In 2014 news was published in Spanish, English and Portuguese. All news and information for ACCIONA employees is published on the intranet platform, which also includes an internal TV channel, live retransmissions or meeting points, surveys and forms, job offers on *Tu Club* (217 new or updated offers out of a total of 277 current offers) and access to other internal service platforms.

News published on *Interacciona* in 2014

	Published	Visits
News in Spanish	481	164,452
News in English	182	2,748
News in Portuguese	202	2,824
Total	865	170,024

The most noteworthy process improvements in 2014 were:

Interacciona: ACCIONA's corporate intranet In 2014, the Interacciona portal received 359 comments from employees in Spanish and 3 comments in English. The Company received 7,272 likes on news items published in Spanish and 373 in English.

Meeting points In 2014, access was provided to employees through Interacciona to Company results presentations and to a specific session on the application, challenges and possibilities of Building Information Modelling technology (BIM). These single-themed meetings may be attended in person or by video, through the intranet. In 2014 there were 2,831 visits and 4,402 requests.

Interacciona surveys and forms in 2014 More than 2,400 people took part in the three surveys carried out in 2014 on the Company intranet, in both Spanish and English. With regard to the ten forms accessible to employees, 508 were filed.

Internal TV channel In 2014, 47 videos in Spanish and 28 in English were uploaded to the Interacciona TV channel, which is shared with the Company's website.

CUSTOMERS (G4-26 and G4-27)

In addition to the communication channels described in the Value Circle chapter herein, it should be noted that in 2014 ACCIONA worked to maintain a solid relationship with its customers through dialogue and communication. This relationship allowed the Company to become aware of their needs and expectations, which are analyzed and taken into account by ACCIONA when making its decisions and in its responsible sustainability strategy.

These meetings sought to elicit the customers' opinion of ACCIONA's Sustainability Master Plan as well as possible joint areas of action. The most noteworthy topics discussed at these meetings are as follows:

- Advisory services by ACCIONA on matters related to managing relationships with the communities and processes of citizen participation.
- Internal initiatives carried out by the Company with regard to its water footprint, the inclusion of sustainability in the supply chain, the management of social impact and how to promote these topics within the organization.
- Analyzing the possibilities of building and managing carbon-neutral water treatment plants.

ACCIONA works to maintain a solid relationship with its customers through dialogue and communication, and is therefore aware of their needs and expectations

- Lastly, investigating options to increase energy efficiency in the supply chain of our customers.

LOCAL COMMUNITIES (G4-26 and G4-27)

Dialogue is essential when implementing the projects carried out by the Company in order to become fully acquainted with the needs and opinions of the local communities where it operates and to respond to their concerns. ACCIONA has therefore established various communication channels with the local communities. By way of example, some of the projects of the Company's various lines of business are described below (other projects can be found in the Society chapter herein):

Hydraulic optimization of the distribution network and demand management for the aqueduct in the municipality of Riohacha (Colombia)

This project was carried out under the implementation and assessment of a social management plan for construction work, focused on preventing, mitigating and handling the effects on the community before, during, and at the work's completion; and an action plan for the social component in demand management,

the purpose of which is to strengthen the processes of reflection, understanding and action (awareness), with the communities regarding the interaction of technical and operational factors associated with consumption that influence the problems of service of the aqueduct in the municipality of Riohacha.

Rehabilitation of the local sewer and storm water systems in the neighborhood of Muzú (Colombia)

A social management plan for involvement was put in place which was responsible for channeling the actions of the area of influence of the involvement as well as the following programs: information and communication program, organization and participation program, education program, sustainability, monitoring and assessment program.

Wind farm in Chiripa (Costa Rica)

The stakeholders of the settlements where the wind farm project of Chiripa (Costa Rica) is being carried out, have been periodically consulted since 2012. As a result of the consultations with the community, a deficiency was found in the supply of potable water. ACCIONA therefore established a plan for improvement that included the drilling of a well in the town of Monseñor Morera.