

CORPORATE GOVERNANCE ANNUAL REPORT

LISTED COMPANIES

ISSUER'S PARTICULARS

END OF FISCAL YEAR DATE: 31/12/2011

EMPLOYER'S IDENTIFICATION NUMBER:: A-08001851

Company name: ACCIONA, S.A.

**MODEL ANNUAL CORPORATE GOVERNANCE REPORT FOR
LISTED COMPANIES**

For a better understanding of the model and subsequent preparation of the report, please read the instructions at the end before filling it out.

A - OWNERSHIP STRUCTURE

A.1 Fill out the following table on the company's share capital:

Date of last change	Share capital (EUR)	Number of shares	Number of voting rights
18/05/2000	63,550,000.00	63,550,000	63,550,000

Indicate if there are different classes of shares that carry different rights:

NO

A.2 List the direct and indirect holders of significant ownership interests in the Company at the end of the reporting period, excluding directors:

Name or company name of shareholder	Number of direct voting rights	Number of indirect voting rights (*)	% over total voting rights
TUSSEN DE GRACHTEN, BV	15,920,109	0	25.051
ENTREAZCA, BV	15,706,109	0	24.715
JELICO NETHERLANDS, BV	2,005,686	0	3.156

Specify the most significant variations in shareholder structure during the year:

Name or company name of shareholder	Date of the transaction	Description of the transaction
GRUPO ENTRECANALES, S.A.	14/07/2011	Ownership interest has fallen below 3% of share capital

A.3 Fill out the following tables on the members of the company's Board of Directors who hold voting rights over shares in the company:

Name or company name of director	Number of direct voting rights	Number of indirect voting rights (*)	% over total voting rights
MR. JOSÉ MANUEL ENTRECANALES DOMECCQ	3,467	59,392	0.099
MR. JUAN IGNACIO ENTRECANALES FRANCO	4,944	7,668	0.020
MR. JUAN MANUEL URGOITI LOPEZ OCAÑA	2,150	0	0.003
BELEN VILLALONGA MORENES	200	0	0.000
MR CARLOS ESPINOSA DE LOS MONTEROS BERNALDO DE QUIROS	3,000	0	0.005
MR DANIEL ENTRECANALES DOMECCQ	88,450	0	0.139
MR FERNANDO RODÉS VILA	9,000	0	0.014
MR JAIME CASTELLANOS BORREGO	10,000	24,000	0.054
MR JAVIER ENTRECANALES FRANCO	5	0	0.000
SOL DAURELLA COMADRÁN	0	14,150	0.022
MR. VALENTIN MONTOYA MOYA	2,387	0	0.004

Total % of voting rights held by the Board of Directors	0.360
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Fill out the following tables on the members of the Company's Board of Directors who hold rights over shares in the Company:

Name or company name of director	Number of direct options	Number of indirect options	Equivalent number of shares	% over total voting rights
MR. JOSÉ MANUEL ENTRECANALES DOMECCQ	11,745	0	11,745	0.018
MR. JUAN IGNACIO ENTRECANALES FRANCO	4,613	0	4,613	0.007

A.4 Indicate, as appropriate, any relationships of a family, commercial, contractual or corporate nature existing between the holders of significant ownership interests, insofar as they are known to the company, unless they have scant relevance or arise from the ordinary course of business:

Type of relationship:

Family

Brief description:

Shareholders of the Companies, with significant ownership interest, are part of Mr. José Entrecanales Ibarra's descendants family group.

Related name or company name
ENTREAZCA, BV
TUSSEN DE GRACHTEN, BV

A.5 Indicate, as appropriate, any relationships of a commercial, contractual or corporate nature existing between the holders of significant ownership interests and the company and/or its Group, unless they have scant relevance or arise from the ordinary course of business:

A.6 Indicate whether the company has been notified of any shareholders agreements that may affect it pursuant to Article. 112 of the Spanish Securities Markets Law. If so, briefly describe them and specify the shareholders party to those agreements:

YES

% of share capital affected:

49,766

Brief description of agreement:

The shareholders agreement was notified to the National Securities Market Commission (CNMV) on 15 July 2011 with registry number 147698, where the full text of the agreement can be consulted. It is also registered at the Mercantile Registry.

The summary of the agreement is essentially as follows:

1. Tussen de Grachten BV and Entreazca BV and its corresponding shareholders, descendants of Mr. José Entrecanales Ibarra and signatories of this agreement, mutually grant each other a pre-emptive right on their corresponding direct shareholding in Acciona, S.A. following the reverse merger of Grupo Entrecanales, S.A. and its subsidiaries in Acciona, S.A., whatever the grounds for ownership, (hereinafter Shares) and/or on their corresponding shareholding in Tussen de Grachten BV and Entreazca BV.

2. These pre-emptive rights will last ten (10) years from registration of the merger of Acciona, S.A. with Grupo Entrecanales, S.A. at the Mercantile Registry, with subsequent tacit renewals for periods of five (5) years each, unless written notice is given by any of the companies, Tussen de Grachten BV or Entreazca BV, eighteen (18) months prior to the expiration date of the initial term of this agreement or any of its subsequent renewals.

This Agreement does not impose or imply consent of the signatories regarding Acciona, S.A.'s management.

Parties to the shareholders' agreement
ENTREAZCA, BV
TUSSEN DE GRACHTEN, BV

Indicate whether the company is cognizant of the existence of concerted actions between the shareholders. If so, briefly describe them:

NO

Expressly indicate any amendment to or termination of such agreements or concerted action during the fiscal term:

A.7 Indicate whether there is any individual or legal entity that exercises, or can exercise, control over the Company, in accordance with Article 4 of the Securities Market Law. If so, describe them briefly:

NO

A.8 Fill out the following tables on the company's treasury shares:

At the end of the reporting period:

Number of direct shares	Number of indirect shares (*)	Total % over share capital
3,750,577	1,848,290	8.810

(*) Through:

Name or company name of direct holder of ownership interest	Number of direct shares
FINANZAS DOS S.A.	1,715,577
TIBEST CUATRO, S.A.	132,713

Total	1,848,290
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Give details of any significant variations during the year, in accordance with Royal Decree 1362/2007:

Notification date	Total direct purchased shares	Total indirect purchased shares	% Total % over share capital
04/07/2011	206,628	471,390	1.067
09/08/2011	868,792	0	1.367
03/10/2011	673,791	0	1.059

Gains/(Losses) from disposal of treasury shares during the financial year (thousand of Euros)	-2,049
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A.9 State the conditions and the term of the authorisation currently in force granted by the General Meeting to the Board of Directors to carry out acquisitions or transfers of treasury shares.

The General Shareholders' Meeting held on 10 June 2010 adopted the following resolution:

To authorize the derivative acquisition of treasury stock by the Company and by Group companies, whether directly or indirectly by acquiring an interest in the companies that hold ACCIONA, S.A. shares, within the limits and in compliance with the legal conditions and requirements established below and to revoke the unused portion of the authorised granted by the Ordinary General Shareholders' Meeting in 2009:

- a) Form: Purchase-sale, swap, loan or accord and satisfaction
- b) Maximum number of shares to be acquired in addition to those already held by ACCIONA, S.A. and subsidiaries: up to 10% of subscribed capital
- c) Maximum and minimum prices: 15% above or below the closing price of the last trading session.
- d) Term of the authorisation: FIVE (5) years from the date of this resolution

To authorise the Board of Directors to carry out the derivative acquisition of ACCIONA, S.A. treasury stock and to allocate some or all of the treasury stock already acquired and to be acquired by the Company under the foregoing authorisation to the implementation of the 2009-2011 compensation plan consisting of the delivery of shares to senior management of the ACCIONA Group, including directors of ACCIONA, S.A. with executive functions, and to

the implementation of other remuneration systems based on the delivery of ACCIONA, S.A. shares or stock options.

A.10 Indicate any legal or bylaw restrictions on the exercise of voting rights and any legal restrictions on the acquisition or transfer of ownership interests in the share capital. State if there are any legal restrictions on the exercise of voting rights:

NO

Maximum percentage of voting rights that can be exercised by a shareholder due to legal restriction	0
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State if there are any bylaws restrictions on the exercise of voting rights:

NO

Maximum percentage of voting rights that can be exercised by a shareholder due restriction in the bylaws	0
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State if there are any legal restrictions on the acquisition or transfer of equity interests:

NO

A.11 State if the General Meeting has resolved to adopt measures to neutralise a take-over bid pursuant to the provisions of Law 6/2007.

NO

If applicable, describe the measures approved and the terms under which the restrictions shall become void:

B - MANAGEMENT STRUCTURE OF THE COMPANY

B.1 Board of Directors

B.1.1 Detail the maximum and minimum number of directors as per the bylaws:

Maximum number of directors	18
Minimum number of directors	3

B.1.2 Fill out the following table with the Board members:

Name or company name of director	Representative	Board office	F. First appointment	F. Last appointment	Procedure for election
MR. JOSÉ MANUEL ENTRECANALES DOMEQ	-	CHAIRMAN	14/04/1997	06/06/2007	VOTING AT GENERAL MEETING
MR JUAN IGNACIO ENTRECANALES FRANCO	-	FIRST DEPUTY CHAIRMAN	14/04/1997	06/06/2007	VOTING AT GENERAL MEETING
MR JUAN MANUEL URGOITI LÓPEZ OCAÑA	-	SECOND DEPUTY CHAIRMAN	14/04/1997	19/06/2008	VOTING AT GENERAL MEETING
BELÉN VILLALONGA MORENES	-	DIRECTOR	10/05/2006	09/06/2011	VOTING AT GENERAL MEETING
MR CARLOS ESPINOSA DE LOS MONTEROS BERNALDO DE QUIROS	-	DIRECTOR	29/06/1994	19/06/2008	VOTING AT GENERAL MEETING
CONSUELO CRESPO BOFILL	-	DIRECTOR	19/06/2008	19/06/2008	VOTING AT GENERAL MEETING
MR DANIEL ENTRECANALES DOMEQ	-	DIRECTOR	04/06/2009	04/06/2009	VOTING AT GENERAL MEETING
MR FERNANDO RODÉS VILA	-	DIRECTOR	04/06/2009	04/06/2009	VOTING AT GENERAL MEETING
MR JAIME CASTELLANOS BORREGO	-	DIRECTOR	04/06/2009	04/06/2009	VOTING AT GENERAL MEETING
MR JAVIER ENTRECANALES FRANCO	-	DIRECTOR	22/09/2011	22/09/2011	COOPTION
MIRIAM GONZÁLEZ DURANTEZ	-	DIRECTOR	10/06/2010	10/06/2010	VOTING AT GENERAL MEETING
SOL DAURELLA COMADRÁN	-	DIRECTOR	09/06/2011	09/06/2011	VOTING AT GENERAL MEETING
MR VALENTÍN MONTOYA MOYA	-	DIRECTOR	19/05/2001	06/06/2007	VOTING AT GENERAL MEETING

Total number of directors	13
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Indicate any removals of directors during the year:

Name or company name of director	Director's condition upon termination	Date of termination
MR TRISTÁN GAREL-JONES	INDEPENDENT	09/06/2011
MR JUAN C. ENTRECANALES AZCARATE	PROPRIETARY	22/09/2011

B.1.3 Fill out the following tables on the members of the Board and their status:

EXECUTIVE DIRECTORS

Name or company name of director	Committee proposing appointment	Office per Company organisation chart
MR JOSÉ MANUEL ENTRECANALES DOMEQ	APPOINTMENTS AND REMUNERATION COMMITTEE	CHAIRMAN AND CEO
MR JUAN IGNACIO ENTRECANALES FRANCO	APPOINTMENTS AND REMUNERATION COMMITTEE	DEPUTY CHAIRMAN AND CEO

Total number of executive directors	2
Total % of the Board	15.385

NON-EXECUTIVE PROPRIETARY DIRECTORS

Name or company name of director	Committee proposing appointment	Name or company name of significant shareholder represented or proposing appointment
MR MANUEL ENTRECANALES DOMEQ	-	ENTREAZCA, BV
MR JAVIER ENTRECANALES FRANCO	-	TUSSEN DE GRACHTEN, BV

Total number of proprietary directors	2
Total % of the Board	15.385

INDEPENDENT NON-EXECUTIVE DIRECTORS

Name or company name of director

MR JUAN MANUEL URGOITI LÓPEZ OCAÑA

Profile

GRADUATE IN LAW. WORKED FIRST AT BANCO DE VIZCAYA, WHERE HE ATTAINED THE POSITION OF CEO, AND WAS SUBSEQUENTLY CEO OF BBV. FORMER CHAIRMAN OF AHORROBANK, BANCO DE CREDITO CANARIO AND BANCO OCCIDENTAL, CHAIRMAN OF THE INSTITUTO DE BIOLOGIA AND SUEROTERAPIA AND OF LABORATORIOS DELAGRANGE, S.A., DIRECTOR OF ANTIBIOTICOS, S.A. FORMER CHAIRMAN OF THE ROYAL BOARD OF TRUSTEES OF THE QUEEN SOFIA NATIONAL ART CENTER AND MEMBER OF THE ROYAL BOARD OF TRUSTEES OF THE PRADO MUSEUM. CURRENTLY CHAIRMAN OF BANCO GALLEGO AND DIRECTOR OF INDITEX.

Name or company name of director

BELEN VILLALONGA MORENES

Profile

PROFESSOR AT HARVARD BUSINESS SCHOOL, WHERE SHE HAS TAUGHT FINANCE AND COMPANY VALUATION IN MBA, PHD AND EXECUTIVE PROGRAMMES SINCE JULY 2001. PHD IN BUSINESS ADMINISTRATION AND MASTER IN ECONOMICS FROM UCLA, GRADUATE AND PHD IN ECONOMICS AND BUSINESS STUDIES FROM MADRID COMPLUTENSE UNIVERSITY, WHERE SHE WAS ALSO A LECTURER. SHE IS A SPECIALIST IN CORPORATE FINANCE, CORPORATE GOVERNANCE AND BUSINESS STRATEGY.

Name or company name of director

MR CARLOS ESPINOSA DE LOS MONTEROS DE QUIROS

Profile

LAWYER, GRADUATE IN BUSINESS (ICADE) AND CIVIL SERVICE COMMERCIAL EXPERT AND ECONOMIST. FORMER DEPUTY CHAIRMAN OF INI AND CHAIRMAN OF IBERIA AND AVIACO. PRESIDENT OF CIRCULO DE EMPRESARIOS, CHAIRMAN AND CEO OF MERCEDES-BENZ ESPANA, S.A., CURRENTLY CHAIRMAN OF LA FRATERNIDAD MUPRESA (MUTUA DE ACCIDENTES DE TRABAJO) AND SECOND DEPUTY CHAIRMAN OF INDITEX.

Name or company name of director

CONSUELO CRESPO BOFILL

Profile

MEMBER OF THE ADVISORY BOARD OF FUNDACION INNOVACION SOCIAL PARA LA CULTURA, A TRUSTEE OF FUNDACION MIRADA SOLIDARIA, MEMBER OF THE ADVISORY BOARD OF FUNDACION ESPLAI, MEMBER OF THE JURY FOR THE FUNDACION PRINCIPE DE ASTURIAS AWARDS FOR INTERNATIONAL AID, AND A MEMBER OF THE BOARD OF GOVERNORS OF DEUSTO UNIVERSITY. MEMBER OF THE BOARD OF DIRECTORS OF TUBACEX, S. A. AND PRESIDENT OF UNICEF ESPANA. HONORARY MEMBER OF: ASOCIACION NUEVO FUTURO; ASOCIACION MUJER SIGLO XXI; AND THE SCIENTIFIC COMMITTEE OF THE INTERNATIONAL INSTITUTE OF POLITICAL SCIENCE. SHE HAS RECEIVED AN AWARD FROM THE FORUM DE ALTA DIRECCION.

Name or company name of director

MR FERNANDO RODÉS VILA

Profile

CEO OF HAVAS GROUP, BASED IN PARIS.

COMMENCED HIS CAREER IN 1985 IN THE CAPITAL MARKETS DIVISION OF MANUFACTURERS HANOVER TRUST BANK. APPOINTED CEO OF MEDIA PLANNING, S.A. IN 1994. IN 2006, APPOINTED CEO OF HAVAS GROUP, THE WORLD'S FIFTH-LARGEST COMMUNICATION, MARKETING AND ADVERTISING GROUP, WHICH IS LISTED ON THE PARIS STOCK EXCHANGE (HAV). CHAIRMAN OF NEOMETRICS, AND DIRECTOR OF OTHER COMPANIES IN HIS FAMILY GROUP; TRUSTEE OF THE NATURA FOUNDATION.

Name or company name of director

Profile MR JAIME CASTELLANOS BORREGO

CHAIRMAN AND CEO OF RECOLETOS MEDIA GROUP FROM 1991 UNTIL IT WAS SOLD IN 2007. CURRENTLY CHAIRMAN OF WILLIS IBERIA AND LAZARD ASESORES FINANCIEROS. HE IS ALSO A DIRECTOR OF CASBEGA AND VICE-PRESIDENT OF THE EMPRESA AND SOCIEDAD FOUNDATION.

Name or company name of director

Profile MIRIAM GONZÁLEZ DURANTEZ

LAW DEGREE FROM THE UNIVERSITY OF VALLADOLID, MASTER'S DEGREE FROM THE COLEGIO DE EUROPA AND SENIOR ASSOCIATE MEMBER, ST. ANTHONY'S COLLEGE AT OXFORD UNIVERSITY. FORMERLY AN ADVISER TO THE FOREIGN AND COMMONWEALTH OFFICE ON THE MIDDLE EAST AND EUROPEAN UNION AND ONE OF TWO FOREIGN RELATIONS COMMISSIONERS FROM 1999 TO 2004.

CURRENTLY DIRECTS THE INTERNATIONAL TRADE AND EUROPEAN GOVERNMENT RELATIONS DEPARTMENT OF DLA PIPER IN LONDON AND IS VICE-PRESIDENT OF CANNING HOUSE IN LONDON.

Name or company name of director

Profile SOL DAURELLA COMADRÁN

DEGREE IN BUSINESS ADMINISTRATION AND MBA IN BUSINESS ADMINISTRATION FROM ESADE.

HER MAIN PROFESSIONAL ACTIVITY IS THE ADMINISTRATION OF THE FAMILY BUSINESS OF COCA-COLA CONCESSIONS IN THE IBERIAN PENINSULA AND AFRICA. SHE IS ALSO A NON-EXECUTIVE AND INDEPENDENT DIRECTOR. MEMBER OF BANCO DE SABADELL, S.A. AUDIT AND CONTROL COMMISSION AND INDEPENDENT NON-EXECUTIVE DIRECTOR. CHAIRMAN OF EBRO FOODS, S.A. AUDIT AND CONTROL COMMISSION AND MEMBER OF EBRO FOODS, S.A. APPOINTMENTS AND REMUNERATION COMMISSION, AS WELL AS TRUSTEE OF DIFFERENT FOUNDATIONS (ESADE, FERO-VHIO, SCIENCE HEALTH AND EDUCATION, GUTTMAN Y AMIGOS DEL MUSEO DEL PRADO).

Total number of independent directors	8
Total % of the Board	61.538

OTHER NON-EXECUTIVE DIRECTORS

Name or company name of director	Committee proposing appointment
MR VALENTÍN MONTOYA MOYA	APPOINTMENTS AND REMUNERATION COMMITTEE

Total number of other non-executive directors	1
Total % of the Board	7.692

Give reasons why these other non-executive directors cannot be considered either proprietary or independent members and their relations, whether with the company or its officers, or with its shareholders:

Name or company name of director

MR. VALENTÍN MONTOYA MOYA

Company, officer or shareholder with whom relation is maintained

Reason

Upon stepping down as an executive in 2009, he ceased to be classified as an executive director, but he cannot be classified as an independent director under Section III of the Unified Code of Corporate Governance, nor can he be classified as a proprietary director since his appointment is not based on his being a shareholder.

Indicate any variations in the status of each director that may have occurred during the year:

B.1.4 Describe, if applicable, the reasons why proprietary directors have been appointed at the initiative of shareholders whose shareholding is less than 5%.

State if formal requests for a presence of the Board have been rejected from shareholders with a shareholding equal to or greater than that of others who have been successfully appointed proprietary directors. If applicable, state the reasons for such rejection:

NO

B.1.5 State if a director has resigned from his or her directorship before completing the term of office, if such director has given his or her reasons to the Board and by what means; and, if the reasons have been notified in writing to the entire Board, describe below at least the reason argued by the director:

YES

Name of the Director

MR JUAN C. ENTRECANALES AZCARATE

Reason for exit

Personal reasons

Name of the Director

MR TRISTÁN GAREL-JONES

Reason for exit

Personal reasons

B.1.6 Indicate what powers, if any, have been delegated to the Chief Executive Officer/s:

Name or company name of director

MR. JOSÉ MANUEL ENTRECANALES DOMECCQ

Brief description

All the Board's, except where delegation is prohibited by law, on a joint and several basis.

Name or company name of director

MR JUAN IGNACIO ENTRECANALES FRANCO

Brief description

All the Board's, except where delegation is prohibited by law, on a joint and several basis.

B.1.7 Identify, as appropriate, the Board members who hold office as directors or executives at other companies forming part of the listed company's group:

B.1.8 Give details, as appropriate, of any directors of the company who are members of the Boards of Directors of other non-Group companies that are listed on official securities markets in Spain, as disclosed to the Company:

Name or company name of director	Company name of listed company	Office
MR JUAN MANUEL URGOITI LOPEZ OCAÑA	INDUSTRIA DE DISEÑO TEXTIL, S.A.	DIRECTOR
MR CARLOS ESPINOSA DE LOS MONTEROS BERNALDO DE QUIROS	INDUSTRIA DE DISEÑO TEXTIL, S.A.	DEPUTY CHAIRMAN
CONSUELO CRESPO BOFILL	TUBACEX, S.A.	DIRECTOR
SOL DAURELLA COMADRÁN	EBRO FOODS, S.A.	DIRECTOR
SOL DAURELLA COMADRÁN	BANCO SABADELL, S.A.	DIRECTOR

B.1.9 State and, if applicable, explain if the company has set forth rules on the number of boards on which its directors may hold seats:

YES

Explanation of rules
Under Article 38-1.c of the Board of Directors Regulation, directors may not belong to the Boards of more than four listed companies (not counting Acciona).

B.1.10 In relation to recommendation 8 of the Unified Code, state the company general policies and strategies whose approval is reserved for the full Board:

Investment and financing policy	YES
Definition of the structure of the corporate group	YES
Corporate governance policy	YES
Corporate social responsibility policy	YES
Strategic or business plan and the annual management objectives and budgets	YES
Remuneration and performance evaluation policy for senior executives	YES
Risk control and management policy and periodic monitoring of internal reporting and control systems	YES
Dividend policy and treasury shares policy and, in particular, limits thereon	YES

B.1.11 Fill out the following tables on the aggregate remuneration of directors accrued during the year:

a) At the reporting company:

Remuneration item	Data in thousands of Euros
Fixed remuneration	1,532
Variable remuneration	4,441
Attendance fees	1,695
Bylaw-stipulated directors' emoluments	0
Share options and/or other financial instruments	227
Other	0

Total	7,895
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Other benefits	Data in thousands of Euros
Advances	0
Loans granted	0
Pension funds and plans: Contributions	0
Pension funds and plans: Obligations	0
Life insurance premiums	0
Guarantees provided by the Company for directors	0

b) Due to membership of the Company's directors of other boards of directors and/or of the senior management of Group companies:

Remuneration item	Data in thousands of Euros
Fixed remuneration	0
Variable remuneration	0
Attendance fees	0
Bylaw-stipulated directors' emoluments	0
Share options and/or other financial instruments	0
Other	0

Total	0
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Other benefits	Data in thousands of Euros
Advances	0
Loans granted	0
Pension funds and plans: Contributions	0
Pension funds and plans: Obligations	0
Life insurance premiums	0
Guarantees provided by the Company for directors	0

c) Total remuneration by type of director:

Type of director	By Company	By Group
Executive directors	6,350	0
Non-executive proprietary directors	190	0
Independent non-executive directors	1,140	0
Other non-executive directors	215	0

Total	7,895	0
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d) With respect to profit attributable to the Parent

Total directors' remuneration (thousands of Euros)	7,895
Total directors' remuneration/profit attributable to the parent company (stated as %)	3.9

B.1.12 Identify the senior executives who are not executive directors, and indicate the total remuneration accrued for them during the year:

Name or company name	Office
MARÍA DEL CARMEN BECERRIL MARTÍNEZ	CHAIRMAN ACCIONA ENERGY DIVISION
MR. RAFAEL MATEO ALCALÁ	GENERAL MANAGER ACCIONA ENERGY DIVISION
MR ANTONIO GRÁVALOS ESTÉBAN	GENERAL MANAGER ACCIONA TRANSMEDITERRANEAN DIVISION
MARÍA DOLORES SARRIÓN MARTÍNEZ	GENERAL MANAGER, CORPORATE RESOURCE AREA
MR JORGE VEGA-PENICHET LÓPEZ	GENERAL SECRETARY
MR RICARDO MOLINA OLTRA	GENERAL MANAGER OTHER BUSINESS
ISABEL ANTÚNEZ CID	GENERAL MANAGER ACCIONA PROPERTY DIVISION
MR JOSÉ JOAQUÍN MOLLINEDO CHOCANO	GENERAL MANAGER, INSTITUTIONAL RELATIONS
MR JOSÉ MARIA FARTO PAZ	GENERAL MANAGER ACCIONA INFRASTRUCTURE AREA 3
MR JUAN RAMÓN SILVA FERRADA	GENERAL MANAGER, SOSTAINABLE DEVELOPMENT AREA
MR JAVIER-PÉREZ-VILLAMIL MORENO	GENERAL MANAGER ACCIONA INFRASTRUCTURE AREA 1
MR JUAN MANUEL CRUZ PALACIOS	GENERAL MANAGER, HUMAN RESOURCES MANAGEMENT
MR JUSTO VICENTE PELEGRINI	GENERAL MANAGER ACCIONA INFRASTRUCTURE AREA 2
MR CARLOS NAVAS GARCÍA	GENERAL MANAGER ACCIONA AIRPORT SERVICES
MR JESÚS ALCÁZAR VIELA	GENERAL MANAGER ACCIONA INFRASTRUCTURES LATIN AMERICA
MR. JUAN GALLARDO CRUCES	CHIEF FINANCIAL OFFICER
MR PEDRO MARTÍNEZ MARTÍNEZ	CHAIRMAN ACCIONA INFRASTRUCTURES DIVISION
MR VICENTE SANTAMARÍA DE PAREDES CASTILLO	GENERAL MANAGER LEGAL SERVICES
MR JUAN MURO-LARA GIROD	GENERAL MANAGER, CORPORATE DEVELOPMENT AND INVESTOR RELATIONS
MR JAROSLAW POPIOLEK	GENERAL MANAGER, POLAND REGION
MR BRETT THOMAS	GENERAL MANAGER, AUSTRALIAN REGION
MR ALBERT FRANCIS GELARDIN	INTERNATIONAL GENERAL MANAGER
MR ROBERT PARK	GENERAL MANAGER, CANADIAN REGION
MR JOAQUÍN GÓMEZ DÍAZ	GENERAL MANAGER ACCIONA INFRASTRUCTURES, STUDIES AND CONTRACTING
ARANTZA EZPELETA PURAS	GENERAL MANAGER, INTERNATIONAL

Name or company name	Office
	DEVELOPEMENT AREA
MR FÉLIX RIVAS ANORO	GENERAL MANAGER, INNOVATION, QUALITY AND PURCHASING AREA
MR PÍO CABANILLAS ALONSO	GENERAL MANAGER, CORPORATE IMAGE AND GLOBAL MARKETING
MR CARLOS LÓPEZ FERNÁNDEZ	GENERAL MANAGER ACCIONA ENGINEERING AND FACILITIES
MR ALFONSO CALLEJO MARTÍNEZ	GENERAL MANAGER, CORPORATE RESOURCES
MR RAÚL BELTRÁN NÚÑEZ	GENERAL MANAGER, INTERNAL AUDIT
MR FRANCISCO ADALBERTO CLAUDIO VÁZQUEZ	GENERAL MANAGER ACCIONA INFRASTRUCTURES, INTERNATIONAL AND CONCESSIONS
MR JUAN ANDRÉS SÁEZ ELEGIDO	CHIEF COMMUNICATION OFFICER
MR LUIS CASTILLA CÁMARA	CHAIRMAN OF ACCIONA WATER DIVISION
MACARENA CARRIÓN LÓPEZ DE LA GARMA	GENERAL MANAGER PRESIDENCIAL AREA
MR PEDRO RUIS OSTA	GENERAL MANAGER, ACCIONA WINDPOWER
MR ALBERTO DE MIGUEL ICHASO	GENERAL MANAGER ACCIONA ENERGY STRATEGY AND NEW BUSINESS
MR JOSÉ ÁNGEL TEJERO SANTOS	GENERAL MANAGER, FINANCE AND RISKS
MR JOSÉ MANUEL TERCEIRO MATEO	GENERAL MANAGER, FINANCIAL AREA ACCIONA INFRASTRUCTURES

Total remuneration of senior executives (thousand Euros)	22,889
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B.1.13 Identify in aggregate terms whether there are any guarantee or golden parachute clauses for senior executives, including executive directors of the Company or of its group, in the event of termination or changes in control. State if such agreements should be reported and/or approved by the bodies of the Company or its group:

Number of beneficiaries	7
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	Board of Directors	Annual General Meeting
Body approving clauses	YES	NO

Is the Annual General Meeting informed of the clauses?	YES
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B.1.14 Describe the process for setting Board members' remuneration and the relevant provisions in the company bylaws.

Process for setting Board members' remuneration and the relevant provisions in the company bylaws
<p>According to Article 31.2 of the Bylaws establishes that the Board of Directors is entitled to 5% of profit each year after making allocations to the items referred to in paragraphs 10, 20 and 30 of Article 47.2 of the Bylaws, unless the Shareholders' Meeting, at the proposal of the Board of Directors, determines a smaller percentage when it approves the financial statements.</p> <p>Directors' remuneration is distributed in the proportion decided upon by the Board.</p> <p>Subject to a prior decision by the Shareholders' Meeting with the legally required scope, executive directors may also be remunerated with shares or stock options or another remuneration system referenced to the share price.</p> <p>Article 55 of the Board Regulation establishes that the Board of Directors will determine the directors' remuneration regime within the framework established by the Bylaws.</p> <p>The decision must be based on a report on the subject issued by the Nomination and Remuneration Committee.</p> <p>The Board of Directors must ensure that directors' remuneration is moderate and in line with the market rate at companies of a similar size and activity, favouring systems which link a significant part of the remuneration to dedication to Acciona.</p> <p>The Board of Directors must also ensure, in the case of variable awards, that remuneration policies include technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the Company's sector, or circumstances of this kind.</p> <p>The remuneration regime must allocate analogous remuneration to similar functions and dedication.</p> <p>The remuneration system for independent directors must seek to provide sufficient incentive for dedication without compromising their independence.</p> <p>Remuneration of proprietary directors for their duties as director must be in proportion to that received by other directors, and must not represent special treatment regarding the remuneration of the shareholder who proposed their appointment.</p> <p>Remuneration of executive directors derived from their membership of the Board of Directors must be compatible with other professional or occupational remuneration they receive for the executive or consultancy functions they undertake at Acciona or in its Group</p> <p>The executive directors may be beneficiaries of remuneration systems that comprise the delivery of shares or stock options or any other remuneration system referenced to the share price. In that case, the Board must submit a proposal in this connection to the Shareholders' Meeting.</p> <p>Directors' remuneration must be transparent.</p> <p>The Board of Directors must adopt the necessary measures to ensure that the Annual Report discloses the directors' remuneration for their positions as such and for each item, as well as the remuneration of the directors with executive responsibilities, which may be itemized at the Board's discretion.</p> <p>Information must also be given on the relationship in the year between the remuneration obtained by executive directors and the Company's profits, or some other measure of enterprise results.</p> <p>Acciona may arrange director liability insurance and a director pension system.</p> <p>Total remuneration paid to the Board of Directors for discharging its duty as the Company's governing body in 2011 was 1,695,000 euros; the breakdown of this figure on the basis of membership of the Board of Directors and the various Committees is shown in the Annual Report for the reporting period and in the report on directors' remunerations.</p> <p>On 1 July 2009, the Board of Directors approved the proposal made by the Nomination and Remuneration Committee with regard to the remuneration of directors for membership of the Board of Directors and its Committees in the following terms</p> <p>EUR 75,000 for membership of the Board of Directors.</p> <p>EUR 25,000 for the position of Independent Vice-Chairman.</p> <p>EUR 50,000 for membership of the Executive Committee.</p> <p>EUR 50,000 for membership of the Audit Committee.</p> <p>EUR 40,000 for membership of the Nomination and Remuneration Committee.</p> <p>EUR 40,000 for membership of the Sustainability Committee.</p> <p>These amounts, which were not increased since 2009, are fixed annual amounts paid in quarterly instalments (allocated if applicable according to the changes in the Committees' structure) regardless of the number of meetings that are held in the year. No specific per diems are paid for attending meetings. The executive directors who are members of the Executive Committee did not receive any remuneration for their membership of that Committee as it was considered to be included in the remuneration for their professional services as directors.</p> <p>Following a detailed comparative survey of remunerations received in international and IBEX 35 companies, and based on the fact that Board of Directors remuneration had not been updated since 2004, the Nomination and Remuneration Committee drafted a proposal in the foregoing terms and submitted it to the Board of Directors, which approved it on 1 July 2009.</p>

Process for setting Board members' remuneration and the relevant provisions in the company bylaws	
The Committee considers that its proposal is in line with the market rate in companies of similar size and activity, that comparable functions and dedication are remunerated in an analogous manner without compromising directors' independence, while providing a suitable incentive to even greater involvement in the Committees.	

State whether any of the following decisions are reserved for approval by the full Board.

At the proposal of the Company's chief executive, the appointment and possible removal of senior executives, as well as their indemnity clauses.	YES
The remuneration of directors and, in the case of executive directors, the additional compensation for their executive functions and other conditions to be fulfilled by their contracts.	YES

B.1.15 State whether the Board of Directors approves a detailed remuneration policy and specify the issues on which it makes a pronouncement:

YES

Amount of fixed components, with an itemisation, where applicable, of fees for participation at the meetings of the Board and its Committees and an estimate of the annual fixed remuneration derived therefrom.	YES
Variable remuneration components.	YES
Main characteristics of social security systems, with an estimate of their amount or equivalent annual cost	YES
Terms to be observed by agreements from those who perform senior management functions as executive directors.	YES

B.1.16 State whether the Board brings before the General Meeting for a vote, as a separate point on the agenda, and on a consultative basis, a report on the directors remuneration policy. If so, explain the aspects of the report in relation to the remuneration policy approved by the Board for the coming years, the most significant changes therein with respect to the one applied during the year and an overall summary of how the remuneration policy was applied during the fiscal year. Describe the role played by the Remuneration Committee and state whether outside advisory service has been used. If so, identify the external consultants providing such advice:

YES

Issues on which the remuneration policy report makes a pronouncement	
The report about 2010 remunerations policy submitted to consultative vote at the Annual General Meeting and approved with the favourable vote of 98.7374% of the voting share capital attending the Annual General Meeting, states the following:	
- Remuneration for performing joint supervision and decision-making functions derived from being a member of the Board. (detailed on an individual basis by director).	
- Remuneration for performing executive functions in the company (indicating the different components, fixed and variable amounts and issuing of shares).	
- Term, notice periods and termination benefit clauses for directors performing executive functions.	
- Relation between directors' remuneration for executive functions and 2011 Company Profits and Remunerations Policy.	

Issues on which the remuneration policy report makes a pronouncement	
The Appointments and Remuneration Committee prepares the proposal for the remunerations policy, which is then subscribed by the Board and submitted to shareholders at the Annual General Meeting.	

Has external advisory service been used?	
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Identify the external consultants
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B.1.17 Indicate, as appropriate, which Board members are, in turn, members of the Boards of Directors or executives or employees of companies that hold significant ownership interests in the listed Company and/or group companies:

Give details, as appropriate, of any material relationships, other than those envisaged under the preceding heading, of the members of the Board of Directors with significant shareholders and/or at Group companies:

Name or company name of associated director

MR JOSÉ MANUEL ENTRECANALES DOMEQ

Name or company name of significant associated shareholder

ENTREAZCA, BV

Description of relationship

Shareholder

Name or company name of associated director

MR JUAN IGNACIO ENTRECANALES FRANCO

Name or company name of significant associated shareholder

TUSSEN DE GRACHTEN, BV

Description of relationship

Shareholder

Name or company name of associated director

MR DANIEL ENTRECANALES DOMEQ

Name or company name of significant associated shareholder

ENTREAZCA, BV

Description of relationship

Shareholder

Name or company name of associated director

MR JAVIER ENTRECANALES FRANCO

Name or company name of significant associated shareholder

TUSSEN DE GRACHTEN, BV

Description of relationship

Shareholder

B.1.18 Indicate the amendments, if any, to the Board Regulations during the year:

YES

Description of amendments
<p>At the Board meeting held on 5 May, Directors resolved to adjust the Regulations to the latest legal changes, particularly in reference to the Corporations Law and the Spanish Account Auditing Law, and to the recommendations issued by the National Securities Market Commission Working Group on Financial Reporting Internal Control. Technical modifications were also introduced, such as the prohibition for Directors to carry out transactions with shares, since the periods established in the previous draft did not observe current provisions (as amended after the Regulations approval) or the general corporate practices in the different listed companies, without substantially changing their nature.</p> <p>Finally, Article 63 is amended by including, at the Annual General Meeting, an Electronic Shareholders Forum available in order to include any additional proposals for the agenda informed in the call for the meeting, as well as requests for support to said proposals, initiatives to reach the percentage to exercise a minority right pursuant to the provisions of the Corporations Law, and offers and requests for voluntary proxy.</p> <p>The consolidated Regulations with approved modifications was notified to the CNMV as a relevant fact on 11 May 2011 under registry number 143760.</p> <p>During its meeting held on 3 November, the Board amended articles 28 bis and 32 bis of the Regulations to establish that the president of the sustainability committee should be an non-executive director.</p> <p>The consolidated Regulations with approved modifications was notified to the CNMV as a relevant fact on 4 November 2011 under registry number 152816.</p>

B.1.19 Indicate the procedures for the appointment, re-election, evaluation and removal of directors. Give details of the competent bodies, the formalities to be fulfilled and the criteria to be used in each of the procedures.

Directors are appointed by the Shareholders' Meeting, except when they are co-opted by the Board of Directors in order to fill a vacancy and when they are appointed by shareholders exercising their right to proportional representation

The Board of Directors must respect the Regulation when proposing the appointment of directors to the Shareholders' Meeting and when deciding on cooptions.

The composition of the Board of Directors will include Proprietary, Independent and Executive directors.

Proposals to appoint or reappoint directors made by the Board of Directors to the Shareholders' Meeting, and the provisional appointment of directors by cooption, must be approved by the Board of Directors based on a proposal by the Nomination and Remuneration Committee in the case of independent directors, or on the basis of an opinion issued by the Nomination and Remuneration Committee, in the case of other classes of directors.

In exercising its powers to propose appointments to the Shareholders' Meeting and to co-opt, the Board of Directors must strive to ensure that external directors (proprietary and independent) represent an ample majority with respect to executive directors, while the number of executive directors should be as small as is practical bearing in mind the complexity of the corporate Group and the ownership interests they control; independent directors must account for at least one-third of the total.

The Board of Directors and the Appointments and Remunerations Committee will seek, within the scope of their corresponding functions, to guarantee that candidates elected as Independent Directors be professionals of renowned solvency, competence and experience, willing to dedicate sufficient time to the functions specific to the position.

The Nomination and Remuneration Committee must also advise the Board of Directors on the reappointment of directors. In its recommendation, the Nomination and Remuneration Committee must evaluate the quality of work and dedication to duties during the director's term.

The Board of Directors must ensure that independent directors who are reappointed are not assigned to the same Committee, except where the tasks in hand or other reasons make it advisable for them to remain in the same Committee.

Directors cease to hold office:

-By their own decision, at any time.

- When required by the Shareholders' Meeting in exercise of its legally granted authority;

- When, following expiration of the term for which they were elected, the next Shareholders' Meeting is held or the legal deadline for holding the next Shareholders' Meeting has passed.

Directors must also tender their resignation to the Board of Directors and, if the latter deems it appropriate, resign in the cases stated in Section B.1.20.

In 2011, the Nomination and Remuneration Committee proposed the appointment of Sol Daurella Comadrán, the re-election of Belén Villalonga Morenés and positively reported through cooption on the appointment of Mr. Javier Entrecanales Franco, due to the resignation from his father, Mr. Juan Entrecanales de Azcárate.

B.1.20 Indicate the cases in which the directors must resign.

Directors shall make their seats available to the Board of Directors and formally resign under the following circumstances:

a) In the case of proprietary directors, when the reasons for which they were appointed no longer apply; this is understood to be the case when the entity or business group they represent ceases to hold a significant stake in the capital of Acciona, or when that entity or corporate group requests their replacement as director;

b) In the case of independent directors, if they join the executive ranks of Acciona or any of its subsidiaries, or if, for another reason, they fulfil any of the conditions which render them unfit to be independent directors

c) In the case of executive directors, when they cease to hold the executive post which led to their appointment as directors

d) When they fulfil any of the conditions of incompatibility or prohibition envisaged in the Law or the Regulation.

e) When they have been reprimanded by the Audit Committee for a serious breach of any of their obligations as director

f) When their presence on the Board might affect the credit or reputation of Acciona and its Group in the market or jeopardize their interests in any other way and, in particular, if they are charged or tried with any of the crimes set out in Article 213 of the Corporations Law.

B.1.21 State whether the chairman of the Board of Directors also performs the functions of the company's Chief Executive. If so, describe the measures taken to limit the risks of power being concentrated in the hands of one person:

YES

Measures to limit risks
Decisions and powers which correspond to both the Board of Directors and the Committees, and the existence of an Executive Committee, are considered to be adequate measures to limit the risks of a single person accumulating power.

Indicate, and if applicable describe, any rules that have been established that authorise an independent director to request that a Board meeting be called or that new topics be included on the agenda, to coordinate and voice the concerns of non-executive directors and to manage the evaluation by the Board of Directors:

YES

Explanation of rules
Under the Board of Directors Regulation, the Vice-Chairman or, if there are several, one of them, must be an independent director and will act as coordinator, reflecting the concerns of the external directors and directing the Board's evaluation of the Chairman.
Under the Bylaws, a Board meeting must necessarily be called at the request of a Vice-Chair, a CEO, a Director-General Manager or five directors. The Bylaws also state that, before or during any Board meeting, the directors are entitled to place any item on the agenda for discussion and voting subject to the Chairman's prudent decision.

B.1.22 Are qualified majorities, other than statutory majorities, required for any type of decision?

NO

Describe how resolutions are adopted by the Board of Directors and specify, at least, the minimum attendance quorum and the type of majority for adopting resolutions:

Resolution description

Other Board of Directors resolutions, except for those reserved for power delegation.

Quorum	%
Half plus one of the number of directors established by the Shareholders' Meeting, even if that number has not been fully covered or vacancies have arisen subsequently	51.00

Type of majority	%
Absolute majority of the directors present or represented by proxy. In the event of a tie, the Chairperson or Acting Chair has a casting vote.	51.00

Resolution description

The permanent delegation of powers in the Executive Committee or one or several Managing Directors, and the appointment of the members of the Board who will hold those offices.

Quorum	%
Two thirds of the total number of Board members established by the Annual General Meeting, even if said number is not achieved, or even if vacancies occur thereafter.	66.66

Type of majority	%
Favourable vote of two thirds of the total number of Board members established by the Annual General Meeting, even if said number is not achieved, or even if vacancies occur thereafter.	66.66

B.1.23. Explain whether there are any specific requirements, apart from those relating to the directors, to be appointed Chairman.

NO

B.1.24. State whether the Chairman has a casting vote:

YES

Matters to which casting vote applies
Resolutions must be adopted by an absolute majority of the Board members present and represented. In the event of a tie, the Chair or Acting Chair has a casting vote, as provided in Article 37 of the Bylaws.

B.1.25. Indicate whether the bylaws or the board regulations set any age limit for directors:

NO

Age limit for Chairman	Age limit for Chief Executive	Age limit for Directors
0	0	0

B.1.26 Indicate whether the Bylaws or the Board Regulations set a limited term of office for independent directors:

NO

Maximum term of office (years)	0
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B.1.27 If the number of female Board members is nil or small, explain the reasons why and describe the initiatives adopted to correct this situation.

Description of the reasons and initiatives
<p>The Board of Directors promotes all the necessary policies to ensure that selection processes are free from any implicit bias that might prevent the selection not only of directors but also of any employee, and in the search for candidates who have the requisite skill, knowledge and experience for the position, as reflected in point 4.3 of the Acciona Code of Conduct: ensuring equality through its action policies, and not accepting any type of discrimination in the professional sphere.</p> <p>In the year 2011 Sol Daurella Comadrán has been appointed and Belén Villalonga Morenés reappointed. The number of female directors is 4, representing 30.7% of total number of Board members.</p>

In particular, state whether the Appointments and Remuneration Committee has laid down any procedures so that the selection processes are not affected by implicit biases that may hinder the selection of female directors, and instead deliberately seek out female candidates with the required profile:

NO

B.1.28 Indicate whether there are any formal procedures for granting proxies to vote at Board meetings. If so, give brief details.

The Board Regulation establishes that directors must attend Board meetings although, as an exception, the Chair may authorise the participation of directors by video conference, telephone or any other telecommunications media which enables unequivocal identification of the director and maintains the confidentiality of the discussions. In such cases, directors who so participate in the meeting are taken to be present.

When directors cannot attend in person, which must only occur for especially justified reasons, and cannot attend via distance communication media, the director must grant a proxy to another member of the Board and, where possible, issue appropriate voting instructions. The proxy must be granted by letter or by any other written media which the Chair judges to be sufficient.

B.1.29 Indicate the number of Board meetings held during the year and how often the Board has met without the Chairman's attendance:

Number of Board meetings	10
Number of Board meetings without Chairman's attendance	0

Indicate how many meetings of the various Board Committees were held during the year.

Number of Executive or Delegated Committee meetings	0
Number of Audit Committee meetings	6
Number of Appointments and Remuneration Committee meetings	6
Number of Appointments Committee meetings	0
Number of Remuneration Committee meetings	0

B.1.30 State the number of meetings held by the Board of Directors during the financial year, which were not attended by all members. For this purpose, appointments of representatives without specific instructions will be considered non-attendance:

Number of non-attendance by directors during the period	14
% non-attendance of total votes during the period	10.700

B.1.31 Indicate whether the individual and consolidated financial statements submitted for approval by the Board are duly certified:

NO

Indicate, as appropriate, the person(s) who certified the Company's individual and consolidated financial statements for formal preparation by the Board:

B.1.32 Explain the mechanisms, if any, established by the Board of Directors to prevent the individual and consolidated financial statements prepared by it from being submitted at the Annual General Meeting with a qualified auditors' report.

The Board of Directors must draw up the financial statements in such away as not to warrant qualification by the auditor. Nevertheless, when the Board deems that it must uphold its position, the Chair of the Audit Committee and the auditors must clearly explain the scope and content of the discrepancies to the shareholders.

One of the Audit Committee's functions is to serve as a communication channel between the Board of Directors and the external auditor, evaluate the results of each audit and the management team's response to any recommendations, and act as mediator in the event of any dispute between the former and the latter regarding the accounting principles and criteria used to prepare the financial statements.

It is expected that the 2011 separate and consolidated financial statements will be presented to the Shareholders' Meeting without any qualifications in the Auditors' Report.

B.1.33 Is the Board Secretary a director?

NO

B.1.34 Describe the procedures for appointment and removal of the Board Secretary, stating whether the appointment and removal are reported on by the Appointments Committee and approved by the full Board.

Appointment and removal procedure	
The Secretary of the Board is appointed by the Board of Directors, following consultation with the Nomination and Remuneration Committee. Removal of the Secretary is also a competency of the Board of Directors, following consultation with the Committee. The same procedure applies to the Vice-Secretary.	

Does the Appointment Committee report on the appointment?	YES
Does the Appointment Committee report on the removal?	YES
Is the appointment approved by the full Board?	YES
Is the removal approved by the full Board?	YES

Is the Board Secretary charged with the function of procuring, most especially, compliance with the good governance recommendations?

YES

B.1.35 Indicate the mechanisms, if any, established by the Company to preserve the independence of the auditors, of financial analysts, of investment banks, and of rating agencies.

The Board of Directors Regulation requires that the Board establish, via the Audit Committee, a stable professional relationship with the external auditors of Acciona and its Group, while strictly respecting their independence. Also, to guarantee the auditor's independence, the Audit Committee must:

- a) Receive from the external auditors an annual written confirmation of their independence from the entity/ies directly or indirectly related to the them, as well as information concerning the additional services of any kind rendered to such entities by said auditors or companies, or by the individuals or entities related to them pursuant to Account Auditing legislation and other applicable regulations.
- b) Issue an annual report stating its opinion on the auditors' or audit companies' independence before the audit report is issued. This report shall refer to the provision of additional services mentioned.
- c) The Company should notify any change of auditor to the CNMV as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.
- d) The Committee should ensure that the Company and the auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements established to safeguard auditors' independence.

The Audit Committee may not propose to the Board of Directors, and the Board may not propose to the Shareholders' Meeting, the appointment as auditors of Acciona or its Group of any audit firm that is in a situation of incompatibility under the audit legislation.

The Board of Directors must make public disclosure (in the Notes to the Financial Statements) of the overall fees paid for the external audit of the financial statements and those paid for other services provided by professionals linked to the external auditor, giving a breakdown of fees paid to the auditor and to any other company in its group or to any other company to which the auditor is related by virtue of common ownership, management or control.

In relations with financial analysts, the Board of Directors applies the same principles as in dealings with shareholders, striving to treat them equally, taking particular care with regard to symmetrical and simultaneous disclosure to the market of data, estimates and plans that may impact the share price in the securities markets.

B.1.36 State whether the Company has changed its external auditor during the period. If so, identify the incoming and outgoing auditors:

NO

Outgoing auditor	Incoming auditor

If there were disagreements with the outgoing auditor, describe the content of such differences:

NO

B.1.37 Indicate whether the audit firm performs other non-audit work for the Company and/or its group and, if so, state the amount of fees received for such work and the percentage over the fees billed to the Company and/or its Group:

YES

	Company	Group	Total
Amount of other non-audit work (thousands of Euros)	3,016	1,553	4,569
Amount of other non-audit work/total amount billed by audit firm (as a %)	88.840	38.610	61.600

B.1.38 State whether the audit report on the financial statements for the previous year contained reservations or qualifications. If so, state the reasons given by the Chairman of the Audit Committee to explain the content and scope of those reservations or qualifications.

NO

B.1.39 Indicate the number of years that the current audit firm has been uninterruptedly auditing the financial statements of the Company and/or the Group. Also indicate the number of years audited by the current audit firm as a percentage of the total number of years during which the financial statements have been audited:

	Company	Group
Number of uninterrupted years	22	22

	Company	Group
Number of years audited by current firm/number of years the Company has been audited (as a %)	100.0	100.0

B.1.40 Indicate any ownership interests, disclosed to the Company, held by the members of the Company's Board of Directors in the capital of entities engaging in an activity that is identical, similar or complementary to the activity that constitutes the object of the Company or of its Group. Also indicate the positions they hold or the functions they discharge at these companies.

name or company name of director	Name of investee	% Ownership	Position / functions
MR JUAN IGNACIO ENTRECANALES FRANCO	HEF INVERSORA, S.A.	1.460	DIRECTOR
MR JUAN IGNACIO ENTRECANALES FRANCO	NEXOTEL ADEJE, S.A.	1.300	CO-DIRECTOR
MR DANIEL ENTRECANALES DOMECCQ	ENTRERIVER, S.A.	99.990	JOINT AND SEVERAL DIRECTOR
MR DANIEL ENTRECANALES DOMECCQ	FRACTALIA REMOTE SYSTEM, S.L	0.000	DIRECTOR
MR JAVIER ENTRECANALES FRANCO	HEF INVERSORA, S.A.	1.460	DIRECTOR
MR JAVIER ENTRECANALES FRANCO	NEXOTEL ADEJE, S.A.	1.300	-

B.1.41 Indicate whether there is a procedure for directors to be able to receive outside advisory services:

YES

Details of procedure
<p>Article 41 of the Board of Directors Regulation establishes that, to discharge their duties, directors may request the engagement, at Acciona's expense, of legal, accounting, financial and other advisors.</p> <p>The engagement of such external advisors is limited to matters regarding specific significant and complex problems which arise in the course of the directors' duties.</p> <p>The request to engage advisors to aid external directors must be communicated beforehand to the Chair of the Board of Directors.</p> <p>The engagement of advisors to aid directors may be vetoed by an absolute majority of the Board of Directors where it deems that:</p> <ul style="list-style-type: none">a) it is not necessary for the proper discharge of the duties entrusted to the directors;b) the cost is not reasonable in view of the scale of the problemc) the technical assistance that is required may be provided appropriately by Acciona experts and technicians;d) it may jeopardize the confidentiality of the data to be handled. <p>If the Chair of the Board of Directors convenes a Board meeting to decide whether or not to veto the engagement of advisors, the engagement is postponed until the meeting is held or the resolution adopted. The decision must not be delayed to such an extent as to render void the rights of directors.</p> <p>In 2011, no director requested the engagement of external advisors at Acciona's expense.</p>

B.1.42 Indicate whether there is a procedure for the directors to be able to receive the necessary information to prepare for meetings of the managing bodies sufficiently in advance, and if so, give details:

YES

Details of procedure
<p>Before the beginning of each year, the Board of Directors establishes a schedule of meetings and of matters to be discussed, although it may be modified as needed. Notice of meeting is given by letter, fax, telegram or e-mail at least three days in advance of the scheduled date, although, where circumstances warrant it, the Chairperson may give notice of a special meeting by telephone without respecting the required advance notice and without complying with the other conditions set out below.</p> <p>The notice of the meeting must include an indication of the foreseeable agenda. It must be accompanied by the appropriate written information that is available and, in any case, directors may request the information they consider to be necessary to round out that which is given to them.</p>

B.1.43 Indicate whether the Company has put forward rules that compel directors to disclose and, if applicable, resign in situations that may harm the Company's credit and reputation. If so, give details.

YES

Describe the rules

Article 53.2 of the Regulation obliges directors to disclose all legal, administrative or other claims against them (and subsequent developments in this connection) which, due to their importance, might seriously endanger Acciona's reputation.

In particular, directors must disclose if they are charged or placed on trial for any of the crimes covered by Article 213 of the Corporations Law. In this event, the Board will examine the matter as soon as possible and, based on the specific circumstances, will decide whether or not the director should resign. The reasoned decision must also be disclosed in the annual Corporate Governance Report. In fiscal year 2011, the Board received no information relative to the disclosure clauses mentioned above.

B.1.44 State whether any Board member has advised the Company that he or she has been prosecuted or ordered to stand trial for any of the criminal offences referred to in Article 124 of the Public Limited Liability Companies Law:

NO

State whether the Board of Directors has analysed the case. If so, provide the rationale of such a decision as to whether or not the director should remain on the Board.

NO

Adopted decision	Reasoned explanation

B.2 Committees of the Board of Directors

B.2.1 Give details of all the committees of the Board of Directors and their members:

EXECUTIVE OR DELEGATE COMMITTEE

Company name	Position	Type
MR. JOSÉ MANUEL ENTRECANALES DOMEcq	CHAIRMAN	EXECUTIVE
MR JUAN IGNACIO ENTRECANALES FRANCO	CHAIRMAN	EXECUTIVE
MR CARLOS ESPINOSA DE LOS MONTEROS BERNALDO DE QUIROS	MEMBER	INDEPENDENT
MR JUAN MANUEL URGOITI LÓPEZ OCAÑA	MEMBER	INDEPENDENT
MR. VALENTÍN MONTOYA MOYA	MEMBER	OTHER NON-EXECUTIVE

AUDIT COMMITTEE

Company name	Position	Type
MR JAIME CASTELLANOS BORREGO	CHAIRMAN	INDEPENDENT
MR CARLOS ESPINOSA DE LOS MONTEROS BERNAL DE QUIROS	MEMBER	INDEPENDENT
MIRIAM GONZÁLEZ DURANTEZ	MEMBER	INDEPENDENT
MR. VALENTÍN MONTOYA MOYA	MEMBER	OTHER NON-EXECUTIVE

APPOINTMENTS AND REMUNERATION COMMITTEE

Company name	Position	Type
MR FERNANDO RODÉS VILA	CHAIRMAN	INDEPENDENT
MR JAIME CASTELLANOS BORREGO	MEMBER	INDEPENDENT
MR JUAN MANUEL URGOITI LÓPEZ OCAÑA	MEMBER	INDEPENDENT
MR. VALENTÍN MONTOYA MOYA	MEMBER	OTHER NON-EXECUTIVE

SUSTAINABILITY COMMITTEE

Company name	Position	Type
MR DANIEL ENTRECANALES DOMEcq	CHAIRMAN	PROPRIETARY
CONSUELO CRESPO BOFILL	MEMBER	INDEPENDENT
MR FERNANDO RODÉS VILA	MEMBER	INDEPENDENT
MR JUAN MANUEL URGOITI LÓPEZ OCAÑA	MEMBER	INDEPENDENT

B.2.2 State whether the Audit Committee is responsible for the following functions.

Supervise the preparation and the integrity of the financial information on the Company and, if applicable, the Group, reviewing compliance with the regulatory requirements, proper delimitation of the scope of consolidation and correct application of accounting policies.	YES
Conduct periodic reviews of risk management and internal control systems, so that the principal risks are adequately identified, managed and disclosed properly.	YES
Safeguard the independence and effectiveness of the internal audit function; propose the selection, appointment, reappointment and removal of the head of internal audit; propose that service's budget; receive periodic information on its activities; and verify that the conclusions and recommendations of its reports are taken into account by the top management.	YES
Establish and supervise a mechanism that allows employees to report the irregularities of potential importance, especially financial and accounting ones, that they detect inside the Company, confidentially and, if considered appropriate, anonymously.	YES
Bring before the Board proposals for selection, appointment, re-election and replacement of the external auditor, as well as the terms of the auditor's engagement.	YES
Regularly receive information on the audit plan and the results of its execution from the external auditor, and verify that the senior management takes into account its recommendations.	YES
Ensure the independence of the external auditor.	YES
In the case of groups, promote the Group auditor's assumption of responsibility for audits in the group companies	YES

B.2.3 Describe the rules of organisation and functioning, and the responsibilities attributed to each of the Board committees.

Name or company name of director

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description

A) Organisation and operation

Meetings must be held on the dates established by the Committee in its meetings schedule and whenever convened by its Chair, whether at the Chair's own initiative or at the request of two members. The notice of meeting must be given by the Chair or by the Secretary acting on the Chair's instructions. In the event of the Chair's absence or incapacity, the notice of meeting is issued by the Secretary at the request of any of the members. The Nomination and Remuneration Committee must meet at least once a year to evaluate the

remuneration of the Board, Executive Committee and other Committees and, as necessary, to issue an opinion on their remuneration; additional meetings will be held as seen fit to address requests from the Board of Directors, the Chair, the Managing Director and the Executive Committee in the scope of the Committee's competence. The Committee is quorate with the attendance in person or by proxy of at least half of its members. Members may attend the meeting via video conference, telephone or any other telecommunications media, and such members are considered to be present at the meeting. The Committee adopts resolutions by the absolute majority of the members in attendance, whether in person or by proxy. The minutes of each meeting of the Nomination and Remuneration Committee are drafted by its Secretary. The Board of Directors may consult the minutes of the Committee at any time. The Committee may, by its own decision, or by decision of its Chair, request the attendance at its meetings of any executive of Acciona or of the companies over which it exerts a significant influence. It may also request the attendance at meetings of external advisors or the auditors of Acciona or of the companies over which Acciona exerts a significant influence, with any costs involved to be borne by Acciona.

B) Composition.

The Chair of the Nomination and Remuneration Committee is appointed by the Board of Directors from among the members of the Committee who are independent directors. The Nomination and Remuneration Committee must comprise at least three and at most five members, all of them external directors. On November 3 2011, the Board of Directors decided that the Committee would have four (4) members, and it appointed the new members, as set out in Section B.2.1 of this report.

C) Responsibilities.

Article 32 B) of the Board of Directors Regulation defines the Committee's basic responsibilities as follows, without prejudice to any other task assigned to it by the Board of Directors: Evaluate the balance of skills, knowledge and experience on the Board, define the roles and capabilities required of the candidates to fill each vacancy, and decide the time and dedication necessary for them to properly perform their duties. Formulate and review the criteria to be employed regarding the composition of the Board of Directors and the selection of candidates; Make proposals to the Board of Directors as to the appointment of independent directors, for remittal to the Shareholders' Meeting or for approval by the Board itself by means of cooption, and to advise on the appointments of other categories of directors; Oversee the selection processes to ensure that there is no implicit bias preventing the appointment of directors due to personal circumstances; Examine or organize, in appropriate form, the succession of the Chair and Chief Executive, making recommendations to the Board so that the handover proceeds in a planned and orderly manner; Advise on the appointment of the Secretary and the Vice-Secretary to the Board of Directors; Propose, to the Board, the directors to be designated as Chair, Managing Director and members of the Executive Committee and the other Committees; Formulate and review the criteria to be followed in appointing senior executives of Acciona; Report on the senior officer appointments and removals which the Chief Executive proposes to the Board. Evaluate the annual remuneration system and amounts paid to directors and senior executives; Periodically review the variable remuneration programmes, considering their suitability and results; Make proposals to the Board of Directors as to the remuneration policy for directors and senior executives, the individual remuneration and other contractual conditions of executive directors; and the basic conditions of senior executives' contracts. Oversee to ensure transparency in remuneration and compliance with Acciona's established remuneration policy; ; Be apprised of and, if appropriate, authorise transactions with related parties as provided in this Regulation. Be apprised of directors' other professional obligations to ensure that they do not interfere with the necessary dedication to their position. The Nomination and Remuneration Committee will consult with the Chair and Chief Executive of ACCIONA, especially on matters relating to executive directors, if any, and senior executives. Any Board member may suggest directorship candidates to the Nomination and Remuneration Committee for consideration.

Name or company name of director

EXECUTIVE OR DELEGATE COMMITTEE

Brief description

A) Organisation and operation

The Committee will be met when required by extraordinary circumstances. The Chair must convene the Committee, at his own initiative or at the request from two of the members.

The Committee is quorate with the attendance in person or by proxy of at least half of its members.

Members may attend the meeting via video conference, telephone or any other telecommunications media, and such members are considered to be present at the meeting.

The Committee adopts resolutions by the absolute majority of the members in attendance, whether in person or by proxy.

The minutes of each meeting of the Nomination and Remuneration Committee are drafted by its Secretary.

The Board of Directors may consult the minutes of the Committee at any time.

The Committee may, by its own decision, or by decision of its Chair, request the attendance at its meetings of any executive of Acciona or of the companies over which it exerts a significant influence.

It may also request the attendance at meetings of external advisors or the auditors of Acciona or of the companies over which Acciona exerts a significant influence, with any costs involved to be borne by Acciona.

B) Composition.

The Executive Committee is comprised of executive and external directors; it must have no less than three and no more than seven members. The Executive Committee has two co-Chairs, distributing tasks by mutual agreement or operating jointly. On July 1 2009, the Board of Directors decided that the Committee would have five (5) members, and it appointed the new members, as set out in Section B.2.1 of this report.

C) Responsibilities.

The Executive Committee has been given all the powers of the Board of Directors, except those whose delegation is prohibited by law.

The delegated powers include, but are not limited to:

Management and administration

Disposition and administration of goods and rights

Economic and financial powers

Representation

Delegation

Decision-making and interpretation of powers.

Name of the Committee

AUDIT COMMITTEE

Brief description

A) Organisation and operation

Meetings must be held on the dates established by the Committee in its meetings schedule and whenever convened by its Chair, whether at the Chair's own initiative or at the request of two members.

The notice of meeting must be given by the Chair or by the Secretary acting on the Chair's instructions.

In the event of the Chair's absence or incapacity, the notice of meeting is issued by the Secretary at the request of any of the members.

The Audit Committee must meet regularly as needed and at least four times a year, prior to the publication of Acciona's financial information.

The Committee is quorate with the attendance in person or by proxy of at least half of its members.

Members may attend the meeting via video conference, telephone or any other telecommunications media, and such members are considered to be present at the meeting.

The Committee adopts resolutions by the absolute majority of the members in attendance, whether in person or by proxy. The Chair of the Audit Committee has a casting vote.

The minutes of each meeting of the Nomination and Remuneration Committee are drafted by its Secretary.

The Board of Directors may consult the minutes of the Committee at any time.

The Committee may, by its own decision, or by decision of its Chair, request the attendance at its meetings of any executive of Acciona or of the external auditor from any Group company.

Additionally, the Committee may request advisory services from external experts.

B) Composition.

In accordance with the Bylaws, the Audit Committee will comprise at least three and at most five directors, all of them being external. The Secretary of the Board of Directors or, in his/her absence, the Vice-Secretary of the Board, will act as the Committee's Secretary. The Chair of the Nomination and Remuneration Committee is appointed by the Board of Directors from among the members of the Committee who are independent directors.

On November 3 2011, the Board of Directors agreed on reorganise the committees composition and decided that the Committee would have four (4) members, and it appointed the new members, as set out in Section B.2.1 of this report.

B) Responsibilities.

Implementing Article 40 of the Bylaws, Article 30 C) of the Board of Directors Regulation defines the Committee's functions. The basic duty of the Audit Committee is to serve as an instrument and support to the Board of Directors in the supervision of accounting and financial information, the internal and external audit services and corporate governance.

1. The Audit Committee will have the following powers for the discharge of its duties, without prejudice to any other powers which may be delegated to it by the Board of Directors:

(a) Inform the Shareholders' Meeting about the matters raised by shareholders within the scope of its functions.

(b) With respect to internal control and reporting systems:

(i) Monitor the preparation and the integrity and the communication to market of the regulated financial information prepared on Acciona and its group, checking compliance with the legal provisions, the accurate demarcation of the consolidation scope, and the correct application of accounting principles.

(ii) Review internal control and risk management systems on a regular basis, so main risks are properly identified, managed and disclosed.

(iii) Monitor the independence and efficacy of the internal audit function referred to in Article 31 of this Regulation; propose the selection, appointment, reappointment and removal of the head of internal audit; propose the department's budget; receive regular reports on its activities; and verify that senior management are acting on the findings and recommendations of its reports.

(iv) Establish and supervise a mechanism whereby staff can report, confidentially and, if necessary, anonymously, any irregularities detected in the course of their duties, in particular financial or accounting irregularities, with potentially serious implications for the firm.

(v) Review, analyse and comment on the Financial Statements and other relevant financial information with the senior management and internal and external auditors to confirm that said information is complete and the criteria are consistent with the preceding year-end closing.

(vi) Approve the internal audit plan to assess Financial Reporting Internal Control Systems and gather periodic information about the result of its work, as well as the Action Plan to correct any default observed.

(vii) Supervise the development process for senior management to make judgements and significant estimates together with its impact on financial statements.

(viii) Supervise senior management decisions about adjustments proposed by the external auditor, as well as being aware of any disagreements they may have and, if applicable, mediate in those cases.

(c) With respect to the external auditor:

(i) Propose to the Board of Directors, for submission to the General Shareholders' Meeting, the selection, appointment, reappointment and replacement of the external auditor, and the terms and conditions of his engagement.

(ii) Receive regular information from the external auditor on the progress and findings of the audit programme, and check that senior management are acting on its recommendations.

(iii) Guarantee the independence of the external auditor, to which end:

- Receive from the external auditors an annual written confirmation of their independence from the entity/ies directly or indirectly related to the them, as well as information concerning the additional services of any kind rendered to such entities by said auditors or companies, or by the individuals or entities related to them pursuant to Account Auditing legislation and other applicable regulations.
- Issue an annual report stating its opinion on the auditors' or audit companies' independence before the audit report is issued. This report shall refer to the provision of additional services mentioned.
- Ensure that Acciona notifies any change of auditor to the CNMV as a regulatory disclosure, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.
- Ensure that Acciona and the auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard auditors' independence;
- Investigate the issues giving rise to the resignation of any external auditor.

(d) Urge the group auditor to take on the auditing of all component companies.

Inform and advise the Board of Directors regarding compliance with corporate governance regulations and the codes of conduct applicable to the Company and its Group.

2. In order to ensure optimum discharge of its duties, the Audit Committee has the following specific duties:

a) Review the financial statements of Acciona and, if appropriate, of its group before their publication;

b) Serve as a communication channel between the Board of Directors and the external auditor, evaluate the results of each audit and the management team's response to any recommendations, and act as mediator

in the event of any dispute between the former and the latter regarding the accounting principles and criteria used to prepare the financial statements;

- c) Advise on the modifications suggested by management to the accounting principles and criteria.
- d) Oversee compliance with the audit contract, seeking to ensure that the opinion regarding the financial statements and the principal content of the Auditor's Report are written in a clear and concise manner.
- e) Review the prospectuses, financial statements and periodic financial information supplied by Acciona to the financial markets and their supervisory bodies.
- f) Monitor and oversee the suitability of Acciona's internal control systems.
- g) Oversee the internal audit departments of Acciona and its group, approve the department's annual budget, have knowledge of the internal audit plan, and supervise the selection and hiring systems used for internal audit personnel.
- h) Advise on the appointment of the head of the internal audit department.
- i) Monitor the efficiency of risk management systems, as well as discuss with auditors and audit companies about the significant flaws detected in the internal control system during the audit process.
- j) Gather information and, if necessary, issue a report regarding any disciplinary measures against members of Acciona's management team.
- k) Oversee compliance with the legal requirements applicable to the corporate organization and operation of Acciona.
- l) Safeguard the compliance of this Regulation.

Name of the Committee

SUSTAINABILITY COMMITTEE

Brief description

A) Composition

1. The Sustainability Committee must comprise at least three and at most five members, all of them external directors.

On 3 November 2011, the Board of Directors decided to create the Sustainability Committee and established that it would have four (4) members, as set out in Section B.2.1. of this report.

B. Functions and powers.

1. The Sustainability Committee has the following basic responsibilities, without prejudice to any other task assigned to it by the Board of Directors:

- a. Identify and guide the Group's Sustainability and Corporate Social Responsibility policies, objectives and best practices;
- b. Evaluate, monitor and review the plans drawn up by Group executives for executing those policies;
- c. Regularly review the internal control and management systems and the degree of compliance with those policies;
- d. Draft an annual Sustainability Report for approval by the Board of Directors;
- e. Put forward proposals to the Board of Directors with regard to Sustainability and Corporate Social Responsibility policies, objectives and programmes and the corresponding expenditure budgets for their

execution.

C. Operation

1. The Sustainability Committee will meet once a quarter to assess the degree of compliance with the Sustainability and Corporate Social Responsibility policies approved by the Board of Directors. It will also meet whenever convened in accordance with the provisions of this Regulation.

The Sustainability Committee will hold additional meetings as may be required to address requests from the Board of Directors, the Chairman of Acciona, the CEO or the Executive Committee for a report or proposal or for the opinion of the Sustainability Committee within the scope of its competence.

B.2.4 Indicate, where appropriate, the advisory and consultative powers and any delegated authority held by each of the committees:

Name of the Committee

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description

See section B.2.3

Name of the Committee

EXECUTIVE OR DELEGATE COMMITTEE

Brief description

See B.2.3

Name of the Committee

AUDIT COMMITTEE

Brief description

See B.2.3

Name of the Committee

SUSTAINABILITY COMMITTEE

Brief description

See B.2.3

B.2.5 Indicate, as appropriate, whether there are any regulations for the Board Committees; if so, indicate where they can be inquired and whether any amendments have been made during the year. Also indicate whether any annual report on the activities of each committee has been prepared voluntarily.

Name of the Committee

APPOINTMENTS AND REMUNERATION COMMITTEE

Brief description

There are no specific regulations for the Board Committees since it is considered that the Board of Directors Regulation is sufficient for their organization and operation.

Name of the Committee

EXECUTIVE OR DELEGATE COMMITTEE

Brief description

There are no specific regulations for the Board Committees since it is considered that the Board of Directors Regulation is sufficient for their organization and operation.

Name of the Committee

AUDIT COMMITTEE

Brief description

There are no specific regulations for the Board Committees since it is considered that the Board of Directors Regulation is sufficient for their organization and operation.

Name of the Committee

SUSTAINABILITY COMMITTEE

Brief description

There are no specific regulations for the Board Committees since it is considered that the Board of Directors Regulation is sufficient for their organization and operation.

B.2.6 Indicate whether the composition of the executive committee reflects the participation of the various directors on the Board according to their status:

NO

If negative, explain the Executive Committee's composition

The Executive Committee consists only of executive and independent directors, there being no proprietary directors, and notwithstanding the fact that executive directors would also qualify as proprietary directors.

C - RELATED-PARTY TRANSACTIONS

C.1 State whether only the full Board can approve, upon a prior favourable report from the Audit Committee or some other committee charged with this function, the transactions carried out by the Company with directors, or with shareholders with significant holdings or represented on the Board, or with persons related thereto:

YES

C.2 Give details of material transactions entailing a transfer of funds or obligations between the Company or group companies and the significant shareholders of the Company:

C.3 Give details of material transactions entailing a transfer of funds or obligations between the Company or entities of its group and the Company's administrators or executives:

C.4 Give details of material transactions by the Company with other companies of the same group, where such transactions are not eliminated in the process of preparing the consolidated financial statements and are not conducted within the course of the Company's ordinary business, as regards their subject-matter or terms and conditions:

C.5 State whether the members of the Board of Directors have at any time during the year found themselves in a conflict of interest pursuant to Article 127 under the Public Limited Liability Companies Law.

YES

Name or company name of director

BELÉN VILLALONGA MORENES

Description of the conflict of interest situation

Belén Villalonga abstained from voting on the Board's proposal to the General Meeting regarding her re-election to the Board.

C.6. Give details of the mechanisms in place for detecting, identifying and resolving any potential conflicts of interest between the Company and/or its Group and its directors, executives or significant shareholders.

The Board of Directors Regulation regulates these matters in detail, especially:

With regard to directors

- a) Directors must abstain from intervening in the debate, decision and execution of transactions in which they have a conflict of interest, whether direct or indirect, including decisions regarding their appointment or removal.
- b) Directors must not compete, as established in Article 45 of the Regulation.
- c) The performance of transactions with Acciona, S.A. or companies over which Acciona, S.A. exerts a significant influence, apart from certain exceptions envisaged in the Regulation [transactions in the ordinary course of business performed on a habitual or recurring basis, for which a generic authorization of the line of transactions and their terms and conditions will suffice; transactions which simultaneously meet the following three conditions: (i) they are performed under contracts with standard conditions that apply to the bulk of customers; (ii) the prices are established generally by the supplier of the goods; and (iii) the amount does not exceed 1% of the Company's annual revenues], require authorization from the Board of Directors or Executive Committee with subsequent Board ratification, following consultation with the Nomination and Remuneration Committee.
- d) Directors must abstain from dealing in securities of Acciona, S.A. or companies over which Acciona exerts a significant influence in the periods and under the circumstances established in Article 50 of the Regulation.
- e) Directors must abstain from obtaining benefit for themselves or their related parties from business opportunities of Acciona or of companies over which Acciona exerts a significant influence in terms of Article 48 of the Regulation.
- f) Directors must inform the Board of Directors, through the Secretary or Vice-Secretary, of any situation of conflict of interest in which they are involved.

Regarding significant shareholders, the performance of transactions with Acciona, S.A. or companies over which Acciona, S.A. exerts a significant influence, apart from certain exceptions envisaged in section c, require authorization from the Board of Directors or Executive Committee with subsequent Board ratification, following consultation with the Nomination and Remuneration Committee, and, in any event, must be performed at an arm's-length basis while treating all shareholders equally.

Regarding executives, the current Internal Code of Conduct establishes the obligation to inform, sufficiently in advance, so that suitable decisions may be adopted about possible conflicts of interest that may arise as a result of their family relationships, their personal assets or any other reason. Additionally, the General Secretary regularly asks directors to update their declaration of activities outside Acciona and its Group.

C.7 Is more than one company in the group publicly traded in Spain?

NO

Identify the subsidiary companies that are listed in Spain:

D - RISK CONTROL SYSTEMS

D.1 General description of the risk policy of the Company and/or its Group, giving details of and evaluating the risks covered by the system, together with evidence that the system is appropriate for the profile of each type of risk.

Acciona Group's corporate risk management is a process that is established by management and supervised by the Board of Directors. The process is materialised through a Risk Management System based on the Risk Management Corporate Policy, which in turn is based on the best practices and principles included in the reports published by the Committee of Sponsoring Organizations of the Treadway Comision (COSO).

It is designed to identify events that can potentially affect the organization, and to manage these risks by establishing internal treatment and control systems that make it possible to keep the probability of these events occurring, and their impact within the established tolerance levels, and offering a reasonable level of certainty that the Group's business objectives can be met.

The risk management policy addresses the following principles:

- Promote a risk-opportunity culture in the Company's management through the Risk Management System.
- Standardise and centralise risk management in the Company.
- Include risk analysis and assessment results within ACCIONA's strategy and decision making process.
- Favour the achievement of the business objectives established by ACCIONA within the accepted risk tolerance level.
- Defend through risk management the interests of Company shareholders, clients and other groups of interest.
- Create information flows and coordinate with the business lines risk updating and treatment.
- Maximise resources dedicated to risk management and control.
- Observe accountability and responsibility obligations on risk management transparently before regulatory bodies and other external agents.
- Ensure current legislation and regulations are observed, as well as the principles of ACCIONA's Code of Conduct and the corporate governance standards established.
- Periodically review the company's commitment to risk management.

ACCIONA Group's Risk Management System includes the following:

- Conducting tolerance studies based on establishing the level of risk the company is willing to accept in achieving its objectives, measured according to changes in economic variables. They are used as a starting point for risk assessment as well as risk ranking and decision making in allocating resources for their treatment.
- Designing Risk Maps with the purpose of:
 - Identifying risk scenarios detecting internal or external factors that may affect the achievement of business objectives.
 - Assessing their magnitude according to probability parameters, economic and financial consequences, impact on image, negative impact on sustainability, company's capacity to manage risk and risk management established by the company.
 - Selecting priority risks for which treatment measures should be established: elimination, mitigation or transfer.

Each business unit identifies and assesses its risks in coordination with the corporate-level team, which manages and establishes the acceptable risk tolerance level and coordinates actions to ensure alignment with the Group's overall risk management policy, while always providing information as to the exposure assumed by the whole Group.

Acciona's operations in a variety of business areas and countries with different regulatory, political and social systems give rise to a broad range of risks that need to be identified and managed.

During 2011, ACCIONA Group's Risk Map has been updated, with national and international scope, resulting in 9 independent Maps for the following divisions: ACCIONA Agua (including ACCIONA Servicios Urbanos y ACCIONA Servicios Ambientales), ACCIONA Energía, ACCIONA Infraestructuras, ACCIONA Concesiones, ACCIONA Trasmediterránea, ACCIONA Inmobiliaria, Otras Actividades (including GPD, ACCIONA Airport Services, ACCIONA Forwarding, ACCIONA Facility Services e Hijos de Antonio Barceló), Bestinver y consolidated map of ACCIONA.

- Designing Response Plans to risks – based on the priorities established in the previous assessment and the tolerance study, reports are prepared in order for the directly responsible of those risks to decide on their treatment: acceptance, elimination, minimisation or transfer, and in case risks are materialised, to make their impact as minimum as possible.

- Following up and controlling risks.
- Reporting on the obtained results to the Audit Committee, the different business divisions, stock indexes, etc.
- Continuous system assessment as a cyclical and live process requiring periodic update due to the changes suffered by the company and its environment.

The complete Risk Management process is performed on an annual basis including document review. However, it could be performed more frequently if so deemed by the Audit Committee, the Steering Committee, the Economic-Financial Management or a Business Unit.

ACCIONA plans to continue improving its Risk Management System in the following areas:

- Designing Risk Maps by Business division and country.
- Further depth and detail in preparing response plans to risks assessed as high or very high risk.
- Review the internal control systems to prevent and detect criminal behaviour and adapt them to the demands emerging from the modification of the Penal Code introduced by Article 31 bis of Law LO 5/2010 which requires enterprises to implement effective measures for discovering and preventing certain criminal behaviour;

In this regard, in December 2010, the Board of Directors of Acciona approved the "Regulations of the System for Preventing and Detecting Criminal Events".

In September 2011 the Board of Directors resolved that Acciona, S.A. would abide by the Code of Good Tax Practices to combine and complete existing control, prevention and regulatory compliance to reduce significant tax risks and prevent those behaviours that may generate them. Following this, the Board of Directors itself, or through the Audit Committee, will gather from the Group's Tax manager, prior to preparing the financial statements and submitting the Income Tax return for 2011, basic information of the tax policies applied by the company during the reporting year as well as, if applicable, the transactions for which tax consequences are a relevant factor.

The risk scenarios considered in ACCIONA's Risk Control System are categorized in four groups: financial, strategic, operational and unexpected; the first two have been designated by Group management as posing the greatest risk.

1. Economic Financial Risks:

Financial risks are those which have a direct impact on the Company's income statement: They originate primarily in fluctuations in exchange rates, interest rates and financial markets, changes in commodities prices, liquidity, cash flow, bad debts and the loss of customers.

- Exchange rate risk.- The Group does business internationally and, therefore, is exposed to exchange rate risk in transactions involving foreign currency, particularly against the US dollar, Australian dollar and Canadian dollar. The exchange rate risks occur mainly in: - Payments to be made in international markets for the acquisition of supplies, mainly fuel, payments linked to dollar performance and foreign exchange debt acquired by Group companies and associates.

In order to mitigate exchange rate risk, ACCIONA arranges currency derivatives and exchange insurance to hedge significant future transactions and cash flows within acceptable risk limits.

- Interest rate risk.- The interest rate risk is particularly significant in financing infrastructure projects under concession contracts and in building wind farms, where project returns are shaped by variations in interest rates.

Based on its estimates of interest rate trends and its target debt structure, ACCIONA arranges hedges using derivatives to mitigate those risks. The level of debt coverage reached by each project depends on the specific type of project and the country where the investment is made.

- Risk of raw materials price fluctuation.- ACCIONA is exposed to construction procurement and mainly fuel price fluctuation risk in its shipping activity.

Procurement price fluctuation risk is managed basically in the short term (one year) by specific hedges, generally using derivatives, in order to maintain an economic balance in supply procurement. A sensitivity analysis was made regarding possible fuel price fluctuations.

- Credit risk - The Group has adopted a policy of only trading with solvent third parties and obtaining sufficient guarantees to mitigate the risk of financial loss in the event of non-compliance. The Group only deals with entities in the same or higher range of investment level.

With regards to the risk of default, and especially in the case of the infrastructure activity, an assessment is made prior to the contract with public and private clients, including both a solvency study and the supervision of contractual requirements from the point of view of an economic and legal guarantee, with a permanent follow-up of the correct evolution of the debt during the development of the projects.

- Liquidity risk.- ACCIONA maintains sufficient cash and marketable securities, as well as adequate reserves, appropriate banking services and credit and loan availability, through permanent monitoring of provisions and current cash flows, matching them to financial assets and liabilities maturity profiles.
- Economic and budget control risk.- The Group has an overall economic and budgetary control system for each business - adapted to each activity - which provides the necessary information to management and enables it to control potential risks and adopt the most appropriate management decisions. Economic and financial management information generated in each activity is periodically crosschecked with projected data and indicators; deviations in business volume, profitability, cash flow and other key reliable parameters are assessed; and the pertinent corrective measures are adopted.

In any event, a system of insurance coverage is established to ensure that the situations in which risks occur do not jeopardize the Group's financial solvency.

2. Strategic Risks:

These are risks resulting in the failure to achieve company objectives and growth reduction. They include internal organizational changes, mergers and acquisitions, competitive threats, economic and political changes, emergence of new technology, or R&D.

ACCIONA minimises this type of risk through its own business strategy and model, by means of sector and geographic diversification of the business, performing exhaustive surveys of the market, competitors and countries in which it operates, and by strongly promoting research and development.

Before deciding to invest in or divest a business, an initial check and assessment of risks is performed based on the economic information projected for the business, which must be approved by the Investment Committee on the basis of certain parameters of business volume and profitability based on the associated risk.

There is also a short-term and medium term Strategic Plan for the business areas in which the Group operates. This enables it to track each activity's performance based on consultation with each area's senior managers.

3. Operating risks:

Risks related to processes, people and products. These risks are linked to regulatory, legal and contractual compliance, control systems and procedures, ancillary services, information systems, employee productivity, the supply chain and loss of key personnel.

Each business area establishes specific systems to cover the requirements of business, process documentation, quality management, operations, occupational safety, planning and economic control.

- Risk of breaching current legislation. The risk of breaching current legislation and the risk due to changes in the regulatory framework, mainly in the electricity industry, are analyzed and monitored constantly by the Regulation Department and the CFO's office.
- Purchasing process risks.- There is a general purchasing policy that defines corporate purchases and purchases by operating units. This policy favours competition and transparency and makes sure that supplier non-performance does not affect customers or increase costs.
- Environmental and quality risks. These risks are controlled by ACCIONA through its environmental and quality management system. These systems comply with the requirements of ISO 9001 and ISO 14001 international standards for quality and the environment respectively, in addition to other statutory and internal corporate requirements and are subject to continuous follow-up and revision.
- Occupational risks. These are risks considered by all business divisions, but especially affecting the infrastructure activity. These risks are addressed by Occupational Risk Prevention Systems.
- Information technology risks.- ACCIONA ensures the integrity and availability of information by implementing checks on information technology management, security management and software acquisition, development and maintenance. The Company also uses controls that guarantee integrity, accuracy, validity and processing by means of systematic verification procedures.
- Risks associated with irregular conduct.- ACCIONA has a Code of Conduct revised and updated in 2011 establishing the basic principles and commitments that should be observed and respected by all managers and employees of the different divisions as well as providers and third parties related to the company when performing their activities.

There is a whistleblower channel, notified to all the levels of the Organisation, to report, safeguarding confidentiality, any irregular conduct related to accounting, control, auditing and any non-compliance or breach of conduct included in the Code.

4. Unexpected risks:

Risk related to damage to assets and civil liability, which could negatively affect the Company's performance, such as fire, explosion, natural disasters, pollution, damage to third parties and labour risks.

ACCIONA treats these risks from different environments:

To ensure the security and safety of the people working in the Company, a security and safety system has been implemented for employees and executives based on their duties and the countries where they work;

Pollution is prevented and controlled via an environmental management system that spans all Group activities, and fire and explosion risk is addressed via workplace health and safety systems;

ACCIONA senior management considers labour risk factors as a management priority, principally in the business. All the necessary safety measures are applied in this connection.

In order to improve the management of these risks in case they are materialised, the Crisis Management System documents were reviewed in 2011, approving an internal communication and training plan.

D.2 State if any of the different types of risk that affect the Company and/or its Group (operational, technology, financial, legal, reputational, tax, etc.) have materialised during the year:

YES

If so, describe the circumstances that gave rise to them and state whether the control systems in place operated properly.

Risk materialised during the year

Normal course of the Acciona group's business.

Circumstances that gave rise to it

In performing its business activities, ACCIONA Group is exposed to a series of financial, strategic, operating and unexpected risks, as indicated in Section D.1. Additionally, in 2011 ACCIONA continued to be affected various business areas functioned by the international economic situation

Operation of control systems

Treatment and Control Systems established in the different business areas have worked properly, as well as the Crisis Management System for unexpected and operating risks materialised during the reporting year.

D.3 Indicate whether any committee or other governing body is responsible for establishing and overseeing these control mechanisms.

YES

If so, give details of its functions.

Name of committee or body

CORPORATE INTERNAL AUDIT

Description of functions

The Internal Audit unit plans and implements the audit activity on the basis of the identified risks. It also assesses the suitability and proper working of the internal controls through constant analysis of the control procedures and systems at each Group company in the various business areas.

Name of committee or body

AUDIT COMMITTEE

Description of functions

ACCIONA's Audit Committee follows the recommendations of the Unified Code of Corporate Governance for Listed Companies and supports the Board of Directors with regard to Company Risk Management.

The Auditing Committee periodically reviews risk management systems so that the main risks are properly identified, managed and communicated, and also supervises the efficiency of risk management systems.

D.4 Identification and description of the procedures for compliance with the various regulations affecting the Company and/or its Group.

Because of the many sectors and the large number of countries in which ACCIONA operates, compliance oversight is particularly exhaustive.

Consequently, even though there is a corporate risk management system, each management level is responsible for complying with the regulations and internal procedures applicable to its activity.

Their effectiveness is assessed periodically by the technical services of the production units and by the planned audits so that they cover all the operational and administrative phases of the various businesses. They are checked by each company's internal services and the Corporate Internal Audit unit.

The Corporate Internal Audit unit contributes to managing the risks that the Group faces in meeting its targets and in preventing and controlling fraud by continually analyzing the control procedures and systems of each company in the Group in the various business areas.

The corresponding conclusions and recommendations are notified to the Group's management and to those responsible for the business areas and companies that have been assessed. Subsequently, the implementation of the actions set out in those recommendations is monitored in detail.

To perform its functions, the Corporate Internal Audit unit has professionals with the necessary knowledge and experience who are independent of the production lines and are assisted by external advisors.

E- GENERAL MEETING

E.1 State if there are differences with the quorum provisions of the Companies Law in respect of General Meetings. If so, give details.

YES

	Quorum other than that established for the general cases in article 102 of the Public Limited Liability Companies Law	Quorum other than that established for the special cases in article 103 of the Public Limited Liability Companies Law
Quorum Required on 1st Call	0	67.000
Quorum Required on 2nd Call	0	62.000

Description of the differences
<p>The quorums required in the above cases are greater than the general 50% and 25% quorums established for special cases by Article 194 of the Corporations Law.</p> <p>A quorum of 67% is required to adopt decisions on the following matters:</p> <p>a) Amendments to the Bylaws, excluding the change of registered office, capital increases, broadening of the corporate purpose, and, where required by law, capital reductions.</p> <p>b) Changes of corporate form, mergers, spin-offs, liquidation and dissolution of the Company, except where dissolution is required by law.</p> <p>c) For a change of registered offices, capital increases (including the authorization given to the Board of Directors to resolve this issue), the issuance of non-convertible, convertible or exchangeable debentures or bonds, the issuance of warrants or options (on their own or tied to debentures) and of preference shares and, where required by law, capital reductions, dissolution and liquidation.</p> <p>In second call, a quorum of 62% is required for matters set out in sections a) and b) and a quorum of 50% for matters set out in section c) above.</p>

E.2 State if there are differences with the rules laid down in the Companies Law regarding the adoption of resolutions. If so, give details.

NO

Describe how they differ from the rules established in the Public Limited Liability Companies Law:

E.3 List any rights of the shareholders in connection with General Meetings that differ from those contained in the Companies Law.

E.4. Indicate the measures, if any, adopted to encourage participation by shareholders at General Meetings.

The Board of Directors assumes the obligation to promote the informed participation of shareholders in the Shareholders' Meeting and, to that end, it adopts such measures as may be appropriate to enable the Shareholders' Meeting to discharge the duties corresponding to it according to the law and the Bylaws.

In particular,

a) Before the Shareholders' Meeting, it places at the shareholders' disposal all the legally required information and, in particular, the full text of the motions submitted by the Board of Directors for consideration by the shareholders in connection with items on the agenda.

b) It responds to shareholders' requests for information prior to the Meeting.

c) It undertakes to make available to all shareholders, for general knowledge, the information supplied in response to queries from other shareholders, provided that the information contained in the response may be considered to be of general interest.

At the Shareholders' Meeting in 2011, shareholders were able to vote using means of distance communication prior to the meeting, using mail or the Internet (by visiting Acciona's website). All relevant information regarding the Shareholders' Meeting was posted on the website, making it accessible by telematic means from the date of publication of the notice of the Meeting. In particular, the motions presented by the Board of Directors to the Shareholders' Meeting were available from the date of publication of the notice of the Meeting,

Article 14 of the Shareholders' Meeting Regulation expressly provides that a shareholder may split its vote in the following cases: a financial intermediary that is registered as a shareholder but is acting as a nominee for several different clients may split its vote in accordance with its clients' instructions; and a legal person may appoint two or more representatives provided that they are its direct shareholders.

E.5 Indicate whether the Chairman of the Board of Directors chairs General Meetings. Give details of what measures, if any, are adopted to ensure the independence and right operation of the General Meeting:

YES

Details of measures
The Board of Directors engages a notary to attend the Shareholders' Meeting and draft the minutes, which serve as the Meeting's minutes. Therefore, the notary certifies shareholders' statements, the transaction of the Shareholders' Meeting, and the voting outcome.

E.6 Indicate, as appropriate, any amendments introduced to the General Meeting Regulations during the year.

Changes introduced during the reporting period to the Annual General Meeting Regulations are mainly drawn from those introduced in connection to the Bylaws, as well as specific technical details (basically adjustment to the Corporations Law) and the incorporation of a new article 31, regulating the Electronic Shareholders Forum, pursuant to article 528 of the Corporations Law, where additional proposals for the agenda informed in the call for the meeting could be published, as well as requests for support to said proposals, initiatives to reach the percentage to exercise a minority right pursuant to the provisions of the Corporations Law, and offers and requests for voluntary proxies.

E.7 Indicate the data on attendance at the General Meetings held in the year to which this report refers:

Attendance data					
Date of General Meeting	% Of attendance	% by proxy	% distance vote		Total
			Electronic vote	Other	
09/06/2011	65.310	15.440	0.002	0.002	80.754

E.8 Briefly indicate the resolutions adopted at the General Meetings held in the year to which this report refers and the percentage of votes with which each resolution was adopted.

The following resolutions were adopted at the General Meeting held on 9 June 2011:

Item One:

Approve the separate and consolidated financial statements of Acciona, S.A (balance sheet, income statement, cash flow statements, statement of change in equity and notes to the financial statements) for the year 2010, as authorized by the Board of Directors,.

Approved; in favour 99.9735% of the voting stock against 0.0250%; abstention: 0.0015%.

Item Two:

Approve the conduct of business by the Board of Directors and authorized signatories of the Company in 2010 and the 2010 Directors' Report, both separate and consolidated, presented by the Board of Directors.

Approved; in favour 99.9738% of the voting stock against 0.0185%; abstention: 0.0077%.

Item three:

Approve the distribution of 2010 income as reflected in the approved financial statements.

Approved; in favour 99.8869% of the voting stock against 0.1127%; abstention: 0.0004%.

Item Four:

Reappoint Deloitte, S.L. as auditor of Acciona, S.A. to audit the 2011 separate and consolidated financial statements for the Group from which it is the Parent.

Approved; in favour 99.6447% of the voting stock against 0.2144%; abstention: 0.1409%.

Item Five:

5.1. Re-elect Belén Villalonga Morenés as an Acciona, S.A. independent director for the statutory term.

Approved; in favour 99.7715% of the voting stock against 0.2228%; abstention: 0.0057%.

5.2. Appoint Sol Daurella Comadrán as an independent director of Acciona, S.A. for the statutory term.

Approved; in favour 99.8467% of the voting stock against 0.1474%; abstention: 0.0059%.

Item Six

1. To approve execution of the 2009-2011 plan for the delivery of stocks and options to Acciona Group senior management (the "2009-2011 Plan"), approved by the General of Shareholders' Meeting on 4 June 2009, delivering, in 2011, 49,324 shares and 48,330 options on shares of Acciona, S.A. to directors of Acciona, S.A. who fulfil executive functions and to certain managers of the Acciona Group as payment of part of their variable remuneration corresponding to 2010.

Approved; in favour 99.5103% of the voting stock against 0.2279%; abstention: 0.2618%.

2.- Extension of term for the Shares and Stock Options Delivery Plan to the reporting period 2012 increasing the maximum number of available shares, currently established in 200,000 shares, to 265,000 shares.

Approved; in favour 99.4249% of the voting stock against 0.2279%; abstention: 0.3472%.

Item Seven:

Approve the merger by absorption of Grupo Entrecanales, S.A. (GESA), Servicios Urbanos Integrales, S.A. (SEUINSA), Tivafén, S.A., single-member company (TIVAFEN), Ósmosis Internacional, S.A., single-member company (OSMOSIS) in this Company, Acciona, S.A. with the termination by dissolution without liquidation of the absorbed companies and the transfer of its assets and liabilities to the Absorbing Company, which, through universal succession, will acquire the rights and obligations of the Acquired Companies under the terms established in the Common Project of Merger signed by the Board of Directors on 24 March 2011, and registered with the Mercantile Registry of Madrid.

Approve as merger balance sheet the annual balance sheet of Acciona, S.A. closed on 31 December 2010.

Approve the submission of the merger to the tax regime in accordance to Chapter VIII of Title VII (articles 83 to 96) of the Consolidated Corporate Tax Law.

Approved; in favour 99.8309% of the voting stock against 0.0317%; abstention: 0.1374%.

Item eight

Approve the amendments of specific articles of the Bylaws to adjust its content to the Royal Legislative Decree 1/2010 of 2 July approving the Consolidated Corporations Law, and other recent legal provisions applicable to Acciona, S.A.

Approved; in favour 99.95% of the voting stock.

Item nine

Approve the amendment of the Preamble and specific articles of the Annual General Meeting Regulations to adjust its content to the changes of the Bylaws, and other recent legal provisions.

Approved; in favour 99.9981% of the voting stock against 0.0002%; abstention: 0.0017% .

Item ten

Report on the Board of Directors Remuneration Policy.

Approve, on a consultative basis, the Remuneration Policy Report for 2010.

Approved; in favour 98.7374% of the voting stock against 1.2138%; abstention: 0.0488% .

Item twelve

Empowerment of the Board of Directors to elaborate on, interpret, remedy and execute Shareholders' Meeting resolutions.

Approved; in favour 99.8820% of the voting stock against 0.0857%; abstention: 0.0325% .

E.9 Indicate whether the bylaws contain any restriction establishing a minimum number of shares required to attend the General Meeting.

NO

Number of shares required to attend a General Meeting	
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E.10 Indicate and provide support for the policies followed by the Company with respect to proxy voting at General Meetings.

All shareholders who are entitled to attend the Shareholders' Meeting may be represented at the Meeting by one or more persons, who need not be shareholders

The notice of meeting states the specific rules for proxies in accordance with the Corporations Law, the Bylaws and the Shareholders' Meeting Regulation

Proxies may be granted: (1) in a signed, written document, either in the Attendance Card issued by a Depository or in other documents specifically related to this Meeting; (2) by postal mail; or (3) by Internet via Acciona's website

Proxies must indicate their identity. When the Company receives proxy forms with no name of the proxy on them, the proxy will be deemed granted to the Chairman of the Board of Directors.

Proxy forms may indicate voting instructions; where no specific instructions are given, the proxy must vote in favour of the motions proposed by the Board of Directors. Where the principal gives voting instructions, the proxy may depart from them if circumstances arise which were not known at the time the instructions were given and the principal's interests are in jeopardy.

Except where the principal instructs otherwise, the delegation of the vote also covers any other items not on the agenda but which may be voted at the Shareholders' Meeting. In this case, the proxy must vote in the manner he deems to be in the principal's best interests.

Except where the principal expressly indicates otherwise, if the proxy finds himself in a conflict of interest in voting on any item submitted to the Shareholders' Meeting, whether on or off the agenda, the proxy shall be deemed to be transferred to the Secretary of the Board of Directors.

The proxy, whether public or not, shall not be in a conflict of interest if the principals have stated their voting instructions to the proxy.

All proxies, no matter how they are notified to Acciona, S.A., must be specific to the Shareholders' Meeting. Exceptions from proxies apply to: (1) persons who present evidence that they are the spouse, ascendant or descendant of the shareholder; (2) holders of a general power of attorney in a public instrument to administer all the shareholder's assets in Spain; (3) governing bodies of legal persons and (4) fund management entities. In those four cases, it will suffice to demonstrate the kinship or organic or management relationship to Acciona, S.A.'s Shareholder Department and Shareholders' Meeting staff.

Votes or proxies notified by post or via the website to Acciona, S.A. will be overridden if the shareholder attends the Shareholders' Meeting.

E.11 Indicate whether the company is aware of the policy of institutional investors on participating or not participating in the company's decisions:

NO

E.12 Indicate the URL and means of accessing corporate governance content on your website.

The Company's website is www.acciona.es

The page contains a link to the Corporate Governance Section under the "Shareholders and Investors" heading.

F- DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE REGULATIONS

State the extent to which the Company complies or fails to comply with Unified Code recommendations. In the event of non-compliance with any of the recommendations, explain the recommendations, rules, practices or criteria applied by the Company.

1. The bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the Company by means of share purchases on the market.

See subsections: A.9, B.1.22, B.1.23 and E.1, E.2

Complies

2. When a dominant and a subsidiary company are stock market listed, the two should provide detailed disclosure on:

- a) The type of activity they engage in, and any business dealings between them, as well as between the subsidiary and other group companies;
- b) The mechanisms in place to resolve possible conflicts of interest.

See subsections: C.4 and C.7

Not applicable

3. Even when not expressly required under company law, any decisions involving a fundamental corporate change should be submitted to the General Shareholders' Meeting for approval or ratification. In particular:

- a) The transformation of listed companies into holding companies through the process of subsidiarisation, i.e. reallocating core activities to subsidiaries that were previously carried out by the originating firm, even though the latter retains full control of the former;
- b) Any acquisition or disposal of key operating assets that would effectively alter the Company's corporate purpose;
- c) Operations that effectively add up to the Company's liquidation.

Partly complies

Acciona is essentially a holding Company with stakes in the group's lines of business. Article 5 of the Shareholders' Meeting Regulation attributes the powers set out in Sections b) and c) of this Recommendation to the Shareholders' Meeting

4. Detailed proposals of the resolutions to be adopted at the General Shareholders' Meeting, including the information stated in Recommendation 28, should be made available at the same time as the publication of the Meeting notice.

Complies

5. Separate votes should be taken at the General Shareholders' Meeting on materially separate items, so shareholders can express their preferences in each case. This rule shall apply in particular to:

- a) The appointment or ratification of directors, with separate voting on each candidate;
- b) Amendments to the bylaws, with votes taken on all articles or groups of articles that are materially different.

See subsection: E.8

Complies

6. Companies should allow split votes, so financial intermediaries acting as nominees on behalf of different clients can issue their votes according to instructions.

See subsection: E.4

Complies

7. The Board of Directors should perform its duties with unity of purpose and independent judgement, according all shareholders the same treatment. It should be guided at all times by the Company's best interest and, as such, strive to maximise its economic value over time.

It should likewise ensure that the Company abides by the laws and regulations in its dealings with stakeholders; It should as well fulfil its obligations and contracts in good faith; respect the customs and good practices of the sectors and territories where it does business and uphold any additional social responsibility principles it has subscribed to voluntarily.

Complies

8. The Board should see the core components of its mission as to approve the Company's strategy and authorise the organisational resources to carry it forward, and to ensure that management meets the objectives set while pursuing the Company's interests and corporate purpose. As such, the Board in full should reserve the right to approve:

- a) The Company's general policies and strategies, and in particular:
 - i) The strategic or business plan, as well as the annual management objectives and budgets;
 - ii) Investment and financing policy;
 - iii) Definition of the structure of the corporate group;
 - iv) Corporate governance policy;
 - v) Corporate social responsibility policy;
 - vi) Remuneration and performance evaluation policy for senior executives;
 - vii) Risk control and management policy and periodic monitoring of internal reporting and control systems.
 - viii) Dividend policy and treasury shares policy and, in particular, limits thereon.

See subsections: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions :

- i) At the proposal of the company's chief executive, the appointment and potential removal of senior executives, as well as their indemnity clauses.

See subsection: B.1.14

- ii) The remuneration of directors, as well as in the case of executive directors, the additional compensation for their executive functions and other conditions to be fulfilled by their contracts.

See subsection: B.1.14

- iii) The financial information listed companies must periodically disclose.
- iv) Investments or operations considered strategic by virtue of their amount or special characteristics, unless their approval corresponds to the General Shareholders' Meeting;
- v) The creation or acquisition of shares in special purpose vehicles or entities resident in jurisdictions considered tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the group.

c) Transactions which the Company conducts with directors, significant shareholders, shareholders with Board representation or other persons related thereto ("related-party transactions").

However, Board authorisation need not be required for related-party transactions that simultaneously meet the following three conditions:

- 1^a. They are governed by standard form agreements applied on an across-the board basis to a large number of clients.

- 2^a. They go through at market rates, generally set by the person supplying the goods or services;
- 3^a. Their amount is no more than 1% of the Company's annual revenues.

It is advisable that related-party transactions should only be approved by the Board on the basis of a favourable report from the Audit Committee or some other committee handling the same function; and that the directors involved should neither exercise nor delegate their votes, and should withdraw from the meeting room while the Board deliberates and votes.

Ideally the above powers assigned to Board should not be delegated with the exception of those mentioned in b) and c), which may be delegated to the Executive Committee in urgent cases and later ratified by the full Board.

See subsections: C.1 and C.6

Complies

9. In the interests of maximum effectiveness and participation, the Board of Directors should ideally comprise no fewer than five and no more than fifteen members.

See subsection: B.1.1

Complies

10. External, proprietary and independent directors should occupy a broad majority of Board places, while the number of executive directors should be the minimum practical, bearing in mind the complexity of the corporate group and the ownership interests they control.

See subsections: A.2, A.3, B.1.3 and B.1.14

Complies

11. In the event that some non-executive director can be deemed neither proprietary nor independent, the Company should disclose this circumstance and the links that person maintains with the Company or its senior officers, or its shareholders.

See subsection: B.1.3

Complies

12. That among non-executive directors, the relation between proprietary members and independents should match the proportion between the capital represented on the Board by proprietary directors and the remainder of the Company's capital.

This proportional criterion can be relaxed so the weight of proprietary directors is greater than would strictly correspond to the total percentage of capital they represent:

1° In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings, despite the considerable sums actually invested.

2° In companies with a plurality of shareholders represented on the Board but not otherwise related.

See subsections: B.1.3, A.2 and A.3

Explain

ACCIONA complies with this recommendation, since the proprietary shareholder appoints fewer directors than the number to which it is entitled, as at year end there were only two proprietary directors although two of the executive directors would also qualify as proprietary directors. In any event, there are more independent than proprietary directors, and independent directors are a majority on the Board of Directors (61%).

13. The number of independent directors should represent at least one third of all Board members.

See subsection: B.1.3

Complies

14. The nature of each director should be explained to the Shareholders' General Meeting, which will make or ratify his or her appointment. Such determination should subsequently be confirmed or reviewed in each year's Annual Corporate Governance Report, after verification by the Appointments Committee. The said Report should also disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 5% of capital; and explain any rejection of a formal request for a Board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

See subsections: B.1.3 and B.1.4

Complies

15. When female directors are few or non-existent, the board should state the reasons for this situation and the measures taken to correct it; in particular, the Appointments Committee should take steps to ensure that:

- a) The process of filling Board vacancies has no implicit bias against female candidates;
- b) The Company makes a conscious effort to include women with the target profile among the candidates for Board places.

See subsections: B.1.2, B.1.27 and B.2.3

Complies

16. The Chairman, as the person responsible for the proper operation of the Board of Directors, should ensure that directors are supplied with sufficient information in advance of Board meetings; and work to procure a good level of debate and the active involvement of all members, safeguarding their rights to freely express and adopt positions; he or she should organise and coordinate regular evaluations of the board and, where appropriate, the Company's Chief Executive, along with the chairmen of the relevant board committees.

See subsection: B.1.42

Complies

17. When a Company's Chairman is also its chief executive, an independent director should be empowered to request the calling of Board meetings or the inclusion of new issues on the agenda; to coordinate and give voice to the concerns of non-executive directors; and to lead the Board's evaluation of the Chairman.

See subsection: B.1.21

Complies

18. The Secretary should take care to ensure that the Board's actions:

- a) Adhere to the spirit and letter of laws and their implementing regulations, including those issued by regulatory agencies;
- b) Comply with the Company Bylaws and the Regulations of the General Shareholders' Meeting, the Board of Directors and others;
- c) Are informed by those good governance recommendations of the Unified Code that the Company has subscribed to.

In order to safeguard the independence, impartiality and professionalism of the Secretary, his or her appointment and removal should be proposed by the Appointments Committee and approved by a full Board meeting; and the relevant appointment and removal procedures be spelled out in the Board's regulations.

See subsection: B.1.34

Complies

19. The Board should meet with the necessary frequency to properly perform its functions, in accordance with a calendar and agendas set at the beginning of the year, to which each Director may propose the addition of other items.

See subsection: B.1.29

Complies

20. Director absences should be kept to the bare minimum and quantified in the Annual Corporate Governance Report. When directors have no choice but to delegate their vote, they should do so with instructions.

See subsections: B.1.28 and B.1.30

Complies

21. When directors or the Secretary express concerns about some proposal or, in the case of directors, about the Company's performance, and such concerns are not resolved at the Board, the person expressing them can request that they be recorded in the minutes book.

Not applicable

22. The board in full should evaluate the following points on a yearly basis:

- a) The quality and efficiency of the Board's operation;
- b) Starting from a report submitted by the Appointments Committee, how well the Chairman and Chief Executive have carried out their duties;

c) The performance of its Committees on the basis of the reports furnished by the same.

See subsection: B.1.19

Complies

23. All directors should be able to exercise their right to receive any additional information they require on matters within the Board's competence. Unless the Bylaws or Board Regulations indicate otherwise, such requests should be addressed to the Board's Chairman or Secretary.

See subsection: B.1.42

Complies

24. All directors should be entitled to call on the Company for the advice and guidance they need to carry out their duties. The Company should provide suitable channels for the exercise of this right, extending in special circumstances to external assistance at the Company's expense.

See subsection: B.1.41

Complies

25. Companies should organise induction programmes for new directors to acquaint them rapidly with the workings of the Company and its corporate governance rules. Directors should also be offered refresher programmes when circumstances so advise.

Complies

26. Companies should require their directors to devote sufficient time and effort to perform their duties effectively, and, as such:

a) Directors should apprise the Appointments Committee of any other professional obligations, in case they might detract from the necessary dedication.

b) Companies should lay down rules about the number of Boards on which their Board members can take part.

See subsections: B.1.8, B.1.9 and B.1.17

Complies

27. The proposal for the appointment or renewal of directors which the Board submits to the General Shareholders' Meeting, as well as provisional appointments by the method of co-option, should be approved by the Board:

a) On the proposal of the Appointments Committee, in the case of independent directors.

b) Subject to a report from the Appointments Committee in all other cases.

See subsection: B.1.2

Complies

28. Companies should post the following director particulars on their websites, and keep them permanently updated:

a) Professional experience and background;

b) Directorships held in other companies, listed or otherwise;

c) An indication of the director's classification as executive, proprietary or independent; in the case of proprietary directors, stating the shareholder they represent or have links with.

d) The date of their first and subsequent appointments as a Company director, and;

e) Shares held in the Company and any options on the same.

Complies

29. Independent directors should not stay on as such for a continuous period of more than 12 years.

See subsection: B.1.2

Explain

The Board of Directors has not adopted this recommendation on the grounds that the independent directors' permanence on the Board should depend on their contribution, experience and qualifications and that their independence is jeopardized in any way by virtue of being appointed for a shorter or longer period.

30. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latter's number should be reduced accordingly.

See subsections: A.2, A.3 and B.1.2

Complies

31. The Board of Directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where just cause is found by the board, based on a proposal from the Appointments Committee. In particular, just cause will be presumed when a director is in breach of his or her fiduciary duties or comes under one of the disqualifying grounds enumerated in heading 5 of section III (Definitions) of this Code.

The removal of independents may also be proposed when a takeover bid, merger or similar corporate operation produces changes in the Company's capital structure, in order to meet the proportionality criterion set out in Recommendation 12.

See subsections: B.1.2, B.1.5 and B.1.26

Complies

32. Companies should establish rules obliging directors to inform the board of any circumstance that might harm the organisation's name or reputation, tendering their resignation as the case may be, with particular mention of any criminal charges brought against them and the progress of any subsequent trial.

The moment a director is indicted or tried for any of the crimes stated in Article 124 of the Companies Law, the Board should examine the matter and, in view of the particular circumstances and potential harm to the Company's name and reputation, decide whether or not he or she should be called on to resign. The Board should also logically disclose all such determinations in the Annual Corporate Governance Report.

See subsections: B.1.43 and B.1.44

Complies

33. All directors should express clear opposition when they feel a proposal submitted for the Board's approval might damage the corporate interest. In particular, independents and other directors unaffected by the conflict of interest should challenge any decision that could go against the interests of shareholders lacking Board representation.

When the Board makes material or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next Recommendation.

The terms of this Recommendation should also apply to the Secretary of the Board; director or otherwise.

Not applicable

34. Directors who give up their place before their tenure expires, through resignation or otherwise, should state their reasons in a letter to be sent to all members of the Board. Irrespective of whether such resignation is filed as a significant event, the motive for the same must be explained in the Annual Corporate Governance Report.

See subsection: B.1.5

Complies

35. The Company's remuneration policy, as approved by its Board of Directors, should specify at least the following points:

- a) Amount of fixed components, with an itemisation, where applicable, of the per diems for participating in the meetings of the Board and of its Committees and an estimate of the annual fixed remuneration to which they give rise.
- b) Variable remuneration components, including:
 - i) The types of directors they apply to, with an explanation of the relative weight of variable to fixed remuneration items.
 - ii) Performance evaluation criteria used to calculate entitlement to the award of shares or share options or any variable remuneration item;
 - iii) The main parameters and grounds for any system of annual bonuses or other non cash benefits; and
 - iv) An estimate of the sum total of variable payments arising from the remuneration policy proposed, as a function of degree of compliance with pre-set targets or assumptions.
- c) The main characteristics of pension systems (for example, supplementary pensions, life insurance and similar arrangements), with an estimate of their amount or annual equivalent cost.
- d) The conditions to apply to the contracts of executive directors exercising senior management functions. Among them:
 - i) Duration;
 - ii) Notice period; and
 - iii) Any other clauses covering hiring bonuses, as well as indemnities or golden parachutes in the event of early termination of the contractual relation between company and executive director.

See subsection: B.1.15

Complies

36. Remuneration comprising the delivery of shares in the Company or other companies in the group, share options or other share-based instruments, payments linked to the Company's performance or membership of pension schemes should be confined to executive directors.

The delivery of shares is excluded from this limitation when directors are obliged to retain them until the end of their tenure.

See subsections: A.3 and B.1.3

Complies

37. External directors' remuneration should sufficiently compensate them for the dedication, skills and responsibilities that the post entails, but should not be so high as to compromise their independence.

Complies

38. In the case of remuneration linked to Company earnings, deductions should be computed for any qualifications stated in the external auditor's report.

Not applicable

39. In the case of variable remunerations, remuneration policies should include technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the Company's sector or circumstances of this kind.

Complies

40. The board should submit a report on the directors' remuneration policy to the advisory vote of the General Shareholders' Meeting, as a separate point on the agenda. This report can be supplied to shareholders separately or in the manner the company sees fit.

The report will focus on the remuneration policy the Board has approved for the current year with reference, as the case may be, to the policy planned for future years. It will address all the points referred to in Recommendation 35, except those potentially entailing the disclosure of commercially sensitive information. It will highlight the most significant changes in such policy with respect to the previous year referred by the General Meeting, with a global summary of how the policy was applied over such year.

The role of the Remuneration Committee in designing the remuneration policy should be reported by the Board to the Meeting, along with the identity of any external advisors engaged.

See subsection: B.1.16

Complies

41. The notes to the financial statements should list individual directors' remuneration in the year, including:

a) A breakdown of the compensation obtained by each company director, to include where appropriate:

- i) Participation and attendance fees and other fixed director payments;
- ii) Additional compensation for acting as chairman or member of a Board committee;
- iii) Any payments made under profit-sharing or bonus schemes, and the reason for their accrual;
- iv) Contributions on the director's behalf to defined-contribution pension plans, or any increase in the director's vested rights in the case of contributions to defined-benefit schemes;
- v) Any severance packages agreed or paid;
- vi) Any compensation they receive as directors of other companies in the Group;
- vii) The remuneration executive directors receive in respect of their senior management posts;
- viii) Any kind of compensation other than those listed above, of whatever nature and provenance within the Group, especially when it may be accounted a related-party transaction or when its omission would detract from a true and fair view of the total remuneration received by the director.

b) An individual breakdown of deliveries to directors of shares, share options or other share-based instruments, itemised by:

- i) Number of shares or options awarded in the year, and the terms set for their execution;
- ii) Number of options exercised in the year, specifying the number of shares involved and the exercise price;
- iii) Number of options outstanding at the year end, specifying their price, date and other exercise conditions;
- iv) Any change in the year in the exercise terms of previously awarded options.

c) Information on the relation in the year between the remuneration obtained by executive directors and the Company's profits, or some other measure of corporate performance.

Partly complies

The Annual Report sets out all the information referred to in this recommendation apart from the executive directors' individual remuneration for performing senior management functions, notwithstanding the information to be included in the Annual Report of Directors Remuneration, according to the article 61ter of the Market Securities Act.

42. When the Company has an Executive Committee, the breakdown of its members by director category should be

similar to that of the Board itself. The Secretary of the Board should also act as secretary to the Executive Committee.

See subsections: B.2.1 and B.2.6

Explain

The Executive Committee consists only of executive and independent directors, there being no proprietary directors, although two of the executive directors would also qualify as proprietary directors. The Board Secretary is the Secretary of this Committee.

43. The Board should be kept fully informed of the business transacted and decisions made by the Executive Committee. To this end, all board members should receive a copy of the Committee's minutes.

Explain

In 2011 no meetings from the Executive Committee have taken place.

44. In addition to the Audit Committee mandatory under the Securities Market Law, the Board of Directors should form a committee, or two separate committees, of Appointment and Remuneration.

The rules governing the make-up and operation of the Audit Committee and the Appointment and Remuneration committee or committees should be set forth in the Board Regulations, and include the following:

a) The Board of Directors should appoint the members of such committees with regard to the knowledge, aptitudes and experience of its directors and the terms of reference of each Committee; discuss their proposals and reports; and be responsible for overseeing and evaluating their work, which should be reported to the first full Board following each meeting;

b) These committees should be formed exclusively of non-executive directors and have a minimum of three members. Executive directors or senior officers may also attend meetings, for information purposes, at the Committees' invitation.

c) Committees should be chaired by an independent director.

d) They may engage external advisors, when they feel this is necessary for the discharge of their duties.

e) Minutes of meeting proceedings should be drawn up and a copy sent to all Board members.

See subsections: B.2.1 and B.2.3

Complies

45. The job of supervising compliance with internal codes of conduct and corporate governance rules should be entrusted to the Audit Committee, the Appointments Committee or, as the case may be, separate Compliance or Corporate Governance Committees.

Complies

46. All members of the Audit Committee, particularly its chairman, should be appointed with regard to their knowledge and background in accounting, auditing and risk management matters.

Complies

47. Listed companies should have an internal audit function, under the supervision of the Audit Committee, to ensure the proper operation of internal reporting and control systems.

Complies

48. The head of internal audit should present an annual work programme to the Audit Committee; report to it directly on any incidents arising during its implementation; and submit an activities report at the end of each year.

Complies

49. Control and risk management policy should specify at least:

- a) The different types of risk (operational, technological, financial, legal, reputational, etc.) the Company is exposed to, with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks;
- b) The determination of the risk level the Company sees as acceptable;
- c) Measures in place to mitigate the impact of risk events should they occur;
- d) The internal reporting and control systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

See subsections: D

Complies

50. The Audit Committee's role should be:

1° With respect to internal control and reporting systems:

- a) Monitor the preparation and the integrity of the financial information prepared on the Company and, where appropriate, the group, checking for compliance with legal provisions, the accurate demarcation of the consolidation perimeter, and the correct application of accounting principles.
- b) Review internal control and risk management systems on a regular basis, so main risks are properly identified, managed and disclosed.
- c) Monitor the independence and efficacy of the internal audit function; propose the selection, appointment, reappointment and removal of the head of internal audit; propose the department's budget; receive regular reports on its activities; and verify that senior management are acting on the findings and recommendations of its reports.
- d) Establish and supervise a mechanism whereby staff can report, confidentially and, if necessary, anonymously, any irregularities they detect in the course of their duties, in particular financial or accounting irregularities, with potentially serious implications for the firm.

2° With respect to the external auditor:

- a) Make recommendations to the Board for the selection, appointment, reappointment and removal of the external auditor, and the terms and conditions of his engagement.
- b) Receive regular information from the external auditor on the progress and findings of the audit programme,

and check that senior management are acting on its recommendations.

c) Monitor the independence of the external auditor, to which end:

- i) The Company should notify any change of auditor to the CNMV as a significant event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.
- ii) The Committee should ensure that the Company and the auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard auditors' independence;
- iii) The Committee should investigate the issues giving rise to the resignation of any external auditor.

d) In the case of groups, the Committee should urge the Group auditor to take on the auditing of all component companies.

See subsections: B.1.35, B.2.2, B.2.3 and D.3

Complies

51. The Audit Committee should be empowered to meet with any Company employee or manager, even ordering their appearance without the presence of another senior officer.

Complies

52. The Audit Committee should prepare information on the following points from Recommendation 8 for input to board decision-making:

- a) The financial information listed companies must periodically disclose. The Committee should ensure that interim statements are drawn up under the same accounting principles as the annual statements and, to this end, may ask the external auditor to conduct a limited review.
- b) The creation or acquisition of shares in special purpose vehicles or entities resident in jurisdictions considered tax havens, and any other transactions or operations of a comparable nature whose complexity might impair the transparency of the group.
- c) Related-party transactions, except where their scrutiny has been entrusted to some other supervision and control committee.

See subsections: B.2.2 and B.2.3

Complies

53. The Board of Directors should seek to present the annual accounts to the General Shareholders' Meeting without reservations or qualifications in the audit report. Should such reservations or qualifications exist, both the Chairman of the Audit Committee and the auditors should give a clear account to shareholders of their scope and content.

See subsection: B.1.38

Complies

54. The majority of Appointment Committee members –or Appointment and Remuneration Committee members, as the case may be– should be independent directors.

See subsection: B.2.1

Complies

55. The Appointment Committee should have the following functions in addition to those stated in earlier recommendations:

- a) Evaluate the balance of skills, knowledge and experience on the Board, define the roles and skills required of the candidates to fill each vacancy, and decide the time and dedication necessary for them to properly perform

their duties.

b) Examine or organise, in appropriate form, the succession of the Chairman and Chief Executive, making recommendations to the Board so the handover proceeds in a planned and orderly manner.

c) Report on the senior officer appointments and removals which the Chief Executive proposes to the Board.

d) Report to the Board on the gender diversity issues discussed in Recommendation 14 of this Code.

See subsection: B.2.3

Complies

56. The Appointment Committee should consult with the Company's Chairman and Chief Executive, especially on matters relating to executive directors.

Any Board member may suggest directorship candidates to the Appointment Committee for its consideration.

Complies

57. The Remuneration Committee should have the following functions in addition to those stated in earlier recommendations:

a) Propose to the Board of Directors:

- i) The remuneration policy for directors and senior officers;
- ii) The individual remuneration and other contractual conditions of executive directors.
- iii) The standard conditions for senior officer employment contracts.

b) Oversee compliance with the remuneration policy set by the Company.

See subsections: B.1.14 and B.2.3

Complies

58. The Remuneration Committee should consult with the Chairman and Chief Executive, especially on matters relating to executive directors and senior officers.

Complies

G - OTHER INFORMATION OF INTEREST

If you consider that there is any material aspect or principle relating to the Corporate Governance practices followed by your company that has not been addressed in this report, indicate and explain below.

NOTE ON SECTION A.2. The dissolution without liquidation of Grupo Entrecanales S.A and its subsidiaries Servicios Urbanos Integrales S.A and Tivafen S.A, which together held a 59.63% ownership interest of Acciona, S.A., took place in the 2011 reporting period. The dissolution resulted from the approval by the Annual General Meeting of the merger by absorption of these companies by Acciona, S.A. As a result of said merger, Grupo Entrecanales shareholders have become Acciona, S.A. direct shareholders, with significant ownership interests as indicated in section A.2.

NOTE ON SECTION A.8. The total capital loss due to disposal of treasury shares is the result of delivery of shares to executive directors and executives as part of the share delivery plan

NOTE ON SECTION B.1.12. -a) Below are set out the main features of the plan for delivering shares to senior management.

The 2009-2011 Plan for the delivery of stocks and options to Acciona Group senior management was approved, at the proposal of the Board of Directors, by the Company's Ordinary Shareholders' Meeting on 4 June 2009. Furthermore, Acciona, S.A. Annual General Meeting held on 9 June 2011 resolved to extend the term of said Plan, including the Executive Directors, to be

applied in the reporting period 2012, increasing the maximum number of available shares established in 200,000 to 265,000 shares for the four years and maintaining the other terms and conditions with which it was approved.

The main features of the "2009-2012 Plan" for the delivery of stocks and options to Acciona Group senior management are the following:

Term and basic structure of the Plan: The Plan involves the delivery of ordinary shares of the Company each year in the first four years (2009-2012) or, at the beneficiaries' choice, stock options on ordinary shares of Company instead of some of the assigned shares.

Beneficiaries: The Plan is aimed at those persons who, at any given time, hold the position of Director-General Manager, General Manager or Area Manager of the Acciona Group at the time it is decided to assign the Shares under this Plan.

Annual share bonus: The number of shares comprising each beneficiary's Share Bonus will be determined by the Board of Directors at the proposal of the Nomination and Remuneration Committee in March of each year. Each beneficiary's Share Bonus in a single year may not exceed (a) 150,000 euros or (b) 50% of the annual variable remuneration in cash that the beneficiary is to collect. The highest Share Bonus assigned to a beneficiary under the Plan, expressed as a number of shares, may not exceed three (3) times the lowest Share Bonus assigned to other beneficiaries in that year.

Exchange ratio between shares and stock options, partial substitution of ones by the others: Once the Share Bonus is defined every year, the Company's Board of Directors will establish a fixed exchange ratio between Shares and Stock Options. The Beneficiary could decide that a portion of the granted shares, below fifty per cent (50%), is substituted by stock options.

Available shares for the Plan: The maximum number of shares that may be delivered to beneficiaries under this Plan in the four-year period (2009, 2010, 2011 and 2012) will be 265,000 shares, including those assigned but replaced by stock options at the beneficiaries' choice.

Annual date of delivery: The Share Bonus will be delivered to beneficiaries within thirty (30) calendar days following the ordinary Annual General Meeting, on the date established by the Board of Directors or its delegated bodies. In case of beneficiaries who are Company Directors, the delivery will follow in any case the resolution by the Company Annual General Meeting on the delivery of the corresponding shares (and, if applicable, stock options) pursuant to the provisions of article 219 of the Consolidated Corporations Law.

Rights over shares: Shares will grant the beneficiary the economic and political rights vested in the shares since they are delivered.

Restricted use of the shares: Beneficiaries cannot dispose of, encumber or grant any option on the shares prior to 31 March of the third year following the year in which said shares were delivered to the beneficiary in payment of the share bond.

Granting of a stock option to the Company: The beneficiary grants the Company a stock option on shares delivered prior to 31 March of the third year following the year in which said shares were delivered for EUR 0.01 each. The stock option could only be exercised by the Company if the labour, civil or trade relationship is interrupted or terminated under specific conditions.

Stock options scheme: Each stock option will grant the beneficiary the right to an ordinary share of the Company, against payment of the share price established to exercise the option or against payment of its price for the settlement by differences between the option value and the value of the share at the time of exercising the option. Options granted one year as part of the Plan could be exercised, entirely or in part, and in one or several occasions, if the labour, civil or trade relationship was not interrupted or terminated under specific conditions, within three years between (a) 31 March of the third calendar year following the year in which they were granted and (b) 31 March of the third year following the beginning of the term (the "Exercise Period").

With regards to the aforementioned Plan, a total of 49,324 shares and 48,332 stock option rights of Acciona, S.A. were delivered during the 2011 reporting period to the Group's Senior Management, including those delivered to the Executive Directors. The Chief Executive Officer has received 1,038 shares and 4,874 stock options and the Executive Vice President 2,075 shares, pursuant to the conditions established by the shares delivery plan Regulations.

Granted stock options include the right to acquire an equal number of shares at EUR 53 each and could be exercised from 31 March 2014 to 31 March 2017.

NOTE ON SECTION B.1.12-b) The list includes those who have performed senior management functions in 2011, in full or in part.

NOTE ON SECTION B.1.12.- e) The total amount of senior executive remuneration includes the severance packages paid to four directors whose employment contracts were terminated in fiscal year 2011.

NOTE ON SECTION B.1.13.-. The amount of those clauses is as follows: two clauses for the amount of 2.5 years' total remuneration, three clauses for the amount of two years' fixed remuneration, one clause for the amount of one year's remuneration and one clause for the amount of six-months total remuneration, although one of the clauses is for a set period and, once it expires, the termination indemnity will be that provided ordinarily under the Workers' Statute.

NOTE ON SECTION B.1.29.- The Sustainability Committee met three times in 2011.

NOTE ON SECTION B.1.40.- The companies listed in this Section are involved in, among others, hotel management and auxiliary business and real estate services.

In addition, pursuant to article 231.1, regarding article 229.2 of the Consolidated Corporations Law, below are the positions held by the individuals related to the Director Mr. Fernando Rodés Vila in companies engaged in an activity that is identical, similar or complementary to the Company's activity.

Company: Abertis Infraestructuras, S.A.

Director: Leopoldo Rodés Castatlé (representing La Caixa)

Position: Member

NOTE TO THE SECTION C.2 AND C.3 - There were no transactions outside the Company's or Group's ordinary business that were not performed on an arm's-length basis. Entities related to certain directors performed transactions with ACCIONA or companies in its group as part of an ordinary commercial relationship on an arm's-length basis. Those transactions were basically as follows:

A) Upkeep and maintenance services rendered by ACCIONA Infraestructuras, S.A. for a Company operated by Juan Entrecanales de Azcarate amounting to EUR 68,2 thousand.

B) Building renovations made by Acciona Infraestructuras, S.A. amounting to EUR 3,337 thousand.

C) Marketing by Banco Gallego of mutual funds managed by Bestinver, receiving EUR 1,106 thousand as retroceded management fees.

D) Advertisement agency services provided by Revolution Publicidad S.L. to group companies for EUR 174 thousand.

E) Willis Iberia, together with other insurance brokers, is the insurance broker selected by group divisions, brokering in the collection of insurance policy premiums.

F) Banco Sabadell maintains banking relations with different group companies.

NOTE ON SECTION C.4. -Transactions between the Company and its subsidiaries, which are related parties and form part of its normal business as regards purpose and conditions, were eliminated in consolidation.

Below it is the breakdown of the transactions between the Group and its associates:

At 31 December 2011, the debit and credit balances with associates were as follows, in thousands of euros:

	Debit balances/expenses	Credit balances/income
Trade and other receivables	13,815	
Trade and other payables		4,691
Loans with associates	29,639	
Revenue and expenses	3,825	6,282

The balances with Group companies relate mainly to services provided by Acciona Infraestructuras, S.A. to various associated companies. Those transactions were conducted on an arm's-length basis.

NOTE ON SECTION C.7.- At 31 December 2011 the only Company whose stock traded on a secondary market, other than ACCIONA, S.A., was the Polish Company Mostostal Warszawa, S.A. which trades on the Warsaw stock market.

NOTE ON SECTION E.7.- Two shareholders voted electronically at the Ordinary Shareholders' Meeting on 9 June 2011

This section can include any other information, clarification or qualification relating to the previous sections of the report, provided that it is material and not repetitive.

In particular, indicate whether the Company is subject to any legislation other than the Spanish law on corporate governance and, if so, include any mandatory information different from the one required for the purposes of this Report.

Binding definition of Independent Director:

State whether any Independent Director has or has had a relation with the Company, its significant shareholders or its executives that, had it been sufficiently significant or important, would have prevented the Director from being considered independent according to section 5 of the Unified Code on good governance:

NO

Date and signature:

This Annual Corporate Governance Report was approved by the Company's Board of Directors at its meeting held on

23/02/2012

State if there have been any Directors who have voted against or have abstained from the approval of this Report.

NO



SUPPLEMENTARY DOCUMENT TO THE CORPORATE GOVERNANCE
ANNUAL REPORT PURSUANT TO ARTICLE 61 BIS
OF THE SPANISH SECURITIES MARKET ACT

1.- Introduction

Under Article 61 of the Spanish Securities Market Act (“LMV”, Spanish acronym), as per the wording of Law 2/2011 of 12 April on Sustainable Economy, listed companies are required to issue a Corporate Governance Annual Report (CGAR) on a yearly basis.

By virtue of a letter dated 28 December, the National Securities Market Commission (“CNMV”, Spanish acronym) stated that insofar as the legislative process to draft the new sample report is pending, the CGAR for 2011 may be prepared based on the contents and structure of the sample report specified in Circular 4/2007, notwithstanding the obligation to include the contents required under Article 61 bis of the Securities Market Act which are not expressly covered by any section of the sample report or any valid form.

Accordingly, for preparation of the 2011 financial statements, the Board of Directors of Acciona, S.A. (hereinafter, the “Company”) has issued this supplementary document to the CGAR.

2.- CGAR additional content

2.1.- Securities not traded on EU regulated markets, specifying, where applicable, the different classes of shares and, for each one of them, the rights and obligations they carry and the share capital percentage they represent.

No securities issued are traded on non-EU regulated markets.

2.2.- Restrictions on the transferability of securities

There are no restrictions on the transferability of securities. There is a shareholders’ agreement in force –filed with the CNMV under no. 147698 on 15 July 2011– whereby the signatory shareholders, holding 49.7% of the share capital of Acciona, S.A., agreed to grant to each other a pre-emptive right on their respective shareholdings in ACCIONA.

2.3.- Restrictions on voting rights

There is no restriction on voting rights under legal provisions or the company's bylaws. The Regulations of the Annual General Meeting expressly entitle a single shareholder to divide his vote if he is a broker duly recognised as a shareholder, but acts on behalf of different clients and divides his votes so that they can be cast as per his clients' instructions; or if the shareholder is a legal entity which has designated two or more representatives who are direct partners of said shareholder.

2.4.- Provisions applicable to amendments to the company's bylaws

The Bylaws may be amended in accordance with the Spanish Consolidated Limited Liability Companies Law and Section 17.2 of the Articles of Association. In order to decide on any of the issues detailed below, an Annual General Meeting must be convened with a quorum, on first call, of sixty-seven percent (67%) of the share capital subscribed, fully paid up and carrying voting power; or on second call, with a quorum of sixty-two percent (62%):

- i.** Amendment to the Bylaws, exclusion due to transfer of the registered offices, capital increase, extension of the company purpose and, where legally required, capital decrease.
- ii.** Transformation, merger, spin-off, global transfer of assets and liabilities, and dissolution of the company, unless dissolution is legally required.

For transfer of the registered offices, capital increase, extension of the company purpose, elimination or restriction of pre-emptive rights, issuance of simple, convertible or redeemable bonds, issuance of warrants or options (separately or ancillary to obligations) and preferred shares and, where legally required, capital decrease and dissolution and liquidation, an Annual General Meeting must be held, on first call, with a quorum of sixty-seven percent (67%) of the share capital subscribed carrying voting rights, or, on second call, with a quorum of fifty percent (50%) of the subscribed share capital with voting rights.

The same percentages stated in the paragraph above apply where, for a capital increase or issuance of debentures, bonds, warrants or preference shares, the Shareholders' Meeting has authorised the Board of Directors or delegated to it the power to adopt the abovesaid resolutions.

In every case, and as set out in Article 286 of the Consolidated Limited Liability Companies Law, directors or, as applicable, the shareholders who made the proposal, must draft the full text of the amendment proposed and the corresponding explanatory report, which must be made available to the shareholders by the time the meeting is convened.

Votes must be cast separately for each article or set of articles deemed substantially independent. Resolutions must be adopted by majority, that is, with the favourable vote of more than half of the shares carrying voting rights and present at the meeting, according to the list of attendees prepared when opening the meeting.

2.5.- Significant agreements entered into by the company which may come into force, be amended or terminated in the event of a change of control of the company due to a takeover bid, and its outcomes, unless disclosure thereof may be seriously detrimental to the company. This exception may not apply where the company is legally required to disclose the information.

There is no significant agreement entered into by the company which may come into force, be amended or terminated in the event of a change of control of the company due to a takeover bid. A number of financial contracts are in force though, which require previous authorisation to carry out corporate transactions such as merger or spin-off.

2.6.- Arrangements on severance payment between the company and its managers and directors or employees where the latter resign or are unfairly dismissed, or where the employment relationship terminates due to a takeover bid.

The company's general criteria in relation to its directors and managers is not to grant severance payment other than in the cases and for the amounts set out under labour legislation in force, or unless otherwise expressly agreed.

However, the company has agreed on special terms and conditions (as detailed below) with seven directors in the event of termination of their employment contracts due to unfair dismissal or at the company's will.

These special clauses provide for the following amounts: Two clauses for an amount of up to 2.5 annuities of total remuneration; three clauses for up to two annuities of fixed remuneration; one clause for one annuity of total remuneration, and another clause for an amount of six months of total remuneration. However, validity of one of the clauses is limited, that is, upon expiration of the clause, severance payment will be that set out under the Workers' Statute general scheme.

2.7.- Description of the main characteristics of the internal control and risk management systems in place in relation to financial reporting

2.7.1 Company's control environment

2.7.1.1. Bodies and/or roles responsible for: (i) existence and maintenance of an adequate and effective ICFR; (ii) ICFR implementation; (iii) ICFR oversight.

ACCIONA's Internal Control on Financial Reporting system (ICFR) is based on the standards and good practices contained in the reports issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), which contains the main guidelines for implementation, management and control of corporate risk management and internal control systems.

As required under its Regulations, the Board of Directors is ultimately responsible for the existence and correct application of the ICFR systems.

According to Corporate Rules, the Corporate Economic and Financial Department is in charge of designing, implementing and applying the ICFR.

The Audit Committee, as set out by the Board Regulations, is responsible for:

- a) Monitoring the preparation, completeness and disclosure to the market of the financial information required relating to ACCIONA and its Group, verifying compliance with applicable regulations, adequate definition of the consolidation scope, and proper application of accounting standards.
- b) Reviewing the internal control and risk management systems so that the main risks can be adequately identified, managed and reported.

2.7.1.2.- Departments and/or mechanisms responsible for: (i) designing and reviewing the organisational structure; (ii) defining clear-cut levels of responsibility and authority, distributing tasks and roles adequately; (iii) ensuring that necessary procedures are in place to duly make them known companywide.

As for the units and departments involved in the preparation of financial information, the Corporate Economic and Financial Department is in charge of:

- a) Designing and reviewing the organisational structure;
- b) Defining clear-cut levels of responsibility and authority, distributing tasks and roles adequately; and
- c) Ensuring that the necessary procedures are set in place to duly make them known companywide, especially as regards preparation of financial information.

The organisational structure of the units involved in the preparation of the financial information of each Group company depends on various factors, such as the volume of transactions or the kind of business, but is always designed to cover the main roles relating to the recording, preparation, review and reporting of the transactions carried out and the company's economic and financial position.

Thus, the head of each economic and financial unit of the ACCIONA Group puts forward and accounts for the design, review and adjustment of his unit's structure according to its needs. For proposals to be carried out, they must be approved by the Corporate Economic and Financial Department of the ACCIONA Group in order to ensure that the unit's main roles have been fulfilled, and that the economic and financial information timely prepared and reported is reliable.

Code of Conduct, approving body, level of disclosure and examination, standards and values included (specifying whether there is any express requirement as to registration of transactions and preparation of financial information), body in charge of examining breaches and suggesting corrective measures and penalties.

The ACCIONA Group has a Code of Conduct in place approved by the Board of Directors which is available across the organisation.

The main principles and values of the Code of Conduct refer to:

- Maintaining an unquestionable standard of integrity as to behaviour and relations, both outside and inside the organisation.
- Leveraging resources under its authority to offer ACCIONA the highest competitiveness.
- Objectiveness, transparency and non-discrimination in the processes of managing and preparing financial information with a view to securing its reliability.
- Complying with internal policies and rules, and current legislation.
- Obligation to reject and report any undue practice.
- Confidential treatment of any information that may become known while managing and preparing financial information.

The Code of Conduct must be signed by every worker when becoming part of the payroll of any of the ACCIONA Group companies. Furthermore, any update of the Code of Conduct is reported to every worker of the Group. The Code of Conduct is likewise available on the Intranet to every worker.

The Code of Conduct Committee is the body responsible for analysing any breach of the Code of Conduct and recommending the necessary corrective measures to the Audit Committee.

Reporting channel to inform the Audit Committee of any financial or accounting irregularity, and any potential breach of the Code of Conduct and irregular activities within the organisation, indicating whether such breach is confidential, if applicable.

There is a reporting channel in place through the Code of Conduct Committee, which allows informing about any financial or accounting irregularity, among others, while safeguarding confidentiality, as well as any potential breach of the Code of Conduct.

To that end, the Code of Conduct Committee has made available to every worker a postal address and an e-mail address for inquiries regarding the interpretation of the Code of Conduct or to report any breach.

The Code of Conduct Committee secures confidentiality in processing complaints by means of the confidentiality agreement signed by all examiners, as well as other protective measures contained in the complaint action protocol.

The Code of Conduct Committee analyses every complaint received, informing the complainant about whether preliminary proceedings have been initiated or the complaint has been dismissed, explaining why. The examiners, who undertake a confidentiality commitment, are appointed by the Code of Conduct Committee and may be either internal or external examiners hired by the Group for that purpose.

Each examiner's conclusions, along with his recommendations and/or proposed penalties, are forwarded to the Audit Committee for the latter to consider them and adopt the relevant resolutions.

Training programmes and regular refresher training for staff involved in the preparation and review of financial information, and ICFR evaluation, covering at least, accounting standards, auditing, internal control and risk management.

The ACCIONA Group's staff involved in the preparation and review of financial information and ICFR evaluation attends training and refresher training on the necessary standards and good practices to ensure reliable financial reporting.

2.7.2. Financial information risk assessment.

2.7.2.1. Main characteristics of the risk identification process, including errors and fraud, as to:

Whether the process is in place and on record.

ACCIONA's Risk Management is a process established by its Department and supervised by the Board of Directors. It is implemented through a Risk Management system based on the Corporate Risk Management Policy.

Being present in various business areas and countries having different regulatory frameworks and political and social contexts, ACCIONA is exposed to a wide range of risks that need to be identified and managed.

In 2011, the ACCIONA Group updated its Risk Map, at the national and international levels, resulting in nine independent maps for the divisions below: ACCIONA Agua (Water) –including ACCIONA Servicios Urbanos (Urban Services) and ACCIONA Servicios Ambientales (Environmental Services)–; ACCIONA Energía (Energy); ACCIONA Infraestructuras (Infrastructure); ACCIONA Concesiones (Concessions); ACCIONA Trasmediterránea (Trans-mediterranean); ACCIONA Inmobiliaria (Real Estate); Other Businesses (including GPD, ACCIONA Airport Services, ACCIONA Forwarding, ACCIONA Facility Services and Hijos de Antonio Barceló); Bestinver; and ACCIONA consolidated Map.

Whether the process covers all financial information objectives (existence and occurrence, completeness, measurement, presentation, breakdown and comparability, rights and obligations), whether it is updated, and how often.

Identification of risks affecting financial information reliability is based on and begins by determining their scope according to quantitative criteria of materiality relating to the consolidated figures of "Revenue" and "Total assets" on the Group's latest financial statements, as well as other qualitative criteria (error, fraud, unusual transactions, etc.).

In the first place, the scope of action is defined by including the companies belonging to the material business areas and divisions that meet any of the abovesaid criteria. After identifying these companies, the material accounting items for each one of them are defined, thereby covering at least 70%-80% of the consolidated parameters of “Revenue” and “Total Assets” for the Group’s latest financial statements. Material items for each company having been defined, the affected processes and sub-processes are determined based on a relationship matrix.

For each sub-process identified by material company, the next step is to define the risks incidental to each process/sub-process stage, and the controls performed by the various responsible areas to mitigate them. Risks identified are recorded on a Risk-Control Matrix analysing whether financial information objectives have been attained (existence and occurrence, completeness, measurement, presentation, breakdown and comparability, and rights and obligations) for each one of them.

This process is adjusted to any change in the Group’s consolidation scope and business evolution, and it is recognised in the financial statements, comparing changes in material processes and sub-processes.

Whether a process is in place to define the consolidation scope, considering, without limitation, any complex corporate structures, special purpose vehicles or similar entities.

ACCIONA has in place a documented process in line with internal regulations in order to secure the correct identification of the consolidation scope through an adequate segregation of duties for requesting, authorising, reporting and registering any transaction such as incorporation, merger, spin-off, acquisition or sale of companies, and any other corporate transaction directly involving the Corporate Economic Control, Consolidation, Legal and Tax Departments, among others.

This process covers any complex corporate structure, special purpose vehicles or similar entities by establishing, for example, an adequate segregation of duties as to the processes of requesting, authorising and reporting any corporate transaction of the ACCIONA Group.

Whether the process considers the effects of other kinds of risks (operational, technological, financial, legal, reputational, environmental, etc.) on the financial statements.

The Risk Management System is designed to identify potential events that might affect the organisation; to manage risks through internal control and treatment systems that allow maintaining the likelihood of occurrence and impact of such events within preset tolerance levels; and to offer reasonable certainty as to the achievement of the business strategic objectives.

Identification and assessment of risks for each business line is coordinated by a team at the corporate level. This team is responsible for managing and defining permitted risk tolerance levels and coordinating actions so that treatment is in line with the Group’s global risk policy, thus providing information about the risks the Group as a whole is exposed to at each given time.

The Risk Management System covers four types of risks:

- a) Economic and financial risks.- Risks directly affecting the company's income statement: they basically include fluctuations of exchange rates, interest rates and financial markets, changes in raw material prices, liquidity, cash flows, default on payment, or customers lost.
- b) Strategic risks.- Risks which might prevent the company from achieving its objectives and result in decreased growth. They include changes in the organisational structure, investments and divestments, competitive threats, economic, political and legal changes, impact of new technologies, or research and development.
- c) Operational risks. Risks related to processes, individuals and products. They refer to compliance with rules, legislation, regulations and contracts, control systems and procedures, supply chain, auxiliary services, information systems, employees' productivity, or loss of key staff.

This kind of risks includes risks relating to financial information reliability, as they affect the preparation and reporting of financial information directly.

- d) Fortuitous risks.- Risks associated with any damage caused to the company's assets and individuals which might have a negative impact on the company's performance, such as fire, explosion, natural disasters, pollution, damage to third parties, and occupational risks.

Governance body in charge of supervising the process

According to the Regulations of the Board of Directors, the Audit Committee is responsible for reviewing internal control and risk management systems on a regular basis, so that main risks can be adequately identified, managed and reported.

2.7.3. Control tasks

2.7.3.1. Financial information review and authorisation procedures and ICFR description to be disclosed to securities markets, specifying responsible officers, and explanatory documentation of the flows of activity and control (including those relating to risk of fraud) of the various transactions which might materially affect financial statements, including the procedure for closing reporting periods, and specific review of relevant assessments, estimates, measurements and projections.

The ACCIONA Group has review and authorisation procedures in place for financial information and ICFR description. These procedures are managed by the Corporate Economic and Financial Department, the Audit Committee and the Board of Directors.

Together with the Corporate Economic and Financial Department and internal and external auditors, the Audit Committee reviews, evaluates and makes comments on the financial statements and other relevant financial information, (including the main assessments, estimates and projections) to verify that the information is complete and in line with the criteria applied in the previous fiscal year.

Flows of activity and control –including those relating to risk of fraud– of the various transactions which might materially affect financial statements –including the procedure for closing reporting periods and specific review of relevant assessments, estimates, measurements and projections– have been duly placed on record in accordance with mandatory corporate policies, rules and procedures.

These flows of activity and control entail the identification of the main processes and sub-processes which might materially affect financial information reliability, considering both quantitative and qualitative criteria.

In turn, for each process and sub-process identified by in-scope material company, a flowchart is prepared depicting the flow of activities and operations conducted during such process, with a description of the same.

For each flow and stage of the sub-process described, the next step is to identify any existing risk incidental to the process which might affect financial information reliability, as well as the controls performed by the various responsible areas to mitigate them, relating them with the corresponding Risk-Control Matrix where they are registered.

Financial information, including critical aspects of accounting estimates and assessments applied to the most relevant items, is reviewed and approved before being disclosed to securities markets by the Economic and Financial Department, the Audit Committee, and ultimately by the Board of Directors.

2.7.3.2. Internal control procedures and policies referring to information systems (including, among others, access security, change control, their implementation, continuity of operations, and segregation of duties) supported by the entity's relevant processes with regard to the preparation and publication of financial information.

The ACCIONA Group has internal control policies, rules and procedures in place relating to the information management and security systems under the ISMS –or Information Security Management System– pursuant to the most renowned international rules and standards, such as ISO 27001, ISO 27002, BS25999, and the various amendments to NIST standards and the ITIL processes.

Access to information systems is managed based on job descriptions, restrictions imposed by the various regulations and business needs in order to secure information reliability. In line with corporate policy, each Group company defines the profiles for information access, change, validation or inquiry based on the role of each user of the information systems, as assigned under adequate segregation of duties criteria.

Access and approval process management is entirely defined under the applicable procedures, as well as the duties of those in charge of management and control.

Information treatment is based on the development of applications and services through a life cycle consisting of the following stages: requests and assessment of needs, analysis, design, construction, tests, implementation, production and maintenance. This life cycle follows a methodology which guarantees reliable treatment of information.

Control mechanisms for information retrieval and information systems are defined in the continuity plans. These plans set forth the infrastructure retrieving strategies which support business processes. As a result, there are back-up systems in place which automate information protection redundantly and in sync, enabling continuity of critical systems at accepted availability levels under service agreements. Similarly, back-up copies are stored at alternative locations in case of contingency events.

Each company establishes security measures against information leakage and loss, according to the confidentiality level set out in the corporate information security rules.

A number of procedures are in place to guarantee that software installed cannot be altered without specific permits. All information systems are protected against viruses, trojans and malware of any kind, and there are up-to-date electronic devices and software available to prevent any information system intrusion.

2.7.3.3. Internal control policies and procedures aimed at supervising the management of outsourced activities, as well as those assessment, calculation or measurement tasks assigned to independent experts, which may materially affect the financial statements.

In general, the ACCIONA Group manages the activities that may materially affect the reliability of the financial statements by using its internal resources, thus avoiding any outsourcing.

The assessment, calculation or measurement activities assigned to independent experts by the ACCIONA Group are mainly concerned with the appraisal of real property.

Appraisal companies are selected based on the recommendations by the National Securities Market Commission, exclusively hiring appraisal companies holding the valuation certificate issued by the RICS (Royal Institution of Chartered Surveyors) pursuant to the International Valuation Standards.

The valuation reports of these assets obtained from the appraisal companies are internally reviewed in order to verify the accuracy of the most significant hypotheses and assumptions used, as well as their compliance with the International Valuation Standards (IVS) and the International Financial Reporting Standards (IFRS).

2.7.4 Information and communication

2.7.4.1. A specific function in charge of defining and keeping the accounting policies updated (accounting policies area or department), and of addressing any inquiry or settling any dispute arising from the interpretation thereof, maintaining a fluent communication with the persons responsible for the organisation's transactions, as well as an updated accounting policies manual that must be communicated to the units through which the company operates.

ACCIONA Group has the appropriate procedures and mechanisms in place for transmitting to the staff involved in the preparation of the financial information the applicable operating criteria, as well as the information systems used therein. To this end, it is supported by the Accounting Policies Control Unit reporting to the Corporate Economic Management Department of the ACCIONA Group, the responsibilities of which include, without limitation, the following:

- Defining, managing, updating and communicating the accounting policies of the ACCIONA Group, in compliance with the applicable accounting and consolidation standards regarding the preparation and presentation of financial information to be published.
- Preparing, updating and communicating the Accounting Policies Manual to be applied by all economic and financial units of the ACCIONA Group. Said manual is updated on an annual basis and approved by the Corporate Economic Management Department.
- Addressing any inquiry or settling any dispute derived from the interpretation and application of the accounting policies, maintaining a fluent communication with the persons responsible for the organisation's transactions.
- Defining and establishing the templates, formats and criteria to be used in preparing and reporting the financial information. Thus, all the financial information disclosed to the markets is prepared by consolidating the reports of the various business units. Such reports are prepared in accordance with certain uniform collection, preparation and presentation criteria for all the ACCIONA Group's units. Such criteria are designed so as to comply with the standards applicable to the main financial statements, including the accounting principles, valuation rules and presentation formats. They comprise not only the balance sheet, income statement, statement of changes in equity and statement of cash flows, but also the gathering of other information necessary for the preparation of the notes to the financial statements.

2.7.4.2. Criteria for collecting and preparing the financial information with standard formats, to be applied and used by all of the company's or group's units, which may support the main financial statements and notes, as well as ICFR related information.

The financial information of the ACCIONA Group is prepared by aggregating individual financial statements for their subsequent consolidation pursuant to the applicable accounting and consolidation standards until the consolidated financial information to be disclosed to the markets is obtained.

The entire aggregation and consolidation process of the ACCIONA Group's financial statements is based on the SAP BPC (Business Planning Consolidation) software application provided by SAP. Such tool is configured to perform several automatic verifications and reconciliations through analytical and comparative reviews in search of any inconsistency in the recorded data before their validation.

The automatic reviews are complemented with the verification of such data, as well as of the estimation, measurement and calculation criteria used for collection thereof, and with the accounting closing procedure performed by the financial manager responsible for each aggregation and consolidation level until the consolidated financial information of the ACCIONA Group prepared and reviewed by the Corporate Economic Management Department is obtained.

The financial information preparation phase is completed by the Corporate Economic and Financial Management Department, which reviews the financial statements prepared by the Corporate Economic Management Department.

2.7.5 System operation supervision

2.7.5.1. The ICFR supervision activities carried out by the Audit Committee, as well as whether the company has an internal audit function responsible for supporting the Committee in supervising the internal control system, including the ICFR. Furthermore, information will be reported on the scope of the ICFR assessment carried out during the fiscal year and on the procedure through which the assessor reports on its outcomes, as well as whether the company has an action plan describing any corrective measures, if applicable, and whether their impact on the financial information has been considered.

According to ACCIONA's Board of Directors Regulations, the functions attributed to the Audit Committee include serving as an instrument for and supporting the Board of Directors in the supervision of the accounting and financial information, internal and external audit services, and corporate governance.

The ICFR supervision activities performed by the Audit Committee include the following responsibilities:

1. Approving the internal audit plan for assessing the Internal Control on Financial Reporting system and receiving regular information regarding the outcome of its work, as well as of the action plan in order to redress any deficiencies identified.
2. Safeguarding the independence and efficacy of the internal audit function; proposing the selection, appointment, reappointment and removal of the head of internal audit; proposing the budget for internal audit; receiving regular information regarding its activities; and verifying that senior executives are acting on the findings and recommendations of their reports.

The ACCIONA Group has an internal audit unit in place entrusted with assurance and consulting duties. Such duties include supporting the Audit Committee in monitoring the internal control on financial reporting system.

The Internal Audit Department submits an annual work programme to the Audit Committee; informs it directly on any incidents arising during its development, proposing the relevant action plan in which corrective measures –if applicable– are detailed; and submits an activity report at the end of each fiscal year.

Pursuant to the internal audit plan informed to the Audit Committee for 2011, the Corporate Internal Audit Department has reviewed the implementation and application of the key control procedures to the main processes materially affecting the financial information of the different subsidiaries, locations and business divisions of the ACCIONA Group, as well as the efficiency thereof for obtaining reasonable assurance regarding the reliability of the reported financial information.

The outcome of the reviews conducted by the Internal Audit Department as well as the incidents identified have been informed to the Audit Committee. Likewise, the action plan for the rectification of such incidents has been notified to the person in charge of redressing them, as well as to the Audit Committee itself.

2.7.5.2. Whether it has a discussion procedure through which the auditor [pursuant to the provisions of the Technical Auditing Standards, (NTA, Spanish acronym)], internal audit and other experts may notify the senior executives and the Audit Committee or the company directors about any significant weakness observed in the internal control procedures during the review of the financial statements or during other processes entrusted to them. Likewise, it will report on the availability (or not) of an action plan aimed at correcting or mitigating any weakness observed.

The Audit Committee maintains a stable and professional relationship with the external auditors of ACCIONA and of the main companies of its Group, strictly respecting their independence. Such relationship favours the communication and discussion of any significant weakness in the internal control procedures observed during the review of the financial statements or during other processes entrusted to them.

In this respect, the Audit Committee receives information about the audit plan and the results of its execution from the external auditor at least half-yearly, and it verifies that the senior executives are acting on its recommendations.

This document is supplementary to the Annual Corporate Governance Report prepared by the Board of Directors of Acciona, S.A., pursuant to Article 61 bis of the Securities Market Act, dated 23 February 2012.
