
VALUE CIRCLE

Quality management

ACCIONA extends sustainability to its suppliers, contractors and collaborators, as well as to its processes, products and services. Customer satisfaction is a top priority for the Company.

2014

Challenges	Advances
<ul style="list-style-type: none">■ Unify the quality and environmental management systems of ACCIONA Service companies into a single integrated system.	<ul style="list-style-type: none">■ Unification of the five management systems into a single quality and environmental system. The companies are:<ul style="list-style-type: none">■ ACCIONA Facility Services Spain■ ACCIONA Facility Services Portugal■ ACCIONA Environment■ ACCIONA Urban Services■ ACCIONA Security Systems
<ul style="list-style-type: none">■ Broaden the scope of the energy management system in ACCIONA Agua.	<ul style="list-style-type: none">■ Expansion by ACCIONA Agua of the ISO 50001 certificate for the Southeast desalination plant in Las Palmas de Gran Canaria.
<ul style="list-style-type: none">■ Assign a rating to suppliers who complete the questionnaire in 2014.	<ul style="list-style-type: none">■ Self-assessment questionnaire was completed and the risk index was calculated for 404 suppliers in accordance with the defined objective.
<ul style="list-style-type: none">■ Broaden the scope of the questionnaire verifications in all divisions within the framework of the Audit Plan under environmental, social and good governance criteria.	<ul style="list-style-type: none">■ 171 audits were performed on the supply chain in accordance with sustainability criteria and 225 corporate responsibility questionnaires were verified. Within the framework of the 2014 Audit Plan, 396 suppliers were audited under these criteria.
<ul style="list-style-type: none">■ Broaden the international scope of the courses available in the Supplier Campus, adding a new environment course to the training package.	<ul style="list-style-type: none">■ Increase the international call for courses for suppliers by 40%.■ Development by General Area Management, in collaboration with the University of Alcalá, of ACCIONA's advanced environment course for suppliers and employees of the ACCIONA Group, which is incorporated in the Supplier Campus.
<ul style="list-style-type: none">■ Include new products and services in the catalog to reach a total of at least 600 sustainable products and services.	<ul style="list-style-type: none">■ 88 new products/services included in the Sustainable Products and Services Catalog. At the end of the year the catalog contained 610 sustainable products.



We responsibly manage our supply chain, providing greater transparency to procurement processes and promoting local contracting:

- 93% of purchases made come from local suppliers
- The global customer satisfaction index is 86%

2015

Challenges

- Make progress towards unifying the management systems in the Infrastructures business division (Construction, Industrial, Water, Service).
- Make progress towards optimizing the ACCIONA Group's certifications.
- Obtain the ISO 50001 certificate for a center of ACCIONA Service.
- Expand the coverage of ACCIONA's Regulation System.
- Train groups of employees and suppliers in environmental matters. An advanced environmental course will be provided which will allow them to become more informed about the main environmental variables on a global level, as well as provide the possibility of obtaining a certificate from a prestigious university.
- Design an updated quality and environmental management and reporting tool.
- Develop a training program regarding processes and continuous improvement for all employees of ACCIONA's business divisions.
- 65% of suppliers in Spain will have a rating (an estimated 211 suppliers).
- Send a self-assessment questionnaire to suppliers with a sales volume greater than 100,000 euros in all Group companies (an estimated 3,400).
- Four sessions for training suppliers in the environment, human and labor rights, and occupational health and safety (OHS).
- Foster and measure responsible procurement through bidding processes that include sustainability criteria.
- PROCUR-e project. Implementation throughout the ACCIONA Group of the new Supplier Portal and the bidding tool. Redesign the supplier approval and evaluation process as a result of this project.
- Increase the transparency and traceability of each of ACCIONA's relationships with its suppliers, generating records of all communication and incorporating the bidding tool in procurement processes.
- Improve supplier risk management by developing mechanisms to identify risks, and expand this identification to other variables in addition to corruption, human rights, environmental legislation, etc.

Throughout 2014, ACCIONA has continued to give priority to the management of risks **in the supply chain and the search for transparency** in procurement processes

Responsible management of the supply chain

ACCIONA's objective is to extend its commitment to suppliers, contractors and collaborators to establish stable and long-lasting business relationships of cooperation, based on honesty, transparency and trust, which allow the risk of violating human and social rights to be minimized, ensure regulatory compliance –in particular, regarding matters related to ethics and integrity–, and reduce the Company's environmental footprint.

By improving its management systems and its risk analysis, the Company ensures transparency in its contracting processes, evaluates the capacities and practices of its suppliers and safeguards their compliance with minimum principles to ensure a responsible supply chain.

ACCIONA'S SUPPLIERS, CONTRACTORS AND COLLABORATORS

Throughout 2014, ACCIONA has continued to give priority to the management of risks in the supply chain –continuing with the supplier self-assessment questionnaires, calculating the CR scores and the risk map for suppliers of the different business lines– and the ongoing search for transparency in procurement processes.

ACCIONA's international expansion means contracting more international suppliers and requires us improving on the way the risk map is calculated, with more up-to-date data, and expanding its scope to suppliers whose commercial volume with ACCIONA is less than 100,000 euros.

In 2014, ACCIONA had a total of 30,869 suppliers, with approximate sales to the Company of 3.7 billion euros.

12% of suppliers had a volume of business greater than 100,000 euros in 2014.

The level of criticality of ACCIONA's suppliers and contractors is mainly determined by risk criteria such as the following:

- **Economic risk:** suppliers with a total sales volume above 300,000 euros.
- **Country risk:** suppliers or sources of supply not belonging to the OECD.
- **Activity risk:** nature of the critical supply or service for the Company.
- **Risk level classification:** suppliers with low classification levels as a result of supply or service assessments carried out.
- **CR and Sustainability risk:** suppliers with a high level of risk as a result of the risk map obtained.

Supplier breakdown by business line in 2014

DIVISION	TOTAL	Spain	International	% of Total
ACCIONA S.A.	456	427	29	1%
A. CONSTRUCTION	13,344	12,699	645	43%
A. ENERGY	3,959	3,468	491	13%
A. AGUA	2,808	2,431	377	9%
A. SERVICE	4,527	4,173	354	15%
OTHER BUSINESSES	5,775	5,549	226	19%
TOTAL	30,869	28,747	2,122	100%

Note: the number of suppliers indicated does not differentiate between suppliers of more than one business division.

Critical suppliers broken down by business line in 2014

DIVISION	TOTAL	Critical	% of Total
ACCIONA S.A.	456	60	13%
A. CONSTRUCTION	13,344	1,969	15%
A. ENERGY	3,959	718	18%
A. AGUA	2,808	58	2%
A. SERVICE	4,527	712	16%
OTHER BUSINESSES	5,775	362	6%
TOTAL	30,869	3,879	13%

In addition, each business division may classify a supplier as critical if it represents a risk to correctly carrying out the company's business, either as a result of its degree of technological or economic dependence; if the supplier is irreplaceable; if it is a subcontractor; for reasons of quality associated with the final product; or if it supplies a product or provides a service that may delay or prevent the execution of another project/works, among other reasons.

Collaboration with local suppliers is a differential factor that positively affects the supply chain, optimizing the suppliers' capacity to become integrated in an increasingly competitive and global market. The expansion of ACCIONA's business outside of Spain also entails the internationalization of a significant portion of its Spanish suppliers, and indirectly promotes contracting local personnel where the work is being carried out.

At year-end 2014, 93% of the suppliers with which ACCIONA had a business relationship were local suppliers.

The internationalization of ACCIONA's business also entails the internationalization of its supply chain. In such a setting, and to be able to convey its values and positioning to suppliers in the communities where it operates, both

the Code of Conduct and the ethical principles for Company Suppliers, Contractors and Collaborators are available in seven languages: German, Brazilian Portuguese, Spanish, French, English, Italian and Polish.

Local suppliers broken down by business line in 2014

BUSINESS LINE	% of Total
ACCIONA S.A.	94%
A. CONSTRUCTION	95%
A. ENERGY	88%
A. AGUA	87%
A. SERVICE	92%
OTHER BUSINESSES	96%
TOTAL	93%

Moreover, ACCIONA positively values in bids and tender processes the contracting of suppliers that have quality, environmental and health and safety certifications. The Company also audits suppliers and verifies that all their certificates are valid.

Although not all Group companies have the tools to obtain these certificates, and in some cases controls are only in place for the main suppliers, the companies' data is included in the table below:

COMPANY	2014		
	ISO 9001	ISO 14001	OHSAS
ACCIONA AGUA	51.78%	17.50%	7.68%
ACCIONA CONSTRUCTION Own projects in Spain + temporary joint ventures	8.50%	4.61%	2.11%
ACCIONA ENERGY	67.18%	50.50%	47.71%
ACCIONA SERVICE	7.52%	4.75%	1.01%
ACCIONA WINDPOWER	66.17%	12.50%	12.50%
ACCIONA S.A.	55.95%	34.52%	35.71%

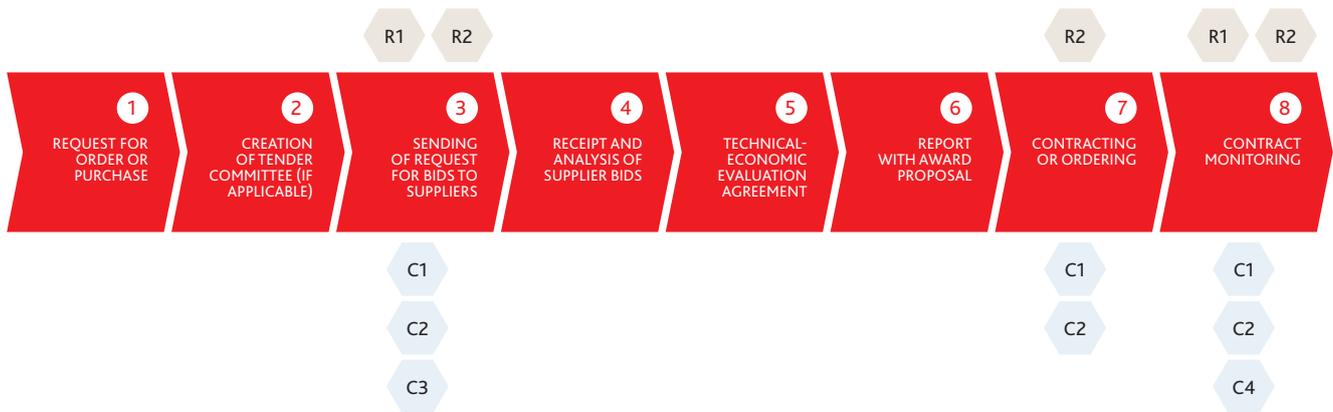
Note: % of main suppliers, critical suppliers and/or contractors, the certificates of which are controlled and monitored.

RISK IDENTIFICATION AND RESPONSIBLE MANAGEMENT ACTIONS IN THE SUPPLY CHAIN

ACCIONA identifies two types of risks in procurement processes:

- **Operational:** related to business results. This refers to the supplier-customer relationship during the procurement process: missing deadlines, disruption of supply and service, quality of supply or service, dependence or economic risks.
- **Social:** related to corporate responsibility and sustainability, such as the reduction of environmental impacts, respect for internationally-recognized human and labor rights, and transparency and ethics in procurement processes.

→ ACCIONA procurement process: **R** Risks and **C** Controls



R1	Operational risks		R2	Environmental, social and good governance risks			
C1	Evaluation of supply/service		C2	Approval and evaluation procedure		C3	Inclusion of ethical clauses in contracts, orders and bidding processes
<ul style="list-style-type: none"> ■ Term dates ■ OHS ■ Quality and the environment ■ Administrative obligations ■ Technical capacities 	<ul style="list-style-type: none"> ■ Economic risk ■ Country risk ■ Activity risk ■ Rating risk ■ Sustainability risk 		<ul style="list-style-type: none"> ■ Ethical clauses ■ United Nations Global Compact 		<ul style="list-style-type: none"> ■ Business transparency and ethics ■ Human rights and social action ■ Health and safety ■ Quality and the environment 		

SUPPLY CHAIN RISK MAP

Knowledge of risks in the supply chain provides ACCIONA with the ability to transmit its CR and sustainability values and, in particular, enables the General Procurement Area to define its criteria and policies.

ACCIONA's risk map is a classification of its suppliers based on a series of variables that ACCIONA considers to be essential when assessing its supply chain.

The following factors and parameters are taken into account when creating the risk map:

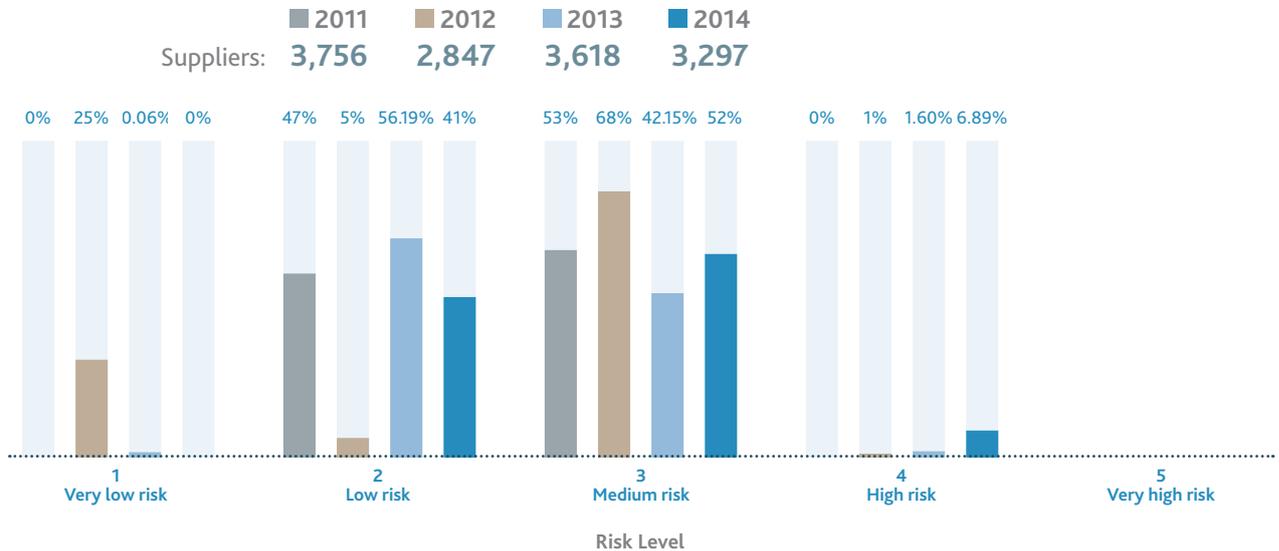
- Economic risk (i.e., sales volume with the ACCIONA Group).
- Activity risk (i.e., suppliers' business activities regarding OHS and the environment).
- Country risk (i.e., global, corruption, human rights and environmental legislation)
- Supplier type risk (i.e., supplier or contractor in the field of OHS)

These parameters are rated on a scale of 1 to 5, with 1 being the lowest level of risk and 5 the highest level of risk.

Risk map for suppliers with a turnover of more than 100,000 euros

In 2014, 3,297 suppliers with a sales volume greater than 100,000 euros were analyzed, which corresponds to 90.65% of this group's total and over 12% of total suppliers, representing more than 85.7% of ACCIONA Group's total sales.

In 2013, 3,618 suppliers with a sales volume greater than 100,000 euros were analyzed, representing 98.88% of this group's total, which is over 13% of total suppliers and reflects 92% of total sales.



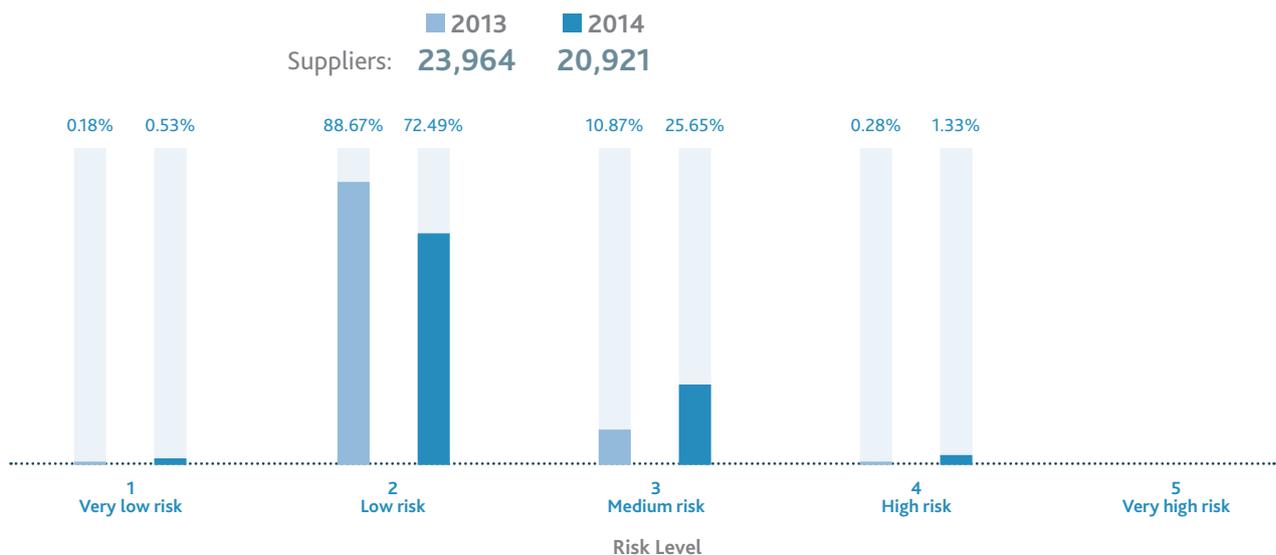
Global risk map for 2013 and 2014

To ensure a more detailed analysis, ACCIONA expanded the scope of its risk map analysis and drew up a global risk map for 2013 and 2014 that included suppliers with volumes of business with ACCIONA less than 100,000 euros.

In the global risk map for 2014, 20,921 suppliers were analyzed, 77.43% of the total, with approximate sales with

the Company of 3,438 million euros, representing 92.60% of total sales.

In the global risk map for 2013, 23,964 suppliers⁽¹⁾ were analyzed, approximately 86% of the total, with approximate sales with the Company of 3,700 million euros, representing 99.42% of the Group's total sales for the year.



In both risk maps (>100,000 and global), internationalization was identified to be the main cause of the increase in risk, especially with regard to the human rights variable in countries such as Mexico, Russia, China and Colombia. Also, in 2013 and 2014, the first cases were identified where the corruption variable, with regard to country risk, was high in countries such as Bolivia, Venezuela and Russia.

In view of this data, it can be concluded that more than 98% of the global risk of

ACCIONA's supply chain is at a very low/ low and medium risk level. There are very few suppliers with high risk levels and their risk is due mainly to the country variable.

ACCIONA is aware that the progressive increase in its risk level is mainly a result of its internationalization. Although it is only a slight increase, the Company must be aware of, prevent, mitigate and manage these risks in order for its supply chain to continue being responsible and comply with its criteria and policies.

(1) The number of suppliers in the risk map was recalculated by consolidating those suppliers that work for several of the Group's business divisions.

Main supplier countries

Origin of the supplies



- ACCIONA S.A.
- ACCIONA Construction
- ACCIONA Energy
- ACCIONA Agua
- ACCIONA Service
- Other Businesses

Percentages relate to the volume of expenses in 2014 billed to ACCIONA by its suppliers, and Group companies are grouped according to their countries (only those with a procurement percentage greater than or equal to 1%).

CR and sustainability self-assessment questionnaire in the supply chain and supplier ratings

The self-assessment questionnaire analyzes four key areas: Transparency and Business Ethics; Human Rights and Social Action; Health and Safety; Quality and the Environment.

In 2014, the questionnaire was sent to a total of 2,514 new suppliers, 1,024 of which are international suppliers, which is a 93% increase on 2013. A total of 404 suppliers responded, of which 100 were international.

Business line	International	Spain	Total sent
AGUA	90	67	157
ACCIONA S.A.	5	50	55
ENERGY	71	229	300
CONSTRUCTION	782	896	1678
OTHER BUSINESSES	15	105	120
SERVICES	61	143	204
Total	1,024	1,490	2,514

During the four years in which this questionnaire has been used, it has been filled out by a total of 2,501 suppliers, which represents an average participation of 35% of the total between 2010 and 2014.

Suppliers are assigned a corporate responsibility and sustainability rating based on the results of the self-assessment. 2,501 suppliers have an assigned rating, with an average score of A-.

Rating	2010-2014
B-	209
B	879
A-	784
A	454
A+	175
Total	2,501

In addition, ACCIONA's suppliers registered in the external certification system also received a CSR rating in the scoring process. 708 suppliers of ACCIONA Energy and 282 of ACCIONA Agua registered currently have this rating.

Ethical principles for suppliers, contractors and collaborators

ACCIONA considers the dissemination of the Company's ethical principles to its supply chain to be a priority for ensuring that its suppliers adhere to these principles to ensure the sustainability of its business in the various sectors in which it carries out its activity. In 2014, the Company issued more than 261,000 communications to suppliers through orders, contracts, bidding rules and newsletters.

In April 2014, ACCIONA reviewed its ethical clauses in order to bring them into line with the internationalization of the Company. With the inclusion of these clauses, the Company aims to terminate those contracts with suppliers that do not incorporate corporate responsibility and sustainability criteria in their activities, in accordance with ACCIONA's standards. More than 132,000 orders and contracts incorporated these clauses in 2014.

These ethical clauses include ACCIONA's commitment to the Global Compact and the recommendation to its suppliers, contractors and collaborators that they adhere to the Global Compact and report the progress made.

Business line	No. of Orders	No. of Orders Global Compact	% of total
ACCIONA S.A.	2,471	2,471	100%
CONSTRUCTION (NAT.)	15,513	15,277	98.48%
ENERGY	29,095	29,095	100%
AGUA	4,121	4,121	100%
SERVICES	58,148	58,148	100%
OTHER BUSINESSES	23,004	23,001	100%
Total	132,352	132,113	99.82%

Supplier approval and evaluation procedure

In 2014, the main business lines brought their respective procedures into line with the Supplier Approval and Evaluation Procedure. The procedure defines the supplier types that must be certified (according to five risk factors set forth therein), the forms of certification and the process for evaluating a supply or service.

The SAP tool sets the parameters and automates the state of certification and its controls, as well as the evaluation system. In 2014, in the ERP Vendor Master Record (Integrated Management System) in force for ACCIONA S.A., ACCIONA Energy, ACCIONA Service and ACCIONA Real Estate, 1,553 registered suppliers are certified and 37 are in the process of being certified.

2,655 suppliers are certified at ACCIONA Construction Spain, ACCIONA Construction Australia, Chile, Colombia and Mexico, and 27 suppliers are in the process of being certified.

There are 314 certified suppliers at ACCIONA Agua and 26 are in the process of being certified.

There are a total of 1,508 certified suppliers at the other most significant businesses, such as ACCIONA Trasmediterranea, ACCIONA Windpower, ACCIONA Engineering, ACCIONA Installations, ACCIONA Concessions and H.A.B, and 172 suppliers are in the process of being certified.

This procedure also includes external supplier certification and classification systems authorized by ACCIONA and carried out by independent companies or bodies.

The evaluation is conducted according to criteria based on timeliness, occupational health and safety, quality, the environment, compliance with administrative requirements, and technical capacities. More than 9,000 order evaluations were sent to more than 4,800 suppliers throughout 2014, and over 93% of these evaluations received an A or B rating.

2014 Audit Plan, questionnaire verifications and monitoring of major non-conformities

The Audit Plan launched in 2013 continued into 2014. Within the framework of this plan, 396 suppliers were audited based on ESG (Environmental, Social and Governance) criteria, representing an increase of more than 12% on 2013.

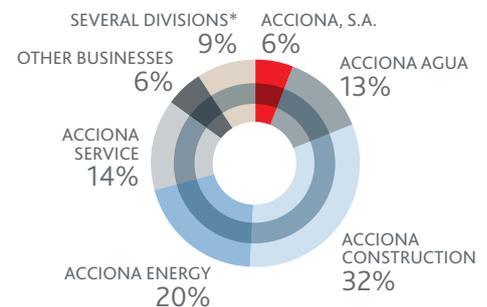
External audits: 171 suppliers were audited by external auditors. In addition, 171 audits were carried out on the supply chain as a result of ACCIONA's policy and commitments regarding corporate social responsibility. The average score was 6.94 (out of 10). A total of more than 1,000 positive elements were found in these audits. The number of major non-

conformities was not very high, and when they were detected, affected suppliers were given three months to resolve them.

Questionnaire verifications: In addition to the audits performed on the 404 suppliers that responded to the CR and sustainability self-assessment questionnaire, the responses of 225 suppliers were verified.

Number of supplier audits and verifications in 2014

Business line	Audits performed	Verifications performed
ACCIONA, S.A.	17	5
ACCIONA AGUA	11	39
ACCIONA CONSTRUCTION	27	100
ACCIONA ENERGY	38	42
ACCIONA SERVICE	24	32
OTHER BUSINESSES	18	7
SEVERAL DIVISIONS*	36	-
Total	171	225



*Several Divisions: Various services spanning the entire organization.

In 2014, 329 suppliers were audited by personnel of the divisions' Quality or Inspection and Control Departments for the purpose of ensuring that they comply with the environmental and quality requirements established by ACCIONA with regard to the product, its manufacturing process or the service rendered.

Follow-up activities were carried out throughout 2014 on most of the major non-conformities detected in the suppliers audited in 2013, and which continue to be critical for ACCIONA, either as a result of the amount contracted or if the supplier is irreplaceable, and an attempt was made to resolve these irregularities.

In the external audits, ACCIONA verified the degree of compliance with the law on the social integration of disabled people (LISMI). We have audited 49 suppliers in this regard, 89% of which have evidenced compliance or have an exemption certificate.

2013 Audits of major non-conformities	No. of suppliers	Major non-conformities
Resolved	10	18
In process, within the resolution period	2	6
Outstanding, past the resolution period	5	19
Total	17	43

The Company began to manage and resolve the major non-conformities in the 2014 Audit Plan. A procedure was implemented to follow up on and resolve major non-conformities detected in the audits as an additional piece in the risk management process and the search for mechanisms to mitigate these risks.

The areas in which our suppliers could make improvements related mainly to OHS and the environment, both of which account for more than 70% of the major non-conformities detected.

Supplier communication and training

Since its launch in 2011, the Suppliers Campus of the ACCIONA Corporate University has enhanced its knowledge of and disseminated good practices in social responsibility and sustainability to suppliers and contractors through online courses.

ACCIONA offers these courses to its suppliers free of charge, as an incentive. In 2014, four training courses were given. There was a significant increase, up almost 40%, in international courses.

Supplier training and communication in 2014

Division	Total suppliers	Spain	International
ACCIONA, S.A.	82	59	23
WATER	166	104	62
CONSTRUCTION	1,869	1,260	609
ENERGY	479	340	139
SERVICES	240	169	71
OTHER BUSINESSES	154	102	52
Total	2,990	2,034	956

Courses taken	Suppliers	People
Code of Conduct	69	141
Basic concepts, management and international OHS regulations	72	154
Equality and Discrimination Prevention	61	133
Corporate Social Responsibility in the Supply Chain	71	143
Sensitivity regarding the disabled	61	127
Total	334	698

The Company continued the dissemination of good practices by sending out four issues of the bilingual (Spanish and English) quarterly OHS Bulletin to suppliers of all divisions. This Bulletin was sent to more than 17,000 supplier employee e-mail addresses (14,600 suppliers), 3,000 of which are international, in addition to more than 3,000 employees.

Throughout 2014 communications intensified with suppliers through the channels already established by ACCIONA:

compraresponsable@acciona.com and provedores@acciona.es. Suppliers were also provided with an ethics channel in order to notify the Company of any irregular practice that would then be studied by ACCIONA.

More than 21,700 suppliers, among which more than 4,800 were international, were notified through provedores@acciona.es. In 2014, ACCIONA calculated the greenhouse gas emissions of its suppliers according to their sales volume in 2013, totaling an equivalent of 1.5 million tons of CO₂.

ACCIONA fosters the purchase of products and contracting of **services based on sustainability criteria** through the Sustainable Products and Services Catalog

Applying sustainability criteria in procurement processes

ACCIONA voluntarily assumes the commitment of implementing sustainability criteria in its procurement processes. There is no current legislation that requires its inclusion in companies' procurement processes. The Company fosters the purchase of products and contracting of services based on sustainability criteria through tools like the Sustainable Products and Services Catalog.

With the support of the guidelines on which its Sustainable Products and Services Catalog is based (Green Procurement, Social Procurement and Ethical Procurement), the Company was able to increase the number of references to products and services, by including 88 new items to reach a total of 610 products and services in the catalog.

Some examples of how the sustainability criteria set out in the catalog were incorporated into the management of procurement and contracting, and the various actions carried out by the main divisions in this regard are as follows:

Renewable energy:

ACCIONA's commitment is shown by the fact that in 2014 in Spain, of the 577

GWh purchased, 74% came from green sources, which represents an increase of 13 percentage points on 2013.

The clause requiring all energy supplied by the bidder to bear a Certificate of Guarantee of Renewable Origin issued by Spain's National Markets and Competition Commission (CNMC) was once again included in the tender process for the renewal of all ATLL electricity supply.

In 2014, 6 of H.A.B's 7 centers (Laguna de Duero, Quintanilla de Onésimo, Medina I and II, Toro, Bodegas Palacio) used green energy. In 2013 only one of the centers used green energy.

Eco-efficient vehicle fleet:

In 2014 the Company's active executive fleet was made up of 318 vehicles, 98 of which are low-emission vehicles, i.e., less than 120g CO₂/km, which also means less fuel consumption. 99.7% of the executive fleet have EURO5 and EURO6 engines, and 2.2% are hybrid vehicles with EURO5 and EURO6 engines (a total of 7 vehicles), which means less CO₂ emissions and a reduction in NOx and particle emissions.

Sustainable wood:

In 2014, 231 tons of wood consumed by ACCIONA Construction was certified.

ACCIONA S.A., ACCIONA Energy and ACCIONA Service include in their enterprise resource planning (ERP) a clause applicable to all wood-derivative orders and contracts:

"The Customer shall request from the Supplier the certificate of the forestry product custody chain (FSC, PEFC, or similar organization) for all wood-based elements included in this order".

ACCIONA Service purchased 6,213 tons of certified wood, which is 100% of that used by this division in 2014.

Contracting of special employment centers:

Throughout 2014 the Company worked and collaborated with 26 special employment centers (SECs), the main purpose of which is to facilitate the incorporation of the disabled into the labor world. The ACCIONA Group counts on the centers to supply products and services throughout the Group mainly for the following: supply of work clothing (a framework agreement is currently in force with several SECs), laundry services, safety materials, travel agencies, printing, vending machines, among others. Contracting in 2014 totaled slightly more than 2 million euros.

When excellent management is only the first step

In 2014, ACCIONA continued to work on developing ever more efficient processes and on providing sustainable products and services.

The Company is increasingly more focused on managing processes from beginning to end, covering several functions within a single process. Excellence is maintained by making the processes more efficient, applying the Lean Six Sigma methodology: eliminating waste, generating value and providing products and services that satisfy our customers within a sustainable framework.

The Innovation, Environment and Quality General Areas, which report directly to the Chairman, determine the Group's strategic priorities with regard to quality and processes. The Company's Quality Policy is a strategic document that includes its principles and commitments in this regard.

In 2014, ACCIONA provided 43,046 hours of training and awareness-raising regarding processes and quality (double the training hours provided in 2013), with the aim of ensuring that employees have the technical knowledge required to carry out their activities and are aware of ACCIONA's commitments and policy.

Improvement objectives set for 2014

Make progress in the certification of our management systems	
ACCIONA Construction: Implement and certify the ISO 9001 and ISO 14001 management systems in Ecuador, Panama, Peru, Sweden and Gabon (only implementation in the latter two countries).	95% compliance (achieved: Ecuador and Peru)
ACCIONA Energy: Achieve ISO 9001 and ISO 14001 certification in Croatia.	100% compliance
ACCIONA Concessions: Implement and certify the energy management system in accordance with ISO 50001.	100% compliance
Improve the quality of our products and services	
ACCIONA Agua Services: Reduce the concentration of boron in water produced by 10% compared to 2013 at the Southeast seawater desalination facility (Las Palmas de Gran Canaria).	100% compliance
ACCIONA Service: Reduce the number of pieces with defects by 0.2% for an important customer in the automotive sector of ACCIONA Facility Services.	100% compliance
Reduce our environmental footprint	
ACCIONA Energy: Reduce water consumption by 8,000 m ³ with regard to that consumed in 2013.	100% compliance
ACCIONA Agua: Reduce greenhouse gas emissions by using electric transportation (Arroyo Culebro wastewater purification plant in Madrid).	100% compliance
ACCIONA Service: Increase the net positive contribution of the water footprint. Reduce water consumption by 5% with regard to that consumed in 2013 by the Calpe service.	301.6%

In order to continue improving efficiency, ACCIONA considers recognition for collaboration and the commitment of the work teams with excellence in management essential.

ACCIONA Infrastructure delivered the 2014 Project Management Awards, now in their 14th year, which for the first time included

the Construction, Water and Services areas. Their Company roots show to what extent ACCIONA Infrastructure has been a pioneer with regard to its focus on quality and sustainability. They also constitute an incentive to motivate and encourage employees. In 2014, one of the awards for Best Management went to the ACCIONA Airport Services team in the Services area for the Palma de Mallorca airport.

CERTIFIED MANAGEMENT SYSTEMS

All of ACCIONA's divisions, both in Spain and abroad, have management systems that are implemented and certified in accordance with international standards (ISO 9001, ISO 14001, ISO 50001, ISO 22000, SA8000). ACCIONA's objective is to ensure the organization's commitment to continuously improving processes and activities, to guarantee the competence of its personnel to carry out the work entrusted and the organization's economic and technical capacity to carry out such work in each of the countries in which it operates.

89% of the Group's sales are certified under ISO 9001 and 87% of the sales are certified under ISO 14001.

Certified activities by business line

DIVISION	ISO 9001 AND ISO 14001 CERTIFICATIONS
CONSTRUCTION	<ul style="list-style-type: none"> ■ 100% of construction activity in Spain, Chile, Brazil, Mexico, Colombia, Canada, Poland, Australia, Abu Dhabi, Ecuador and Peru (the certification process in Panama has begun) ■ 100% of concessions ■ 100% of engineering projects in Spain and Brazil
WATER	<ul style="list-style-type: none"> ■ 100% of water treatment activities in Spain, Italy and Australia ■ 100% of integrated water management services
SERVICES	<ul style="list-style-type: none"> ■ 100% of park and garden maintenance, waste management, cleaning and maintenance activities in Spain (100% of cleaning and maintenance activities in Portugal) ■ 100% of handling activities and services for people with reduced mobility in Spain (100% in Germany under ISO 9001) ■ 100% of transport and international logistics activities under ISO 9001 ■ 100% of railway services ■ 100% of waste biocomposting plants under ISO 9001 ■ 100% of event organization, and setup of exhibitions and museums
ENERGY	<ul style="list-style-type: none"> ■ 100% of installed MW ■ 100% of wind turbines and blades manufactured in Spain and Brazil ■ 100% of green energy sales
OTHER BUSINESSES	<ul style="list-style-type: none"> ■ 100% of wines produced in Peñascal, Viña Mayor, Caserío de Dueñas and Palacio wineries (also under ISO 9001: 100% of the vineyards of Viña Mayor, Caserío de Dueñas and Finca Anzil) ■ 100% of maritime passenger and cargo transport activities ■ 100% of real estate development and real estate asset management in Spain (100% in Poland under ISO 9001)

Quality and Environmental Management Systems in Ecuador and Peru

ACCIONA Construction implemented and certified for the first time quality and environmental management systems under ISO 9001 and ISO 14001 in Ecuador and Peru, with the following scopes:

- ACCIONA Construction Ecuador: "Design and construction of all types of land clearance and drilling work, building construction and railways".
- ACCIONA Construction Peru: "Design and construction of building works".

In addition, the scope of ACCIONA Construction Colombia's certification was expanded to include the following activities:

- Construction, refurbishment and improvement of road infrastructures works; construction of buildings, aqueduct and sewer networks, bridges and urban planning work; construction and assembly of facilities for production, transportation and oil and gas exploration projects.
- Consulting services in studies and designs for aqueduct networks.

In addition to internal audits of customers and processes, **ACCIONA** set up specific improvement groups which translate into Lessons Learned and Good Practices

Other certifications obtained in 2014:

- ACCIONA Energy in Croatia and Poland
- ACCIONA Windpower in Brazil
- ACCIONA Railway Services in Spain
- The quality management system of Secomsa Gestión, an investee of ACCIONA Service, was certified under ISO 9001.
- ACCIONA Construction obtained the Environmental Product Declaration (EPD) for the UTE Desdoblamiento CN-340 project (Elche, Alicante).

- Hijos de Antonio Barceló was certified under FSSC 22000 (*Food Safety System Certification*) for Bodegas Peñascal, Viña Mayor and Caserío de Dueñas. This certificate represents a new approach to food safety risk management for the entire supply chain.
- ACCIONA Environment voluntarily adhered to the European Eco-Management and Audit Scheme, obtaining a certificate from the EMAS for the maintenance and cleaning services provided for the gardens and green areas of Leon and the central offices of ACCIONA Service.

Process monitoring and measurement

Processes, products and services	Customer satisfaction
<ul style="list-style-type: none"> ■ Environmental impact assessment ■ Social impact assessment ■ Internal audits ■ External audits: certification ■ Stakeholder audits: customers, public authorities ■ Quality inspections, PPIs 	<ul style="list-style-type: none"> ■ Satisfaction evaluation ■ Complaints and claims

In 2014, 594 internal audits were performed as an instrument to identify opportunities for improvement and a requirement for all management systems that are certified. The Company also received information from 110 audits of customers and other institutions that evidenced their transparency with third parties and their willingness to meet their needs. This figure rose by 27% compared to the previous year.

TOOLS FOR CONTINUOUS IMPROVEMENT

In addition to more traditional tools, such as performing internal and customer audits and certification processes, ACCIONA set up specific improvement groups, the results of which translate into Lessons Learned and Good Practices that are disseminated throughout the organization.

In 2014, ACCIONA implemented more than 50 improvement groups made up of multidisciplinary teams in all its lines of business, and whose strategic mission is to identify, analyze and

propose innovative ideas and solutions to situations in its own activities that need to be improved.

2014 improvement groups	
ACCIONA Agua	5
ACCIONA Energy	28 ^{(*)1}
ACCIONA Construction	6 ^{(*)2}
ACCIONA Service	6 ^{(*)3}
OTHER BUSINESSES	7 ^{(*)4}

()1 Includes ACCIONA Energy, A. Blades, A. Windpower.*

()2 Includes ACCIONA Construction and ACCIONA Concessions.*

()3 Includes ACCIONA Facility Services and ACCIONA Environment.*

()4 Other Businesses: Real Estate, Hijos de Antonio Barceló and Trasmediterranea.*

In the case of ACCIONA Construction, the identification of lessons learned and good practices is a global objective for the company, which has a specific procedure in place that systematically identifies and disseminates them. In 2014, 71 proposals were drafted regarding the lessons learned from various countries and business units. After analyzing all proposals, the Technical Committee approved a total of 11 Lessons Learned in 22 Good Practices.

ACCIONA'S COMMITMENT TO ITS CUSTOMERS

ACCIONA's customers are mainly large companies in both the public and private sectors (Governments, public administrations and other public bodies; private companies and financial investors, among others). In addition, the Company has domestic customers in several of its companies, such as Hijos de Antonio

Barceló, Trasmediterranea and ACCIONA Real Estate.

In addition to direct customers, the general public are the main users of some of ACCIONA's services:

ACCIONA Energy

In 2014, ACCIONA Green had 10 large customers in Spain (4 private and 6 public entities).

100% of the energy sold by ACCIONA Green to its customers comes from renewable energy sources.

ACCIONA Green Energy Developments is collaborating with the General Sustainability Area to promote meetings with significant customers to present the actions taken regarding sustainability. In addition, the new website was launched to provide customer service in the sale of green energy.

ACCIONA Service

- Collection and treatment of urban solid waste: 257,097 users in Spain.
- Cleaning and maintenance services: 11,135 customers in Spain⁽¹⁾.
- Park and garden maintenance services: 699 contracts that benefit a large number of visitors in Spain (for example, historic parks and gardens in Madrid).
- Handling services: 11,581,713 passengers served (incoming + outgoing).
- Services for people of reduced mobility 11,699 passengers (incoming + outgoing).

In 2014, 71 proposals were drafted regarding the lessons learned from various countries and business units

(1) No. of absolute customers, regardless of the fact that ACCIONA renders various services to each one.

ACCIONA Facility Services involves its customers in its sustainability commitments, and specifically carried out the following in 2014 for an important customer in the automotive industry:

- daily monitoring and control of its water consumption. If the established parameters are exceeded, the center will be reviewed to find the cause of such increase and the necessary measures will be taken.
- monthly control of and reporting on its electricity consumption. Figures are compared to the previous year and, if there is an increase, the necessary measures are taken to reduce such consumption.

ACCIONA Agua

The company has 7,290,204 users in Spain of its water supply, sanitation, water purification and meter reading services.

In 2014, the company extended its online service offered to the subscribers of its specific service websites, where users can consult their consumption and evaluate the services: for the first time the satisfaction survey was made available to 140,000 subscribers.

Today, 70 million people worldwide benefit from the actions carried out by ACCIONA Agua throughout its history.

ACCIONA has developed specific applications

ACCIONA Service:

- SENDA Program: this program was introduced to control production. Customers have the option of accessing the program to be able to monitor online the tasks being carried out.
- DOCUMENTUM: for each center, customers are given access to this document management system, in which ACCIONA Facility Services stores all information relating to the Comprehensive Hygiene Program (CHP).

ACCIONA Trasmediterranea:

- The shipping company has an online application that allows customers to purchase their tickets and carry out billing transactions online.

ACCIONA Windpower:

- The team of Project Managers and the Sales Department was strengthened in order to provide higher quality service and have a greater presence among customers.

AWARENESS OF CUSTOMERS' DEGREE OF SATISFACTION

For ACCIONA, being aware of the degree of satisfaction of its customers and their experience with regard to the products, services and projects provided, is one of the main tools for measuring its performance and establishing measures to improve its processes.

In this regard, all of ACCIONA's businesses have documented procedures that established a system for measuring the satisfaction of its customers.

In 2014, ACCIONA used the following methods:

Surveys

Surveys are the method most frequently used by ACCIONA's divisions. They allow the Company to become aware of those aspects with which the customer is less satisfied and take the necessary measures to resolve the situation, continuously making improvements. In 2014, ACCIONA made its satisfaction surveys available to more than 146,000 customers and carried out 6,370 surveys directly with customers.

Meetings

Each year, for its energy sale business, ACCIONA Green selects the most representative customers through the head of customer management and plans an individual meeting with them to discuss the perceived quality.

The customer's satisfaction may also be assessed by analyzing the company's internal information on the services provided on a daily basis, which is obtained from the company's various areas that may be in contact with the customers at any given time:

- After-sales service. This department receives any claims filed by customers that are unsatisfied with the product or services.
- Quality department. Any non-conformities detected that may cause problems for the customer are evaluated.
- Business development department. This department analyzes whether the claims received from customers are in relation to offers presented, the development of products or the provision of additional services.
- Operations/technical department. Project managers are in continuous contact with customers to resolve any incident that may arise, or carry out any proposals for improvement that are identified.

ACCIONA Windpower

ACCIONA Windpower used both direct and indirect measures to obtain more detailed information on the level of satisfaction of its customers: carrying out surveys and interviewing the company's most important customers throughout its history, as well as potential customers. The Company's indirect measures include gathering a large variety of data from its various departments.

The results of the analysis concluded that ACCIONA Windpower's customers are highly satisfied with their start-up and final inspection teams. The following were also highly valued: the availability of the wind turbines, the after-sales service received, the treatment received by the business development department and the relationship with the project and wind farm managers during the period for supplying, assembling and starting up the wind turbines. This result is validated on a daily basis by the new orders placed in various markets.

Opportunities for improvement were also detected in the analysis, such as improvements in identifying specific legal and labor requirements of the destination countries, improvements in the supply of components and improvements in technical supervision when carrying out the construction work.

ACCIONA Construction

The contributions made by customers are incorporated by improving the construction processes. When the score received in a customer satisfaction survey is low or if it can be deduced from the comments included therein that the customer has a medium or low degree of satisfaction, those responsible for the relationship with the customer will hold one or several meetings to obtain additional information as to why the customer is unsatisfied.

In addition, computer tools are used in several ongoing projects to manage and share with the customer the technical documentation related to the project in process.

- In the Canal de Navarra concession, ACCIONA used the K3 customer service indicator which takes measurements each month through various inputs (complaints, suggestions, phone calls or e-mails from customers).
- Feedback was gathered regarding the Infanta Sofia University Hospital concession through, among other channels, interviews and advisory committees with the public company.

In 2014, ACCIONA's business divisions established measurable quality targets that are consistent with ACCIONA's Quality Policy, in line with Management's strategy and supervised thereby in order to increase customer satisfaction. These targets, by way of example, are as follows:

Targets to increase customer satisfaction in 2014

	Degree of compliance
ACCIONA ENERGY. ENERGY SALES	
Obtain a rating greater than 8.5 points in the overall evaluation of energy customers.	> 100%
ACCIONA SERVICE	
Improve customer satisfaction: the customers' degree of satisfaction in the surveys will be above 3 (VALROMANES Center).	> 100%
ACCIONA FACILITY SERVICES	
Improve customer satisfaction: the customers' degree of satisfaction in the surveys will be above 3 (Hold at least four meetings with the customer regarding continuous improvement).	100%
ACCIONA URBAN SERVICES	
Improve the quality of the services provided to the customer (Improve the quality level of the street cleaning service to a rating of 6.5 in level 3 areas).	> 100%

The following targets were set to increase customer satisfaction in 2015:

Targets to increase customer satisfaction in 2015

ACCIONA 'GREEN'
Obtain a customer satisfaction score of 8.5 out of 10.
Boost customer loyalty: 80% renewal (measured in energy) of customers in 2014.
ACCIONA BLADES
Obtain no more than 4 customer non-conformities throughout the year.
Obtain a customer satisfaction score in the surveys that is more than or equal to 4 points.

In 2014, ACCIONA obtained an overall customer satisfaction score of 86%, maintaining the same score achieved in 2013.

The breakdown of the customer satisfaction index for the various products and services is detailed as follows:

Satisfaction index (%)

ACCIONA Construction	82.5%
ACCIONA Industrial	ND
ACCIONA Energy	92.0%
ACCIONA Agua	96.8%
ACCIONA Service	78.5%
Other Businesses*	78.3%

(*) Other businesses include: Real Estate, Trasmediterranea and Bodegas Hijos de Antonio Barceló.

Customer complaints and claims

All of ACCIONA's divisions have procedures in place, as part of their management systems, for receiving and processing complaints and claims received from customers. The end purpose is for the complaints to be resolved as soon as possible and for the causes giving rise thereto to disappear, which will allow customer satisfaction to be improved.

In a scenario similar to that of last year, the number of claims decreased by 11% on 2013⁽¹⁾ and 93% of these claims were resolved, a 15% increase on the previous year.

The time needed to resolve such claims cannot be compared between ACCIONA's businesses, since the claims have significant differences inherent in the nature of each activity depending on the technical complexity, the different distribution of causes and the influence of conditioning factors, among others. For example, most of the claims filed with regard to the wineries are due to errors in managing the orders, and therefore are resolved "immediately", whereas a technical analysis needs to be carried out on claims filed regarding the Construction area, and there are other conditioning factors that influence the repair period (atmospheric conditions, the project's execution phase, etc.).

(1) The claims from Trasmediterranea are not taken into consideration.

In a scenario similar to that of 2013, the number of claims **decreased by 11% on the previous year** and 93% were resolved, a 15% increase

ACCIONA has no record of having received any claims for ACCIONA Engineering, EROM, ACCIONA Facility Services, ACCIONA Safety Services, ACCIONA Green Sales, or for any international construction work in Australia, Canada, Ecuador, Panama, Peru and Sweden.

CUSTOMER HEALTH AND SAFETY

The health and safety of its customers is a top priority for the Company. In order to successfully manage customer health and safety, ACCIONA carries out a number of actions related to its products and services:

- Regulatory inspections and compliance with applicable requirements
- Incorporation of components to strengthen the safety of the products and services
- Analysis of product critical points and quality controls
- Continuous monitoring of the facilities
- Safety management system
- Information to customers for safe use of their products and services

ACCIONA has no record, through the information collection systems established by the Company, of the occurrence in 2014 of any incidents related to compliance with regulations or voluntary codes relating to customer privacy or data loss.

The safety management systems implemented by the Company ensure that activities are carried out in accordance with the international standards of each sector.

<p>ACCIONA Trasmediterranea</p>	<p>The Safety Management System (SMS) includes procedures that have been approved by the Directorate-General of the Merchant Navy (DGMN) and includes all practices required regarding safety and contamination prevention. This system is audited each year by the DGMN.</p>
<p>ACCIONA Airport Services</p>	<p>The company has a Safety Audit of Ground Operations certificate (ISAGO) for its Palma de Mallorca base, ensuring the development and implementation of the safety system in accordance with the standards of the International Air Transport Association (IATA).</p>
<p>Hijos de Antonio Barceló</p>	<p>The Peñascal, Viña Mayor and Caserío de Dueñas wineries were certified under FSSC 22000 (Food Safety System Certification), which represents a new approach in food safety risk management for the entire supply chain.</p>