

Madrid, 4th October 2019

Dear Friends,

I would like to begin by congratulating the Global Compact Spanish Network on fifteen years leading sustainability in Spain. Because of its successful advocacy for the adoption of the Ten Principles among Spanish companies, it has achieved a prominent position among all the UN Global Compact networks.

In this annual letter, we reiterate our commitment to the Ten Principles of the UN Global Compact, which have proven to be invaluable in pursuing our goal of designing a better planet.

I would also invite you to consult our Communication on Progress 2018, an exhaustive rendering of accounts on our sustainability performance, particularly with respect to our commitment to the Principles of the Global Compact.

This commitment is articulated in practice through specific actions designed in our Sustainability Master Plan 2016-2020, a roadmap with demanding operational goals that, as we have shown, make us a better company.

Since we are now half-way through the Plan, I would like to highlight some of the progress we have made in the last year, which enables us to maximise the company's positive impact on the Principles.

- With regard to **human rights**, the Human Rights Policy was updated in 2018 in order to align it with the UN Guiding Principles for Business and Human Rights. We have also extended the coverage of our Social Impact Management methodology, which is an important tool for measuring and improving the surroundings.
- As for **labour rights**, it was approved a Standard on migrant worker welfare in the Gulf Cooperation Council countries, while the "Think Safe" programme in the Energy business was extended and now covers 93% of the workforce. We also worked on a procedure for preventing and mitigating human labour rights abuses.
- As regards our **environmental** responsibility, although we have achieved the ambitious goal of carbon neutrality, mitigating climate change is still one of our Plan's main objectives. As a result, this year we managed to reduce our emissions by 7% year-on-year, while our production of non-polluting energy avoided the emission of 14.7 million tons of CO₂ into the atmosphere. We have also continued to expand our catalogue of solutions to address other global environmental challenges such as water stress, climate and water risks and opportunities, electric mobility, the circular economy and biodiversity preservation.
- In the area of combating **corruption**, we updated our internal methodology for assessing the ethics and integrity risks that ACCIONA faces, by integrating them naturally into the group's risk assessment methodology. The compliance model continues to be rolled out internationally.

We continue to take determined steps towards the goals of our Plan and also participate actively in publicising our sustainable business commitment in international forums and initiatives, including the Katowice Climate Summit (COP24) this year, and our recent inclusion in the local network of the UN Global Compact in Chile.

To conclude, I would invite you once again to read the information of our sustainability performance, where we give an account of our commitment to fulfilling the Ten Principles of the Global Compact and of our contribution through the development and operation of sustainable critical infrastructure that is designed to meet the challenges of our time and which are undoubtedly conditioning the development model for future generations.

Very truly yours,

José Manuel Entrecanales Domecq