

Independent
assurance report



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Independent Assurance Report to the Management of ACCIONA, S.A.

(Free translation from the original in Spanish.
In case of discrepancy, the Spanish language version prevails.)

We performed a limited assurance review on the non-financial information contained in the Sustainability Report of ACCIONA, S.A. (hereinafter ACCIONA) for the year ended 31 December 2014 (hereinafter “the Report”). The information reviewed corresponds to the contents marked as external assurance, as referred to in the section of the Report entitled “GRI Index”.

ACCIONA management is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Guidelines version 4.0 (G4) of the Global Reporting Initiative as described in item G4-32 of the section entitled “GRI Index”, and following the Materiality Disclosures Service, obtaining confirmation from the Global Reporting Initiative on the proper application of these. Management is also responsible for the information and assertions contained within the Report; for the implementation of processes and procedures which adhere to the principles set out in the AA1000 AccountAbility Principles Standard 2008 (AA1000 APS); for determining its objectives in respect of the selection and presentation of sustainable development performance; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

Our responsibility is to carry out a review to provide reasonable assurance on GRI indicators G4-10, G4-11, G4-EC5, G4-EN3, G4-EN15, G4-EN16, G4-EN21, G4-LA1, G4-LA3, G4-LA5, G4-LA11, G4-LA12, G4-LA13, on the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and on the qualitative information related to the progress on complying with Sustainability Master Plan objectives, limited assurance on the rest of the indicators and information included in the engagement scope and express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000, “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC) and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatement. It concerns a review performed according to KPMG assurance engagement independence rules, as well as the requirements from the International Ethics Standards Board for Accountants Code of Ethics on integrity, objectivity, confidentiality, professional behaviours and qualifications. We have also conducted our engagement in accordance with AA1000 Accountability Assurance Standard 2008 (AA1000 AS) (Type 2), which covers not only the nature and extent of the organisation’s adherence to the AA1000 APS, but also evaluates the reliability of performance information as indicated in the scope.

The extent of evidence gathering procedures performed in a limited assurance engagement is less than that for a reasonable assurance engagement, and therefore also the level of assurance provided. This report should by no means be considered as an audit report.

Our limited assurance engagement work has consisted of making inquiries to Management, primarily to the persons responsible for the preparation of information presented in the Report, and applying the following analytical and other evidence gathering procedures:

- Risk analysis, including media search to identify material issues during the period covered by the Report.
- Verifying the consistency of the information that responds to the General Standard Disclosures, with internal systems or documentation.

- Interviews with Management to gain an understanding of ACCIONA's processes for determining material issues, as well as the stakeholders engaged in these processes.
- Interviews with relevant staff concerning ACCIONA's policy and strategy application on sustainability, governance, ethics and integrity.
- Interviews with relevant ACCIONA staff responsible for providing the information contained in the Report.
- Review of ten different workplaces through site visits and remote reviews, following a risk analysis based on quantitative and qualitative criteria.
- Analysing the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Reviewing the application of the Global Reporting Initiative's G4 Sustainability Reporting Guidelines requirements for the preparation of reports in accordance with comprehensive option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of ACCIONA.
- Verifying that the financial information reflected in the Report was taken from the annual accounts of ACCIONA, which were audited by independent third parties.

Furthermore, the review of the GRI indicators G4-10, G4-11, G4-EC5, G4-EN3, G4-EN15, G4-EN16, G4-EN21, G4-LA1, G4-LA3, G4-LA5, G4-LA11, G4-LA12, G4-LA13, of the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and of the qualitative information related to the progress on complying with Sustainability Master Plan objectives, carried out with a reasonable level of assurance, has consisted in the application of additional procedures to those described earlier. The objective of these procedures was to obtain information on the processes and controls used by the company to prepare the Report. On performing the risk assessments, we considered internal controls relevant to the preparation and fair presentation by the entity of the information to be reviewed, in order to design the review procedures appropriate in the circumstances.

Our multidisciplinary team included specialists in AA1000 APS, stakeholder dialogue, social, environmental and economic business performance.

Based on the procedures performed, as described above, on the Sustainability Report of ACCIONA, S.A. for the year ended 31 December 2014, we conclude that:

- GRI indicators G4-10, G4-11, G4-EC5, G4-EN3, G4-EN15, G4-EN16, G4-EN21, G4-LA1, G4-LA3, G4-LA5, G4-LA11, G4-LA12, G4-LA13, the quantitative information derived from these indicators, related to the progress on complying with Sustainability Master Plan objectives, and the qualitative information related to the progress on complying with Sustainability Master Plan objectives, can be considered reliable and comply, in all significant aspect with the Sustainability Reporting Guidelines version 4.0 as described in item G4-32 of the section entitled "GRI Index".
- Regarding the rest of indicators and information reviewed with a limited level of assurance, nothing has come to our attention that causes us to believe that the data have not been reliably obtained, that the information has not been fairly presented, or that significant discrepancies or omissions exist, nor that the Report is not prepared, in all material issues with the Sustainability Reporting Guidelines version 4.0 (G4) as described in item G4-32 of the section entitled "GRI Index".

- Regarding ACCIONA's application of the Accountability AA1000 APS 2008 Principles Standard, nothing has come to our attention that indicates that ACCIONA has not applied the principles of inclusivity, materiality and responsiveness as described in the chapter of the report "About this Report".

Under separate cover, we will provide ACCIONA management with an internal report outlining our complete findings and areas for improvement. Without prejudice to our conclusions presented above, we present some of the key observations and areas for improvement below:

In relation to the INCLUSIVITY principle

ACCIONA is committed to its stakeholders through its Sustainability Master Plan 2015 (hereinafter SMP 2015), in which is reflected, transversely, for all the activities of the company. ACCIONA's implications with its stakeholders is continued and articulated under an internal and external perspective. Thus, for example, ACCIONA considers and takes into account the participation of the main collectives which are impacted by its activities through the evaluation of the social and environmental impact of its projects. Nevertheless, it would be recommendable to have available a common procedure regarding its main stakeholders participation that covers all divisions and business lines and that allows to gather homogeneously their most relevant needs and expectations.

In relation to the MATERIALITY principle

ACCIONA annually identifies its most significant issues conducting a materiality test. As main novelties developed during 2014 process, it is important to highlight the representation of the obtained results for the main divisions currently comprising the company (ACCIONA Energy, ACCIONA Infrastructure which is composed of the business lines Construction, Industrial, Water and Service), how the company gives response to the three most relevant issues for each business and the consideration of the different involved operation phases. However, the current materiality test does not cover the totality of the company's business lines, thereby it is recommendable to extend the coverage of this test considering those business lines known as "Other activities". Additionally, it is recommendable to clearly established the relationship between the company's most relevant issues and the contents of the Sustainability Report in addition to the objectives included in the Sustainability Master Plan. Finally, the value chain concept should be reinforced including the most important collectives composing it (customers and suppliers), in a way in which the most relevant issues for the company can be clearly identified from both the internal and external operational perspectives.

In relation to the RESPONSIVENESS principle

ACCIONA reaches its declared commitments and report consistently, aligning the expectations and interests of its stakeholders through the Sustainability Master Plan 2015. During 2014, the most significant achievements have been focused on the development of the responses provided to local communities, adapting these responses to each project. The Social Impact Management and Evaluation methodology has been extended to Service. Gradually, limiting aspects in some geographies are being included and these aspects need to be considered in the country risk analysis. In this application methodology, it would be recommendable to further progress in the identification of both positive and negative generated impacts and the monitoring of implemented actions to assess their effectiveness.

KPMG Asesores, S.L.

(Signed)

José Luis Blasco Vázquez

1 June 2015