

ACCIONA'S COMMITMENT
TO THE

SUSTAINABLE DEVELOPMENT GOALS (SDGs) 2017



ACCIONA'S CONTRIBUTION TO THE SUSTAINABLE DEVELOPMENT GOALS (SDGs)

ACCIONA, via its activities in water, renewable energies and infrastructure, contributes towards key objectives, among other reasons for being a sine qua non for achieving the rest. In particular, these objectives would be SDGs related to **water access (no. 6)**, **energy (no. 7)**, **infrastructure (no. 9)** and **mitigating climate change (no. 13)**. Without these basic needs, it will be very difficult to achieve the development and prosperity necessary to attain the majority of the remaining SDGs.

CONTRIBUTION MADE BY THE BUSINESS LINES TO THE KEY SDGs FOR THE COMPANY

6 CLEAN WATER AND SANITATION



■ ENSURE AVAILABILITY OF WATER

Throughout its history, ACCIONA has purified, processed and desalinated water for over 100 million people worldwide.

- ACCIONA has a positive water footprint, 374 hm³ worldwide, equivalent to the annual water usage of over 7 million people (based on water usage per capita in Spain).
- More than 98 % of all the water that has been purified, processed and desalinated (775 hm³) was in 8 countries with regions of water stress.
- Gross capital expenditure in the water business amounted to €38 million.

7 AFFORDABLE AND CLEAN ENERGY



■ ENSURE ACCESS TO AFFORDABLE ENERGY

The company generates energy entirely from renewable sources, such as wind, solar, hydroelectric, solar thermal and biomass. Between 2016 and 2020, ACCIONA will have invested at least \$2.5 billion in developing renewable technologies. 80 % of that investment will be in new facilities in developing countries. Based on this trend, renewable installed capacity will amount to at least 10,500 MW.

- 9,022 MW of installed capacity and production of 20,431 GWh of clean emission-free energy, equivalent to the consumption of 6 million households worldwide
- Out of the company's total energy consumption (19,071 Tj), 30 % was supplied from renewable sources.
- Gross capital expenditure in the Energy business amounted to €468 million.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



■ BUILD RESILIENT INFRASTRUCTURE

Through its business lines, ACCIONA offers innovative solutions that satisfy the growing demand for infrastructure, access to water and energy, etc. When developing its projects, the company measures and manages the social and environmental impact they have on the communities where it operates.

- Social Impact Management in 100 projects in 33 countries, where the company analyses and addresses the social consequences.
- Measurement of the socioeconomic and environmental impact throughout the life cycle of four projects.
- Innovation figure of €209.4 million with an innovation intensity ratio of 2.9 %, exceeding the European average (1.4 %).
- Launch of I'MNOVATION #Startups, Spain's first corporate accelerator for infrastructure and renewable energy start-ups.
- The company's gross capital expenditure amounted to €920 million in 2017.
- Social cash flow of EUR 8,168 million. The economic value generated has been distributed through payments to suppliers, public authorities, shareholders, employees, among others.

13 CLIMATE ACTION



■ FIGHT CLIMATE CHANGE

ACCIONA has been a carbon neutral company since 2016 and considers the fight against climate change as a strategic priority. By generating electricity from renewables, the company supports climate change mitigation by displacing fossil fuels in countries' electricity mix.

- Carbon neutrality goal achieved by offsetting 100 % of the emissions that could not be reduced.
- ACCIONA has joined the Science Based Targets initiative with the aim of establishing emission reduction goals based on science.
- 14.4 million tons of CO₂ emissions avoided due to generating solely from 100% renewable sources.
- Participation in the development of projects to combat climate change, with 8 projects in Mexico, India, Chile and Costa Rica registered in the Clean Development Mechanism (CDM). The company also participates in the voluntary carbon market through the Verified Carbon Standard (VCS) programme, with two wind projects in U.S.

CONTRIBUTION TO THE SDGs THROUGH THE SUSTAINABILITY MASTER PLAN

5 GENDER EQUALITY



ACCIONA works on a range of initiatives to foster equal opportunity, meritocracy and diversity. In its SMP 2020 framework, the company set out goals for diversity plans, an increase in the percentage of women in management and executive positions, and the elimination of the remuneration *gap* between men and women, among other goals.

- Women account for 30 % of the total workforce, 12.8 % of executive positions and 19.8 % of management positions.
- Women account for 27.27 % of the Board of Directors. The company also has a Director Selection Policy which includes a specific gender diversity goal by 2020.
- All the company's activities in Spain are covered by gender equality plans.
- The remuneration *gap* between men and women is 5.17 %.

8 DECENT WORK AND ECONOMIC GROWTH



ACCIONA shares the values of respect, transparency, equal opportunity, meritocracy, continuous communication and diversity with its employees. The company also promotes health and safety among employees and partners. Through its SMP 2020, the company works on improving employees' and partners' health and safety, as well as training opportunities.

- Reduction of the overall accident frequency rate from 3 to 2.7 thanks to strengthening programmes to build a culture of safety, such as the LIDER project (Infrastructure) and THINK SAFE project (Energy).
- ACCIONA is a member of the Building and Wood Worker's International, which covers all the projects in the sectors in which it works.
- Regarding integration, differently-abled people represent 3.6 % of the workforce in Spain (in full-time equivalent terms).
- Average of 15.96 training hours per employee each year. Particularly noteworthy is the new ACCIONA Sustainability training course, available to 10,584 employees in 41 countries.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



The company contributes to a sustainable value chain by strengthening risk prevention, ethics and reduction of the climate and environmental footprint. It also guarantees the quality and safety of its products.

- Implementation of "No Go" policies, which represent minimum standards of ethics and integrity, among other aspects, and ensure that the company does not deal with non-compliant suppliers.
- 94 % of ACCIONA's suppliers are local.
- 91 % of the group's revenues are certified to the ISO 9001 quality standard, and 88 % to the ISO 14001 environmental management standard.
- Within the Waste Management Plan 2016-2020, the company has recovered 43 % of all the waste it produces.



ACCIONA's Code of Conduct and the Policy Book define a framework of integrity and governance that ensures responsible management. Risk management is a process driven by the Board of Directors that consists of identifying, assessing and managing potential events that might affect the company and the achievement of its goals.

- ACCIONA has an ethical channel for reporting any improper conduct or breaches of the Code of Conduct. In 2017, 45 communications were received via the ethical channel or the Code Committee.
- Approval and implementation of the new methodology for identifying and assessing sustainability risks.
- Update of the company's human rights risk survey, in line with the UN Guiding Principles for Business and Human Rights, as part of the due diligence process.
- In line with the company's ethical commitment, the Crime Prevention and Anti-Corruption Model has been implemented in Italy for the Energy and Water business lines.

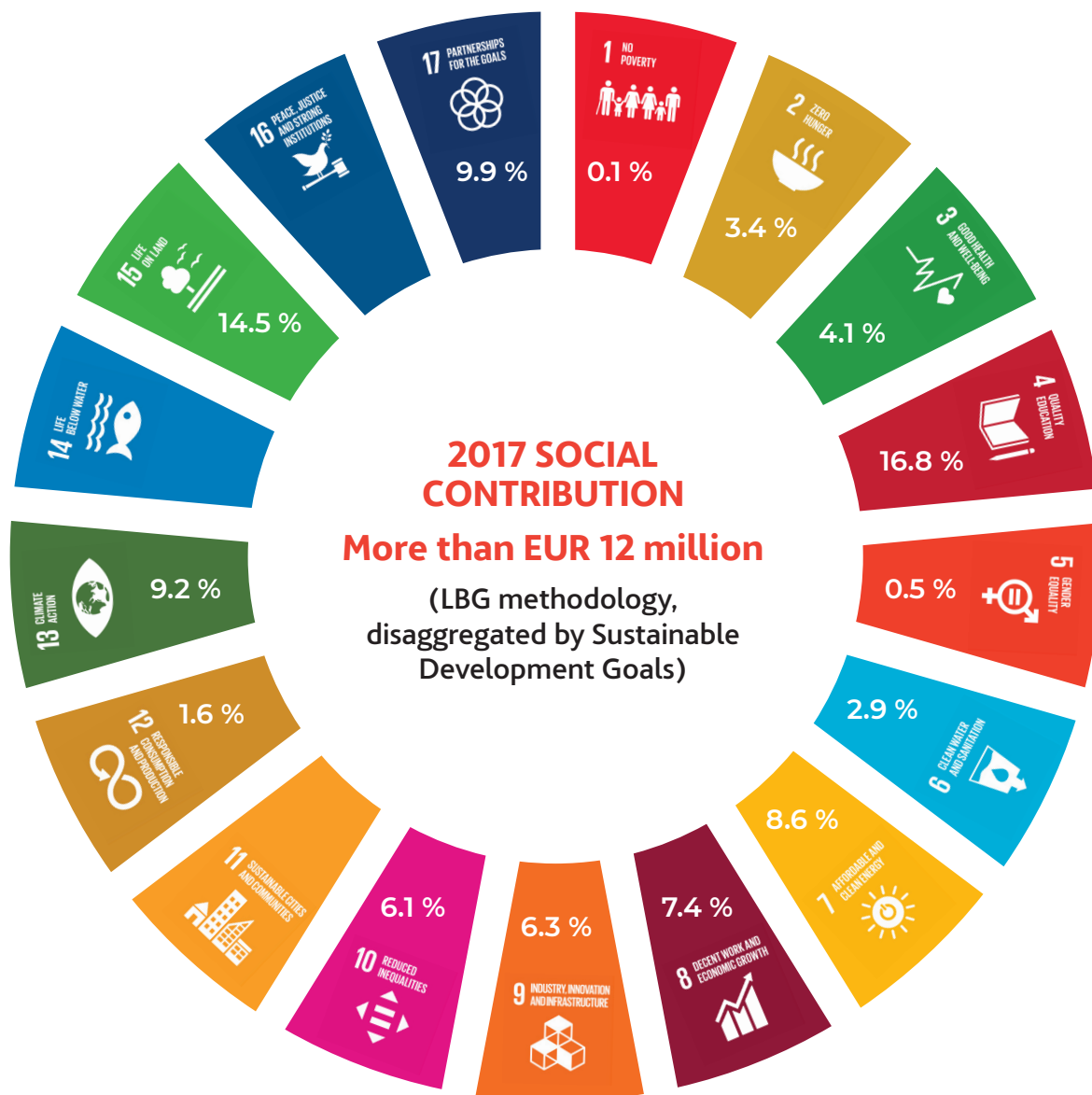


ACCIONA is working actively on international initiatives that enhance its commitment to sustainable development, the fight against climate change, and raising awareness of these issues.

- ACCIONA played an active role in COP23, held in Bonn in November, and in the World Economic Forum in Davos.
- Cooperation with national and international organisations on climate change, sustainable development, and other issues: CPLC, Alliance of CEO Climate Leaders, Sustainable Energy for All, WBCSD, Corporate Leaders Group, Global Compact, among others.
- Participation in a number of public surveys on proposed new regulation for energy, infrastructure, water and services, such as Spain's Climate Change and Energy Transition Law, through industry associations and its participation in the Spanish Green Growth Group.



CONTRIBUTION TO THE SDGs THROUGH ITS SOCIAL ACTION PLAN



"The United Nations Sustainable Development Goals (SDGs) should serve as a mandatory guide for all. As companies, we are also bound to contribute in achieving them through our activity. Particularly, SDG 6 (clean water and sanitation), SDG 7 (affordable and clean energy) and SDG 9 (industry, innovation and infrastructure) are all key in the sense that they allow for the development of all the others. At ACCIONA, we work committedly on these goals through our water, clean energy and infrastructure projects."

José Manuel Entrecanales
Chairman of ACCIONA

CONTRIBUTION TO THE SDGs THROUGH ACCIONA MICROENERGIA FOUNDATION

<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>The Luz en Casa rural electrification programmes provided access to affordable electricity with home photovoltaic systems to 11,400 low income households (more than 46,000 people) in isolated rural communities.</p>	<p>The Luz en Casa centres and the electricity supplied to users with small businesses in their homes, contribute to the employment and economic growth of the communities served.</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 
<p>1 NO POVERTY</p> 	<p>The 46,000 users of Luz en Casa save EUR 945,000 by avoiding the purchase of batteries, candles, etc. and could gain the use of approximately 7,295,000 extra hours of light to carry out their day-to-day activities, as they have electric light.</p>	<p>The models for the provision of the Luz en Casa service, which consider technological, economic and management aspects allow for the implementation of basic electrical infrastructures. Recognition of the Luz en Casa centres by CAF-Latin American Development Bank and the journal Compromiso Empresarial.</p>	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 
<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>Luz en Casa provided almost 19,250,000 hours of electric lighting that minimised the use of harmful alternative methods (candles, kerosene, wood).</p>	<p>Luz en Casa continued to mitigate the gap between rural and urban areas by reducing the number of people in rural communities who did not have access to electricity.</p>	<p>10 REDUCED INEQUALITIES</p> 
<p>4 QUALITY EDUCATION</p> 	<p>The children of Luz en Casa used 725,000 extra hours to do their homework, increasing their primary schooling by 0.4 years and increasing the number of children enrolled in secondary school by 11 %.</p>	<p>The Luz en Casa programmes avoid the emission of approximately 2,750 t of CO₂ and the uncontrolled disposal of 15.2 t of batteries, thanks to the use of electric devices and lights connected to solar photovoltaic systems.</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 
<p>5 GENDER EQUALITY</p> 	<p>Luz en Casa worked with at least 600 women who were members of the Photovoltaic Electrification Committees and 4 women in charge of Luz en Casa centres.</p> <p>There are 17,200 users that can carry out household tasks more easily (and more than 7,000 children do their homework with adequate lighting).</p>	<p>ACCIONA Microenergía benefits from the collaboration with Spanish Cooperation and local/regional governments in Cajamarca, Loreto and Oaxaca and developed its activities together with other organizations sharing the same objectives, such as associates with the Universal Energy Access Board, the Latin American Platform for Sustainable Energy and Equity (PLESE) and the Alliance for Rural Electrification (ARE).</p>	<p>17 PARTNERSHIPS FOR THE GOALS</p> 



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