

# SUSTAINABILITY REPORT 2020

NON-FINANCIAL INFORMATION STATEMENT 2020

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



BUSINESS AS UNUSUAL

**SILVINA MARÍA GARRIDO GARDÉ**  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

The attached Non-Financial Information Statement, prepared in compliance with Law 11/2018, of 28 December, which incorporated into Spanish law Directive 2014/95/UE of the European Parliament, is an inseparable part of the ACCIONA Consolidated Director's Report for the 2020 fiscal year.



# Contents of the Sustainability Report

4.	Letter from the Chairman	133.	Energy business	
6.	The first company of a new sector	143.	Infrastructure businesses	
12.	Degree of fulfilment of commitments	157.	Other businesses	
	People centric 30	162.	About this Report	
	Planet positive 53			
	Exponential leadership 75	164.	Annex of itemized indicators	3
	Integrate to transform 117			
		174.	Tables of contents	
		191.	Independent Assurance Report	

*This table of contents refers to the page numbers in the Sustainability Report, which appears in red in the side margin. It does not correspond to the page numbering for the Directors' Report, which is at the bottom.*

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



# Letter from the Chairman

**José Manuel Entrecanales. Chairman of ACCIONA**

In this year 2020, which we assess in this report, we have experienced difficult moments arising from the pandemic and its economic consequences; but it has not been a lost year.

Putting the growth of nations back on track will require a sustained effort over time, and also vision and determination to overcome the health and economic crises we are experiencing and the third crisis that we are facing: the climate crisis.

During these months in which our attention has been focussed on people's health, the challenges of the global agenda have not only not improved, but it has become clear that they cannot remain pending for much longer.

We begin this new decade hopeful that we will achieve an increasingly broader social consensus about the urgent need to address changes in the current model of economic development which, despite the many successes, has regrettably functioned with its back turned on people and the planet on too many occasions.

The solidarity we have seen in the streets and in companies, society working together to create a vaccine in a few months and the return to the negotiating table – finally – to neutralise urgently emissions of greenhouse gases or to decide on the approach to be taken by recovery plans if we are to transform our economy into cleaner and more inclusive models, amongst other objectives, may be good reasons for optimism.

## Now is the time for accountability

In this report we take stock of our 2015-2020 Sustainability Master Plan, five years in which our commitments, acquired through responsibility, have become ACCIONA's strategic purpose.

During this period, ACCIONA has managed to avoid the generation of more than 70 million tonnes of CO<sub>2</sub>. This figure supposes more than 80 times the emissions we needed to produce and purify more than 4000 cubic hectometres of water, build hundreds of kilometres of metro used every day by millions of citizens in Quito, Dubai or Sydney, or collect and treat thousands of tonnes of urban waste, amongst other basic infrastructures we have developed during these years in different parts of the world.

In 2020, more than eight out of every ten euros invested by ACCIONA businesses financed projects that contributed to reducing greenhouse gases "significantly", according to the demanding criteria of the European Union's taxonomy of sustainable activities.

To reach this point, however, we have taken a path in which we have invested more than a billion euros in sustainable innovation. Technologies integrated in ACCIONA projects that have allowed us to increase our positive impact, opening up the way to address major challenges of our times, include the following: traceability of renewable energy using blockchain technology, reduction in waste through the use of 3D printing, and optimising the construction and operation of infrastructures using robotics, artificial intelligence or data science.

## Sustainability has made us better

As we review the progress made in the plan, we reach the conclusion that thinking and acting with sustainable criteria has undoubtedly made us better; as a company and as a human group, more diverse and committed.

Our main competitive advantage comes from our people. From each and every one of them. Making them central to our decisions has been a priority in the cycle now coming to an end, and as you will be able to read in this report, will be an essential criterion in our sustainability policies in the immediate future.

In this financial year some of the measures we have adopted have included flexible working days during pregnancy or after maternity/paternity leave, new economic assistance to promote a healthy work-life





balance and to assist with childcare, and we continue to make progress in the incorporation of women into management positions.

The company's solid performance during these years has been recognised with major awards in 2020. ACCIONA has been designated a sustainability leader in the sector by S&P Global, has received from Energy Intelligence the award for the greenest utility company in the world, and has been included in the top 100 most sustainable companies in the Corporate Knights ranking. However, in this financial year and in this report, those who really deserve a special mention are the teams in ACCIONA's different divisions. This human group has been exemplary in the way it has tackled the far from simple task of ensuring the continuity of business and services, many of them essential.

Protecting people is always a priority for ACCIONA, but this has been particularly true in the circumstances we have experienced this year. From the outset we have maintained a proactive and preventive approach, working hand in hand with governments and health authorities to halt the spread of COVID-19 in all the countries where we are present.

We have tried to focus on a moment in which we have experienced particular uncertainty. In addition to the necessary measures of flexibility and remote working, almost 40,000 voluntary tests have been carried out to date, and we have made available to our workforce a personalised service providing support in health, economic and psychological issues for anyone requiring them. We have adopted hundreds of measures for prevention and effective control of transmission which are explained in greater detail in this report.

Through proximity and direct contact, we have also tried to take the company's capabilities to those places where we believed we could contribute more and better. With specific actions, helping to build field hospitals, strengthening the resources of health workers, donating protective equipment, and providing logistical support for the public administrations, amongst many other actions.

**We are embarking on a new cycle, in a new context in which we need to move faster**

With our accumulated experience and large doses of ambition, we are embarking on a new 2021-2025 Sustainability Master Plan. We have created it in the months when the world has been practically at a standstill. Perhaps this was when the silence of the streets gave us all time to value even more the key role played by infrastructures in society.

We are at one of those times experienced by a generation when it seems as though we are being offered a second opportunity to define the future we want to live in, the company we want to be.

And, amongst other aspects, our new 2021-2025 Sustainability Master Plan gives us a chance to make a particular impact on the social dimension of our activity, placing people at the centre, through the development of an ambitious programme called "People ACCIONA", which is one of the basic pillars of the Plan.

In circumstances like this, it is not enough merely to try to avoid the negative impacts of our work, of generating and using products and services. Contributing positive net value also has to be part of the necessary transformation of the production model. This means establishing a relationship of regeneration between technological progress and the ecosystems that support it. In short, speeding up that regeneration allowing us in the future to be closer to our global objectives than we are today.



# The first company of a new sector

We reimagine infrastructures by boosting their regenerative capacities

At ACCIONA we develop sustainable solutions for urgent global challenges such as global warming, the growth of urban areas or the shortage of water.

ACCIONA invests in and develops infrastructure assets to make our planet more sustainable. This approach is designed to create a positive impact on people's lives and on the planet, which we call regenerative.

## What does "regenerative infrastructure" mean to us?

- > **Making our actions people-centric**, because people are our main competitive advantage.
- > **Achieving a positive planet**. We look to make a positive net contribution to the biocapacity of the planet.
- > **Making an effort to be leaders of sustainable transformation**. Remaining at the forefront by contributing innovative solutions and promoting the need to act using cleaner and more inclusive development models.
- > **Integrating sustainable solutions to transform our businesses**. Being able to create the sustainable difference in each project.

## A DIFFERENT WAY OF DOING BUSINESS

The agenda of global priorities is guided by the United Nations Sustainable Development Goals (SDG) which were approved in September 2015 by the UN General Assembly. It includes 17 global objectives and 169 targets to be met by 2030, with the aim of eradicating poverty, protecting the planet and guaranteeing prosperity for everyone as part of a new sustainable development agenda.

### The need for investment and the available capital

The United Nations has estimated that developing countries are facing an annual investment shortfall of 2.5 trillion dollars between now and 2030, to meet the SDGs.

Investment in infrastructure has a direct or indirect effect on meeting all the SDGs. According to recent studies, the development of infrastructure is linked to meeting at least 72% of the targets of the SDGs, above and beyond its effects on increased productivity and employment.

In the context of the pandemic, this effect is underlined by the enabling effect of infrastructure. Infrastructure, or rather the lack of it, has been a determining factor in the impact of COVID-19 on the SDGs, affecting millions of people. Water, energy and transport services are critical in any society, and this has been particularly true in the case of a shock of the dimensions created by the coronavirus.

### ACCIONA profile

ACCIONA is one of the leading Spanish companies in the IBEX 35, present in more than 40 countries. The company is an expert in the design of a better planet, providing a response to basic infrastructure, water and energy needs through innovative, responsible solutions that generate real progress based on a new model of doing business.

The company develops its activity with nearly forty thousand professionals and sales reaching 6.472 billion euros that have obtained a gross operating result (EBITDA) of 1.124 billion euros in 2020.

6

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS

N.º 1081

## Investing in the planet

### Connecting supply and demand

What we are seeing at the moment is a lack of connection between the need for investment in basic services – water, energy, transport – highlighted by the SDGs, and the great availability of capital currently on the market with historically low interest rates.

The principal obstacles include a scarcity of operators with the appropriate technical capacity, international presence and balance sheet structure like ACCIONA to connect supply and demand, address the challenges underpinning the SDGs and make the opportunities to provide integrated solutions a reality.

The complexity and the connection between the global objectives of the 2030 Agenda means that these challenges cannot be addressed efficiently by the traditional sectors. The problems posed by water, climate change and mega-cities, for example, require new approaches that can see beyond the singular projects and solutions integrating capital, talent, techniques and technology in a different way from the one used in the past.

This is why ACCIONA does not see itself as a construction company that has diversified into the energy business, or as an energy company with a construction legacy; it is a company in a new sector that orients its strategy and its solutions to the development needs and opportunities of the sustainable agenda defined by the SDGs and the transformation to a low carbon economy. A new sector in which ACCIONA can consider itself the first company and the benchmark.

### Resilient and balanced project portfolio

ACCIONA manages a stable, predictable and growing business, which has a portfolio of projects that has proven to be resilient with a balanced risk profile and attractive yields. This allows ACCIONA to maintain a strong competitive position and a solid capital structure, which it uses in the constant search for opportunities with added value.

The balance in ACCIONA's risk profile is due to the balance between greenfield and brownfield portfolios.

The greenfield portfolio includes infrastructure projects with development risk and therefore greater short-term profitability, which generate liquidity for the company to invest in other new ones. This process of project selection and investment supposes a value for the company's shareholders and investors. On the other hand, ACCIONA purchases and operates brownfield assets, which have lower risk, create greater security for their investors, and provide solvency. For example, urban metros provide recurring cashflows, which contribute to maintaining capital that is always available for long-term reinvestment in greenfield projects.

### Pioneers in sustainable financing products

The ACCIONA business model, focussed on sustainability and with a balanced and resilient portfolio of projects, make the company a benchmark in the sector.

ACCIONA uses sustainable financing mechanisms directed at projects and sustainable corporate financing.

The strategic alignment with an investment in sustainable assets can be seen in the analysis that the company has been carrying out since 2019, when it began to analyse its activities according to the criteria established by the European Union's taxonomy of sustainable finances. ACCIONA was the first company to publish the degree of alignment with the demanding parameters established by this taxonomy.

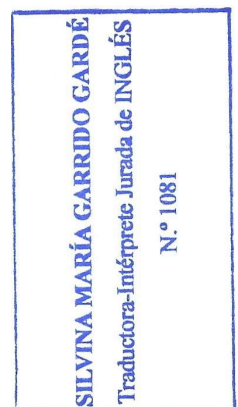
### Experts in designing a better planet

ACCIONA has developed a broad portfolio of innovative solutions allowing it to offer a comprehensive response to a great many of the sustainable development model challenges that society faces in this century.

Solutions that can turn traditional projects into assets that multiply their value for the community in fundamental areas such as energy, transport, water, waste management and social infrastructure.

- > Energy: ACCIONA is the world's largest energy operator working exclusively with renewable energy. With more than 30 years of experience in the sector, the company owns and operates more than 10GW of onshore wind, photovoltaic, biomass, hydroelectric and solar thermal power facilities in 16 countries on five continents.

7



- > **Transport:** with its experience of building more than 10,000km of communication routes, ACCIONA is a benchmark in the construction and operation of infrastructure for passenger and cargo transport (roads, bridges, railways and tunnels).
- > **Water:** ACCIONA is a leader in the water treatment sector, with the capacity to design, build and operate drinking water treatment plants, wastewater treatment plants, tertiary treatments for reuse and reverse osmosis desalination plants.
- > **Cities:** The urgency of providing cities with the capacity to deal with the principal challenges faced by the planet has prompted ACCIONA to design essential urban services. The company is addressing the management of waste and the circular economy, is extending electric and shared mobility, revitalising urban spaces efficiently and increasing green areas.
- > **Social:** ACCIONA develops infrastructure solutions for health, education and cultural engineering, as well as for the preservation and cleanliness of the natural environment with a focus on people and the environment.
- > **Real estate:** the company is committed to real estate development and offers supplemental services designed to support sustainable population growth, in line with global trends. ACCIONA's real estate activity focuses on the development and management of real estate complexes, backed by solid technical and professional experience.
- > **Financial:** through Bestinver, ACCIONA offers asset management and capital market services that channel the savings and the investment to companies, thereby generating profitability for investors.



**More information** on ACCIONA's business model in the Integrated Report

<https://www.acciona.com/shareholders-investors/financial-information/integrated-annual-report/>

## 2020 RESULTS

### Energy

The energy division is a unique global operator in the renewable energy sector, with a significant presence in more than 15 countries on five continents. Special focus is placed on emerging countries with needs for sustainable solutions to boost their development. The company works exclusively with renewable technologies, with emphasis on five types: wind, photovoltaic, solar thermal, hydraulic and biomass. It produces clean and emission-free energy for the equivalent of 7 million homes.

	2019	2020
Turnover (million €)	1,976	1,765
EBITDA (million €)	845	831
Installed capacity (MW)	10,117	10,694
Total production (GWh)	22,994	24,075

### Infrastructure

#### Construction

Construction is at the forefront of R&D&I and ACCIONA is one of the world's leading companies in the sector, using some of the most highly advanced techniques available for its projects. This line of business covers all aspects of construction through specialised business units (bridges, roads and special structures; railways and tunnels; and finally, ports and hydraulic works), as well as engineering and other businesses.

	2019	2020
Turnover (million €)	3,315	2,668
EBITDA (million €)	289	50
No. of employees	11,330	10,189

Industrial consolidates its figures within Construction.

### Concessions

Concessions is one of the world's leading companies in private infrastructure development, in terms of both projects and turnover. This company has accumulated experience in more than 40 concessions throughout its history, with a team that takes a global approach which is fully adapted to local needs and peculiarities.

	2019	2020
Turnover (million €)	78	97
EBITDA (million €)	33	67
No. of concessions	22	17

### Water

ACCIONA's end-to-end management solutions for the whole water cycle are leaders in different parts of the world. Its activity focuses on serving communities, ranging from water collection to drinking water purification, including desalination, wastewater treatment and return to the environment. It also manages integral services covering all the stages of water treatment until it is suitable for human consumption. It supplies water to the population and processes urban and industrial wastewater, directly billing the end users.

	2019	2020
Turnover (million €)	758	973
EBITDA (million €)	66	84
Treated water (hm <sup>3</sup> )	1,030	923

### Services

ACCIONA services solutions offer customers a single business model that can handle everything from contracting maintenance and specialised operation to the possibility of complete management of their non-core business activities.

	2019	2020
Turnover (million €)	719	637
EBITDA (million €)	43	11
No. of employees	21,997	20,780

### Other businesses

These include Bestinver, a financial services firm that offers fund management and stock brokerage; Real Estate, with more than 20 years of experience and one of the leading housing development companies; ACCIONA Cultural Engineering, a world leader in the creation of cultural and brand experiences; and Grupo Bodegas Palacio 1894, a hundred-year-old winery with processing and aging centres in five of Spain's most prestigious wine regions.

	2019	2020
Turnover (million €)	345	377
- Bestinver	98	114
- Real Estate	137	198
- Corporate and other	49	30
- ACCIONA Cultural Engineering	61	35
EBITDA (million €)	84	80

ACCIONA IN THE WORLD

Present in over 40 countries on five continents.



SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



11

	North America	Central and South America	Spain	Rest of Europe	Asia and Oceania	Africa
REVENUES million euros	637	438	2,673	891	1,729	104
ENERGY PRODUCED Total GWh	6,342	1,688	12,486	992	1,606	962
WATER TREATED FOR CUSTOMERS hm³	0	9	314	149	209	241
R&D&i million euros	17.1	97.4	47.2	10.8	35.9	28.7
EMISSIONS AVOIDED thousands of tonnes of CO <sub>2</sub>	3,783	1,226	5,446	661	1,329	753
EMISSIONS GENERATED thousands of tonnes of CO <sub>2</sub>	40	9	44	9	28	3
EQUIVALENT WORKFORCE no. of employees	1,563	6,722	20,860	4,640	4,433	136



# Degree of fulfilment of commitments

## Sustainability governance

ACCIONA has a model for monitoring and managing its sustainability commitments, with the main objectives being transparency and continuous improvement.

Since 2009, the Board of Directors at ACCIONA has a Sustainability Committee as the body responsible for leading sustainability-related actions.

### Functions of the Sustainability Committee<sup>1</sup>

- Identify and guide the group's policies, objectives, good practices, and sustainability and corporate social responsibility programmes.
- Evaluate, monitor and review the execution plans for the policies formulated by the group's executives.
- Periodically review the internal control and management systems and the degree of compliance with these policies.
- Draft the annual *Sustainability Report*, which is submitted to the Board of Directors for approval.
- Submit the sustainability and corporate social responsibility programmes, objectives and policies to the Board of Directors along with the corresponding expenditure budgets for the execution of such programmes.

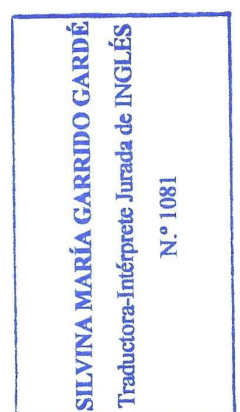
12

The topics discussed at the meetings held in 2020 were as follows:

- > Monitoring, approval and analysis of the progress made in the Sustainability Master Plan (SMP) during 2019.
- > Approval of the 2019 Statement of Non-Financial Information.
- > Approval of the Sustainability Master Plan objectives for 2020.
- > Review of the creation of the Sustainability Master Plan 2025.
- > Presentation and analysis of the results of consultations carried out with third parties, particularly with communities and investment analysts.

Since 2012, the contents of the *Sustainability Report* have been subject to review and approval by the General Shareholders' Meeting. In 2020, the *Sustainability Report* constitutes the *Non-Financial Information Statement* for the first time, and was submitted to a vote as required by Law 11/2018. Shareholders have the opportunity to express their opinion on the initiatives and performance described above. In May 2020, the General Shareholders' Meeting approved the report with the favourable vote of 99.97 % of the capital in attendance.

The Corporate Sustainability Area coordinates and promotes the initiatives and commitments contained in the SMP 2020, defined as specific targets for each one of ACCIONA's business lines. This area reports directly



<sup>1</sup> Full explanation of the functions, competences and members of the Sustainability Committee available on the website: <https://www.acciona.com/shareholders-investors/corporate-governance/board-directors-committees/>



to the Sustainability Committee and one of the members of the Management Committee, who is the corporate representative responsible for sustainability.

The corporate sustainability function has evolved from an ESG (environment, social and governance) reporting approach to one that is geared towards maximising the impact of the company's solutions. This approach is aided by higher performance efficiency thanks to digitization and a greater effort to highlight ACCIONA's leadership on non-financial matters.

Every division has appointed individuals responsible for sustainability whose teams drive and monitor the specific initiatives they each have within the framework of the SMP 2020. Those responsible for business sustainability, together with the Corporate Sustainability Area, form a group of around 100 professionals who meet monthly at the Global Sustainability Leaders Meeting. Corporate strategy is coordinated and the group's most important projects are analysed at these meetings.

In addition, there are sustainability representatives in the company's strategic markets such as Australia, Canada, Chile and Mexico. This affords direct insight into the social and environmental context in the different international markets, and greater coordination when implementing initiatives.

COMPLIANCE WITH THE 2020 SUSTAINABILITY MASTER PLAN OBJECTIVES

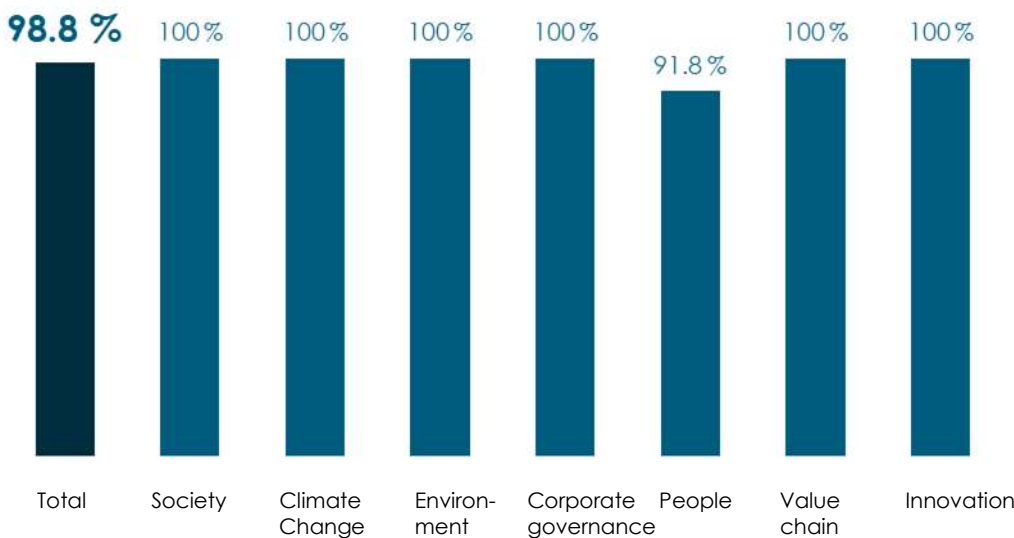
ACCIONA's sustainability strategy is articulated principally through Sustainability Master Plans (SMP). Since 2009, the actions and objectives contained in these plans have been promoted, approved and overseen by the Board of Directors' Sustainability Committee.

The Management Committee coordinates and promotes the initiatives and commitments, which are translated into specific targets to be achieved by ACCIONA's different corporate areas and business lines. Each division has designated people responsible for promoting and monitoring the initiatives established within the framework of the SMP.

The implementation of the company's sustainability strategy and the meeting of commitments are linked to a percentage of the bonuses received by directors, managers and some technical and support staff. In this annual evaluation, the achievement of sustainability targets such as the reduction of greenhouse gas emissions, the reduction of on-the-job accident rates or objectives linked to gender equality are considered.

The SMP 2020, which was operative from 2016 to 2020, was structured in strategic and operational objectives, applicable to the whole organisation, in the following areas: society, climate change, environment, corporate governance, people, value chain and innovation. In the year it ended, 98.8 % of its objectives were met.

Degree of compliance with SMP 2020



SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

SMP achievements in the period 2016 to 2020



SOCIETY

Social Impact Management in **127** projects

Accumulated social contribution of **59** million euros



CLIMATE CHANGE

Science-based reduction in emissions of **38%** (Scopes 1 and 2), and **33%** (Scope 3).

**70 million** tonnes of CO<sub>2</sub> avoided



ENVIRONMENT

**75%** reduction in waste sent to landfill since 2015, reaching **recovery of 77%**

Water treatment in areas with accumulated water stress of **1,488** hm<sup>3</sup>



CORPORATE GOVERNANCE

Evaluation of ESG, criminal and fiscal **risks**

Digitized, transparent and half-yearly **non-financial report**



PEOPLE

**34%** reduction in frequency rate

**Global Diversity and Inclusion Plan**



VALUE CHAIN

Risk Map of **45,641** suppliers

Evaluation with ESG criteria of **partners and customers**

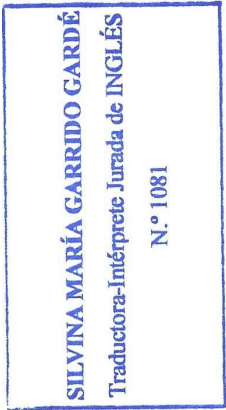


INNOVATION




Accumulated innovation figure of **1.096** billion euros

Accumulated savings from improved processes of **113.6** million euros

14







## Detail of the progress made in the SMP 2020 by area of work



Area of the SMP	Objectives and commitments	Degree of compliance	Detail of the progress
 <b>SOCIETY</b>	Strengthen the management of the social impact of the company's activity	100%	<ul style="list-style-type: none"> <li>Implementation of the Social Impact Management (SIM) methodology in 127 projects in 30 countries.</li> <li>Social Impact Management audits in 32 projects since 2017. In 2020, its scope was extended with new relevant measurement criteria.</li> <li>Creation of new organisational structure for the development of high impact solutions associated with projects.</li> <li>Measurement of the socioeconomic impact of 19 projects. Tool for automated calculation of the socioeconomic impact developed. Calculation methodology validated by the University of Zaragoza.</li> </ul>
	Strengthen the company's Social Action Plan	100%	Social contribution: 59 million euros and 10.4 million beneficiaries.
	Maintain the leadership position in benchmark international initiatives and continue working on the company's relations with stakeholders	100%	Participation in international forums and initiatives to disseminate our commitment to energy transition, the recovery from COVID-19 based on green projects and the European taxonomy of sustainable finances: Davos 2020 meeting of the World Economic Forum: Summit of Leaders on the 20th Anniversary of the Global Compact, High Level Panel in the New York Climate Week during the 75th UN General Assembly; Vision 2050 of the new WBCSD criteria; OECD Forum on Green Finance and Investment; World Bank Sustainable Mobility for All Initiative, amongst others.
	Volunteering: boost the commitment of employees to sustainable development	100%	Participation of 6,532 ACCIONA volunteers in different initiatives in 24 countries (Volunteer Day, Integra Foundation, Princess of Girona Foundation, Inspiring Girls and acciona.org Foundation, etc.), accumulating a total of 49,511 hours of volunteer work.
	Carbon neutrality: reduce and offset emissions	100%	<ul style="list-style-type: none"> <li>Carbon neutrality since 2016 by offsetting emissions that cannot be reduced.</li> <li>SBT objective met in a scenario of 1.5°C: GHG emissions reduced by 38% for scopes 1 and 2 and 33% for scope 3.</li> <li>Constitution of a Decarbonisation Fund designed to finance emission reduction measures.</li> </ul>
 <b>CLIMATE CHANGE</b>	Design and draw up climate change risk maps	100%	Climate change risk maps designed and drawn up in coordination with the business units.
	Draw up and implement plans for adaptation and management of climate change risks in the business strategy	100%	Plans for adaptation to climate risk drawn up and incorporated into the business strategy.
	Train the company in climate change risks and the management thereof	100%	Advanced climate change course designed for company employees and suppliers.
 <b>ENVIRONMENT</b>	Eco-efficiency in operations: make progress in a circular economy programme	100%	<ul style="list-style-type: none"> <li>In 2020, 77% of non-hazardous waste recovered and generation of such waste reduced by 29% compared to 2015, the base year for the waste management plan, to stimulate the circular economy.</li> <li>Certification in circular economy strategy obtained for all the group's activities.</li> <li>Circular economy plan 2021-2025 designed in the framework of the new Sustainability Master Plan.</li> </ul>
	Improve the efficiency of water consumption	100%	<ul style="list-style-type: none"> <li>1,488 hm³ treated in areas with accumulated water stress in the period of the SMP 2020.</li> <li>61% reduction in water consumption (compared to base year 2017).</li> </ul>

15



Area of the SMP	Objectives and commitments	Degree of compliance	Detail of the progress
 CORPORATE GOVERNANCE			<ul style="list-style-type: none"> <li>48% of the water used was from recycled, tertiary or rain sources in 2020.</li> </ul>
	Neutral biodiversity footprint	100%	<ul style="list-style-type: none"> <li>Biodiversity footprint measurement tool developed. Measurement carried out.</li> <li>Digitized biodiversity scorecard developed with important measurement indicators.</li> <li>Public commitment in relation to protected areas established.</li> </ul>
	Ethics: <ul style="list-style-type: none"> <li>Adapt the Code of Conduct to the most advanced practices</li> <li>Have an International Crime Prevention and Anti-Corruption Model for 100% of businesses</li> </ul>	100%	<ul style="list-style-type: none"> <li>Review and update of the Code of Conduct. Launch of a training course and communication plan for all employees.</li> <li>Adoption and execution of the Organisation and Management Model for Crime Prevention and Anti-Corruption.</li> <li>Dual certification for Criminal Compliance Management System and Anti-Bribery Management System obtained (Infrastructure and Construction Spain) and the ISO 37001 for Water in Italy.</li> <li>Implementation of GRC (Governance, Risk and Compliance) tool.</li> </ul>
	Adopt the most advanced practices in good corporate governance	100%	<ul style="list-style-type: none"> <li>Review and modification of the Director Selection Policy.</li> <li>Review and modification of the Communication Policy and Contacts with Shareholders and Investors.</li> <li>Formulation of the Regulation on the Appointments and Remuneration Committee, Regulation on the Sustainability Committee and modification of the Audit Committee Regulation and Board of Directors Regulation.</li> </ul>
	Include the management of non-financial risks (human rights, climate change, anti-corruption and environment, amongst others) in management of the businesses	100%	ESG (environment, social and good governance) risk maps drawn up. Risk treatment records created.
	Transparency: <ul style="list-style-type: none"> <li>Make progress in the company's non-financial information reporting on global and local level</li> <li>Adopt policies for greater fiscal transparency</li> </ul>	100%	<ul style="list-style-type: none"> <li>Strengthening of collection of non-financial information through gradual implementation of reporting tools, automation of data loading and generation of data lake and associated scorecards.</li> <li>Tax Monitoring Framework and reporting of Tax Information in the Sustainability Report, including: commitments adopted in the framework of the Code of Good Tax Practices (Tax Office - AEAT), and the policy on tax risks approved (Tax Risk Map).</li> <li>Inclusion in the 2020 Non-Financial Information Statement of the principal items in the CbC Report ("Country by country tax report").</li> </ul>
 PEOPLE	Safety: reduce the accident frequency rate by 15% below the figure for 2015	100%	<ul style="list-style-type: none"> <li>Frequency rate reduced by 34% below the figure for 2015.</li> </ul>
	Healthy ACCIONA: providing all employees with access to health and healthy lifestyle programmes	100%	<ul style="list-style-type: none"> <li>Video medical appointments implemented in Spain.</li> <li>Healthy Cities project launched: analysis of actions aimed at increasing employees' physical activity.</li> <li>Digital transformation of the medical department.</li> <li>Analysis and health service surveys in the platform countries.</li> </ul>
	Development and incentives: devise specific programmes for attracting, recognising and retaining talent in countries with more than 300 employees	95%	<ul style="list-style-type: none"> <li>Performance Status consolidated as the overall tool for evaluation of performance and potential for 9,535 ACCIONA professionals.</li> <li>Workday tool implemented as the single people management platform worldwide.</li> </ul>

Area of the SMP	Objectives and commitments	Degree of compliance	Detail of the progress
 <p><b>SILVINA MARÍA GARRIDO GARDÉ</b> Traductora-Intérprete Jurada de INGLÉS N.º 1081</p>			<ul style="list-style-type: none"> <li>Talent Plan implemented around the world to guarantee the availability of talent in all businesses and functions.</li> <li>Global Graduates Programme implemented with an 8-module postgraduate qualification on transversal knowledge and skills. More than 90 young people took part in the first edition.</li> <li>Internal Mobility Committee constituted, articulated around a working group made up of representatives of all the company's businesses.</li> <li>Consolidation of the Technical Leaders group as a benchmark for management and knowledge transfer at ACCIONA.</li> <li>Launch of the New Manager Program worldwide as a programme for initiation in management careers.</li> <li>ACCIONA Academy implemented internationally.</li> <li>The Accionate programme has been implemented throughout the organisation to promote a culture of inclusion.</li> </ul>
	Diversity and inclusion: establish diversity plans in all countries with more than 300 own employees, with specific objectives depending on the country's circumstances	88%	<ul style="list-style-type: none"> <li>Approval of Global Diversity and Inclusion Plan.</li> <li>The Refinitiv Diversity &amp; Inclusion Index has ranked ACCIONA among the one hundred best companies worldwide in diversity and social inclusion.</li> <li>New programmes implemented to promote gender diversity: global mentoring programme for women in pre-executive positions, global acceleration programme for women with potential, Management Development Programme for High Potential Women and Programme for Reincorporation of Women into the labour market.</li> <li>Target to increase the percentage of women in management positions met, with a figure of 23% in Spain, Canada and Norway. Worldwide, the figure is 20.75%.</li> <li>ACCIONA is a signatory of the Global Compact's Women's Empowerment Principles, and in 2020 it signed up to the Target Gender Equality initiative.</li> <li>Global Gender Equality Programme for training of all employees.</li> <li>Initiatives launched in projects with the objective of gender parity: Loreto Project (Australia), Sala Cuna del hospital Marga Marga (Chile), Talca prison (Chile), and Grid Code Conecta 50:50 Project (Spain).</li> </ul>
	Training: provide employees with sustainability knowledge and skills to enable them to do their work in a way that is consistent with the company's strategy	100%	<ul style="list-style-type: none"> <li>T-MAX+ 2020 programme to consolidate technical team functions and training needs. Training activity at the ACCIONA Corporate University that offsets the emissions made. Designed in collaboration with the School of Industrial Organisation (EOI).</li> <li>Business school programmes adapted to the format of 100% online teaching.</li> <li>Language school open to all employees inaugurated. Six different languages can be studied.</li> <li>Sustainability courses launched (for different profiles): advanced course in climate change, human rights course and course in management of the social impact.</li> </ul>
	Implement a human rights respect, protection and remediation programme for all activities and markets	68 %	<ul style="list-style-type: none"> <li>Updated human rights risk assessment.</li> <li>Human rights training sessions carried out.</li> <li>Pilot due diligence projects carried out in the infrastructure and energy businesses.</li> <li>ACCIONA Human Rights Guide being prepared.</li> <li>Human rights controls identified and validated for the whole organisation.</li> <li>Human rights training for suppliers and employees.</li> </ul> 

Area of the SMP	Objectives and commitments	Degree of compliance	Detail of the progress
	Mitigate environmental, social and corporate governance risks in the supply chain and create new sustainable solutions	100%	<ul style="list-style-type: none"> <li>▪ Increase in the percentage of suppliers on the PROCUR-e platform (99.7% domestic, 93.6% international). 100% of the suppliers awarded in PROCUR-e have a Risk Map.</li> <li>▪ Monitoring of MACS (critical suppliers, from risk countries and own works) carried out. 53 of the 57 MACS suppliers have been audited.</li> <li>▪ Annual increase in sustainability training for suppliers, up by more than 25% in the last year.</li> </ul>
 <b>VALUE CHAIN</b>	Mitigate environmental, social and corporate governance risks in relations with partners: consortia and joint ventures	100%	<ul style="list-style-type: none"> <li>▪ ESG assessment process for partners implemented: 38 partners evaluated through PROCUR-e 3P.</li> <li>▪ Dow Jones KYBP tool prepared for evaluation of trading partners.</li> </ul>
	Customers:		
	<ul style="list-style-type: none"> <li>▪ Build long-term customer loyalty and trust based on ACCIONA's commitment to sustainability</li> <li>▪ Define No-Go policies with sustainability criteria (third party due diligence)</li> </ul>	100%	<ul style="list-style-type: none"> <li>▪ Dialogue sessions and consultations held with customers on ACCIONA's sustainability performance.</li> <li>▪ Criterion of ethical and anti-corruption evaluation of customers as part of the approval procedure for Infrastructure tenders.</li> </ul>
	Maintain a sales innovation figure above the European average to ensure ACCIONA maintains its innovative leadership	100%	Certified accumulated innovation figure since 2016 of 1.096 billion euros. The ratio of innovation to sales at the close of the SMP is 3.7%, more than double the European average.
 <b>INNOVATION</b>	Collaborative innovation: collaborate with third parties to develop innovative technologies that guarantee the sustainability of the company's business	100%	<ul style="list-style-type: none"> <li>▪ Intrapreneurship programme l'MNOVATION #Challenges: five pilot projects, two business projects.</li> <li>▪ New web platform implemented to attract start-ups before the next edition of the l'MNOVATION #Startups acceleration programme.</li> <li>▪ Advance in the implementation of innovative digital technologies that improve processes in ACCIONA's businesses in collaboration with the Corporate Digital Innovation HUB.</li> <li>▪ ADIH technology hub created to generate knowledge and new skills through skill centers.</li> </ul>
	Operational innovation: creating and improving efficient processes that generate savings of at least €75 million (€15 million each year)	100%	Savings from improved operational innovation processes amounting to 113.6 million euros (period 2016-2020).

18

**SILVINA MARÍA GARRIDO GARDÉ**  
**Traductora-Intérprete Jurada de INGLÉS**  
**N.º 1081**

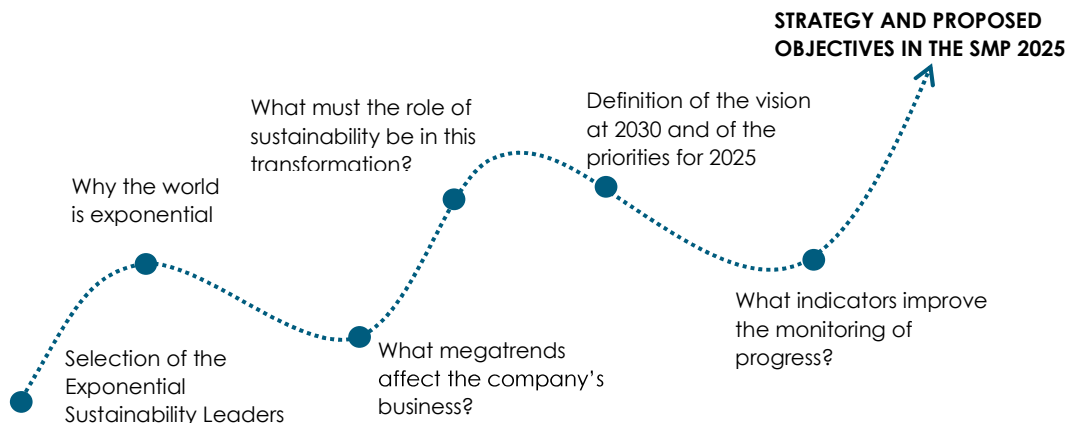


## THE NEW SUSTAINABILITY MASTER PLAN 2025

The purpose of the Sustainability Master Plan (SMP) 2025 is to encourage ACCIONA to reimagine infrastructures. ACCIONA invests in, develops and operates infrastructure assets that can make our planet sustainable. In short, making the company a recognised leader in developing basic infrastructure assets with an added value, with people and the planet in mind; in a word, regenerative.

### ACCIONA's ambition with the SMP 2025 is to increase investment and double its impact

The process of drawing up the SMP was carried out throughout 2020 and culminates in the first quarter of 2021 with approval of the strategy and the objectives by the Board of Directors' Sustainability Committee.



### Exponential Sustainability Leaders

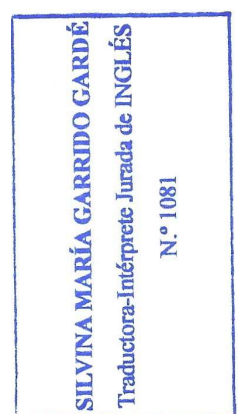
The first part of the approach has been promoted by a group of 26 international professionals from ACCIONA's different business units. The diversity of these experts' specialisation has contributed an overall vision of the business.

The mission of the Exponential Sustainability Leaders has been to identify and assess the market trends affecting the company. Using these as a starting point, the pillars of the plan have been defined through a process of co-creation.

### Trends affecting the organisation (GRI 102-47)

The factors affecting ACCIONA are a reflection of the global megatrends identified in works like the WBCSD Vision 2050 and the Global Infrastructure Hub's *Infrastructure Futures Report*. These initiatives resulted in the identification of 25 trends. Of these, the Exponential Sustainability Leaders selected the following:

- > Remuneration of the impact: the remuneration of the projects will depend, in part, on objective measurement of the positive effects they create.
- > Digitization: the production systems and processes change as procedures are digitized.
- > IoT data: the data are converted into part of the service provided by the infrastructure.
- > Price of financing: investors will value the environmental and social impact of the projects on the cost of the funding – the greater the negative impact, the more risks and the more expensive the financing.
- > Public customers: this type of customers prefer developers who are able to add more value to the prosperity of communities and promote improvements in the environment.
- > ESG as a decisive factor: investors will not invest in projects that may have a negative impact.
- > Multidimensional infrastructures: the future projects will improve their area in more than one aspect, modernising their features to achieve a greater impact.
- > Biodiversity: protection of the environment will be an essential factor for the business, both for the effects on the environment and the use of certain materials.



- > Circular opportunities: new solutions will be developed for waste treatment and management because of a greater demand for circularity in the economy.
- > Circularity policies: countries will develop policies and regulations designed to minimise the waste produced by the infrastructure projects.
- > Climate events: extreme climate phenomena will increase and will be variables included in the design of projects, with an impact on their price and cost.
- > Decarbonisation of the economy: political leaders will articulate strategies and rules to guarantee a **low carbon-emission economy** in 2050.
- > Associations between customers, developers and financiers: as solutions become more complex, the design of the collaborations is key for winning projects.

#### Materiality analysis (GRI 102-46, 102-49)

Whereas the study of risks is carried out with a one-year timeframe, other tests – called materiality analyses – have a five-year timeframe. This analysis provides information on the importance of matters related to the business strategy and determine the expectations and needs of the interested parties. In 2020, they coincided with the drawing up of the SMP 2025, and so they have fulfilled the dual purpose of providing material for the new SMP and the contents of this *Report*.

Materiality analyses combine the internal vision of the different businesses and the external vision of the stakeholders, applying the Global Reporting Initiative (GRI) “Principles for defining report content” found in Standard GRI 101: Foundation. The approach is both financial and non-financial, in line with the dual materiality perspective of the European Directive on Non-Financial Information. The evaluation takes into account both the consequences of the company’s activities on non-financial matters, and the way in which these impact on the company itself.

The internal vision is extracted from the assessment of the Exponential Sustainability Leaders through the strategic analysis of ACCIONA Resilience, which has allowed a determination of the impact, probability and speed of each strategic factor, and also its relationship with other matters.

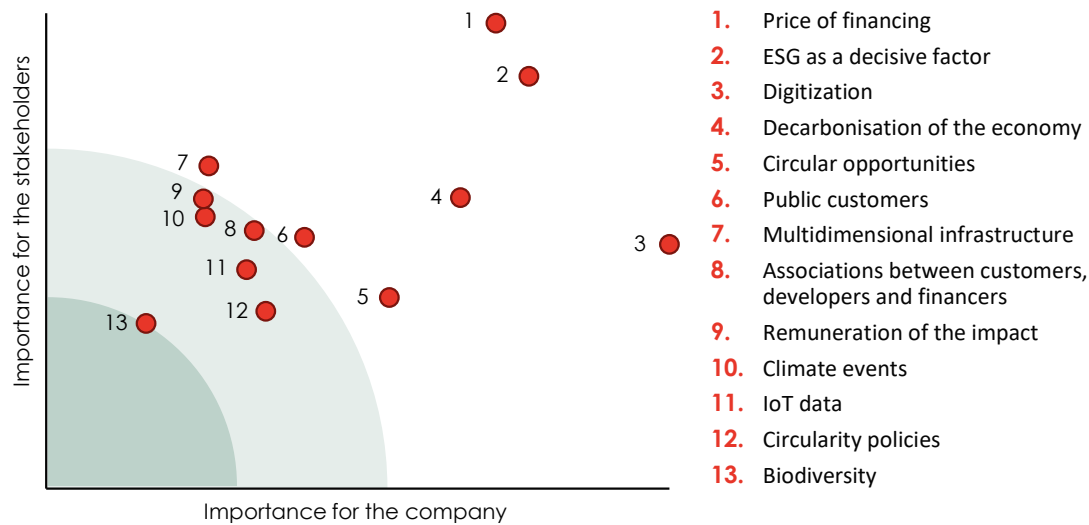
The external vision is obtained through consultations with international bodies and sectoral institutions, press analysis and information requirements provided by investors. The consultations are made taking into account the countries where ACCIONA has the greatest activity: World Wildlife Fund (WWF), Chilean Association of Renewable Energies and Storage (ACERA), Spanish Association of Renewable Energies Companies (APPA), American Wind Energy Association (AWEA), International Energy Agency (IEA), Canada Green Building Council, Australia Green Building Council, World Economic Forum, Water Association, Canadian Water and Wastewater Association (CWWA), Mexican National Association of Water and Sanitation Companies (ANEAS) and the World Business Council for Sustainable Development (WBCSD).

The materiality matrix shows on one axis the internal vision of impact and probability, and on the other the external vision of the importance of each trend.





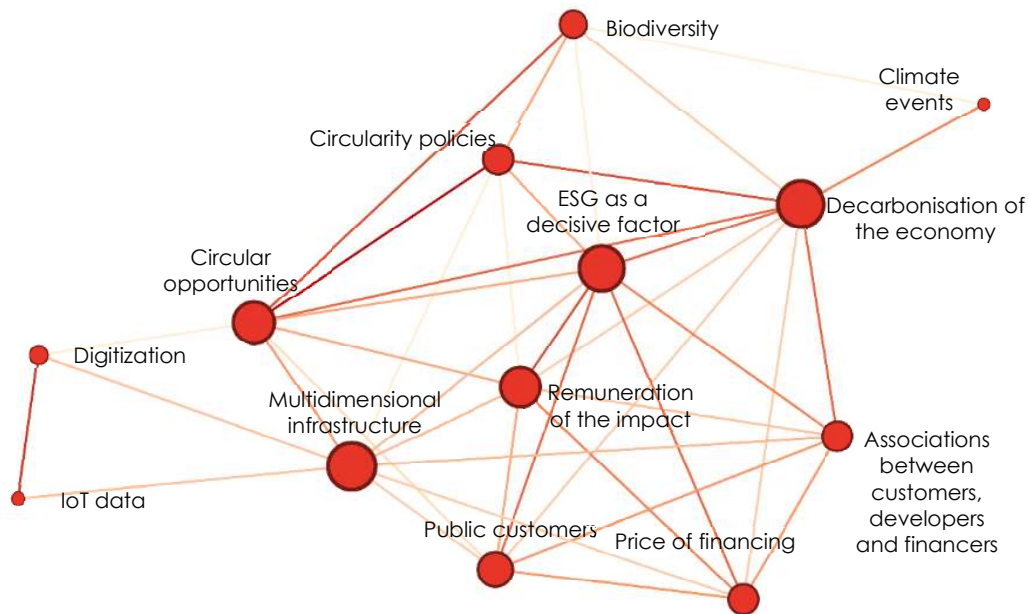
Traditional materiality matrix



This analysis highlights the issues “price of financing”, “ESG as a decisive factor”, “digitization” and “decarbonisation of the economy”. The remaining issues are close to each other, making analysis and decision-making difficult.

For this reason, a more advanced analysis is carried out using the ACCIONA Resilience strategic analysis tool, which gives a better understanding of the importance of the issues. All the trends are inter-related, which means that progress in one is correlated to the progress made in others to a greater or lesser extent. Using the expert assessments, Resilience constructs a “network of relationships”, which uses a centrality algorithm to position each issue close to those with which it has a greater connection. The most central topics on the graph – shown in larger size – are the most connected, and more important than the more isolated ones. The darker coloured lines indicate a greater relationship.

Network of relationships between the material issues obtained with ACCIONA Resilience



The network of relationships shows that the five most influential trends are ESG as a decisive factor, the decarbonisation of the economy, multidimensional infrastructure, circular opportunities and remuneration of the impact. Acting on these five issues will have a greater positive impact on the rest than doing so on the priority issues obtained with the traditional materiality matrix.

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



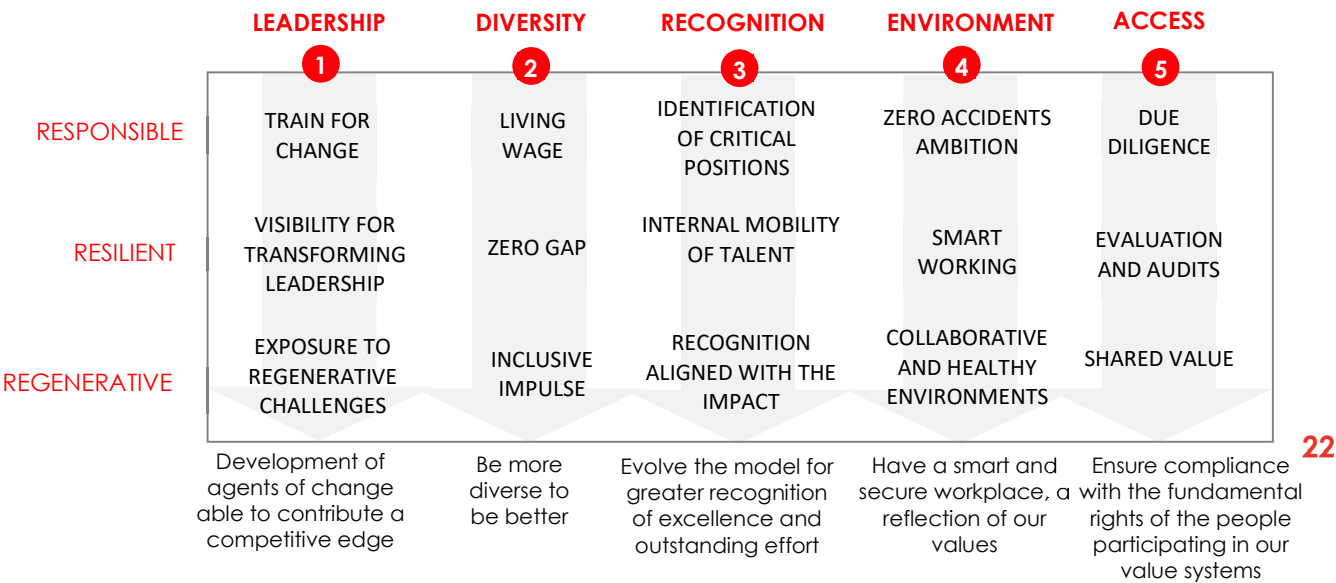
**More information** on the Resilience decision-making tool created by ACCIONA at <https://resiliencetool.net/en/>

Pillars of the plan

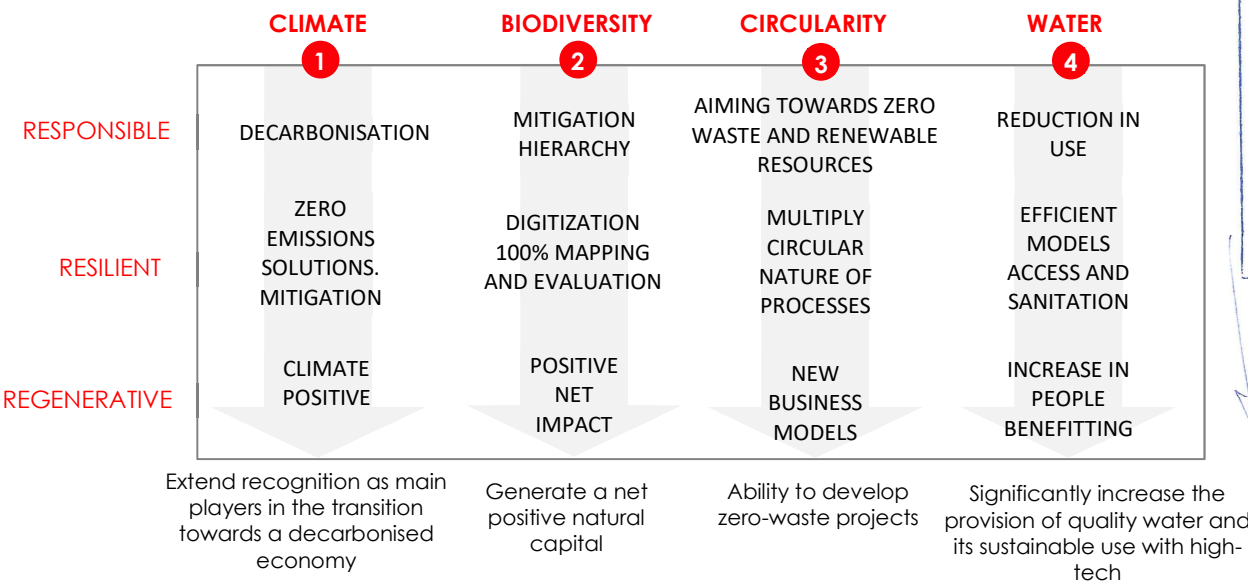
The results of the relationships map have been used to group together the works in the Sustainability Master Plan into pillars. Each pillar is composed of a different part of the graph. To assist in the definition of the pillars, consultation meetings were held with the WBCSD, Global Compact, CLG Europe, Global Environment Facility and World Bank initiatives. The conclusions also apply to the selection of contents for the Report, which are selected and grouped together in chapters called the same as the pillars of the SMP.

Each of the four pillars of the SMP 2025 has various areas of action and an established route that includes activities ranging from responsible to resilient, taking in those that contribute a regenerative impact. They are as follows:

**PEOPLE CENTRIC** | *quality of life, inclusive future* | **Our advantage comes from people**

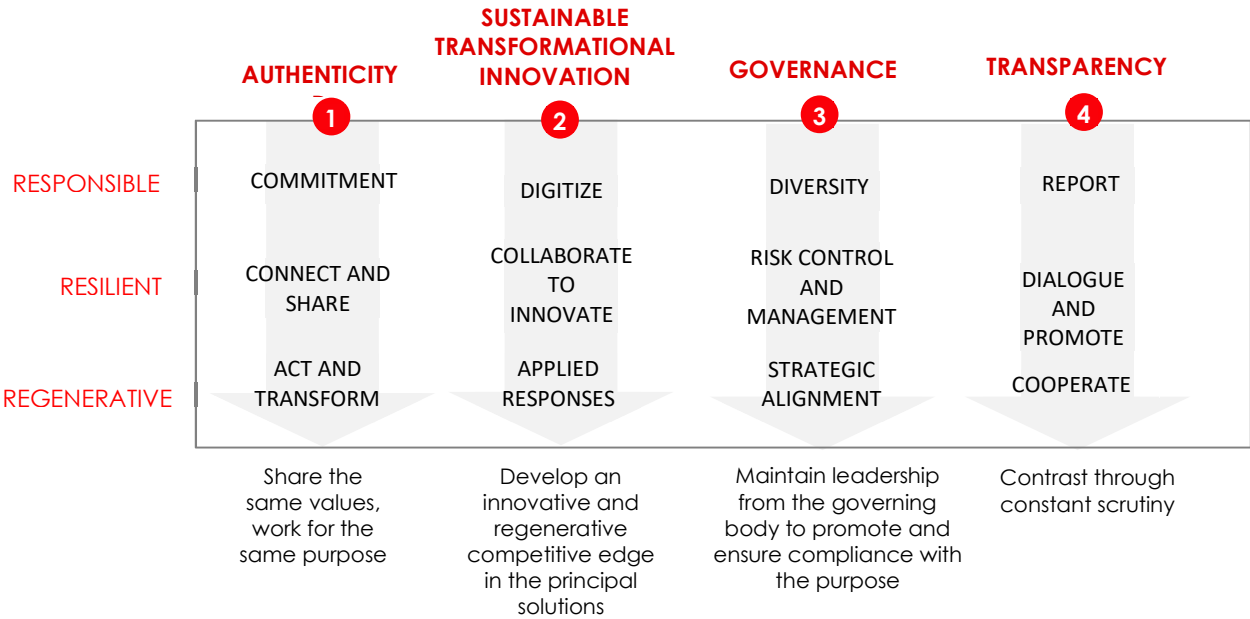


**POSITIVE PLANET** | *from net zero to positive contribution* | **Invest to regenerate the planet**

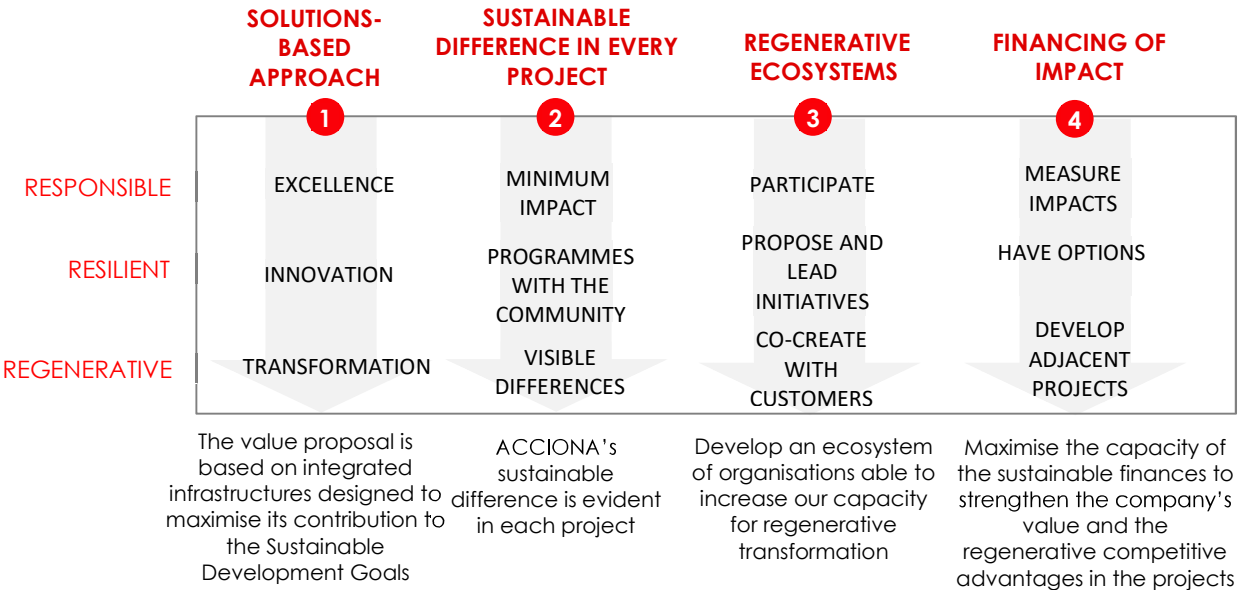


SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

EXPONENTIAL LEADERSHIP | authenticity, transparency | We pursue a purpose



INTEGRATE TO TRANSFORM | connect to impact | Difference in every project



23

Indicators and objectives

The strategic lines take the form of indicators and objectives proposed by the corporate and business areas with direct responsibility for them. The objectives at 2025 will be reviewed to raise the level of ambition if necessary.

Principal indicators for improvement in the framework of the SMP 2025

Pillar of the SMP	Five principal indicators
PEOPLE CENTRIC quality of life, inclusive future	Activity covered with leadership promotion programmes that integrate evaluation tools, improved competences, mobility, team management and career development

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

Pillar of the SMP	Five principal indicators
<b>Our advantage comes from people</b>	<ul style="list-style-type: none"> <li>People covered by a living wage</li> <li>Reduction in the salary gap between men and women</li> <li>Indicators of ESG performance in variable remuneration</li> <li>Sites with internal "ACCIONA Well" certification</li> </ul>
<b>POSITIVE PLANET</b> <i>from "net zero" to positive contribution</i> <b>Invest to regenerate the planet</b>	<ul style="list-style-type: none"> <li>CAPEX aligned with the European taxonomy</li> <li>Reduction of emissions in Scope 1+2 aligned with SBTi</li> <li>Number of trees planted and monitored</li> <li>Renewable and recycled resources, recovered waste</li> <li>Own consumption of water</li> </ul>
<b>EXPONENTIAL LEADERSHIP</b> <i>authenticity, transparency</i> <b>We pursue a purpose</b>	<ul style="list-style-type: none"> <li>Perception as one of the companies that contributes most to sustainable development</li> <li>Innovation projects that incorporate a regenerative vector</li> <li>Women members of the Board of Directors</li> <li>Project information accessible to interest groups</li> <li>Suppliers receptive to information on ESG performance</li> </ul>
<b>INTEGRATE TO TRANSFORM</b> <i>connect to impact</i> <b>Difference in every project</b>	<ul style="list-style-type: none"> <li>No. of solutions integrated with at least three business areas</li> <li>Develop a model for measurement of productivity and regeneration</li> <li>Hours of volunteer work invested by ACCIONA employees</li> <li>Regenerative initiatives in conjunction with partners, customers and suppliers</li> <li>Amount of regenerative investments mobilised</li> </ul>

## MANAGEMENT OF NON-FINANCIAL RISKS

Risk management is a process driven by the ACCIONA Board of Directors consisting of identifying, assessing and managing the potential events that might affect the company and the effects they have. In addition to the Board, the bodies responsible for the Risk Management System are the Audit Committee, the Finance and Risk Department, the Risk Management and Control Units, and the Divisional Management Committees<sup>2</sup>.

Each risk event (financial and economic, strategic, operational and unforeseeable) is assessed by ACCIONA's directors using criteria such as probability, economic-financial impact, impact on image, impact on sustainability and development, the company's ability to manage risk and the company's established risk management policy. The timeframe for this assessment is one year.

The analysis is conducted from four perspectives: market, financial, emerging trends (including cyber security) and ESG - also known as non-financial or sustainability.

En 2020, ACCIONA improved its ESG risk management model through the new internal Resilience tool. This mechanism is key when it comes to taking decisions on inter-related matters, such as the case of these extra-financial risks scenarios: not only does it facilitate study of the risk as an isolated entity, but also according to its links with the other risks.

In 2020, the company held different Resilience workshops with the business units, which have contributed to generating a common space where ESG risks can be assessed and the reports, rankings and interconnection networks of resulting topics can be accessed.

The outcome of the assessments for each of the risks has been compared to the exposure that each of the businesses has in the countries where they do business. This exposure is based on external indexes that allow the company to make this comparison to detect potential points to be reinforced. Specific plans have been devised to deal with the most significant risks in order to minimise the associated consequences and/or probability. These risk management measures are implemented through the objectives of the Sustainability Master Plan and by continuously improving the business management systems.

<sup>2</sup> More information on the Risk Management System in the Corporate Governance Report: <https://www.acciona.com/shareholders-investors/corporate-governance/annual-corporate-governance-report/>

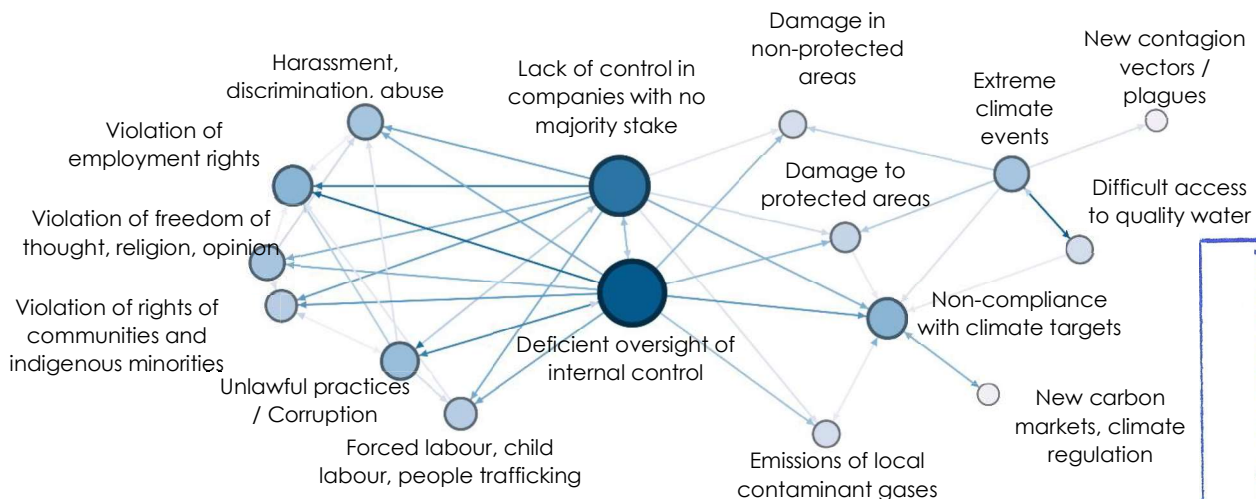
## Priority areas for sustainability actions, by business line, in 2020

Energy	Water	Construction	Services	Concessions	Real Estate
● Damage to protected species	● Infringement of rights of indigenous communities and minorities	● Damage to protected areas	● Infringement of labour rights	● Damage to protected areas	● New carbon markets, climate regulation
● Acoustic impact	● Non-compliance with climate objectives	● Damage to non-protected areas	● New carbon markets, climate regulation	● Non-compliance with climate objectives	● Damage to protected areas
● Damage to protected areas	● Infringement of freedom of thought, religion and opinion	● Emissions of local polluting gases	● Unlawful practices / Corruption	● Harassment, discrimination, abuse	● Emissions of local polluting gases
● Unlawful practices / Corruption	● Emissions of local polluting gases	● Infringement of rights of indigenous communities and minorities	● Damage to non-protected areas	● Infringement of labour rights	● Damage to non-protected areas
● Environment	● Social	● Labour	● Governance and corruption		



**More information** on the analysis of risks and opportunities of the climate emergency in the “Climate” section of the chapter “Positive planet”

## Set of risks assessed



## Assessment of ESG risks from the identification of the business opportunity

ACCIONA considers it a priority that its actions comply with increasingly stringent national and international standards, in order to contribute to a carbon emissions-free future, which is fair and equitable for everyone. For this reason, the phase prior to the contracting of projects now includes an analysis that assesses their coherence with the group's sustainability strategy using the following criteria:

- 1. Exposure and alignment of the project with the activities included in the European taxonomy.** Assessment of whether the project is covered by the activities that the European Commission catalogues as “low-carbon”, as well as whether it complies, has the potential to comply or does not comply at all with the thresholds established therein; if necessary, corrective measures will be implemented so that the project fits into the taxonomy.

2. **Risks inherent in non-compliances deriving from environmental impacts.** A check is carried out of whether the project is in or near a protected area; if it has the potential to generate substantial damage in terms of water, circular economy, pollution and ecosystems or whether it is likely to contribute significantly to ACCIONA's reduction objectives (emissions, water use, waste, materials, etc.). The ultimate goal is to implement measures to avoid, mitigate or remedy the risks and improve environmental performance.
3. **Risks inherent in non-compliances relating to people's rights.** There is an assessment of whether the sector and the country encourage the violation of human rights of both own employees and subcontracted personnel, and of communities, with the aim of applying measures to avoid or mitigate the likelihood of this happening or to remedy the situation if it occurs.
4. **Risks inherent in operations with third parties.** There is an analysis of the country-risk depending on the strength of the public institutions and the robustness of the legislation and the anti-corruption bodies. This information is supplemented with the analysis carried out using the Dow Jones "Know Your Business Partner" tool.

This assessment allows us to identify and prioritise the projects in line with the European taxonomy with a view to increasing the company's portfolio of low carbon activities, and also to ensure that all the group's projects adapt to the highest sustainability standards. In those cases where substantial risks of non-compliance are identified, an additional due diligence process is carried out.

## POLICY BOOK

The ACCIONA Policy Book reflects the commitments and principles of action applicable to the company's firms regarding economic, social and environmental issues and good governance. In 2018, the Sustainability Committee of the Board of Directors approved the new Policy Book, which includes revised versions of existing policies and new policies, integrating them into a single document comprising the following sections:

- > Sustainability policies:
  - Sustainability and Innovation
  - Economic and Good Governance Area
  - Social Sphere
  - Environmental Sphere
- > Other policies: these include the Policy on Communication and Contact with Shareholders and Investors, the Director Selection Policy, the Remuneration Policy for Directors of ACCIONA S.A., and the Personal Data Protection Policy.



**More information** on the Policy Book at <https://www.acciona.com/shareholders-investors/corporate-governance/rules-governance/corporate-policies-book/>





## FINANCIAL AND NON-FINANCIAL BOTTOM LINE

## Evolution of key indicators

	2018	2019	2020
<b>FINANCIAL PERFORMANCE</b>			
Sales (million €)	7,510	7,191	6,472
EBITDA (million €)	1,245	1,356	1,124
CAPEX (million €)	643	1,270	1,024
<b>NON-FINANCIAL PERFORMANCE</b>			
Workforce at year end	38,544	39,699	38,355
Female executive managers (% of total)	13.99	15.25	16.36
Average training hours per year per employee	18.47	14.52	10.64
Number of fatal accidents (staff and contractors)	3	0	0
Accidents: global frequency rate (own employees and subcontractors)	2.4	2.5	1.9
Emissions generated (millions of tonnes of CO <sub>2</sub> )*	0.18	0.17	0.13
Emissions avoided (millions of tonnes of CO <sub>2</sub> )	14.7	13.1	13.2
Sales aligned with the European taxonomy of low carbon activities (%)	NA	58	47
CAPEX aligned with the European taxonomy of low carbon activities (%)	NA	93	85
Water used by ACCIONA (hm <sup>3</sup> )	4.29	3.66	4.68
Treated water (hm <sup>3</sup> )	790	1,030	923
Non-recovered waste (million tonnes)	4.1	0.9	1.5
Total innovation (million €)	225.4	230.4	237.0
Innovation intensity (% of total R+D+i / sales)	3.0	3.2	3.7
% local suppliers	87	91	94
Revenue certified with ISO 9001 (%)	91	87	84
Global customer satisfaction index (%)	97	97	99
Projects with Social Impact Management (no.)	98	124	127
Social contribution (million €)	13.7	12.5	11.7

\* Historic CO<sub>2</sub>e data recalculated (as stipulated by the GHG Protocol), due to the fact that Trasmediterranea was deconsolidated from ACCIONA in 2018 and that two centres with significant consumption are no longer attributable to ACCIONA.

27

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

Pilot scheme for monetary valuation of impact

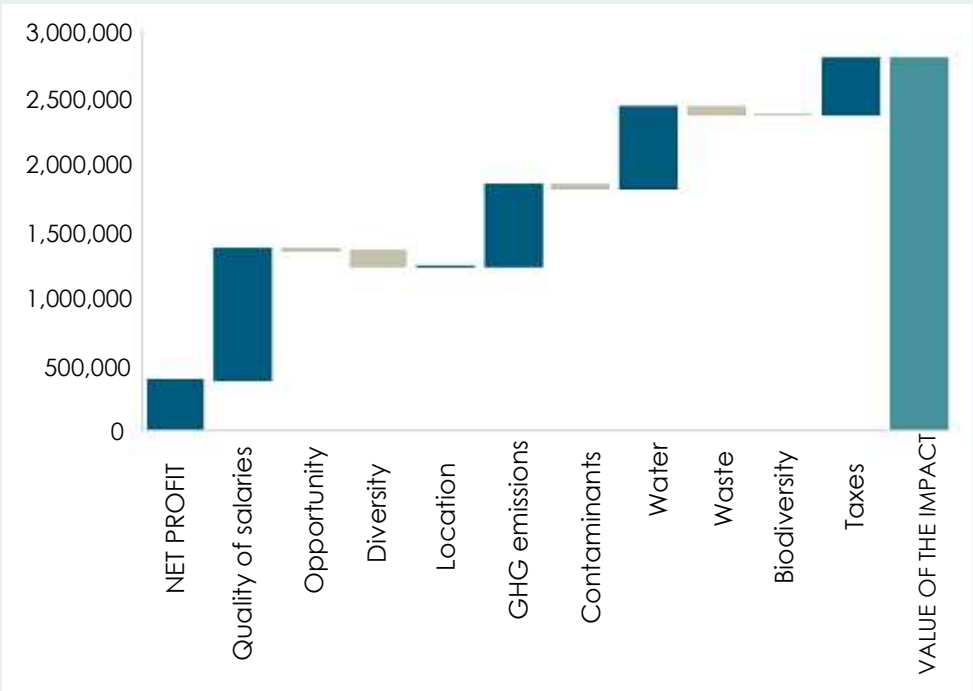
Investors are increasingly demanding information on the quantification and monetary valuation of the impacts deriving from business activities. Harvard Business School has launched its Impact-Weighted Accounts Initiative (IWAI) which develops a methodology allowing the financial, social and environmental performance to be reflected in a transparent manner, useful both to investors, and for the management of the company itself.

ACCIONA has decided to form part of this initiative by drawing up a pilot scheme. This involved calculating the social externalities using the Harvard methodology, and the environmental externalities using a variety of monetisation factors disseminated in the Environmental Prices Handbook (EU 28 version) and True Pricing, amongst other references.

The monetary value of the impact generated in society deriving from ACCIONA's activity in the last year has been obtained. These calculations provide a single, comparable measurement that can assist in decision-making when there are trade-offs between various impacts.

The graph shows the monetised value of the positive and negative externalities, which are added to or subtracted from the net profit.

Estimated annual monetary value of ACCIONA's impact in 2020 according to the IWAI methodology (thousand euros)



The externalities taken into account to calculate the value of the impact generated are:

- Quality of salaries: this measures the quality of the salaries that ACCIONA pays its employees, adjusted according to each country's minimum living wage and the gender salary gaps.
- Opportunity: this measures the difference in opportunity between men and women when occupying senior positions.
- Diversity: this measures the similarity between the demographic distribution of the labour force and the demographic distribution of the local population in each country.

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



- Localisation: this measures the value of the local employment created, based on the hypothetical rate of unemployment without the company.
- GHG emissions: this takes into account the total emissions generated throughout the value chain, and the emissions avoided deriving from ACCIONA's direct activity.
- Contaminants: this adds the negative impact deriving from the direct emission of NO<sub>x</sub>, SO<sub>x</sub> and PM<sub>10</sub>.
- Water: monetised value measured as the difference between the negative impact deriving from the use of drinking water, and the positive impact deriving from the production of drinking water and wastewater treatment.
- Waste: this measures the negative impact deriving from waste generation.
- Biodiversity: sum of the negative impact deriving from the occupation and transformation of habitats, and the positive impact deriving from the restoration thereof.
- Taxes: economic value added to society from the payment of taxes.

It is estimated that the company's activity contributes annually a direct benefit of almost 3 billion euros, taking into account the monetised impacts. This added value is due principally to the quality of the salaries paid, to the greenhouse gas emissions avoided, to water management (desalination, treatment and purification), and to the economic contribution to society deriving from the payment of taxes.

This pilot project has confirmed that the actions that generate the greatest added value for society are those aligned with ACCIONA's values and strategies: the importance of people, the fight against climate change and water scarcity, and support for local economic development.

More information on the Harvard Business School initiative: <https://www.hbs.edu/impact-weighted-accounts/Pages/default.aspx>



A handwritten signature in blue ink, appearing to be 'Silvia', written next to the stamp.

# People centric

*Quality of life, inclusive future | Our advantage comes from people*

ACCIONA seeks to become the value proposal centred around people.



## KEY MILESTONES 2020

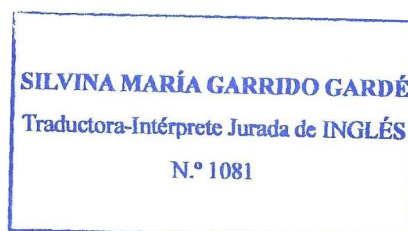
- > First stage of the Talent module implemented in the Human Capital Management system to improve the talent management tools and the employee experience.
- > Reduction of the salary gap to 2.8% from 5.0% the previous year.
- > Design and implementation of a plan for conciliation and co-responsibility measures for all businesses and countries.
- > Actions to combat COVID-19 for employee protection: action protocols, early detection campaign and raising awareness for active prevention.
- > Successful transfer of training courses and programmes to an online format and strengthening of the smartworking courses.
- > Complete review of controls relating to compliance with human rights policies for all activities.



## MAIN CHALLENGES 2021

- > Opening up of the Workday single people management platform to all the company's professionals.
- > Approve a Diversity and Inclusion Policy.
- > Continue to increase the percentage of women in executive and pre-executive positions.
- > Achieve or maintain the accident frequency rate in the upper/higher fifth percentile of each reference sector.
- > Promote the involvement of workers in physical and emotional Well-Being Plans.
- > Implement a renewed system of due diligence in human rights.

30



This year, the company has taken on board all the challenges we have experienced during the pandemic, and despite the major impact on the life of the people working in ACCIONA, it has continued to persevere in its purpose of being the best company to work in and promote initiatives that improve the life of the people in the communities where it is present. To do so, it has marked out a global strategy, which is its value proposal for employees: PEOPLE, in which people are at the centre and which revolves around four fundamental pillars: recognition, diversity and inclusion, environment and leadership.

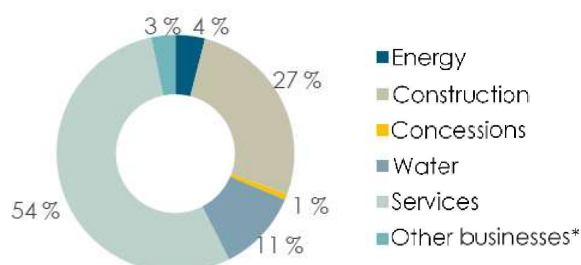
## MERIT RECOGNITION

The ambition in this area is to create new forms of recognition that open up ways to reward in accordance with the aspirations, the attitude and the proactivity of highly involved people. This recognition will be supported by making the people who have made an exceptional contribution to projects and initiatives visible both internally and externally.

### Profile of ACCIONA's human team

At the close of 2020, the overall workforce was 38,355 people, with 33% women. There is a total of 131 nationalities.

#### Breakdown of the total workforce by line of business (%)



\* Includes Bestinver, Corporate, Grupo Bodegas Palacio 1894, Real Estate and ACCIONA Cultural Engineering.

#### Evolution of management indicators

	2017	2018	2019	2020
Revenue (million euros)	7,254	7,510	7,191	6,472
Workforce cost/Revenue (%)	21%	20%	22%	24%
Revenue/workforce (euros)	193,941	194,830	181,138	168,739
EBITDA (million euros)	1,275	1,245	1,356	1,124
EBITDA/workforce cost (%)	85%	84%	85%	72%
EBITDA/workforce (euros)	34,094	32,292	34,384	29,305
Workforce cost (million euros)	1,497	1,486	1,599	1,551

#### Development and promotion of talent

ACCIONA's people management model is supplemented by policies and initiatives designed to optimise employee performance, enhance their professional development and manage objective-based compensation. The Performance Management Model is based on three pillars: Setting Objectives, My Development and Performance Status. The purpose is to identify, develop and recognise the talent of ACCIONA's professionals.

#### Performance Status

In 2020, special emphasis was placed on identifying performance and potential, the so-called Performance Status.

In its third year, this process was consolidated as a global tool for evaluating performance and potential at ACCIONA, as a way of providing a comprehensive view of internal talent and enabling decisions to be made and action plans to be designed on the basis of the needs detected.

For the launch of the process in 2020, a specific guide was defined for managers to help them interpret and understand the questions on the questionnaire.

All the business lines and countries within the target area participated in this process, in which each hierarchical manager completes a questionnaire on the members of their team (with the possibility of involving the functional managers as well).

The target group was 9,535 professionals and 1,580 evaluators took part in the process.

#### Employees subject to the Performance Status process by gender and professional category

	Men	Women	Total
Directors and managers	2,026	555	2,581
Technical staff	5,478	2,776	8,254
Support staff	26	66	92
Operators	76	6	82
<b>Total</b>	<b>7,606</b>	<b>3,403</b>	<b>11,009</b>

97% of the professionals subject to performance evaluation were evaluated through Performance Status

#### Internal mobility

Another of the key levers in workforce management is professional growth through promotion within ACCIONA. Improved access to the opportunities offered by the company, as well as the possibility of subscribing to newsletters, encourages the employees themselves to be responsible for their professional growth.

The number of vacancies filled by internal mobility was 32% in 2020.

#### Bringing management closer to people through digitization

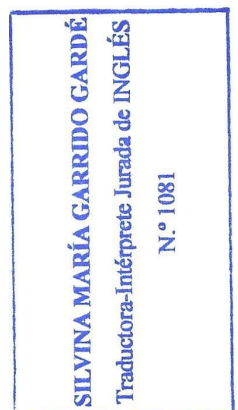
The project to implement the Workday tool has given the company a single people management platform that operates worldwide, allowing processes to be standardised based on reliable, consolidated data that can be accessed online.

250 professionals have participated throughout the project, which now encompasses more than 80 global management processes and more than 70 integrations.

Thanks to the implementation of the people management tool, the company now has a **Global Talent Marketplace**. This is a space where vacancies are published internally, and can be accessed by all employees; it offers the possibility of establishing filters and alerts in the search, enabling any professional to stay up to date with the opportunities. This has improved transparency when it comes to offering possibilities of internal movements, and makes it easier for professionals to participate in the selection process with their employee profile.

This process, which has lasted approximately two years, had the following objectives:

- > To increase the ability of employees to help themselves and reach all the company's professionals.
- > To provide real-time information to managers, thereby facilitating decision-making.



> To increase the level of support of the Talent and Organisation function to the whole workforce.

Compensation policy

ACCIONA rewards its employees according to the following criteria: sectoral and geographical competitiveness, internal equity and merit. ACCIONA works in a variety of production sectors in over 40 countries. Under current law, payment of employees is subject to the applicable collective bargaining agreements (in Spain, 295 agreements of varying scope in 2020). This means that remuneration of employees is defined according to results and a position classification system that organises objectively each worker’s contribution to the company. In addition, there is no gender-based differentiation and any decision on individual payment review is approached objectively, ensuring that the compensation is fair according to the level of responsibility and the contribution to the company’s objectives.

Gender pay gap analysis

ACCIONA is determined to ensure that there is no gender-based inequality in its activities, to achieve equal pay between genders in all the businesses and countries where it operates. To this end, the company has developed a salary analysis methodology based on best international practices, validated by an independent external party.

According to the definition of “equal pay”, compared to the definition of “salary data”, the calculations must isolate all those variables that might explain a person’s salary above and beyond gender. In ACCIONA’s case, the following independent variables must be taken into account: country, business, professional classification, map of levels (business roles compared to support role) and collective bargaining agreement. This determines standardised segments of population in which differences can be measured, providing highly reliable results that they are effectively gender pay gaps.

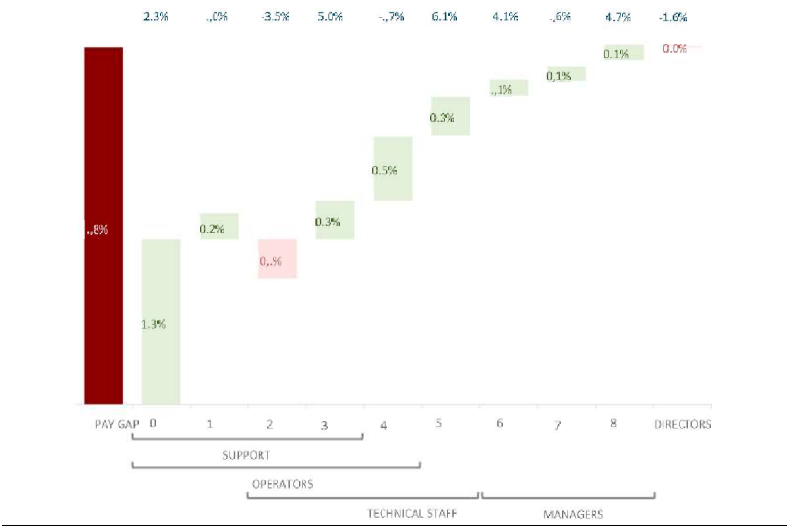
The following formula is used to determine the fairness of each segment:

Equal pay per segment = 
$$\frac{(average\ fixed\ salary\ for\ men - average\ fixed\ salary\ for\ women)}{average\ fixed\ salary\ for\ men}$$

Specifically, in 2020, ACCIONA found a gender pay gap between men and women of 2.8% at the global level. This gap has been reduced compared to the three previous years, when it was higher than 5%.

33

Gender pay gap analysis



SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

*[Handwritten signature]*

With this information, the data is studied annually for each business line and level of responsibility to define whether there is unequal pay for equal work or if the difference is due to any other cause (seniority, performance, results, etc.). Specifically, the aim is to eliminate any detected cases of this type of inequality. Each year, a specific analysis of unequal pay situations is also carried out through the annual salary review

process. This action plan is periodically monitored by management, which assesses the progress being made at each level of the organisation.

#### Variable remuneration plan: ACCIONA Bonus

The program for employees with variable remuneration, in place since 2012, considers criteria related to both the company's financial results and the fulfilment of individual goals, and is based on objective and pre-established metrics. In accordance with the objectives set out in the Sustainability Master Plan (SMP), ACCIONA Bonus is being extended internationally to all divisions in key countries.

In 2020, a total of 5,714 employees in 30 countries benefited from the ACCIONA Bonus, including 95.1% of directors, and 55.9% of managers and technical and support staff.

#### Standardized structure of objectives that make up the Bonus

ACCIONA's overall results	Specific targets	Individual goals	Criteria linked to sustainability
Represent 10% for all employees and 15% for directors.	Relative to the division, country or business unit with its own income statement.	The basis is the individual assessment of performance.	They represent around 5% of the targets. This has increased from 3.5% in 2019 and the aim is to continue increasing its weight.

The ACCIONA Bonus includes targets for reducing emissions of polluting gases, implementation of the methodology for evaluating the social impact of the projects, an increase in the number of women in management positions and consultations with stakeholders, amongst others.

In the Bonus to be paid in 2021, managers can make the proposal for meeting individual objectives in the Salary Review tool, which applies to the calculation of the individual part of the Bonus. The criterion for this individual part will be established according to the personal contribution to the results of the business. For guidance purposes:

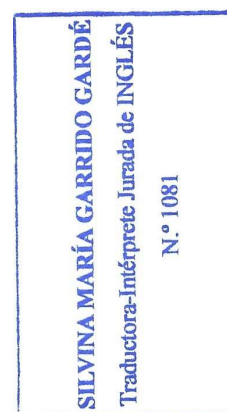
- > The specific contributions (individual objectives) and the technical excellence in the work that contributes to progress made in the income statement.
- > The work and objectives planned at the start of the year, and any objectives or priorities that may arise subsequently.
- > Support for long-term transforming projects: sustainability, digitization, etc.
- > Contribution to the multidisciplinary and multifunctional work teams.
- > Contribution to the results in terms of flexibility and adaptability to the requirements.

#### Employee benefits

The employee benefits offered by ACCIONA in 2020 include:

- > **Economic coverage for employees hospitalised because of COVID-19 for more than five days.**
- > **Travel assistance:** this is provided globally to all employees travelling abroad, regardless of their country of residence. It covers health care while travelling, in addition to other guarantees such as loss of luggage or flight connections.
- > **Life and accident insurance:** all employees in Spain are insured in accordance with the commitments assumed in collective agreements for death or disability from any cause. Coverage is also provided for death due to illness and accident and partial, absolute and major permanent disability as a result of an accident occurring anywhere in the world.
- > **International medical insurance:** covers health care for expatriate employees and their families, spouses and children.

In addition, the Flexible Remuneration Plan allows the group's employees to optimise their salaries. They can select, acquire and/or contract certain benefits at deep discounts, which will allow them to maximise their remuneration. The following products and services are adapted to their needs: medical insurance, meal and



childcare vouchers, transit passes and training programmes linked to their professional development. In 2020, 8% of those eligible took advantage of the plan.

Meanwhile, the Shareholders' Plan is a voluntary company share purchase plan that allows ACCIONA professionals to buy a stake in its share capital. This plan is aimed at all permanent employees who are tax residents in Spain and offers them a tax break. A total of 516 employees took part in the 2020 Shareholders' Plan, an increase of 14% on the previous year. 25,401 employees were eligible for the plan, representing a participation rate of 2% and the delivery of 40,301 shares.

### Selection policies

ACCIONA's success depends largely on the talent and qualifications of its workforce. It is therefore essential to attract the most talented professionals and provide them with the best training to promote their professional development on an ongoing basis.

The object of the Talent Plan is to ensure that the necessary talent is available for ACCIONA's businesses and functions. The plan is global in reach, applying to all countries and businesses.

The Talent Plan consists of:

- > Analysing business challenges and opportunities and their influence on people management and the organisation.
- > Identifying the most talented ACCIONA professionals in order to assign them individual development plans and include them in the succession plans of each organisation.
- > Identifying professional profiles with a need to resort to the external talent market because of the experience and skills required.

### Global Graduates Programme

This programme is intended for recent graduates with up to two years' employment experience. Once the first year in the company is completed, the graduates begin a postgraduate qualification, given by a business school, which gives the graduates knowledge, skills and tools to discover and make maximum use of their potential in the first stage of their professional life.

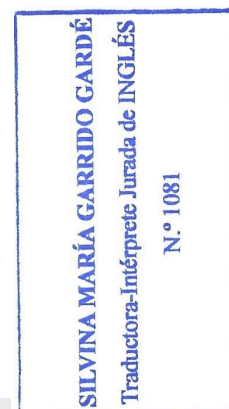
It consists of eight modules: economic environment, strategy, project management, marketing and sales, finances, digital business models, personal skills and sustainability. The participants acquire a base of transversal knowledge and skills such as team work, critical thinking, creativity and communication skills.

This programme has generated a global community of graduates in which cooperation and the generation of a network of contacts is promoted. More than 90 young people took part in the first edition of this programme this financial year.

The Global Graduates Programme encourages cooperation and the generation of a network of contacts from the earliest moment of the professional career

### Evolution of new hires by business line (no. of employees)

	2019			2020		
	Men	Women	Total	Men	Women	Total
Energy	251	96	347	152	53	205
Infrastructure	12,278	6,695	18,973	6,256	3,608	9,864
▪ Construction*	3,402	487	3,889	1,598	402	2,000
▪ Concessions	21	39	60	20	26	46
▪ Water	1,260	275	1,535	941	170	1,111
▪ Services*	7,595	5,894	13,489	3,697	3,010	6,707
Other businesses**	160	112	272	92	55	147
<b>Total new hirings</b>	<b>12,689</b>	<b>6,903</b>	<b>19,592</b>	<b>6,500</b>	<b>3,716</b>	<b>10,216</b>





\* The large volume of hires is due to the temporary nature of the contracts and the hiring cycles, which depend on the projects.

\*\* Including Bestinver, Corporate, Grupo Bodegas Palacio 1894, Real Estate and ACCIONA Cultural Engineering.

## DIVERSITY AND INCLUSION

Both diversity and inclusion form part of our values. Over and above the principles included in the company's Code of Conduct, and the rest of the company's policies, we are convinced of the benefits they bring for everyone.

ACCIONA is firmly committed to effective equal opportunities. This commitment promotes diversity as a key competitive advantage for our businesses and priority strategy for people management. The group aspires to be the best company to work with, where people can develop their career with completely equal opportunities. Another ambition is to generate an inclusive culture that promotes the balance between professional and personal life in all areas.

The structure driving the policies and programmes is formed of the Diversity Management Area on a global scale, and the Diversity and Inclusion Committees in all the strategic businesses and countries. There are 11 committees formed by groups of employees representing all the collectives that form part of the company. Their mission is to create a network of ambassadors, collect the information from their environment and generate specific diversity and inclusion proposals and initiatives.

In 2020, the Refinitiv Diversity & Inclusion Index positioned the company among the top twenty-five globally in terms of diversity and social inclusion.

### Gender diversity

In order to promote effective equal treatment and opportunities for men and women, ACCIONA has continued to work in two fundamental areas:

- > Ongoing review of the Human Resources processes to promote the attraction, retention and promotion of talent in the different stages of women's professional careers.
- > Promotion of an inclusive culture with behaviours contributing to the removal of barriers impeding equal opportunities in the workplace.

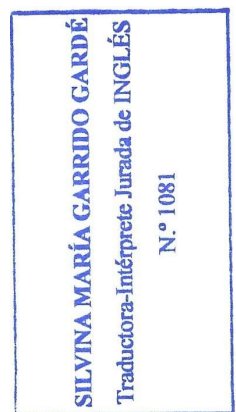
### New programmes to promote gender diversity

- Global mentoring programme for women in pre-executive positions, with the participation of 35 women.
- Global acceleration programme for women with potential, involving the participation of 67 women in pre-executive roles.
- Management Development Programme for Women with High Potential, aimed at women with a clear career projection in the company. In the 2020 edition, a total of 21 employees successfully completed the programme, compared to 16 participants in 2019.
- Programme for Women to Rejoin the labour market. Because of the impact of the pandemic, this has focussed on providing employment opportunities for women with family responsibilities who are at risk of social exclusion.

In terms of hiring, the hiring of women has been promoted, or there is a guarantee that at least one woman's CV will be included in all the processes.

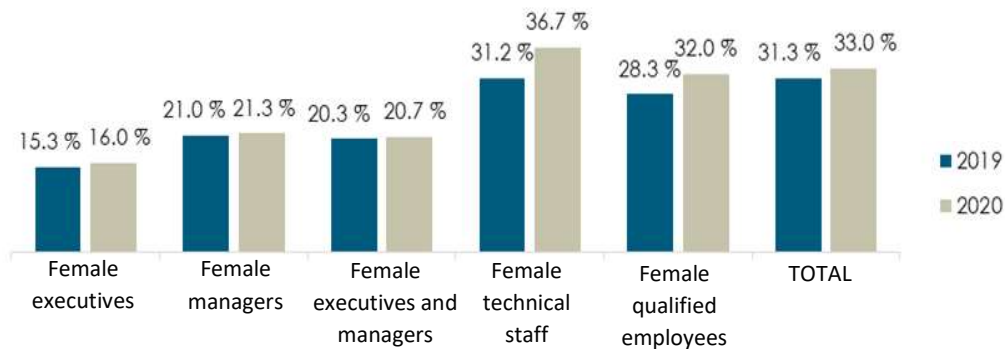
These actions are aligned with the set objectives, to increase the number of women in management and executive positions, achieve equal pay and promote women's leadership programmes. Meeting these objectives is linked with the bonus, so that it impacts directly on the variable remuneration of all the people in the company that benefit from it.

For 2020, the company set itself the objective of increasing the percentage of women in executive and pre-executive positions to 23%. Although the overall figures are close to this objective without reaching it, in some key countries like Spain, Canada and Norway the 23% figure is exceeded.





### Evolution of the percentage of women by category (% of employees)



In Spain, all the business lines are covered by Equality Plans, in accordance with Organic Law 3/2007 for effective equality between men and women, signed with the most representative trade unions and in which the results are reported and evaluated jointly every six months. All the Equality Plans are published and are also available on the intranet for everyone in the company. There are similar mechanisms implemented in other countries where we are present. In addition, the engineering, facility services and energy businesses also have the equality label.

ACCIONA is a signatory to the Global Compact's Women's Empowerment Principles, an initiative advocating real and effective gender equality through work. In 2020, it also signed up to the Target Gender Equality initiative.

In 2020, training initiatives in equality, diversity and inclusion, non-discrimination and multiculturalism have been developed through a variety of training programmes such as the Global Gender Equality Programme for all employees and other specific programmes intended for technicians and managers. A total of 23,835 hours have been given, compared to around 8,000 teaching hours in 2019.

To endorse the commitment to effective equal opportunities, communication and awareness-raising initiatives are carried out, giving visibility to the company's professionals and projects led by women, in recognition of their reference role and their leadership.

37

#### Gender Balanced infrastructure Projects involving 50% women and 50% men

The company has launched initiatives in projects with a gender parity objective:

- > **Loreto Project, Australia.** The result was the construction of this school with a team made up of 53% women.
- > **Neonatal unit in the Marga Marga hospital, Chile.** Training was given to 200 women, of whom 74 were awarded certificates and 34 have been hired. The local authorities are actively involved and it will be the country's first public infrastructure work constructed with a gender focus.
- > **Talca Prison, Chile.** There are 60 vacancies for women, who will be hired to work on the project after completing a training course in which they will be certified as painters.
- > **Project Grid Code Conecta 50:50, Spain.** The goal of this project is to strengthen the power systems/network code team so that it can respond globally to the requirements and processes for interconnection of energy projects, all with a gender perspective.

#### Workplace inclusion and non-discrimination

ACCIONA's Code of Conduct promotes equal opportunities effective beyond gender diversity and under no circumstances accepts any form of discrimination in the workplace on grounds of age, race, gender, religion, political opinion, nationality, sexual orientation, social background or disability.

**SILVINA MARÍA GARRIDO GARDÉ**  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

### Inclusion of people with disabilities and vulnerable groups

The average number of employees with a 33% level or more of disabilities was 995 workers in Spain<sup>3</sup> (direct and indirect employment). This represents 3.97% of the total workforce, the same figure as the previous year. Direct employment accounted for 3.46%. The remainder comes from purchases from Special Job Centres and donations to third sector organisations.

The company also continues to hold the Bequal certificate, with Bequal Plus rating, which certifies its compliance with the law and ACCIONA's commitment to inclusive disability policies through an external audit.

Other noteworthy initiatives in 2020 in the area of inclusion in the workplace of people with disabilities and other vulnerable groups include:

- > 161 people hired through the Fundación Integra, with which the group collaborates nationwide on the insertion of people with disabilities, the long-term unemployed and victims of gender violence in the workplace.
- > 478 people hired through the Fundación Inserta, with which the group collaborates nationwide on the placement of people with disabilities in the workplace.

In 2020 objectives were set to promote socially responsible hiring in four key countries: Australia, Canada, Chile and Mexico. At least 1% of the workforce must be made up of workers with disability and, in any event, a percentage that exceeds the legal minimum.

### Inclusion of other minorities

ACCIONA does business in 39 countries and, as a company and employer, is aware of the role it plays in the communities in which it operates. In accordance with its code of conduct and its policies, it respects the rights of the local communities and the people living and working in them in accordance with international human rights rules, and makes an effort to create positive impacts that improve the life of people in the communities. In this regard, it encourages local hiring and protects minorities (BBEEE requirements in South Africa, First Nations in Canada, indigenous people in Australia, immigrant groups in the Middle East and Asia, and other communities). To do so, it develops specific plans in its projects that include training, awareness-raising, elimination of barriers, employment hiring and collaboration with bodies and institutions.

38

## TRANSFORMATIVE ENVIRONMENTS

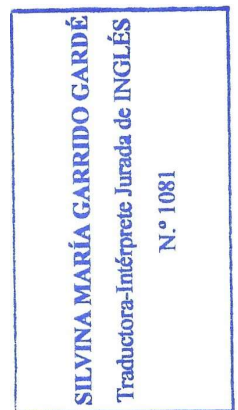
The environment is an opportunity that contributes to the transformation of the business culture. We stimulate a collaborative, innovative and inclusive working environment, adapted to new working methods and the future needs of the company, with technology as the facilitating factor.

### Organisation of working time and the work-life balance

The company is committed to the integration of personal and professional life as a means of promoting genuine equality, and to that end has measures in place, beyond compliance with the law, in the businesses and the different geographical areas where it is present.

A support programme for mothers and fathers has been developed with universal measures, beyond compliance with the laws, and with a co-responsibility based approach. The principal measures implemented are:

- > Support programme for pregnant women with working days of six hours with no reduction in salary, parking spaces and economic assistance for travel to medical tests.
- > Programme for mothers and fathers with measures introducing a flexible working day with no reduction in salary, which they can enjoy when they return from their maternity and paternity leave, respectively. This is available in Spain and is currently being extended to other geographical areas.
- > Programme for parents with children suffering from serious illness, with a part-time working day with no reduction in salary, complementing the legal frameworks in each country.



<sup>3</sup> There is no detailed record for other countries that is comparable to the information derived from the Spanish Disabilities Act. Outside Spain, there is a commitment to comply with current legislation on under-represented groups, which includes both disabilities and minorities.

- > Improvement of the policy of advances for cases related to child care in those countries where the tax system allows this.

In Spain, these are complemented with other measures such as flexible entry and exit times, continuous working days, canteen services, medical centres, physiotherapy and sports clubs at its locations. In countries such as Australia, Canada, the US and South Africa there are special measures for flexible working hours after maternity/paternity leave and for childcare, which are higher than the legal minimums.

The implementation of information technologies in the employment context has multiple advantages such as increased efficiency and productivity, and improved flexibility. However, it also brings disadvantages that must be addressed and solved. In the framework of the collective agreement in the energy business, ACCIONA undertakes to respect and ensure respect for the right to digital disconnection in the work environment, in accordance with current legislation.

### Employee satisfaction and commitment

People's satisfaction and commitment are the key attributes of the relationship model that ACCIONA aspires to maintain with its employees. The climate and commitment survey, conducted globally every two years, is the tool that allows the company to identify the factors that could distort these attributes.

In the latest survey, the commitment of ACCIONA's employees in global terms stood at 63%. The survey showed that 88% of respondents would not hesitate to recommend the company to a friend. Meanwhile, 81% say that ACCIONA inspires them to do their job better every day.

### Evolution of turnover by gender, age and workplace (%)

	2017	2018	2019	2020
Turnover among men	4.86	3.23	3.43	6.36
Turnover among women	3.29	4.10	3.91	9.90
Turnover of people under 30	8.84	9.15	5.94	17.70
Turnover of people 30-50	5.32	4.22	4.07	6.23
Turnover of people over 50	3.77	3.49	3.57	5.02
Turnover in Spain	2.02	2.01	2.40	2.55
Turnover of people working outside Spain	6.35	6.19	5.49	13.50
Total turnover*	7.6	7.17	7.05	12.92
Voluntary turnover**	3.74	3.49	3.57	7.56
Average hiring cost per employee	-	1,200	1,200	1,200

\* Total turnover = total no. of departures/employees.

\*\* Voluntary turnover = no. of voluntary departures of employees with indefinite contract / employees with indefinite contract.

Since January 2021 data managed through Workday are taken, which allows the incorporation of a broader type of movement s of people joining/leaving that reflect a more accurate picture of turnover in the company.

### Health and safety

The health and safety strategy revolves around the Human Resources and Occupational Risk Prevention Policy and the action plan that defines its objectives is in line with the SMP 2020 and 2025. In 2020, the Health and Safety Management System was adapted to the global pandemic.

100% of the workers participate in a programme that deals with the prevention and correction of the causes of health and safety risks in the workplace with the aim of creating a working environment that is as safe and healthy as possible for employees and contractors. In the process, ACCIONA assesses the specific risks associated with its activities: linked to occupational illnesses, the performance of construction work, the use of machinery, working at heights, electrical contacts, etc.

ACCIONA uses the representative bodies required by the laws in the countries where it operates, such as the Health and Safety Committees in Spain, as a channel for consultation and participation. Employees in each business line also have specific communication tools and mailboxes through which they can report occupational safety incidents or possible threats.

39

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

The company also has programmes in place to guarantee occupational risk prevention for its contractors and it collaborates with the public authorities on initiatives to promote health and safety in the workplace.



**More information** in the sections on health and safety in the sections titled "The energy business", "The infrastructure businesses" and "Other businesses".

## ACCIONA and the coronavirus crisis

Given the critical situation created by the COVID-19 pandemic – an unprecedented threat to public health, society and the business fabric – ACCIONA has taken all the measures necessary to protect the health and safety of all its employees, while ensuring the continuity of its businesses and services that are essential for community life.

The company's principal responsibility is to help to stop the spread of the disease, complying at all times with the recommendations made by the governments and the health authorities in all the countries where it operates.

### Health and safety: protocols and guides

ACCIONA has implemented all the necessary measures, in line with the World Health Organisation (WHO) and health authority recommendations, to minimise the risk its employees might be exposed to.

These measures include the following:

- > **Action protocols and guidelines.** The objectives of these are to mitigate the health risks, identify the possible impacts of the health crisis on the company's activities, establish the management criteria necessary, and implement the measures decreed by the relevant authorities. They help to prevent infection and guide the actions to be taken.
- > **Remote working.** Remote working measures have been implemented in all the countries where the company operates, limiting the possibility of infection.
- > **On-site safety.** To guarantee the health and safety of all its employees in all the active services, the company has made protective equipment and the necessary hygiene measures available to them.
- > **Health Clinic.** ACCIONA has strengthened its medical video-call service to deal with any medical queries employees might have.

The company has maintained a proactive approach, providing human and material means for early detection and effective control of transmission, carrying out screening diagnostic tests from the outset of the pandemic, and actively monitoring the cases detected and the contacts identified.

### Continuity of essential businesses

Electricity, water, hospitals, airports, railways, waste management, etc. must be fully available in a health crisis. They are vital services enabling communities to continue operating as normally as possible, given the circumstances.

ACCIONA, for example, has a Renewable Energies Control Centre (CECOER), with sites in three countries, which manages more than 15,000 MW. Wind farms and solar plants need operating and maintenance services to guarantee the electricity supply.

In Spain alone, ACCIONA operates 150 waste water treatment plants, 20 drinking water treatment plants, and manages just over 80 water management services providing a service to almost 750,000 people.

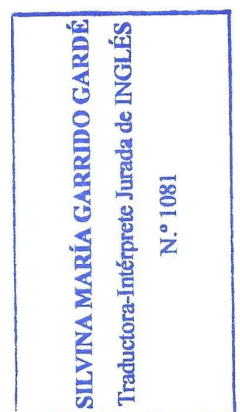
The company also manages and provides services in a number of hospitals in Spain, Mexico, Canada and Qatar, is responsible for the cleaning and maintenance of more than 1,800 railway stations and waste management and cleaning for a number of municipalities.

### Impact on ACCIONA

ACCIONA's activity fell sharply in March and the beginning of April, and recovered gradually at the end of April and in May and June. The businesses with essential activity continued, while the greatest impact was seen in the construction works of the water and construction businesses. At the start of March, 59% of these projects were paralysed, and 34% continued with some type of impact. By June, only 1% was stopped (one project in Panama and another in the Philippines) and 80% went ahead with minor alterations.

A total of 37,647 diagnostic tests have been performed on workers: PCR, antigen test and detection of antibodies.

40



## Indicators of COVID-19 illness

Frequency rate	Severity rate	Absenteeism
11.6	272	1,898

## Social Collaboration

In response to the critical situation, a team was created and organised specifically for the purpose, and has carried out a variety of collaboration actions with more than 75 public institutions and social agents around the world to contribute to mitigating the effects of the virus.

- > **Electricity customers.** Given the problems faced by many small and medium-sized enterprises in Spain, a deferment of payments for the electricity supply service was offered.
- > **Strengthened management of hospitals managed by ACCIONA.** Services were strengthened at the Infanta Sofía Hospital (Madrid Region), with measures established for staff rest times and financial recognition of their effort.
- > **Field hospitals.** ACCIONA has collaborated in the implementation of the facilities necessary for the correct operation of the IFEMA field hospital in Madrid, with a team of more than 30 people, for the assembly of the medicinal gases installation for patients. In Panama, ACCIONA collaborated with the authorities in executing, maintaining and supplying the Albrook field hospital, with 100 beds and ten ICUs.
- > **Protective equipment.** Major donations were made to hospitals and institutions at the moments of greatest shortage. This equipment included face masks, disposable hairnets and other materials.
- > **Logistics and cleaning support.** Public administrations and a variety of organisations involved were supplied with skills, resources and personnel in transport (vans or motorbikes), logistics (storage spaces), structures (positioning of worksite huts), cleaning (normal and specialised) and maintenance.
- > **In Mexico, Chile and South Africa a variety of donations were made** (hygiene kits, prevention kits, food, containers for isolated medical spaces, etc.) to some 45 communities in the vicinity of the renewable energy farms.

Our intention at all times has been to cooperate as much as possible with proximity and direct contact, contributing the group's capacities in specific actions that have directly impacted on citizens.

41

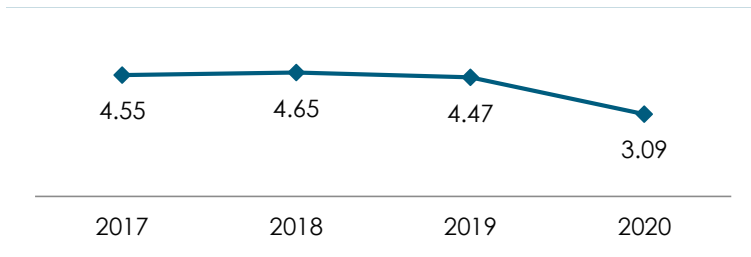
## Evolution of the principal accident indicators

In 2020, there were a total of 2,408 accidents involving ACCIONA's own employees. This represented a fall compared to the previous year's frequency rate, influenced by the health and safety policies and programmes implemented, without underestimating the increase in remote working and, consequently, the smaller weight of onsite activities because of the pandemic. A total of 1,759 accidents involved men and 649 women, which equates to a frequency rate of 3.10 and 3.07, respectively.

As regards the severity rate, this was 114 in the case of women and 105 for men, which means that the aggregate rate has fallen. For the third year running, the number of fatal accidents involving own employees was zero.

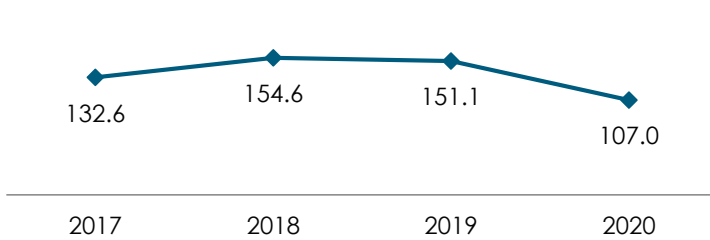


### Evolution of the frequency rate (own employees)



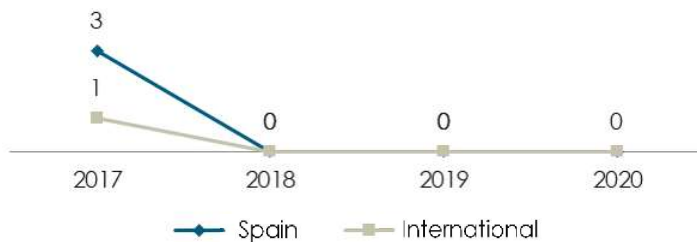
Frequency rate: (no. of accidents with work loss/hours worked) x 200,000.

### Evolution of the severity rate (own employees)



Severity rate: (no. of working days lost due to work accident/hours worked) x 200,000.

### Evolution of fatal accidents (own employees)



42

## Health and safety in employee performance evaluations

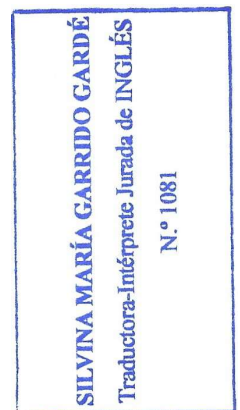
Compliance with the health and safety objectives defined in the SMP 2020 is one of the parameters directly linked to performance evaluation in ACCIONA's various divisions. Whether or not they are met determines the bonus that employees receive.

Specifically, the target set for the group in 2020 was to reduce the frequency rate for employees and subcontractors by 3% compared to 2019. The overall objective is to reduce this rate by 15% between 2015 and 2020, a target that has been exceeded, with a figure of 34% reached. In addition, each of the company's divisions sets its own annual targets, defined at the beginning of each year and reviewed monthly.

**The frequency rate for 2015 to 2020 has been reduced by 34% (2020 target: 15%)**

Meanwhile, the absenteeism rate remained the same as the previous year.

A breakdown of these figures by business line is shown below. The information is prepared in a standardised manner for all the countries, and always according to the international standard.



### Evolution of the rate of employee absenteeism by business line

Business	2017	2018	2019	2020
Energy	0.84	0.70	0.95	0.92
Infrastructure	4.90	5	5.30	5.28
Other businesses*	4.65	1.96	1.86	2.28
<b>Total</b>	<b>4.71</b>	<b>4.80</b>	<b>4.99</b>	<b>4.99</b>

Absenteeism rate: (no. of days lost due to absenteeism/no. of days worked) x 100

\*Includes Bestinver, Corporate, ACCIONA Cultural Engineering, Wineries and Real Estate.

### Number of hours lost due to absenteeism

	2019		2020	
	Women	Men	Women	Men
Spain	1,756,537	1,816,087	1,101,458	1,672,942
International	265,722	239,029	287,576	250,671

Absences due to accidents, maternity, common illness and COVID illness are taken into account. The figure is reported by hours in compliance with Law 11/2018. The system outside Spain compiles the figures in days. Given the number of agreements in force, the calculation of hours is only an estimate, establishing an average time of 8 hours/day.

### Road safety

At ACCIONA, the initiatives to promote road safety cover both accidents related to vehicular traffic (work-related) and those occurring during travel to and from work (commuting). Notable among the measures that contribute to reducing commuting accidents is the bus service at its corporate headquarters in Madrid, which reduces the use of private transport. In 2020, commuting accidents were reduced to normal levels after the high figures recorded in 2019. Work-related accidents have seen a slight upturn in the infrastructure area, in the majority of cases in the international area, influenced by an increase in hours worked.

43

### Evolution of commuting accidents (with and without medical leave)

Line of business	2017	2018	2019	2020
Energy	26	20	11	12
Infrastructure	163	157	296	218
Other businesses *	22	6	11	5
<b>Total</b>	<b>211</b>	<b>183</b>	<b>318</b>	<b>235</b>

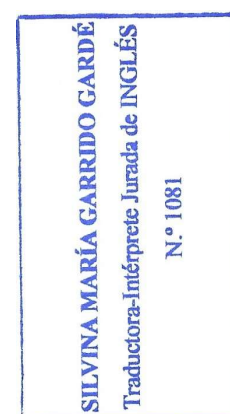
\* Includes Bestinver, Corporate, ACCIONA Cultural Engineering, Wineries and Real Estate.

### Evolution of work-related travel accidents (own workers)

Line of business	2017	2018	2019	2020
Energy	8	2	2	5
Infrastructure	14	13	19	35
Other businesses *	1	1	0	0
<b>Total</b>	<b>23</b>	<b>16</b>	<b>21</b>	<b>40</b>

\* Includes Bestinver, Corporate, ACCIONA Cultural Engineering, Wineries and Real Estate.

In 2020, ACCIONA maintained awareness-raising campaigns on this subject active on the company's intranet.





### Prevention and healthy lifestyles

To evaluate the possible impact of occupational risks on the health of workers, annual medical check-ups are offered, adapted to the specific risks of each worker. Based on the results obtained, a decision is made as to the worker's suitability to perform the tasks inherent to his or her position. Moreover, these medical data are used to conduct an annual epidemiological study on a global scale to assess the health of ACCIONA as a whole.

The company also runs disease prevention and early detection campaigns. It also monitors workers who travel internationally, providing them with medical information on the destination area and immunization if necessary. The company enters into agreements with private health companies, offering competitive services and conditions.

#### No. of occupational diseases by region (own employees)

	2017	2018	2019	2020		
				Women	Men	Total
Spain	16	21	34	17	20	37
International	2	0	1	2	7	9

There are also other activities in several divisions that may cause occupational diseases in very specific cases due to exposure to biological risk, overexertion, noise, silicosis and asbestosis. In all such situations, the necessary actions have been taken to eliminate or minimise the risk (training, awareness, protective equipment, etc.). Likewise, all workers exposed to risks of this kind are monitored.

ACCIONA has a Health and Wellness Programme to promote integral employee care. It is a three-part programme focussed on a healthy diet, physical activity and emotional management. The initiatives developed as part of the Health and Wellness Plan include:

- > Medical video consultations for employees in Spain.
- > Publications on general health topics, pregnancy and breastfeeding, ergonomics and the pandemic. The last of these accounted for 58% of the communications made.
- > Health monitoring programme for COVID-19, with medical diagnostic tests for early detection and control of the spread of the virus.

44

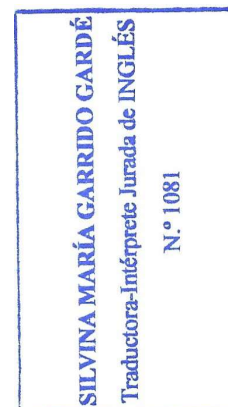
### Certifications

74% of ACCIONA's activity is certified according to international standard ISO 45001. The target was 50%. There is a 7% certified in OHSAS 18001 still being progressively replaced.

#### ISO 45001 certification by line of business

Line of business	2019	2020
Energy	100 %	100 %
Infrastructure	36 %	58 %
> Construction	76 %	93 %
> Concessions	0 %	90 %
> Water	93 %	100 %
> Services	19 %	40 %
Other businesses	25 %	80 %

Percentages calculated taking into account companies with more than 150 FTEs, except in Other Businesses in which all companies are taken into account.



### Employee participation



ACCIONA's different divisions have participation schemes that comply with local legal requirements, such as Health and Safety Committees, the function of which is to channel worker consultation and collaboration in occupational risk prevention. In addition, workplaces are visited to encourage their involvement. At these meetings, information is provided on all matters relating to prevention: accidents, safety inspections, employee complaints, risk assessments and the activities of the Prevention Department.

Some of the divisions also have email accounts or suggestion boxes where workers can ask questions, make suggestions and raise concerns about health and safety.

Personnel from collaborating companies also participate through business activity coordination committees created in all the work centres where concurring business activities are identified. These committees are attended by the health and safety employees appointed by each represented company.

#### Training and awareness-raising

All the company's businesses have training and awareness-raising programmes in their annual plan, as well as training requirements in occupational risk prevention.

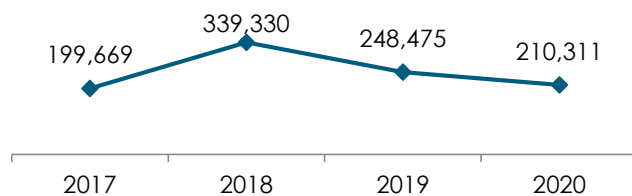
ACCIONA also has internal communication mechanisms that are key to preventing accidents and preserving the health and safety of employees. Among the most widely used tools are the intranet, newsletters, e-mail, suggestion box, communications via posters or payroll and specific actions in the workplace.

#### Training in occupational health and safety at the Corporate University

	2020
Energy	20,656
Infrastructure	186,798
Other businesses *	2,857
<b>Total</b>	<b>210,311</b>


\*Other Businesses include: Corporate, Bestinver, Real Estate and Wineries.

#### Evolution of the total number of training hours in occupational health and safety

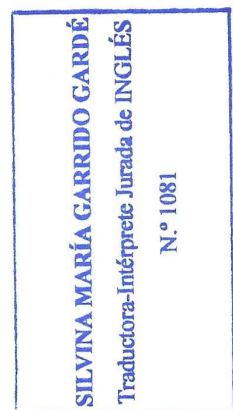


#### Extending the commitment to prevention to the supply chain

One of ACCIONA's main goals is to extend its culture and commitment to health and safety to the entire supply chain. In this regard, the company tracks the accident rates in its network of suppliers, contractors and subcontractors. Generally speaking, there is full participation in practically all prevention-related activities, collaborating in the procedures of the company's normal management systems (risk identification, definition of controls, inspections, training, information, safety programmes based on conduct, etc.). The rates have gone down as a result of a proactive workplace health and security policy. This has reflected the fact that the number of onsite activities was reduced because of the pandemic.

 **More information** in the "Supply chain" section of the chapter "Exponential leadership"

#### Evolution of accident indicators for contractors



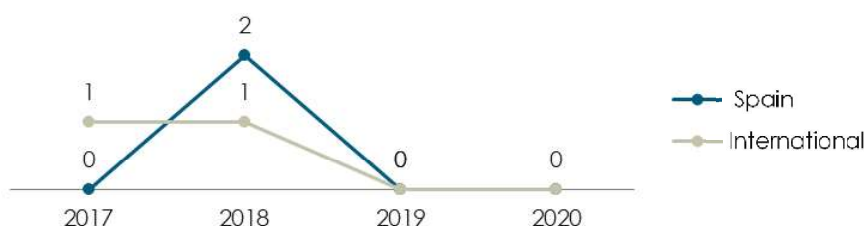
	Severity rate				Frequency rate			
	2017	2018	2019	2020	2017	2018	2019	2020
Energy	3.6	21.6	24.4	7.7	1.1	0.6	0.8	0.7
Infrastructure	19.1	18.8	23.1	17.1	0.9	0.9	1.0	0.8
Other businesses*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>18.1</b>	<b>18.9</b>	<b>22.9</b>	<b>16.1</b>	<b>0.9</b>	<b>0.9</b>	<b>0.9</b>	<b>0.8</b>

Severity rate: (no. of days lost due to occupational accidents/hours worked) x 200,000.

Frequency rate: (no. accidents with loss of work/hours worked) x 200,000.

\* Includes Bestinver, Corporate, ACCIONA Cultural Engineering, Wineries and Real Estate.

### Evolution of fatalities involving joint ventures and contractors



In 2020 there were no fatal accidents involving employees or contractors for the second year running

## LEADERSHIP

ACCIONA promotes leadership models in which every employee can take responsibility and share the company's purpose so that the whole organisation is aligned to meet the objectives.

### Managing knowledge

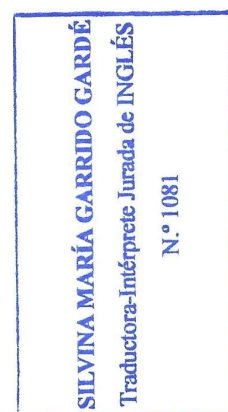
ACCIONA's people management model is based on the definition of roles as basic organisational units in which jobs that share a mission, responsibilities, knowledge and skills are grouped together.

This model makes it possible to pinpoint the skills needed to achieve objectives and fulfil business strategies. The framework facilitates a standardised application of human resources policies, both in terms of recruitment and compensation, training and development. Moreover, it contemplates the possibility of a dual career path: technical as well as management.

Within the professional development model, ACCIONA continues working towards the goal of favouring the development of each and every one of its professionals. In connection with the process for the identification of training needs, the company has redirected it to help team managers define these needs. Personnel managers have been granted access to the Training Needs Identification Process from the corporate intranet. As hierarchical managers, they can identify the most appropriate training actions for each member of their team.

The aim is to organise the training schedule for the entire 2020 financial year, identifying the most appropriate programmes/actions through the training catalogue for each business.

One of the most noteworthy tools is the Knowledge Map, which facilitates the identification of knowledge categories that serve as support for the development of business strategies and the achievement of goals in the different areas of the organisation. Every year, this knowledge map is then used to prepare the Training Needs Identification process, which is distributed to the management team, to prepare the training plans.



## Global careers: the Technical Leaders programme

ACCIONA has created a Technical Leaders group comprising people who provide exceptional technical knowledge in key business areas. These professionals, who are capable of transforming this knowledge into high-value technical skills, are recognised, possess a global profile, and have published their own work in specialised media, or teach in different forums.

The goal of this initiative is to recognise and support people with differential technical knowledge and skills, allowing ACCIONA to continue positioning itself as a leading company in technical excellence, innovation and sustainability. In 2020, the programme continued to be successfully implemented. The following are worthy of note:

- Launch of knowledge management platforms and open training.
- Launch of the Digital Transformation / Mastering Digital Skills programme for this group, carried out in conjunction with the Polytechnic University of Madrid (UPM).

This programme includes a group of graduates to support the work of the Technical Leaders and promote the development of knowledge focussed on the coming generations.

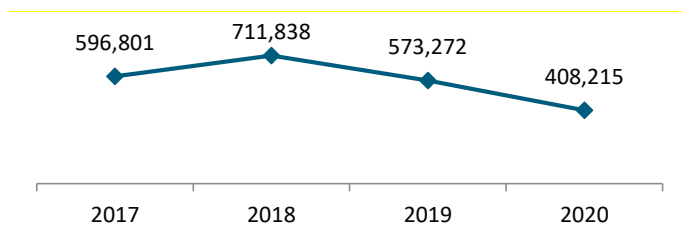
### ACCIONA University

ACCIONA's Corporate University has the mission of ensuring training and ongoing development of the whole workforce, in line with the business needs.

In addition to a corporate training centre, equipped with multiple classrooms and high-tech rooms, employees have access to the Corporate University's Online Campus which includes the latest advances in e-learning methodologies. In 2020, the number of virtual classrooms has continued to grow through online classes, with intensive use increasing because of the pandemic.

The unification of processes for the identification of training needs and evaluation of their effectiveness has also been consolidated in 2020, with the aim of improving the analysis and planning of ACCIONA training programmes. This has allowed us to make progress in the effectiveness assessment process.

### Evolution of the training received by employees (hours)

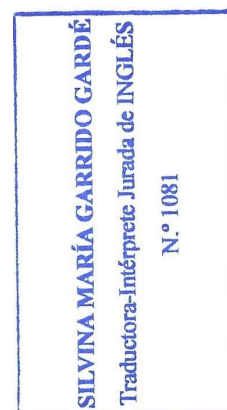


### Investment in training (euros)

	Directors and managers	Technical staff	Support staff	Operators	Total
Total investment	2,453,255	2,369,277	100,357	924,375	5,847,266
Investment per employee/year	929	345	96	33	152

The Corporate University has a process for evaluating the effectiveness of training:

47



## Evaluation levels

1 – REACTION	2 – LEARNING	3 – BEHAVIOUR	4 – RESULTS	5 – RETURN ON INVESTMENT
Equivalent to measuring the participants' satisfaction.	Determines whether knowledge and learning transfer has occurred.	Analyses changes in the job position of the person attending the training.	Evaluates the business results achieved through the training.	Return on the investment.
Evaluation questionnaire to be completed by the participant at the end of the course.	Test on evaluation of knowledge at the end of the training process.	Questionnaires to evaluate the effectiveness of the training.	Questionnaires to evaluate the effectiveness of the training.	Analysis of the impact of the training on selected business indicators.

Note: In 2020, evaluations were carried out at levels 1, 2 and 3.

ACCIONA's training programmes are continuously reviewed and adapted to the new needs of the company and its professionals. Content continued to be reorganised in 2020 and new topics were analysed for 2021 in the various schools, with special emphasis on the Skills Development Centre, Business School and Technical Schools.

## Skills Development Centre

The Skills Development Centre provides the workforce with the so-called Professional Skills Courses, designed to promote skills related to the position of each person in the company. These courses have expert videos and learning modules available on the Online Campus. A battery of more than 50 courses was launched, and more than 1,200 employees have participated.

Similarly, smartworking courses have been strengthened to deal with the pandemic in 2020. The aim of this initiative was to provide help and strengthen the skills necessary for remote working, in addition to providing useful tools offering guidelines for distributed work, improved productivity and in the organisation of the working day.

## T-MAX+ 2020 Programme

The T-MAX+ skills training programme is intended specifically for ACCIONA's technical staff. Its aim is to consolidate the functions of this group and their training needs. This is the first ACCIONA Corporate University training course that offsets the emissions it emits. It was designed in collaboration with Spain's School for Industrial Organisation (EOI).

In addition to curriculum content, batteries of additional and complementary webinars have been developed relating to diversity and inclusion and communication skills in videoconferences and virtual meetings.

## Business School

The business school programmes have moved to a 100% online format:

- > **M3+ Programme:** created for ACCIONA managers, this year a total of 643 employees have participated, receiving 1,900 hours of training. This year's programme went into greater depth in the area of people management and economic management.
- > **Executive MBA:** the 10th edition of this course was attended by 35 ACCIONA professionals from different countries around the world. It is organised in collaboration with the EOI.

## Technical Skills

These training spaces were designed to improve productivity, technical excellence and the specialisation and internationalisation of ACCIONA professionals, guaranteeing a high level of qualification.

Each itinerary contains specialities and sub-specialities. The training activities are planned as a structured educational sequence. They have been very well received by General Management, the business units and employees.

- > **IMPA, International Master in Project Administration:** this is a global Master's Degree offered in collaboration with the Polytechnic University of Madrid (UPM). The programme focuses on the strategic needs of ACCIONA's infrastructure businesses, with special emphasis on technical skills for managing complex projects in different lines of business and countries.

#### Language Schools

Open to 100% of employees, this platform offers studies in up to six different languages. The teaching model is complemented with new digital itineraries and specific webinars.

## ACCESS TO RIGHTS

### Workers' coverage (GRI 102-41)

At ACCIONA, practically all groups of employees are covered by collective bargaining agreements in the different countries where they operate. In certain countries, and for implementation or legislative framework reasons, there may be small groups of workers that are not covered, although these would in any case represent less than 1% of the total workforce. For these exceptional cases, in 2020 the company has specific procedures for protection of workers' rights, particularly in Gulf states: Saudi Arabia, Bahrein, Qatar, United Arab Emirates, Iraq, Iran and Oman.

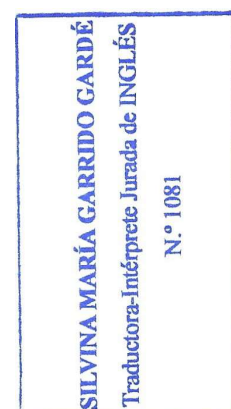
#### Employees covered by collective bargaining agreements by country (%)

Country	Employees covered by collective bargaining agreements
Spain	100%
Germany	100%
Australia	100%
Brazil	100%
Canada	100%
Chile	100%
USA	100%
Italy	100%
Mexico	100%
Norway	100%
Poland	100%
Portugal	100%
Qatar	0%
Ecuador	100%
United Arab Emirates	0%
Peru	100%
Rest of the world	99%
<b>Total employees</b>	<b>100%</b>

Collective agreements and/or conditions are signed at all construction sites and projects, except in those countries where union membership or representation is not a standard practice or is considered illegal. In such situations, mechanisms have been established to control the conditions agreed upon by the company and its suppliers. ACCIONA holds regular, ongoing meetings with all trade union and employee associations to prevent any issues that could lead to conflict, thereby minimising the incidence of such situations.

In Spain, the company has 625 workers' legal representatives and 355 collective agreements are applied in different areas.

The company is also a member of the Building and Wood Workers' International (BWI), which covers the work in all the group's sectors. Through this association, the company has worked actively in some of the most



representative countries to strengthen the collaboration between different trade unions. In addition to the general and sector-specific collective agreements, depending on the applicable legislation in each country, ACCIONA has signed collective agreements with the trade unions registered in the aforementioned International Trade Union Organisation in key projects.

### Respect for human rights

As established in the Code of Conduct, the Human Rights Policy and the Human Resources and Occupational Risk Prevention Policy approved by the Board of Directors, ACCIONA supports, respects and contributes to protecting internationally recognised fundamental human rights. The company makes every effort not to be complicit in any way with abuse or infringement of human rights among workers, suppliers, contractors, collaborators, partners, competitors, customers, local communities and society in general. Consequently, it is committed to defending respect for these rights in all the activities and geographical areas where it is present.

Respect for human rights is a responsibility of all the people and organisations to which the Code of Conduct applies, including all businesses and project managers. Among the basic behavioural guidelines to which ACCIONA adheres are the Universal Declaration of Human Rights and the corresponding international Agreements adopted by the United Nations General Assembly, and the Declaration of Fundamental Principles and Rights at Work and ILO Conventions; the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy; the OECD Guidelines for Multinational Enterprises; the United Nations Convention on the Rights of the Child; the United Nations Global Compact and the Seoul Declaration on Health and Safety at Work.

In 2020, the company updated its Human Rights Policy, which will be approved in 2021, to adapt it as far as possible to the terms of the UN Guiding Principles on Business and Human Rights. This readjustment sees ACCIONA assuming responsibility for avoiding the possible negative effects of its activities and taking the measures necessary to prevent, mitigate and, where relevant, remedy them.

To ensure the projects are coherent with its sustainable business model, in 2020 the company has worked on the design of a system of human rights monitoring for all its businesses and geographical areas. An exhaustive analysis of both the company processes and procedures and the national and international standards has been carried out, in order to identify possible areas for improvement in the systems. Using the Metric Stream tool (operational in 2021), approximately 80 interventions on this subject were recorded; these affect the corporate areas and businesses transversally. These areas will be responsible for publishing the functioning of the controls periodically.

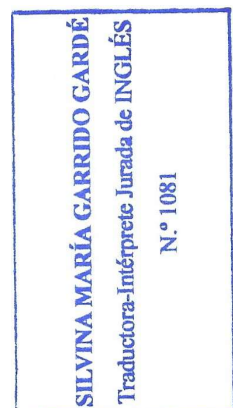
This oversight applies to all the company's social processes in relation to its value chain. Not only does it endeavour to guarantee fair, equitable and ethical employee selection and hiring practices in all countries, and prevent any type of harassment, discrimination or abuse, it also ensures that its suppliers, partners and customers comply with the values governing the company, and respect for the communities in which it operates.

**A system of human rights monitoring has been designed for all the businesses in the group and all the countries where ACCIONA does business**

The controls arise from the need to mitigate the possible social risks identified that derive from the company's activity and its relations with stakeholders:

- > Participating or being complicit, both directly and indirectly, in harassment, discrimination, abuse, severe, degrading or inhuman treatment (such as detentions, arrests, torture, etc.).
- > Violating or being complicit in violating, directly or indirectly, the right to freedom of thought, conscience, religion and opinion.
- > Incurring directly or indirectly in the promotion or use of forced labour or modern slavery for the performance of projects, and/or people trafficking.
- > Incurring directly or indirectly in the promotion of child labour practices.
- > Participating or being complicit, both directly and indirectly, in violating the right to association and collective bargaining.

50



- > Violating the rights of workers to defend their interests.
- > Not ensuring conditions of health, safety and well-being of workers, both own and subcontracted workers, who carry out their work for ACCIONA.
- > Participating in or benefiting directly or indirectly from unfair, illegal and/or unethical hiring conditions.
- > Undermining fundamental rights to obtain direct or indirect benefit.
- > Using the personal data of employees or third parties to the benefit of the organisation or an unauthorised third party.
- > Harming, directly or indirectly, the rights of communities and minorities.

#### Due diligence in Human Rights matters

ACCIONA understands the concept of Human Rights Due Diligence (HRDD) as an ongoing process to identify, prevent, mitigate, remedy and inform about the negative consequences, either real or potential, of its activities on Human Rights, in accordance with the United Nations Guiding Principles on Business and Human Rights and as provided for in the OECD Guidelines for Multinational Enterprises.

In 2019, ACCIONA gave three training workshops on HRDD with the aim of providing the business and its projects with the necessary skills in this matter. In fact, two pilot in energy and water projects in Mexico incorporated this skill.

Thanks to the lessons learned from the pilots, in 2020 a process has been designed in which due diligence in human rights begins during the identification stage of a business opportunity. Before presenting a bid, ACCIONA determines the most notable inherent risks according to the country and the sector in question, so that they can be prevented and managed. Using this analysis as a starting point, those projects in which medium or high human rights risks are detected must establish, using the internal Social Impact Management (SIM) methodology, specific processes and procedures to establish prevention measures for the potential impacts. There will also be an undertaking to develop, or cooperate in the design of, remediation mechanisms, including effective reporting channels which are culturally appropriate, accessible (in physical and linguistic terms), transparent and responsible, guarantee confidentiality and offer the appropriate protection against reprisals.

It is worth highlighting that the company's Ethical Channel can be used to communicate any alleged breach or violation of the behaviour guidelines included in the Code of Conduct, including human rights issues. ACCIONA did not receive any complaints of human rights violations in 2020 through this channel.

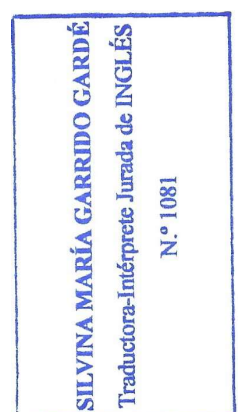
#### Before presenting a bid, the inherent social risks depending on the country and the sector are evaluated

Likewise, ACCIONA has revised its Human Rights diagnosis using the Danish Institute's guide as a reference. As part of the ESG risk analysis, the Human Rights risk categories in the countries where the company has operations were reviewed and analysed. It was concluded that 38% of the markets in which the energy business is present, and 59% of those in which Infrastructure operates have a very serious risk of violating one or more human rights, according to Maplecroft.

Some of the categories included in this study were: freedom of opinion and expression, minority rights, indigenous communities, women and girls, employment discrimination, rights of access to basic services, freedom of association, rights of migrant workers, fair pay, working hours, health and safety, forced and child labour.

The infrastructure business has a Standard for the Welfare of Migrant Workers that sets out minimum compulsory requirements for the processes of hiring, employment and accommodation of workers and subcontractors on projects located in the Gulf states (Saudi Arabia, Bahrain, Qatar, United Arab Emirates, Iraq, Iran and Oman). ACCIONA's aim is to extend the scope of this Standard in 2021 to other countries where there are risks of human rights violations.

Since the company joined the Executive Committee of Building Responsibly, ten guides have been approved that include references for the practical application of the principles of workers' well-being throughout the





value chain. This international initiative formed by companies in the construction and engineering sector seeks to elevate the promotion of workers' rights and well-being in this industry.

#### Human rights in the communities

Using its Social Impact Management (SIM) methodology, ACCIONA analyses any possible violations of human rights that may arise among local communities and other stakeholders in connection with a particular project or service. It also assesses the severity of any impacts, and whether they cause significant changes in the social, economic or cultural structure of a community or group of employees. In those cases in which possible infringements of human rights are identified, the SIM methodology requires that prevention and mitigation measures be established. In 2020, in 25 projects where the SIM system has been implemented, a risk of possible violation of human rights was found. In all of them, measures were taken to prevent such infringements occurring.

#### Human rights in the supply chain

Through the supplier portal and the group's tendering tool, ACCIONA establishes different mechanisms that help prevent the violation of Human Rights throughout its supply chain: Self-Declaration of Responsibility for Suppliers, Ethical Principles for Suppliers, Contractors and Collaborators, Risk Maps, Supplier Evaluation and Approval Procedures, general contracting clauses, supplier audits and No Go Policies. In 2020, the company did not identify any suppliers or contractors that violated or endangered Human Rights compliance.

#### Training

In 2020, a specific Human Rights training course run in collaboration with the Spanish Global Compact Network, and available to both employees and the company's suppliers, was launched again. 176 employees took the course last year (352 hours), added to the 338 who did so in 2019.



# Planet positive

**Towards a positive contribution | Invest to regenerate the planet**

ACCIONA projects look for a positive impact on the planet, decarbonisation-based business models, water conservation and ecosystems and the circular use of resources.



## KEY MILESTONES 2020

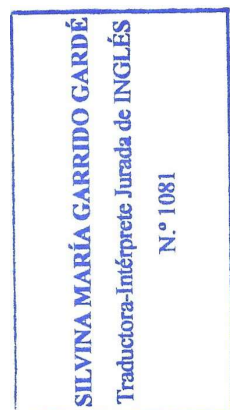
- > GHG emissions reduced compared to the base year 2017 by 38% (Scopes 1 and 2) and 33% (Scope 3<sup>4</sup> categories in SBT), in line with the science-based target and the carbon neutrality in its direct operations.
- > A fund set up for decarbonisation innovation projects of 1.1 million euros.
- > 62.2% use of electricity from renewable sources achieved and total energy consumption from fossil fuel sources reduced by 86% compared to 2017.
- > 61% reduction in use of municipal, surface water and groundwater for consumption compared to 2017, and 34% in the total use of water for own consumption.
- > 77% of non-hazardous waste recovered and 75% reduction in generation and despatch of such waste to landfill compared to 2015.
- > 10% of recycled or renewable raw materials and material resources used.



## MAIN CHALLENGES 2021

- > Reduce GHG emissions by 18.46% (Scopes 1 and 2) and by 14.46% (Scope 3) compared to 2017, in line with the SBT at 2030 of a 1.5°C reduction, and maintain carbon neutrality in its direct operations.
- > Invest 90% of CAPEX in low carbon activities according to the European taxonomy of sustainable activities<sup>5</sup>.
- > Establish/Promote Biodiversity Action Plans linked with operations in 2 projects of more than 75 million euros<sup>2</sup>.
- > Reduce the amount of waste sent to landfill by 10% compared to 2020<sup>2</sup>.
- > Achieve 12% consumption of resources from a renewable or recycled source<sup>2</sup>.
- > Reduce the use of surface water, groundwater and municipal water in water-stressed areas by 10% compared to 2020<sup>2</sup>.

**53**



<sup>4</sup> The categories of purchased goods and services, capital goods, energy-related activities, upstream transportation and distribution, employee commuting and use of sold products, which represent more than two thirds of the company's total emissions in Scope 3

<sup>5</sup> In line with the global target of the SMP 2025.

## CLIMATE

### A low-carbon business strategy

ACCIONA is a leader in sustainable infrastructure solutions and renewable energy projects worldwide. It represents a special case in the sense of it invests in the projects it builds and operates.

The company's business model is based on the performance of sustainable activities that are notably in line with the requirements of the European taxonomy, and are focussed particularly on mitigation and adaptation to climate change, whether this is in the area of renewable energy, construction, water management, transport, housing, or any of its other technical capacities.

ACCIONA promotes the adoption of ambitious global targets for decarbonisation of the economy, and its business model takes into account the management of climate change risks and opportunities and communicates them in accordance with the European Commission's climate reporting guidelines and the recommendations of the Financial Stability Board, through its Task Force on Climate-Related Financial Disclosures (TCFD).

### European taxonomy of environmentally sustainable economic activities: ACCIONA case

The active involvement of financial markets in financing the sustainable economy is indispensable for the European Union's plans to move towards a low-carbon economy.

The EU taxonomy Regulation, which came into force on 12 July 2020, will help to create the world's first 'green list', a classification system for sustainable economic activities, which will develop a common language for investors and companies when it comes to financing projects or goods and services with a substantial positive impact on the climate and the environment.

The development of the technical criteria for selection of activities within the taxonomy is at different stages of progress, and is most advanced in the targets for mitigation and adaptation to climate change. In these two areas, the Commission presented a draft delegated act at the end of 2020, (based on the recommendations of the Technical Group of Experts in Sustainable Finances published in March 2020 and previously in June 2019), which will become effective on 1 January 2022. For an activity to be classified as taxonomic, apart from meeting the technical selection criteria, it must also satisfy a minimum of social safeguards and must not contradict any of the other four objectives sought by the regulation: water protection, transition to a circular economy, control of pollution and healthy ecosystems.

Again in 2020, ACCIONA carried out a classification of its activities using the criteria in the most recent version of the European taxonomy (draft Delegated Act at the end of 2020), so that 85% of CAPEX, 84% of EBITDA<sup>6</sup> and 47% of the company's sales meet the requirements established in relation to the mitigation of climate change.

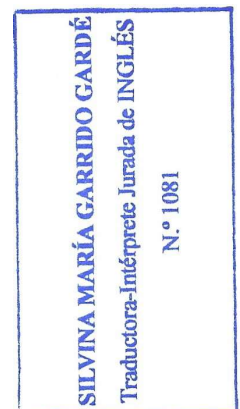
The variation in the percentage alignments with 2019 (93% of CAPEX, 83% of EBITDA and 58% of sales) occur for a number of reasons:

- > The CAPEX figure within the taxonomy has changed compared to the previous year because of an extraordinary contribution to the figure attributable to the acquisition of a portfolio of construction projects in Australia. Discounting the effect of this extraordinary contribution, the CAPEX figure within the taxonomy would have been 91%.
- > The technical requirements for the classification of activities have been updated compared to the June 2019 TEG recommendations document used last year. This circumstance impacts principally on the sales figure within the taxonomy which, using the previous criterion, would have been 50% of the total figure.

Notable among the activities contributing to these figures are the following:

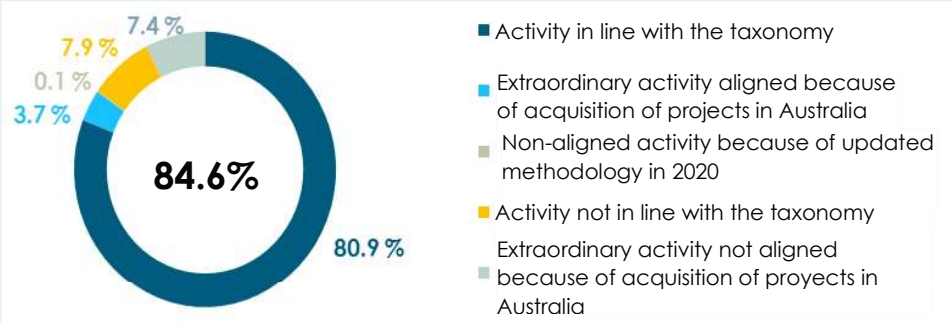
- > Energy: the construction and operation of production and transport installations for exclusively renewable source energy produced using wind, photovoltaic, hydraulic, biomass and solar thermal technologies.

<sup>6</sup> This figure has not been verified because it does not form part of the key indicators of results associated with environmentally sustainable economic activities observed by the Regulation (EU) 2020/852 of the European Parliament and the Council of 18 June 2020 relating to the establishment of a framework to facilitate sustainable investments.

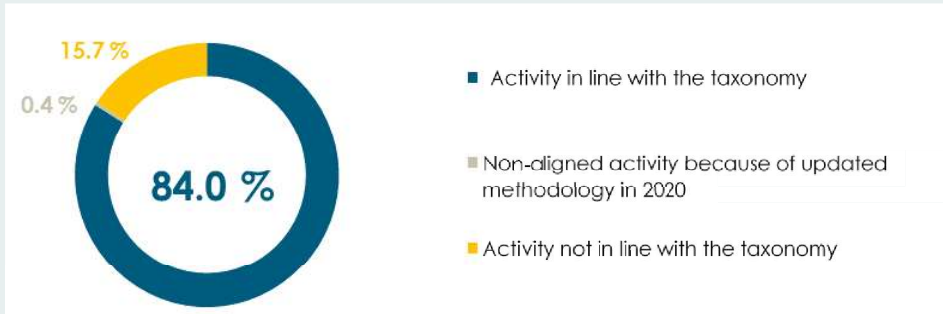


- > Transport: the construction of low-carbon transport infrastructure, principally urban and intercity railway infrastructures and the operation of mobility services using 100% renewable electricity.
- > Other taxonomy activities: waste water treatment with renewable energy use and the efficient supply of drinking water, especially in water-stressed regions; provision of management services for waste ready for recovery; Construction and promotion of certified sustainable buildings; the development of energy-efficient services; investment in manufacture of wind generators and reforestation services.

Alignment of CAPEX with the European taxonomy



Alignment of EBITDA with the European taxonomy



Alignment of sales with the European taxonomy



55

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

Governance and strategy in line with global economic decarbonisation targets

ACCIONA fully shares the objectives of total decarbonisation of the economy through public commitments, policies, specific procedures and objectives, and an economic incentive model linked to achieving GHG emission reductions for directors, managers, technical and support staff (see chapter 'People centric').

In terms of climate change governance, the body responsible is the Board of Directors' Sustainability Committee, which since 2009 has been performing the following functions, amongst others, on a quarterly basis (more information in the chapter on "Degree of Fulfilment of Commitments"): identify and guide the group's climate change policies, objectives, best practices and programmes; evaluate, monitor and review the plans for implementing these policies drawn up by group executives; periodically review internal control and management systems and the degree of compliance with these policies; and report to the Board of Directors on climate change policies, objectives and programmes, and the corresponding budgets for their implementation.

ACCIONA's Climate Change Policy, which has been approved by the Board of Directors, is reviewed in accordance with the corporate management system standards and one of its priorities is to lead the transition towards low-carbon business models. This climate agenda is embodied in the objectives of the Sustainability Master Plan (SMP), whose initiatives and commitments are managed by the Corporate Sustainability Area, reporting directly to the Sustainability Committee and to one of the members of the Management Committee (the corporate sustainability director). The climate change targets and principles as articulated in the 2020 SMP are as follows:

- > To reduce its own emissions and those of its supply chain in the period from 2017 to 2030, in line with the needs established by science to keep the increase in global temperature below 1.5°C (60% reduction in Scope 1 and Scope 2 emissions, and 47% reduction in Scope 3 emissions<sup>7</sup>). These are targets approved by the Science Based Targets initiative.
- > To be a carbon neutral company in its direct operations, so that, once the reduction in emissions in line with science is achieved, the remaining emissions in Scopes 1 and 2 can be offset. Since 2016 ACCIONA has been offsetting these emissions by cancelling carbon credits generated by renewable generation projects.
- > To develop projects, products and services that contribute to the reduction of greenhouse gases, thus facilitating access to renewable energy.
- > To promote adaptation to climate change through access to water and resilient infrastructure.

Elsewhere, ACCIONA promotes the fixing of a carbon price that helps to redirect investment towards more sustainable production and consumption models.

Over the next five years, the new SMP 2025 will be extended to include new targets in relation to the European taxonomy of sustainable activities, the use of renewable energy in projects, reduced emissions overall and also by project, and the identification of zero carbon or ultra low carbon alternatives.

#### Progress on climate action

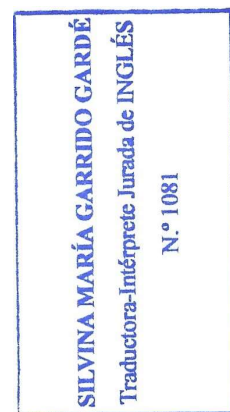
ACCIONA met its emissions reduction targets in 2020, reducing Scope 1 and 2 by 38% compared to 2017 and Scope 3 by 33% for suppliers. These results were possible thanks to the commitment to renewable energy and energy efficiency, and also to the quantification of climate change risk in the supplier selection process, although they were also affected by the pandemic situation around the world during the year. The company has also continued to evaluate and manage its climate change risks by monitoring and consolidating the climate adaptation plans of its businesses.

#### Use of the internal carbon price

The company subscribes to the petition of the Carbon Pricing Leadership Coalition (CPLC), a group comprising political leaders, companies, civil society and academics, for stable, long-term carbon pricing policies. Charging the price of carbon to operating costs is a very effective measure in the fight against the climate emergency.

Since 2016, ACCIONA has committed all its business areas to internalising their CO<sub>2</sub> costs to become a carbon-neutral company in its direct operations.

<sup>7</sup> See section on Scope 3 emissions.



The company has a Guide to the use of internal carbon pricing which explains which uses of carbon pricing are favourable to the company's activities, each with its own objectives, scope and price levels:

- > Decarbonisation price: this price, €7/t CO<sub>2</sub>e in 2020, applies effectively to all ACCIONA's business units, which are required to pay according to the GHG emissions they generate. A part of the amount raised is used to offset the emissions generated, while the rest is set aside for the decarbonisation fund, constituted in 2020 to provide incentives for investment in measures to reduce the carbon footprint.
- > Shadow price: this price, €39.4/t CO<sub>2</sub>e in 2020 (+2% on the 2019 price), is based on the estimated cost of the external effect of the company's greenhouse gas emissions. It is used in certain bidding for medium and long-term projects as an additional element in the risk analysis of the tender, which contributes to anticipating the resilience of the project to regulatory scenarios arising from compliance with the Paris Agreement.

## Decarbonisation fund

Charging the price of carbon to operating costs is one of the most effective measures any company can take in the fight against the climate emergency.

Since 2016, ACCIONA has had a fund for which the budget arises, precisely, from charging the internal price of carbon to each of its businesses, and reinvesting in the carbon neutrality of the company's direct operations and in actions to reduce GHG emissions.

Financing for decarbonisation activities through the fund is awarded by means of an internal bidding mechanism, in which the company divisions present their proposals. A selection committee decides which initiatives are priority according to their impact and return, and finally a committee comprising members of senior management is responsible for allocating funds to the most interesting projects.

In 2020 had a budget of €1.1 million, intended for 14 projects which are estimated to achieve reductions of GHG emissions of close to 27,000t CO<sub>2</sub>e.

## Managing the risks of climate change

Management of climate risks at ACCIONA is carried out through the application of a specific corporate procedure, which identifies, evaluates, prioritises and communicates to the company's decision-making bodies the risks associated with climate change that might affect the group and its centres. This process results in the establishment of policies for action and tolerance thresholds that provide a reasonable guarantee that objectives will be met, both in the short term (one year), the medium term (the five years in which each Sustainability Master Plan is in force) and the long term (10 years, in accordance with observations of mega-trends and already established targets, such as the SBTs).

A number of tools are used to identify climate risks and opportunities, notable among which is the company's digital climate change model that monitors, for all ACCIONA centres, the historic and projected climate variables under different temperature increase scenarios and with different timelines provided for in the latest IPCC reports. This instrument also oversees the production, financial, emissions generation and energy consumption variables. It also includes references to the climate policies and the carbon markets in each region, thereby constituting an essential source of information when it comes to anticipating situations, particularly those related to medium-long term physical events and short-medium term transitions. Specifically, in order to provide for medium-long term transition scenarios, the identification of activities within the European taxonomy is a necessary reference point. In addition, during the identification process other tools are used that are not yet integrated in the digital model, such as those devoted to the identification of legal requirements; also indispensable in this regard is the experience of the members of the groups evaluating the scenarios.

The risk management process is an annual process that begins with the configuration of groups of experts at the level of each business. Using the tool mentioned above, the experts propose a battery of risk scenarios for each ACCIONA location, group of locations and/or line of business (or its value chain), taking geographical exposure and vulnerability into account.

The climate scenarios most commonly used to identify risk cases are those that foresee a limited temperature increase of 1.5°C to 2°C in the case of transition risk scenarios, and an increase of at least 3°C in the case of physical risk scenarios (RCP 6 and RCP 8.5).



Once identified, each risk scenario is evaluated in terms of the probability of it occurring and the economic and reputational consequences. These variables are then used to determine the risk level of each of the scenarios considered (see chart with the climate risks highlighted). For those with a greater risk of occurring, each assessment group prepares specific reports informing the company's decision-making bodies about mitigation options and the estimated costs associated with them.

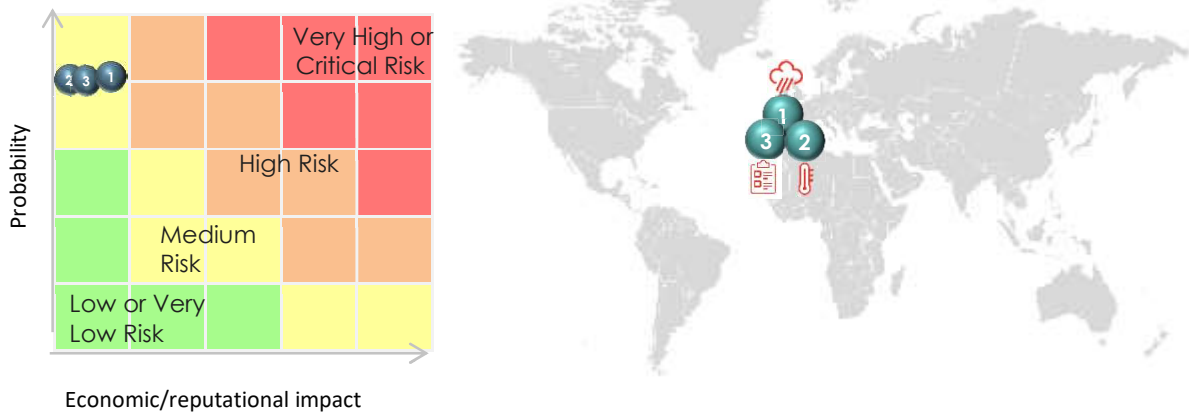
At the final stage, the climate risk scenarios are integrated into ACCIONA's general risk management process, which is overseen by the Board of Directors (which has a Sustainability Committee, convened quarterly, as the body ultimately responsible for climate change in the company), the Audit Committee, the Finance and Risk Department and the Divisional Management Committees.

#### Key climate risks and opportunities

Shown below is an evaluation of the most significant climate risk and opportunity scenarios for ACCIONA in 2020, together with their potential impact and timeline, geographical scope, business lines affected and the actions taken to manage them. Generally speaking, it can be affirmed that ACCIONA's business strategy is resilient to climate change, with a moderately low impact in terms of risk and a high impact in terms of opportunities.

#### Climate risks

In 2020 it so happens that the most notable climate risks are located in the same geographical area.



58

No.	Category	Description	Type of impact	Business	Risk management and mitigation
1	Physical	Lower hydraulic generation in Spain due to reduced run-off.  A medium risk is identified in the long term.	Decreased revenue (low)	Energy	Processes for monitoring and controlling changes in the production and management of reservoirs are being implemented with weather forecasting to enable better planning and management of the reservoirs.
2	Physical	Loss of efficiency in the electrical conversion of wind turbines in Spain due to increased working temperatures.  A medium risk is identified in the long term.	Decreased revenue (low)	Energy	The capacity to manage risk is limited but a policy of geographical and technological diversification of installed capacity has been implemented to mitigate the risk
3	Regulatory	Increase in the operational cost of the Business's machinery in Spain to adapt it to	Increased costs (low)	Construction and Services	Inclusion of energy efficiency and emissions criteria in the decisions on

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



No.	Category	Description	Type of impact	Business	Risk management and mitigation
		the regulation on energy efficiency and GHG emissions.  A medium risk is identified in the medium term.			acquisitions of new machinery and vehicles. Replacement of older machinery with more efficient models. Consideration of leasing options.

### Key climate opportunities

Category	Description	Type of impact	Business	Opportunity management
Products and services	Increase in the demand for renewable generation infrastructure due to changes in climate change regulations. The regulatory development of the European Union Green Deal promotes this type of opportunities in the short, medium and long term.	Increased revenue (very high)	Energy	Investment of at least €4 billion in renewable generation during the 2020-2024 period, increasing the installed capacity by at least 5GW. This figure might even be exceeded when planned and pipeline projects with a greater likelihood of being carried out are taken into account. (See updated information in the "Presentation of Results. FY 2020 – January-December", and in the successive quarterly presentations)
Products and services	Increase in the worldwide demand for low carbon transport infrastructure because of the predicted mobilisation of capital for investment in sustainable activities in line with the requirements of the European Union taxonomy in the short, medium and long term.	Access to financing (high)	Infrastructure	Structuring of the Infrastructure projects portfolio with greater weight for projects in line with the opportunity detected <sup>8</sup> .
Products and services	Increase in the demand for water treatment infrastructure in regions where greater shortages are predicted because of climate change. Opportunity in the short, medium and long term.	Increased revenue (high)	Infrastructure	Structuring of the water treatment infrastructure portfolio with notable presence in the countries identified, which are where currently more than half of the economic activity is generated.

59

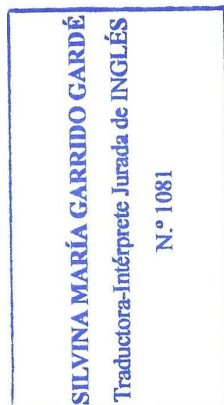
### Key climate metrics and indicators

#### Emissions generated

The emissions generated are calculated according to the criteria defined in the GHG Protocol, under the financial control scheme, consolidating as CO<sub>2</sub> equivalent emissions corresponding to all the GHGs that are important for the company: CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O, HFC and SF<sub>6</sub>. The criterion for the consolidation of energy consumption and other emissions follows the same accounting criterion.

The conversion factors used are those indicated by:

<sup>8</sup> More information on sustainable financing in the chapter "Integrate to transform".



- > Intergovernmental Panel on Climate Change (IPCC), in the 2006 IPCC Directives for GHG inventories.
- > National Inventory of Greenhouse Gases (GHG) of Spain.
- > International Energy Agency.
- > Red Eléctrica de España (the Spanish grid operator).
- > ACCIONA's Green Energy business line.
- > The UK Department for Environment, Food and Rural Affairs.
- > The European Environment Agency.

### Scope 1 and Scope 2 emissions

In 2020, the company's target, in line with the science-based target for 2030, was to reduce its Scope 1 and Scope 2 GHG emissions by 13.86% compared to the base year 2017. It has managed to reduce them by 38%.

The sum of Scope 1 and Scope 2 CO<sub>2</sub>e emissions generated in 2020 was 133,146 tonnes, of which 98,194 tCO<sub>2</sub>e were Scope 1, and 34,952 tCO<sub>2</sub>e were Scope 2 market-based (107,663 tCO<sub>2</sub>e Scope 2 location-based).

#### Evolution of emissions generated (thousands of tonnes of CO<sub>2</sub>e)

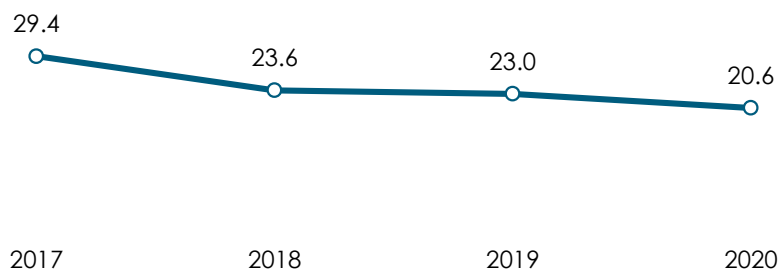


60

ACCIONA's carbon intensity value was 20.6 tCO<sub>2</sub>e /million euros of sales (Scopes 1 and 2).

The fall in GHG emissions was due to an increase in the use of electricity to the detriment of fossil fuels in some processes. For example, electrification of tunnel building has allowed a reduction of 219 tCO<sub>2</sub>e. Also particularly important are the implementation of energy efficiency measures, such as adjustment in biomass combustion plants, which has reduced CH<sub>4</sub> and N<sub>2</sub>O emissions by more than 4,000 tCO<sub>2</sub>e. Finally, the drop in activity deriving from the world pandemic also contributed to the reduction in GHG emissions last year.

#### Intensity of GHG emissions (tCO<sub>2</sub>/sales)



### Scope 3 emissions

For 2020, ACCIONA set a science-based target to reduce scope 3 GHG emissions by 10.85% compared to base year 2017 for the set of categories "Products, services and raw materials; Capital goods; Activity related to energy use (non-scope 1 and non-scope 2) and Upstream transport and distribution". The scope 3 emissions

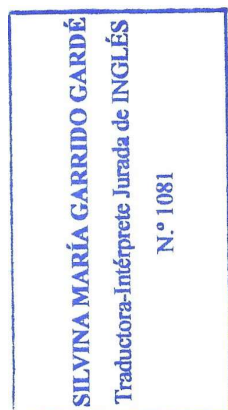


figure for these four categories decreased by 33% compared to 2017, while the scope 3 emissions overall were down by 21 %.

In 2020, ACCIONA continued to implement measures to reduce scope 3 emissions. For example, it introduced life cycle analysis tools into project design, also reducing GHG emissions in phases that have no direct relationship with the execution of works. In addition, it included the climate change risk (Env/CO<sub>2</sub> variables) in the supplier risk map<sup>9</sup> and has made training courses on sustainability available to suppliers.

### Scope 3 emissions in relevant categories for ACCIONA (tCO<sub>2</sub>e)

Item	2017	2018	2019	2020
Purchased goods and services	947,033	764,918	948,031	993,471
Capital Goods	630,764	299,156	400,978	255,640
Fuel and energy-related activities (non-Scope 1 and non-Scope 2)	147,461	25,109	26,626	23,375
Upstream transport and distribution	203,034	48,443	37,179	27,976
Waste generated in operations	14,861	10,451	3,764	6,189
Business travels	17,190	17,785	14,336	3,973
Employee commuting	55,568	61,957	61,487	60,198
Upstream leased assets	486,985	557,942	649,565	589,267
Use of sold products	10,677	54,657	13,325	21,291
End-of-life treatment of sold products	144	191	155	161
Investments	39,040	19,346	26,775	29,804
<b>Total (tCO<sub>2</sub>e)</b>	<b>2,552,757</b>	<b>1,859,956</b>	<b>2,182,221</b>	<b>2,011,346</b>

The headings "Downstream transport and distribution", "Processing of sold products", "Downstream leased assets" and "Franchises" are considered irrelevant for ACCIONA because these activities are not carried out or their emissions are now included in Scopes 1 and 2 or in another Scope 3 category.

### Other emissions

Global emissions of NO<sub>x</sub> in 2020 were 1,539 tonnes, SO<sub>x</sub> 141 tonnes, PM<sub>10</sub> 51 tonnes and SF<sub>6</sub> 0.055 tonnes. The company set a target to reduce this type of emissions by 1.5% compared to the 2017 figures (discounting activities no longer attributable to ACCIONA). The target was met for all the indicators.

In 2020, biogenic emissions generated totalled 462,803 tCO<sub>2</sub>.

### Evolution of other emissions

Item (t)	2017	2018	2019	2020
NO <sub>x</sub>	14,683	1,767	1,673	1,539
SO <sub>x</sub>	3,351	248	193	141
PM <sub>10</sub>	958	76	74	51
SF <sub>6</sub>	0.094	0.050	0.059	0.055

The 2017 and 2018 figures include activities that are no longer attributable to the Company. Discounting these activities, the figures would be:

NO<sub>x</sub> 1,797 (2017) and 1,762 (2018)

SO<sub>x</sub> 185 (2017).

PM<sub>10</sub> 79 (2017).

### Emissions avoided

**SILVINA MARÍA GARRIDO GARDÉ**  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

<sup>9</sup> More information in the chapter Exponential leadership-Supply chain

At the end of 2020, ACCIONA had 10,694 MW of renewable capacity installed, having generated 24,075 GWh. This renewable production avoided<sup>10</sup> the emission into the atmosphere of 13.2 million tonnes of CO<sub>2</sub>e, 10,966 tNO<sub>x</sub>, 31,412 tSO<sub>x</sub> and 256 tPM<sub>10</sub>.

### Own energy consumption

In 2020 ACCIONA consumed 7,316 TJ of energy, 75% of which came from renewable sources.

This means that the company's fossil-fuel energy intensity stood at 0.3TJ/million euros sales, while energy intensity from renewable sources was 0.8TJ/million euros in sales.

The company has also established a target for reducing non-renewable energy consumption in line with its science-based GHG emission reduction objective (13.86% compared to the 2017 figure, consolidated under the same criteria as in 2019). This target was met, with non-renewable energy consumption falling below the 2,2562 TJ target.

Furthermore, in the framework of its new SMP 2021-2025, ACCIONA will have a target for renewable electricity consumption in 100% of its projects (provided there is availability).

### Energy consumption (TJ)

	2017	2018	2019	2020
<b>Renewable</b>	5,740	5,698	5,432	5,461
- Fuel	4,384	4,712	4,621	4,543
- Electricity	1,356	986	811	917
<b>Non-renewable</b>	13,331	4,488	2,013	1,855
- Fuel	8,787	1,692	1,623	1,297
- Electricity	4,544	2,796	390	557
<b>Total (TJ)</b>	<b>19,071</b>	<b>10,186</b>	<b>7,445</b>	<b>7,316</b>

The 2017 and 2018 figures include activities that are no longer attributable to the Company. Discounting these activities, the figures would be:

Renewable 5,625 (2017) and 5,476 (2018)

Renewable electricity 1,241 (2017) and 763 (2018)

Non-renewable 2,619 (2017) and 2,157 (2018)

Non-renewable fuels 1,902 (2017) and 1,604 (2018)

Non-renewable electricity 717 (2017) and 553 (2018)

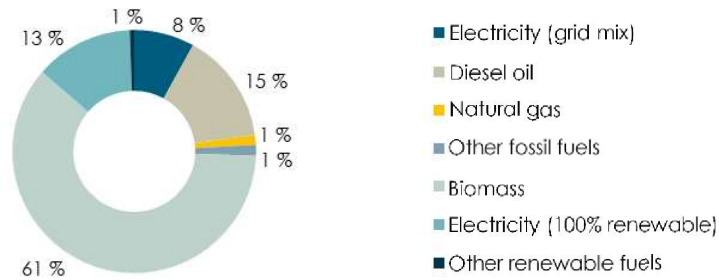
Total 8,244 (2017) and 7,633 (2018)

62

**SILVINA MARÍA GARRIDO GARDÉ**  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

### Energy consumption by source

<sup>10</sup> These emissions correspond to what would have occurred if ACCIONA's electricity production in each country had been generated using the electric-fossil fuel mix.



### Third-party energy consumption

Presented below is the most relevant energy consumption outside the organisation, calculated according to the company's Scope 3 categories. Its variation compared to the previous year was influenced by the pandemic, both in the volume of purchases from suppliers and their location, and in employee travel.

In 2020, ACCIONA had a Scope 3 energy reduction target in line with its science-based GHG emission reduction target.

### External energy consumption (GJ)

Item	2017	2018	2019	2020
Purchased goods and services		11,327,661	14,551,269	14,718,262
Capital goods		4,231,087	5,697,955	3,608,315
Fuel and energy-related activities (not Scope 1 or Scope 2)	21,891,112	517,024	543,894	506,160
Upstream transport and distribution		659,103	503,346	372,464
Waste generated in operations	197,506	138,896	50,023	82,248
Business travels	242,624	251,756	203,160	57,607
Employee commuting	788,330	853,119	850,388	852,323
Upstream leased assets	1,815,757	145,453	6,063,896	5,316,475
Use of sold products	836,599	622,020	201,701	279,147
End-of-life treatment of sold products	1,909	2,542	2,062	2,143
Investments	350,478	423,611	625,681	682,533
<b>Total (GJ)</b>	<b>26,124,314</b>	<b>19,172,272</b>	<b>29,293,375</b>	<b>26,477,676</b>

The items "Downstream transport and distribution", "Processing of sold products", "Downstream leased assets" and "Franchises" are considered irrelevant for ACCIONA either because these activities are not carried out or their consumption is now included in the company's consumption or in another category of external energy consumption.

The 2017 and 2018 figures include or exclude activities whose attribution to the Company as energy consumption of third parties has changed in the subsequent years. With the current attribution, the figures would be:

Assets leased to the organisation: 4,045,881 (2017) and 4,625,865 (2018)

Employee commuting: 761,393 (2017),

Products, services and raw materials, Capital goods, activity related to energy consumption (not Scope 1 or Scope 2) and upstream transport and distribution: 20,936,195 (2017),

Total: 27,372,585 (2017) and 23,652,684 (2018)

63

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

## WATER

ACCIONA has a specific water policy approved by the Board of Directors' Sustainability Committee, the main objective of which is to support the fundamental human right of access to drinking water and sanitation.

ACCIONA recognizes that water is a finite and irreplaceable natural resource, and so its water management strategy takes into account the availability and quality of this natural resource and the equilibrium of the ecosystems where it is found.

ACCIONA's water agenda is determined by strict compliance with the law, responsible and efficient management, the establishment of specific objectives through the Sustainability Master Plan, the development of new technologies, the integration of water into risk management, the extension of its principles to the value chain and transparent communication.

### ACCIONA's use of water

There are four different ways in which ACCIONA uses water in its operations:

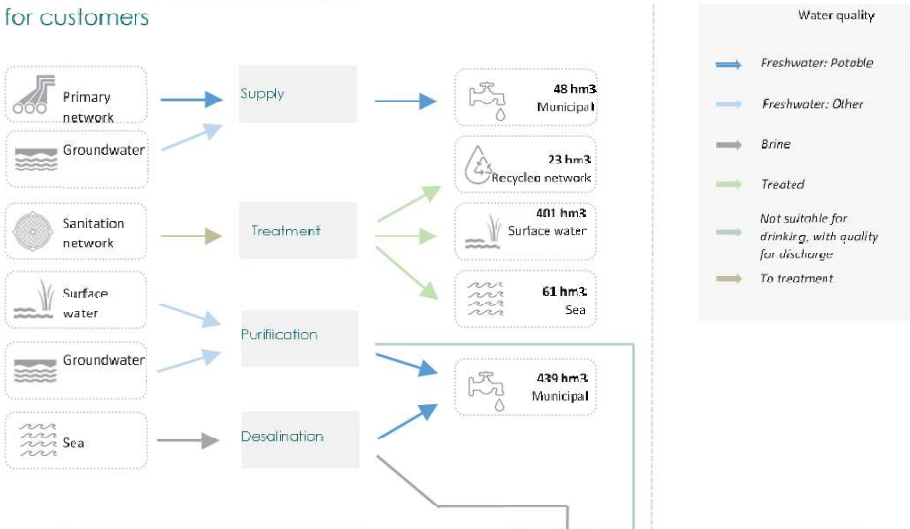
- > **Treatment and distribution of water for customers:** this is water that is captured in desalination, drinking water and water treatment plants or services operated by the company for the supply of water to customers. The principal characteristic of these waters is the fact that the quality levels must be fit for human consumption or compliant with the legally established decontamination levels. In 2020, the volume of water treated by ACCIONA was 923hm<sup>3</sup> (439hm<sup>3</sup> in water-stressed countries), while water supplied from primary networks and groundwater sources amounted to 48hm<sup>3</sup>.
- > **Water for internal consumption:** this is water used by the company at its own facilities. This use includes freshwater obtained from the municipality, as well as surface and groundwater, for which ACCIONA has set a reduction target of 7% in 2020 compared to 2017 (in 2020 the reduction was 61%). It also includes the use of water from sources that do not deplete available natural reserves, such as rainwater, recycled mains water and water reused or recycled on site (in 2020, 48% of ACCIONA's total water for internal consumption came from one of these three sources).
- > **Discharge:** this refers to the residual water from ACCIONA's internal consumption that has not evaporated or been used in any company asset and that is removed from the facilities as specified in the relevant discharge permits. This section includes brine discharged from the desalination plants operated by ACCIONA which account for the highest percentage of its discharges. All wastewater discharged by ACCIONA complies with the specifications in the relevant discharge permits.
- > **Transferred water:** this refers to water that enters and leaves ACCIONA's facilities (hydroelectric and biomass plants) without generating any type of consumption and without the quality of the water or the ecosystems being affected in any significant way.

The company and bodies responsible for the environment implement prevention measures to minimise possible impacts on species that might be found in river ecosystems and other bodies of water, as well as rules for respecting the environmental flow system and the technical requirements set by the administration itself. The processes that guarantee compliance with the requirements for water collection and discharge are part of the environmental management systems implemented, verified and certified by the company according to the ISO 14001 international standard.

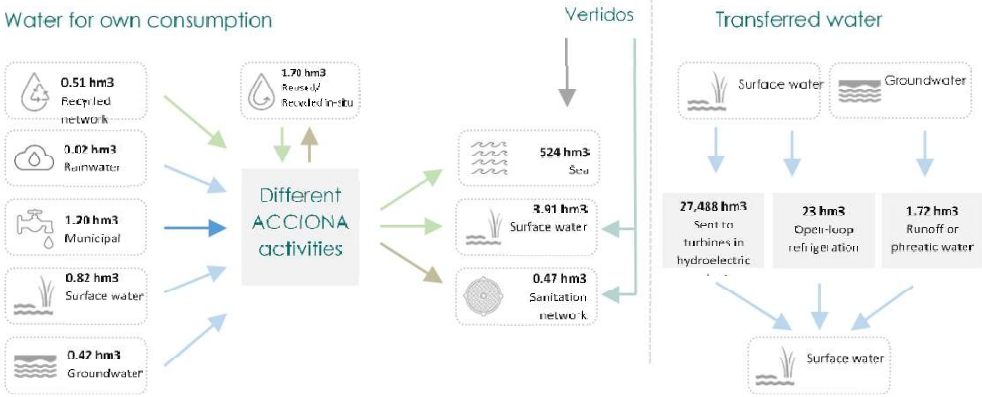


Water usage in 2020

Water treatment and distribution for customers



Water for own consumption



65

The volumen of treated water in 2020 went down, due principally to the fall in generation of desalinated water in the Middle East region, in all likelihood as a result of the COVID-19 pandemic.

Meanwhile, the volume of water for internal consumption increased, particularly in the category of water that is recycled/reused in-situ, as a result of the appearance of volumes used basically for consumption in the WWTP (Wastewater Treatment Plants).

ACCIONA also calculates the water consumption (surface and groundwater) associated with its suppliers, resulting in just over 5hm<sup>3</sup> for its direct suppliers and 34.7hm<sup>3</sup> for its entire supply chain.

The generation of discharges remained relatively stable.

The volume of transferred water was up, due to a better hydrological year, resulting in higher turbine flows at hydroelectric plants.

Water-related risks and opportunities

As with climate risk management, the management of water-related risks is part of the company's environmental risk management strategy and is implemented using a procedure that identifies, assesses and prioritises the potential events that might be harmful to the company and its centres. This procedure enables the company to establish policies and tolerance thresholds that provide a reasonable guarantee that objectives will be met. The process includes the assessment of physical and transitional risks and other threats.

The possible present and future scenarios (short term - 1 year, medium term - 5 years and long term - 10 years) in which these risks may arise are evaluated in terms of probability of occurrence and consequences for the company (operational, economic and/or reputational). To this end, different variables of exposure are

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



analysed and different tools are used, such as: i) tools to monitor consumption and discharges, ii) identification of consumptions in the supply chain, iii) water risk maps provided by reference organisations (WRI Aqueduct, Maplecroft), iv) tools for identifying legal requirements, v) procedures for social impact management, vi) procedures for environmental management and vii) know-how of the company's qualified personnel. In 2020, as with the rest of the ESG risks, the process was complemented with an analysis of the relationship between environmental, social and governance risk scenarios, which has pinpointed those that occupy a notable position in the company.

The main opportunities deriving from the company's activity in water resources are managed by the Water division, which currently takes its treatment, purification and desalination solutions to areas of the planet struggling with major water needs.

The process of managing water risks is addressed by each business on an annual basis.

## CIRCULAR ECONOMY

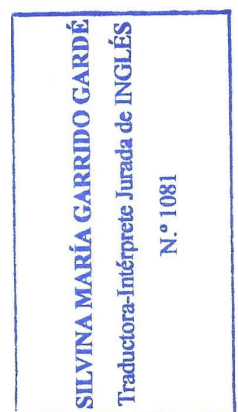
ACCIONA is a pioneer in the transition to a circular economy. In fact, it was the first company in its sectors of activity to be awarded the AENOR circular business strategy certification.

The company carries out multiple actions testifying to its performance in this area. For example:

- > It generates renewable energy from inexhaustible sources such as the sun and the wind, and from agricultural and/or forest waste.
- > It produces drinking water from seawater in areas with water stress, using the best available techniques from an energy expenditure standpoint. It also purifies waste water, preserving and improving the natural capital, which also facilitates its reuse.
- > It develops infrastructure that results in benefits for transport efficiency, the generation and transport of renewable energy, waste management and the sustainability of cities.
- > It provides services in shared electric mobility, infrastructure maintenance, energy management and segregated collection of waste, in addition to transport, classification and recovery of said waste.

ACCIONA also optimises the circularity of its processes in the following way:

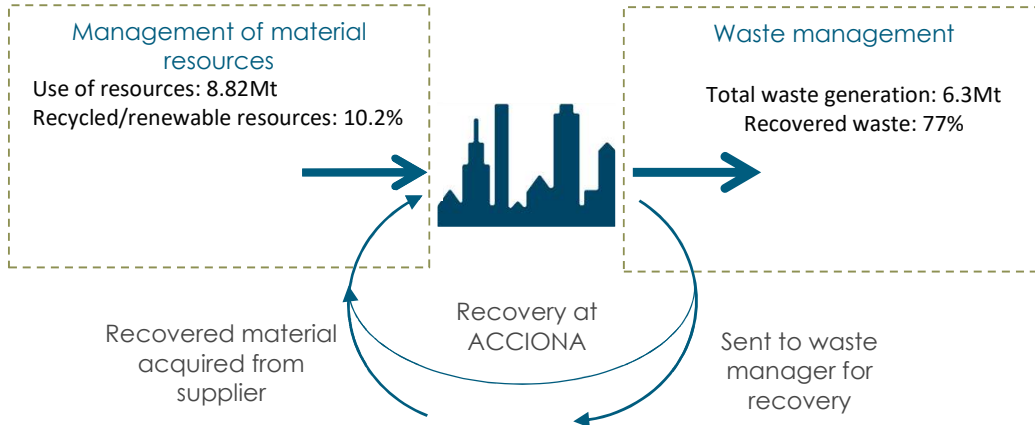
- > It uses life cycle analysis tools (16 LCAs carried out in 2020), allowing it to assess and reduce the impact of its developments, and also its consumption of material and energy resources.
- > It minimises its fossil fuel energy use.
- > It rationalises its water use and makes use of alternative water sources that do not exhaust the existing resources.
- > It gives a second life to the waste and subproducts deriving from its processes, such as soil, rubble, ash, slag, plant remains and sewage sludge.
- > It maximises the use of materials and uses sustainable materials such as recycled aggregates, renewable materials such as FSC certified wood and biomass, or advanced materials such as composites, which reduce to a minimum the amount of components used.
- > It carries out intensive R+D+i work in all areas of its activity, improving the efficiency of its processes and the performance of the resources used.
- > It uses digitization as a catalyst for circular opportunities in construction, through technologies such as building information modelling, machinery automation and 3D printing.
- > It works closely with its stakeholders in training and awareness-raising on the circular economy.



## Resources and waste management in line with the circular economy

The following diagram shows, as in the Circle Economy *circularity gap* graph<sup>11</sup>, the flows of materials at ACCIONA in 2020.

### Material flows at ACCIONA



### Waste Management Plan 2016-2020

This year saw the end of the Waste Management Plan 2016-2020, which came into being at the same time as circular economy legislation was being developed worldwide. It covers the most representative types of waste at ACCIONA and aims to establish a general strategy in waste policy to promote the circular economy model.

The overall objectives pursued by the Plan in 2020 are:

- > A 10% reduction in non-hazardous, non-recovered waste generated in 2015.
- > A 10% reduction in hazardous non-recovered waste generated in 2015.
- > The recovery of 50% of the total waste generated.

The plan also included recovery targets with different degrees of ambition for soil waste, rubble, dehydrated sewage sludge, slag, ash and plant remains.

In addition, the company expected to reduce the generation of contaminated soils by 10% in 2020 compared to the base year 2015.

Looking to the new period 2021-2025, ACCIONA has resolved to increase its efforts in the area of the circular economy, and plans to halve the amount of non-recovered waste generated in 2020, and double the percentage of renewable/recycled resources used.

In 2020, the company generated a total of 5,071 tons of hazardous waste (49% less than in the base year 2015) and 6,269,769 tonnes of non-hazardous waste (30% less than in 2015), of which 1,457,220 were sent to landfill (75% less than in 2015) and 4,812,549 were recovered (reuse, recycling or other means). The latter figure constitutes 77% of the total non-hazardous waste generation. It is worth highlighting, for example, the 100% reuse of legally recoverable slags and ashes generated in the company's biomass plants. The increase in waste generation on last year is due to the greater generation of soils at worksites such as a building work in Madrid and a road in Logroño (both in Spain).

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

<sup>11</sup> The Circularity Gap Report: <https://www.circularity-gap.world/>

## Waste generation and management

	2017	2018	2019	2020
Non-hazardous waste (tonnes)	12,118,376	9,602,772	3,784,469	6,269,769
Non-hazardous waste to landfill (tonnes)	6,923,817	4,053,423	940,177	1,457,220
% of non-hazardous waste to landfill	57%	42%	25%	23%
Non-hazardous waste recovered (tonnes)	5,194,559	5,549,349	2,844,293	4,812,549
% Non-hazardous waste recovered	43%	58%	75%	77%
Hazardous waste (tonnes)	21,104	8,633	2,761	5,071

## Use of resources

	2017	2018	2019	2020
Total resources (tonnes)	8,940,928	17,403,599	5,452,965	8,823,293
Recycled or renewable resources (tonnes)	1,763,063	5,065,995	490,135	901,199
Recycled or renewable resources (%)	20%	29%	9%	10%

Recycled or renewable: biomass, certified wood (FSC or similar), soil, aggregates, steel, recycled paper and cardboard

## BIODIVERSITY

### Principal lines of action

In 2020, the UN Convention on Biological Diversity (CBD) published its fifth Global Biodiversity Outlook report (GBO-5), in which it presents a final assessment of progress towards the Aichi Biodiversity Targets 2010-2020: 6 of the 20 targets were achieved "partially". The document describes eight major transitions necessary to slow down the accelerated decline in biodiversity and includes the scientific basis for a new world biodiversity framework post-2020.

The national reports submitted to the CBD provide proof that the transitions necessary to protect biodiversity have already begun and that practically all countries are adopting measures.

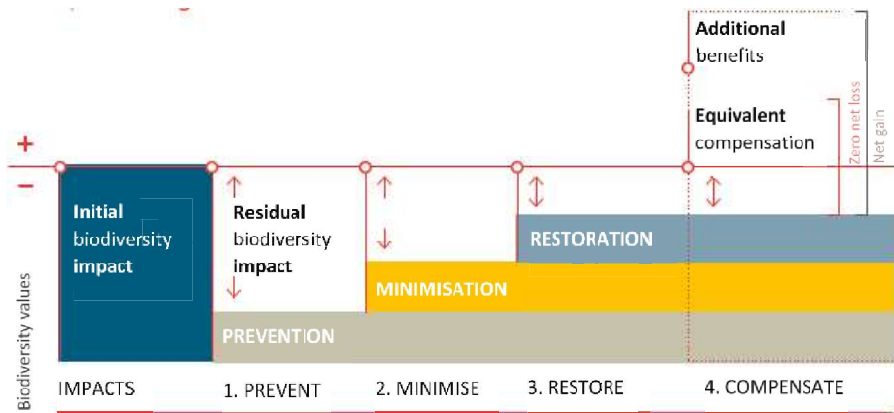
From a business point of view, we cannot remain on the sidelines. ACCIONA views biodiversity conservation and the responsible use of natural heritage not only as an ethical commitment but also a necessary condition for global sustainability. ACCIONA has drawn up a specific Corporate Biodiversity Policy which uses a variety of principles to promote the appreciation for and conservation of animal and plant species as a necessity for economic development and social progress.

In its new 2025 Sustainability Master Plan, ACCIONA has included a strategic line on biodiversity, with the aim of both applying the hierarchy of mitigation of impacts in all its projects and setting targets that can deliver a positive material result for the environment and biodiversity through natural science-based solutions.

### Hierarchy of mitigation in biodiversity

ACCIONA accords priority to the hierarchy strategy of mitigating impacts on biodiversity, identifying and preventing potential impacts that might occur, minimising those that cannot be avoided, taking restoration actions and, finally, proposing offset actions to achieve a Net Positive Impact. The company develops environmental surveillance plans to control and monitor the measures implemented.

Hierarchy of mitigation diagram



Source: modified from IUCN 2015.

Biodiversity Enhancement and Compensation Programme

As part of its strategy on mitigation hierarchy, ACCIONA has a programme for the design and execution of voluntary initiatives that go beyond governmental requirements and the aim of which is to contribute to the Net Positive Impact on Biodiversity, favouring the situation of certain threatened species and/or ecosystems.

The company publishes information on its actions to offset its environmental impact under this programme, as well as the results obtained. Additionally, it communicates best practices in biodiversity linked to the development of the activity of its different businesses, in order to share knowledge and determine whether it is possible to replicate them in other operations. This information is outlined in the report ACCIONA, Global Commitment to Biodiversity.

69

Nest boxes for protected species in ACCIONA installations

Nocturnal birds of prey play an essential role in the ecological balance of many ecosystems on the planet. This is why these species are protected by law in many countries. In recent decades, the populations of some species have fallen in several countries, including Spain, because of the shortage of suitable nesting sites.

To encourage birds of prey to nest, ACCIONA has installed nest boxes in different production centres (facades of buildings, water treatment plants, renewable energy installations, vineyards, etc.). Since the project began, more than 500 have been built. Special Employment Centres collaborated in installing them.

The occupation of the nest boxes was monitored during the breeding season to check on the number of chicks born. It is estimated that every year around 100 have hatched in the nest boxes installed. This means that this initiative has facilitated the birth of more than 800 nocturnal and diurnal bird of prey chicks.

In 2020, the scope of the project was extended with the installation of 47 new nest boxes around the company's vineyards in Spain, not only for birds of prey but also for insect-eating birds and bats. These species are vital for ecosystems and biodiversity because of their significant ability to pollinise, spread seeds and control plagues of insects.

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

Neutral biodiversity footprint

Within the framework of the 2016-2020 Sustainability Master Plan, ACCIONA set itself the goal of developing a methodology allowing it to measure its biodiversity footprint and achieve neutrality, i.e. a target to achieve Net Zero Loss on biodiversity and, where possible, a Net Positive Impact.

The methodology, developed in collaboration with PwC, focuses on material aspects and integrates two internationally recognized tools that consider various impact categories: e.g. toxicity, climate change, water, land use and transformation or acidification.

As a result of this procedure, and thanks to the hundreds of hm<sup>3</sup> of wastewater treated and the millions of tonnes of CO<sub>2</sub> avoided annually at the company's renewable energy installations, ACCIONA obtains a positive overall result for its biodiversity footprint, equivalent to restoring a degraded space of several hundreds of km<sup>2</sup>.

However, to make it easier for the company's locations to manage the risks and impacts of their activities on fauna and flora, ACCIONA has developed specific biodiversity scorecards based on a digital repository of public biodiversity information and internal data, interconnected by cartographic representations and data analysis applications. These scorecards enable each operating centre to have updated data analyses of the principal biodiversity KPIs, and their referenced geographical position according to maps of protected areas.

Biodiversity performance indicators

Location with respect to the protected area

Location with respect to the protected area	Area (ha)
Internal	1,762
Partially internal	1,301

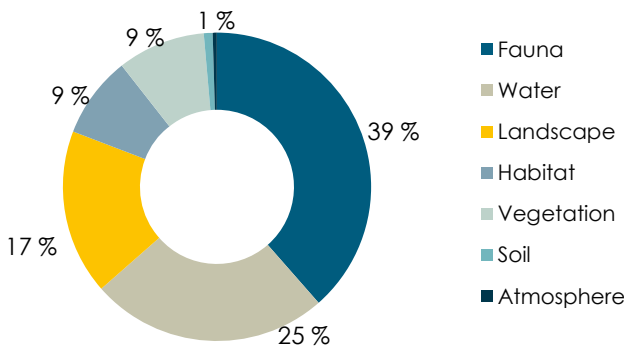
Identification and assessment of the most significant impacts

ACCIONA identifies and assesses the most significant impacts of its facilities located in protected and non-protected areas that are of great value for biodiversity.

In 2020, the most significant impacts were seen on fauna (39%) water (25%), and the landscape (17%) and, to a lesser extent, on vegetation, habitat, soil and atmosphere.

This assessment took into account the species affected, the surface area of the facility within the protected area, the duration of the impacts, and whether they were reversible or irreversible.

Most significant environmental impacts by area



SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

### Protected species

The company identifies the species affected by its facilities that are included on the Red List of Endangered Species prepared by the International Union for Conservation of Nature (IUCN) or included in national conservation catalogues.

The table below shows the number of species and the degree of protection according to the IUCN Red List. Furthermore, it takes into account the species that are not included on this list but are protected by national catalogues.

#### Protected species affected by ACCIONA facilities

IUCN Red List Protection Category		No. of species
CR	Critically endangered	1
EN	Endangered	3
VU	Vulnerable	12
NT	Near threatened	7
LC	Least concern	155
Other national catalogues		11
<b>TOTAL</b>		<b>189</b>

#### Habitat restoration and protection

	2017	2018	2019	2020
Surface (ha)	126	14.56	34.4	120.24

ACCIONA's projects consider the protection and restoration of those areas that could be affected by its facilities. As such, these projects involve work to protect and restore habitats, such as replanting, maintenance of forests and planting of affected areas.

Throughout 2020, the company has protected and restored 120 hectares in the areas surrounding its projects, and in practically all cases the success of the measures was verified by independent external professionals. Likewise, the services business has carried out the restoration, cleaning and environmental maintenance of hundreds of hectares of high environmental value.

As a result of these habitat restoration and protection actions, as well as other work in landscape integration or plantations in degraded areas or those lacking in vegetation, over the past year, a total of 861,561 plants were planted.

#### Bodies of water significantly affected by catchment or discharge

ACCIONA needs to withdraw and discharge water for certain activities: for example, the production of renewable electric power in hydroelectric power plants, where the water, after passing through the power plant, is sent back to the riverbed without its composition being altered; also for the supply of drinking water at drinking water treatment plants (DWTP) and seawater desalination facilities; and finally, for construction work.

Therefore, the company uses prevention measures, such as water treatment prior to discharge or the installation of systems that improve the connectivity between river sections, that help minimise any potential impacts on species that may be present in river ecosystems. This also guarantees respect for the regime of environmental flows and the technical requirements established by the competent authorities.

### INTEGRATED ENVIRONMENTAL MANAGEMENT

ACCIONA's business model is based on the development of sustainable infrastructure. This is a challenge which has mainly been focused in recent years on the decarbonization of the energy mix through the generation of renewable energy; the design, construction and operation of resilient infrastructure; and the mitigation of water stress in large regions of the planet. Since all industrial activity involves a significant impact on the environment where it takes place, the company adheres to the precautionary principle, especially

when it comes to managing environmental, climate and water risks in an integral way, reducing and offsetting emissions, promoting the circular economy, and conserving biodiversity.

Environmental protection is included in the Code of Conduct and is developed through four action policies that cover the main operating risks: Environmental Policy, Climate Change Policy, Water Policy and Biodiversity Policy.

Integrating the environmental variable and applying the environmental policies and principles to operations in ACCIONA's businesses is guaranteed through strategies that are referred to the Board of Directors' Sustainability Committee. As such, compliance with the goals in the areas of the environment and climate change is ensured.

ACCIONA has especially qualified staff in each of the functional, hierarchical and geographical areas. This means that top quality and experience can be employed at all times in pursuing the company's business, always according to the strictest environmental standards.

### Environmental investment and expenditure

Last year, the company allocated €69.8 million to the management (prevention, reduction or correction) of the environmental impacts generated by its operations (€65.9 million in expenditures and €3.9 million in investments).

#### Breakdown of expenses and investments for the management of environmental impacts (million euros)

Category	2017	2018	2019	2020
Minimising environmental impact	36.09	47.53	38.76	48.87
Environmental research, development and innovation	13.00	8.07	10.32	9
Staff dedicated to environmental activities	11.01	9.61	9.56	5.39
Investments in tangible fixed assets to avoid impacts and protect the environment	3.82	14.02	3.56	3.86
Environmental advice and consultancy	2.61	2.37	2.06	1.18
Others	2.70	1.61	0.75	1.47
<b>TOTAL management of environmental impacts generated</b>	<b>69.23</b>	<b>83.20</b>	<b>65.02</b>	<b>69.77</b>

72

### Environmental training

ACCIONA continues to promote its commitment to environmental training. In 2020, employees received a total of 3,889 hours of training in areas such as climate change, environmental management systems, waste management and environmental restoration of degraded areas, among others.

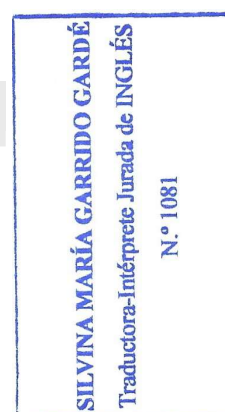
#### Environmental training (hours)

Division	2018	2019	2020
Energy	2,187	2,171	1,627
Infrastructures	3,152	5,060	1,969
Other businesses	32	118	293
<b>TOTAL</b>	<b>5,371</b>	<b>7,349</b>	<b>3,889</b>

### Environmental best practices and actions

The company identifies, analyses and assesses the environmental actions it carries out, and selects those that stand out for their clearly positive effects on the environment, their innovative nature or their scientific and/or social significance. The object is to distinguish and disseminate the most relevant ones within and outside the organisation.

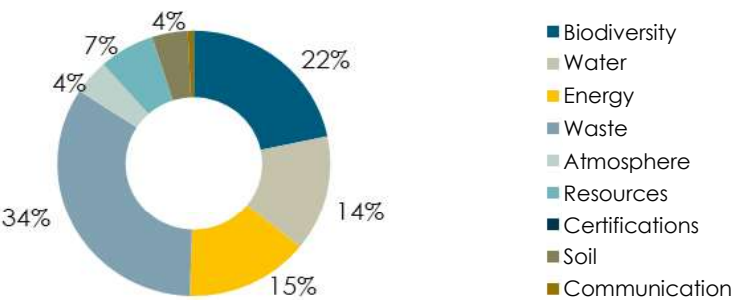
In 2020, the actions identified, analysed and evaluated in the different business lines break down as follows: 79% in infrastructures, 15% in energy and 6% in other businesses (Bodegas Palacio 1894 Group and Real Estate).



*[Handwritten signature]*



Main fields of environmental action analysed



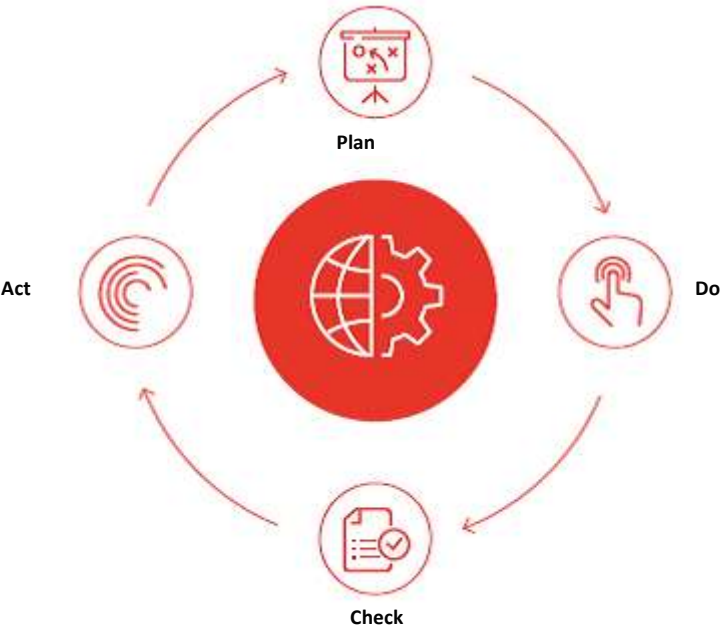
Principles of successful environmental management

ACCIONA's environmental management model, based on the principles of improving environmental performance, establishes a common framework of action that facilitates the coordination of the different environmental management systems of each one of the divisions. This model addresses the determination of environmental aspects from a life cycle perspective, and the identification of risks and opportunities as a way of ensuring improvement.

Through the company's environmental management systems, the potentially negative impacts of the company's carbon emissions and other harmful gas emissions, discharge, waste generation, use of resources in addition to noise and light pollution, are identified, evaluated and minimised, while maximising the positive impacts.

ACCIONA's environmental management systems are verified and certified by accredited independent bodies, according to the ISO 14001 standard.

Implementation of continuous improvement tools



The components of the management model are as follows:

- > Identification, evaluation and minimisation of environmental alterations that may be caused during the company's activities.
- > Analysis of environmental risks through a regulated technical procedure that quantifies the risk of an accident that could cause environmental damage or have a negative environmental impact on ACCIONA's business.

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

- > Identification and verification of legal requirements using tools especially designed for this purpose which make it possible to manage compliance with administrative obligations and other commitments, in addition to legal requirements.
- > Operational control using corporate tools which compile quantitative environmental information for each location, thereby making it possible to manage the environmental evolution of processes, set targets and define strategies.
- > Recording and classifying environmental near-misses<sup>12</sup>.
- > Implementation of tools for continuous improvement, identification and dissemination of lessons learned and good practices.
- > Establishment of annual goals on all businesses, taking as a reference the identification of the most significant environmental aspects in the management systems and the SMP.

### Evaluation and management of environmental impact

In 2020, 95 ongoing projects were subject to an Environmental Impact Assessment (EIA), 68 of which are being processed by the competent public authorities. In 13 cases, favourable environmental impact statements were obtained. The EIAs for these projects were published in the corresponding official bulletins and platforms were set up by the government to channel citizen participation and obtain their feedback in this regard.

In addition, ACCIONA tracked 254 Environmental Monitoring Plans (EMPs) at centres and facilities that were under construction, up and running or under maintenance.

### Environmental fines and penalties

During the 2020 financial year, a total of 13,402 euros was paid, corresponding to 7 fines and penalties of an environmental nature. Among the total amount of fines closed in 2020 there is one over 5,000 euros, the amount of which was 9,001 euros (in the construction business).

In addition, a total of 20,052 euros was paid in compensation. Provisions relating to probable or certain liabilities, litigation in progress and indemnity or outstanding obligations of an undetermined amount of an environmental nature, not covered by the insurance policies taken out, are made at the time when the liability or obligation determining the indemnity or payment arises. (Further information is provided in the sections on activities with an impact on the environment, provisions and litigation in the Consolidated Financial Statements).

74



<sup>12</sup> An environmental near miss is any incident that does not result in damage to the environment but has the potential to do so. In 2020, the company has recorded 735 environmental near-misses, most of which were insignificant spills. Eight incidents involving spills were quantified, with a total discharge volume of 291 m<sup>3</sup>. All cases were resolved by adopting corrective measures.

# Exponential leadership

*authenticity, transparency | We pursue a purpose*

ACCIONA has deep commitment as an actor in the sustainable transformation of this decade.



## KEY MILESTONES 2020

- > I'MNOVATION #Startups has held an event in Spain and another one in Chile to attract startups from 20 countries and pilot startups with 7 business units.
- > Digital innovative technologies implemented that improve processes in the business in collaboration with the Digital Innovation HUB.
- > Participation in sustainability forums renowned globally such as the World Economic Forum and Global Compact, among others.
- > Review and amendment of the Director Selection Policy.
- > Dual UNE 19601 and ISO 37001 certification for Infrastructure and Construction obtained in Spain and ISO 37001 for Water obtained in Italy.
- > Gradual implementation and development of the KPIs of the corporate tax function.



## MAIN CHALLENGES 2021

- > Develop open innovation programmes promoting projects that deal always at least with one of the SDGs.
- > Work with startups and cities in the search for regenerative solutions for citizens.
- > Reinforcement of the responsible sourcing strategy.
- > Adaptation of the Articles of Association and other governing rules to the changes in Draft that will amend the Corporate Enterprises Act.
- > Launch the process to renew the purpose, principles and promise, as well as the Code of Conduct.
- > Obtain the UNE 19602 certification in tax compliance management systems for ACCIONA S.A.

75

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

## AUTHENTICITY

This area of work of the PDS 2025 arises with the ambition to prove that our commitment is authentic and that everyone in the group is aware of it and share it. The values are recognisable and are present in everything the company does. ACCIONA's people acknowledge in the management trustworthy and reliable people, with values and commitment to the purpose. They are proud to work in the organisation and meet their need to contribute with their dedication and knowledge to improve the life of the people in the environment where they work.

### Transformation leverages

- > Redefine the purpose, the promise and the principles of the company in a new code of conduct that relies on extensive participation as the basis for ACCIONA Way of Doing common to all the business.
- > Have quality and satisfaction indicators of information for customers, investors, employees and suppliers, verified by independent third parties, that promote annual improvement plans.
- > Extend a common virtual meeting place accessible to all people from ACCIONA and the development of informal networks of practitioners around the company's core commitments.
- > Establish immersion processes in corporate values, especially in onboarding and in inherent rotation businesses.
- > Programme of rules on the position of the company regarding its commitment and defence of more sustainable development models.

### Relations with stakeholders (GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44)

Communication and constant dialogue are the cornerstones of ACCIONA's relationship with its stakeholders, namely the individuals and organisations that are directly or indirectly involved in the activity of the company. In short, employees, customers, local communities, partners, suppliers and subcontractors, public administrations and regulatory bodies, investors and analysts, and the media.

The Sustainability Committee of the ACCIONA Board of Directors drafted and approved a Stakeholder Relations Policy in 2018. This policy identifies the main stakeholders and outlines the company's principles for learning about the needs and expectations of its stakeholders. It thus facilitates the generation of shared value and the establishment of long-term relationships.

The relationship with local communities, suppliers and customers is dealt with in the following sections. The communication with the rest of stakeholders appears below.

### Employees

The company manages information, collaborative dynamics and dialogue with employees through an internal communication area. The COVID-19 pandemic has required reinforcement of the information on measures of prevention, safety, health and work organisation, this being the topic that has generated the most interest.

In 2020, the interaction with the employees, especially by means of the most effective and preferred channels for the workers, has improved. Direct communications by means of email and newsletters has increased in 88% compared to the previous year, until it reached 1,577 actions.

The global intranet, Interacciona, reached its maximum number of unique users per year with 13,327 people accessing the platform and viewing just over 5.4 million pages and 1,540 pieces of news. The intranet video channel has increased by 453% views. A tool was launched for the employees to share audiovisual content. In total, 118 videos have been generated.

Although in 2020 there was no global engagement survey (as this survey is conducted every two years and the plan is to have the survey in 2021), fourteen other surveys were taken in which around 9,000 employees took part.

As for meeting points, live broadcasts with participation, new digital solutions have been used, which increased by 45% the events up to 32 events held. Again, the topics that generated the most interest were those related to health and prevention against COVID-19.

76

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

## Local communities

Dialogue with communities enables ACCIONA to learn about and manage the concerns and expectations generated by its operations. This allows the company not only to integrate its projects into the social and environmental surroundings, but also to identify opportunities for sustainable development.

The Code of Conduct reflects ACCIONA's commitment to shared value with the local communities where it operates. This commitment is developed in the Sustainability Policy, the Social Action Policy and the Stakeholder Relations Policy, on the understanding that dialogue and cooperation with local communities enables the company to increase the positive impact of its activities on society. Within the framework of the Stakeholder Dialogue Policy, specific corporate guidelines on communications and dialogue with communities and other stakeholders were developed in 2018 and updated in 2019. These guidelines provide employees with tools to promote and manage relations with different groups.

The company has different communication channels, such as web forms, e-mails, phone numbers, suggestion boxes and local community offices, through which the stakeholders affected by a project can convey their queries, complaints or suggestions.

In 2020, the Sustainability Committee was informed on a quarterly basis of the relations maintained with local communities and the methods of communication and dialogue with them.

## Public administrations and regulatory bodies

ACCIONA participates and collaborates responsibly with public institutions and transparently offers its vision on matters affecting its business areas and the sectors in which it operates. It also cooperates with various associations that participate in the definition of regulations and policies developed by the various public administrations.

In accordance with its Code of Conduct, ACCIONA does not make financial contributions for political purposes or to obtain preferential treatment. Nor does the company use sponsorship or donations as a means of achieving this.

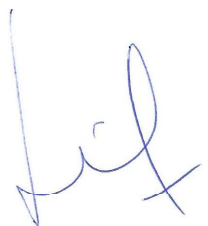
Within the European Union, ACCIONA has been registered since 2013 in the EU Transparency Register<sup>13</sup>, where the interests it pursues, who defends them and the related budget are published in a transparent manner.

In 2020, the group's dialogue with the institutions and business associations focused primarily on contributing to public consultation processes and supporting policy development in the following areas:

### Actions that apply to the whole group

Basic lines of action	Examples
Incentives for non-polluting behaviour and activities	<ul style="list-style-type: none"> <li>- Contribution to the European Commission's public consultation on the EU Green deal and other initiatives, supporting public policies and rules focused on promoting rapid ecological transition.</li> <li>- Participating and contributing ideas for the debate on the elaboration process of the Climate Change and Energy Transition Act and implementation rules.</li> <li>- Support for measures to implement the national integrated energy and climate plan.</li> <li>- Proposals to improve taxation to implement the polluter pays' principle.</li> </ul>

**SILVINA MARÍA GARRIDO GARDÉ**  
 Traductora-Intérprete Jurada de INGLÉS  
 N.º 1081



<sup>13</sup> More information at <http://ec.europa.eu/transparencyregister/public/consultation/displaylobbyist.do?id=451019811573-55&indexation=true&locale=es#es>

## Action in the energy area

Basic lines of action	Examples
Development of an energy model based on increased penetration of renewable energies	<ul style="list-style-type: none"> <li>- Stable regulatory framework to promote renewable technologies.</li> <li>- Design of an appropriate system of auctions to grant incentives to renewable energies.</li> <li>- Regulation on access and connection of generators to electrical networks according to the national renewable energy goals.</li> <li>- New options enabled for greater integration of renewable energies into the grid and the market (hybridisation, storage, repowering, etc.).</li> </ul>
Electrification as an indispensable tool for the transition to a decarbonised economy	<ul style="list-style-type: none"> <li>- Promotion of sustainable mobility based on electric vehicles with renewable energies.</li> <li>- Active participation in the development of a methodology for charging, supporting a scheme that encourages electrification and eliminating costs that are not related to electricity.</li> <li>- Proposal for environmental taxation to encourage the consumption of electricity (preferably renewables) as opposed to fossil fuels.</li> <li>- Participation in the development of a road map of hydrogen, supporting renewable hydrogen as a subsidiary vector of direct electrification.</li> </ul>

To develop these policies, ACCIONA participates in sectoral associations at the regional and national levels (e.g. AEE, APPA and UNEF), and also at the European (WindEurope and CLG Europe) and international levels (GWEC). The company is an active participant and holds positions of responsibility in their governing bodies.

## Actions in infrastructure, water and service areas

Basic lines of action	Examples
Development of regulatory frameworks conducive to green public procurement	<ul style="list-style-type: none"> <li>- Regulatory proposals aimed at enhancing the consideration of sustainability criteria in public procurement.</li> <li>- Recommending incentives to public procurement for electricity supply from renewable energies.</li> </ul>
Support for policies that favour energy saving and efficiency	<ul style="list-style-type: none"> <li>- Proposals aimed at providing incentives for the adoption by public entities of energy efficiency and renewable energy measures.</li> <li>- Regulatory proposals aimed at facilitating the participation of energy service companies in improving processes with the objective of achieving greater energy efficiency.</li> </ul>
Policies to ensure the sustainability of the urban water cycle management sector	<ul style="list-style-type: none"> <li>- Analysis of weaknesses and strengths in the water sector in Spain, and proposals for measures to ensure market unity and improve consumer protection.</li> <li>- Proposals for measures aimed at developing new technologies for a more responsible use of this resource.</li> </ul>
Promotion of sustainable mobility	<ul style="list-style-type: none"> <li>- Proposals aiming at facilitating the deployment of electric vehicles with renewable energies.</li> <li>- Proposal of measures to contribute to eliminating the barriers to the development of shared electric mobility systems.</li> </ul>

To promote its positions in these areas, the company collaborates with associations such as SEOPAN, in the field of infrastructure; the Business Association for the Development and Promotion of Electric Vehicles, AEDIVE; ANESE, in the field of energy efficiency, and AGA and AEAS, to promote and defend the common interests of service companies related to the integral water cycle.

### Investors and analysts

The Investor Relations area is an important channel of communication between the company and the financial community, allowing information to flow both ways. Relevant facts and information is transmitted to shareholders, analysts and potential investors to resolve doubts and raise awareness of ACCIONA, its strategy and possible sources of value creation. Reports, opinions and market trends are analysed to internally convey the main strengths and weaknesses perceived by investors and analysts, as well as the threats and opportunities detected in the market. Contacts with the financial community are maintained in strict compliance with applicable laws and paying special attention to the policy on information and

communications with shareholders, markets and public opinion, including, where appropriate, the content of the information provided on the website.

Within this context, more than 800 contacts were made with investors and analysts during the year, which included participating in and/or hosting investor conferences, road shows, reverse roadshows and earnings reports.

It must be highlighted that in 2020, in general, the trend to prioritise ESG criteria investments has increased, therefore, events, analysts and investment criteria related to environmental, social and corporate governance policies of the company have multiplied. In these contacts, ACCIONA has positioned its low-carbon activities designed by the EU. This circumstance represents an opportunity to promote the interest of investors in knowing the company and investing in it.

### Media

In 2020 and despite the difficulties arising from the impact of the pandemic, the need to accelerate the decarbonisation process has been a priority in the company's communication. The health, economic and social crisis has made it clear that the fight against climate change is essential for the recovery and an opportunity for ACCIONA's business model.

This trend has led ACCIONA to consider, as part of its commitment to sustainability, making additional efforts in the dissemination of decarbonization, mitigation and resilience solutions in the face of global warming.

The company has fulfilled this commitment by means of multidisciplinary analyses and debates in various media outlets. The group addresses in them the challenges and proposals for business, academia, government and politics to move towards a low-carbon economy.

As a result of its efforts to disseminate information, ACCIONA has strengthened its ties with the important forms of social media: radio and television. During this year, the company has laid the foundations to expand the company's media dimension using materials and resources capable of generating interesting audio-visual and radio content.

The creation of a network of communications managers in ACCIONA's priority countries has already created a climate of proximity and sharing with the leading media in those markets. The company is gradually becoming a model of sustainability, consolidating the image of a compact company in the countries where it operates.

### Other stakeholders: ACCIONA on the social networks

The company has increased this year also its strong position on the social networks as it exceeded 2.9 million interactions and experienced an increase of its community in about 230,000 people, the highest growth among the rival companies analysed.

In a year marked by the pandemic ACCIONA has adapted its message to the reality to demonstrate how it has contributed, through its business, to mitigate the effects generated by the health and economic crisis. The company has become one of the leading corporations in digital communication in Spain about the coronavirus, according to a report published by the consultancy company Epsilon Technologies.

## CUSTOMERS

Meeting the needs and expectations of its customers and users is ACCIONA's priority objective. The diversity of its business is reflected in the types of customers, which are primarily large customers from both the public and private sectors, such as corporations - Business to Business (B2B) - and financial investors. However, some group companies, such as the water, services, Grupo Bodegas Palacio 1894 and real estate businesses have direct relationships with the customers or users of the services provided -Business to Customer (B2C)-.

79

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



## Communications and customer relations

Just as the customers are diverse, so are the communication channels the company uses to seek greater accessibility and agility in the dialogue with them and with other ACCIONA stakeholders.

### Communication channels with customers



- > Customer websites, such as the private area for customers in wineries, real estate and Bestinver, or the water platform that offers 360-degree viewing for users.
- > Apps for interaction with customers.
- > Digital media and support. The real estate business established several virtual open days.
- > CRMs, such as the energy sales area, airport and energy services.
- > Call centre service for the real estate business or the energy sales business.
- > Physical service points at water service or solar offices; sales booths on real estate development sites or the reception of real estate's student residences.
- > Meetings. Bestinver held one streaming conference for customers in 2020.
- > Personalised managers for the wind projects of the energy business and service managers for waste removal contracts and landscaping businesses.

Among the matters discussed in 2020 communications with customers to keep them permanently informed of the protocols of actions for the COVID-19 pandemic and the follow-up and coordination committees set up for this, must be highlighted.

### Customer satisfaction

Measuring customer satisfaction makes it easier to plan actions aimed at improving their relationship with the company. Given the diversity of ACCIONA's products and services, the company considers a variety of factors in measuring customer satisfaction: evaluation of deadlines and starting in the energy and construction areas; sales management, meter readings or billing by Green Energy; or availability rates and incident resolution by Service. In Wineries, for example, customers evaluate the characteristics of the product, the attention received, logistics management and the brand. ACCIONA Cultural Engineering looks at the assessment of the concept and design of the project, among other issues.

Surveys are the most common method of collecting information on customer satisfaction and/or experience with ACCIONA products, services and projects. In 2020, a total of 7,991 surveys were sent out, with a response rate of 49%.

### Evolution of satisfied customers

	2017	2018	2019	2020	2020 Goal
Satisfied customers	99.8 %	97 %	97 %	99 %	97 %

### Complaints and claims handling

ACCIONA faces with due diligence the complaints lodged by customers by means of:

- > Specific procedures in all the division to manage complaint, claims and suggestions.
- > Accesible channels for customers to submit their complaints, claims and suggestions in specific areas of the websites, such as Water or Green Energy. Also, computer applications such as the one enabled by Construction to collect complaints related to work or the digital mailboxes of Service in various municipalities.
- > Complaint managers are appointed to evaluate the complaints and claims and coordinate their resolution.
- > Information is provided to customers and users on the status of their complaints and their resolution and closure, once an agreement is reached with the person who filed the complaint.
- > The number and measurement of complaints received is recorded annually.
- > The number of complaints that are closed or pending and the time spent on them is measured. Definition of action and/or improvement plans as needed.

The number of B2B complaints decreased to 1,059 and the number of B2C complaints decreased to 0.07 per thousand customers. 88% of the B2B and 79% of B2C complaints were successfully closed.

### Evolution of the claims

	2017	2018	2019	2020
<b>Business to Business (B2B)</b>				
Number of claims	1,043	861	1,335	1,059
B2B claims successfully closed (%)	95 %	85 %	86 %	88 %
<b>Business to Consumer (B2C)</b>				
Number of claims (per thousand customers)	13.7	17.4	17.0	0.07
B2C claims successfully closed (%)				79 %

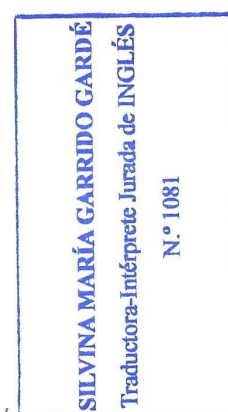
Complaint resolution times vary from one ACCIONA business to another, depending on the nature of the business. Across all divisions, more than 90% of complaints were resolved in less than 30 days. For instances, in the urban and environmental services activity the average time is one day and in the case of solar farms, each complaint is immediately resolved, except in some specific circumstances.

**More than 90% of the claims have been resolved in less than 30 days**

### Loyalty, recommendation and comparison with competitors

Most of ACCIONA's businesses use additional assessments to measure customer satisfaction:

- > The recommendations or level of satisfaction expressed by customers when asked: "Would you recommend ACCIONA to other companies? For example, the facility service in Mexico uses the NPS (Net Promoter Score) indicator which measures the difference between the percentages of detractors and promoters, receiving a score of 68 (excellent). Or Bodegas Palacio, whose level of recommendation was 100%.
- > The degree of loyalty which builds lasting relationships over time, by asking customers a direct question: "What are the chances you would hire ACCIONA again?"
- > The comparison of the company with competitors using a scale such as better, equal, worse.



*[Handwritten signature]*



**More information** in the sections “The energy business”, “The infrastructure businesses” and “Other businesses”.

### Customer health and safety

The Quality Policy includes the principle of ensuring the health and safety of customers and users. In addition, each of the safety management systems implemented in the company has a policy that specifies the principles and commitments of application, and which is approved by senior management and available to interested parties.

100% of ACCIONA's products and significant activities are assessed for their impact on the health and safety of customers and users, indicating, where appropriate, whether improvements need to be made.

There are a number of things that ACCIONA does to ensure the safety of its products and services:

- > Information to customers on how to safely use its products and services.
- > Specific action protocols for COVID-19 were implemented, including measures for the reinforcement of hygiene and disinfection and availability of means of hygiene for customers.
- > Product quality controls, critical point analysis and safety tests.
- > Regulatory inspections and compliance with applicable laws and international standards.
- > In the plants built by the industrial business HAZOP (hazard and operability) studies are carried out in the design phase, to highlight possible design problems and improve the safety of the installation.
- > In the case of Wineries, food safety risk analysis and exhaustive controls from the reception of raw materials and packaging materials to the production process and the end product.
- > Safety management systems that guarantee that the work is performed in accordance with the reference international standards established for each sector. 6% of ACCIONA's turnover is certified in accordance with various international standards in this area:
  - Road safety: two highways managed by Concessions have safety management systems which are ISO 39001 certified.
  - Rail Transport Safety: Rail Services has its freight transport safety management system approved by the State Railway Safety Agency (AESG).
  - Airport safety: Airport Services are certified by ISAGO (Safety Audit of Ground Operations) at the headquarters in Palma, in Düsseldorf and Santiago de Chile, in accordance with the regulations of the International Air Transport Association.
  - Food safety: three wineries and several Facility Services locations have food safety management systems that are ISO 22000 certified.

### Product and service labelling

ACCIONA carries out the appropriate communication actions to inform its customers about the safe use of its products and services, essentially by means of labelling products, providing user manuals, equipment and project documentation or joining international programmes that foster responsible consumption, etc.

In accordance with the applicable regulations on labelling, Grupo Bodegas Palacio 1894 wines are the only product manufactured by ACCIONA that requires specific information. Therefore, 100% of its bottles include information on the packager, the content of the packaging, alcohol content, allergens and bottle recycling. The company's website also has data sheets for each product, with more in-depth information.

Furthermore, the energy sold by Green Energy has a certificate issued by the Spanish National Commission on Markets and Competition (CNMC in Spanish) which accredits the 100% renewable origin of the energy; and the water treated by Water complies with the standards laid down by applicable legislation: quality of drinking, desalinated water, parameters for wastewater discharges, etc.

All projects developed by ACCIONA have all the information necessary in the as-built report delivered to customers.



## Meaning of service excellence for ACCIONA

The company's approach to business based on sustainability and technical excellence, combined with the demand to be competitive in a globalised market - with highly qualified and informed customers and users - places the quality of its products and services, as well as the efficiency of its operations, at the heart of the company's strategy. In this aspect, ACCIONA's initiatives are supported by two fundamental pillars: the maximum commitment of senior management, including quality management of the company's processes; and the existence of quality teams with a transversal vision that actively participate in their continuous improvement.

In 2020, 15,962 hours of process and quality training and awareness-raising were provided with the aim of ensuring that employees have the specific knowledge and skills required to perform their tasks and improve their knowledge of customers.

### Certified management systems

All of ACCIONA's divisions have certified management systems based on the most relevant international benchmarks in terms of quality, the environment and customer and user safety.

In 2020, 100% of the company's most important activities were certified according to ISO 9001 and ISO 14001. This includes 100% of renewable energy marketed and sold with a guarantee of origin accredited by the CNMC; 100% of installed MW; and 100% of the construction activity in several countries (Spain, Chile, Brazil, Mexico, Ecuador, Peru, Canada, etc.). In terms of food safety, the food safety management systems of Facility Services and Bodegas Palacio 1894 Group businesses are certified in accordance with ISO 22000.



**More information** in the sections "The energy business", "The infrastructure business" and "Other businesses"

### Audits

Internal and external audits by customers and certification bodies are one of the main tools used by ACCIONA to identify opportunities for improvement.

In 2020 a total of 775 audits were carried out, less than in 2019 owing to the pandemic, of which 607 were internal and 168 external. The vast majority of these audits were carried out according to ISO 9001 and 14001. The company also received 76 audits from its customers. The subsidiary engaged in road maintenance received 32 audits from its customers, all of the public entities. Thanks to the audits improvements were implemented such as the incorporation of GPS equipment in the subcontractors or the future hiring of more advanced weather forecast company.

### Improvement groups and lessons learned

In 2020, ACCIONA had 50 improvement groups made up of multidisciplinary teams, directly involving over 700 employees, to identify and implement innovative solutions and establish mechanisms to manage the risks associated with the various businesses.

These groups worked in a wide range of areas. For example: improvement of several processes of chain of supply, engineering and construction in the energy business, drafting a wikipedia for the description of all Mobility operational actions, or the use of artificial intelligence to use the knowledge associated with the drafting of proposals in the water business.

The lessons learned are used to document and share the knowledge acquired. In 2020, the company detected, documented and made available to the employees a total of 382 lessons learned.

### Personal data protection

ACCIONA is committed to ensuring its subsidiaries and, by extension, all of its value chain, act in an appropriate manner and with the highest standards of diligence in relation to Personal Data protection, processing and privacy. To that end, the Personal Data Protection Policy aims to establish the company's objectives regarding the protection of personal data and to define a working framework to guarantee and enhance such protection, respecting the principles and rights established by the applicable regulations. This policy must be complied with by all the organisational units or group companies and entities, as well as their employees, suppliers, shareholders and customers who register or process personal data.

To ensure appropriate personal data protection management the following organisational structure has been established:

- > Data Protection Department. It reports to the Audit Committee, it ensures application and fulfilment of applicable regulations.
- > Personal Data Protection Committee. This body lays down the personal data protection guidelines; defines short-term, medium-term and long-term strategies; ensures appropriate risk management; and leads the personal data protection governance model.
- > Information and Communications Technologies Management. It implements and manages the strategy in the matter and define the measures to guarantee personal data protection.
- > In charge of personal data protection in all the organisational units or companies of ACCIONA.

Breach of the data protection measures by the employees in charge of managing them will be penalised according to the employment breach provisions included in the Workers' Statute or in the specific developments contained in the collective agreements applicable to each company and following the procedures established in them.

ACCIONA has a course on data protection, which must be taken by all the employees of the company in the European Economic Area (EEA). In 2021 training courses on this matter will also be made available to the employees of the other countries outside the EEA as well as communications related to data privacy.

Among the control mechanisms of the supply chain, ACCIONA's suppliers must agree to the self-declaration document. This includes aspects of information security and personal data protection.

## SUSTAINABLE TRANSFORMATIONAL INNOVATION

ACCIONA is committed to innovation in all areas to continuously anticipate future market trends and disruptions, as well as to pursue solutions that can generate new business opportunities in line with commercial objectives. Therefore, one more year the company has continued to promote R&D&I and encourage open innovation.

As part of the ongoing improvement process, in 2020 the company has worked on a new management platform to speed up the processes and decision-making of the management model developed the previous year.

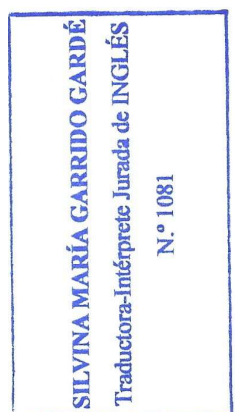
In 2020 the R&D&I Management System continued to operate in accordance with the guidelines set out in UNE 166002:2014, with monitoring of the activities carried out, through review meetings and management indicators defined on the basis of strategic, operational and monitoring and improvement processes. In addition, work was done on the search and implementation of new processes.

The aim of the Sustainability Master Plan 2025 is to link the innovation strategy to ACCIONA's regeneration. We want to be a reference in the development of new and enhanced business operational solutions, more digital and able to increase the sustainability productivity of the projects.

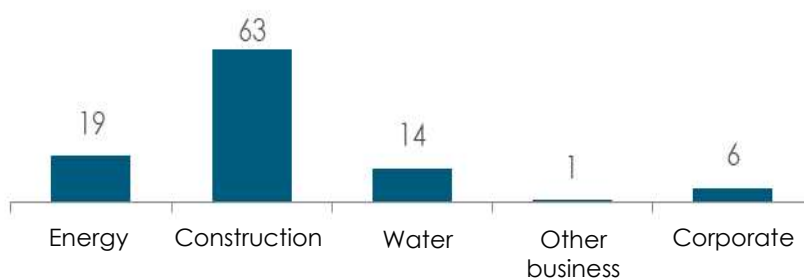
### Business innovation and internationalisation

In 2020, ACCIONA reported spending €237 million euros on innovation, 3% more than the previous year. The portfolio of projects for the year totalled 159, 56 of which were research projects and 103 innovation projects.

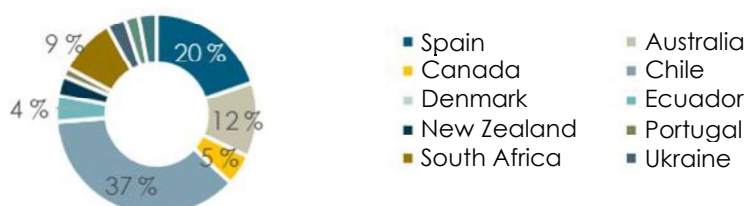
In its effort to internationalise innovation, in 2020 ACCIONA confirmed 15 projects outside of Spain worth €189.8 million euros, representing 80% of the total innovation figure reported by the company.



## Geographical breakdown of the number of innovation projects by business



## Innovation figures by country (million €)

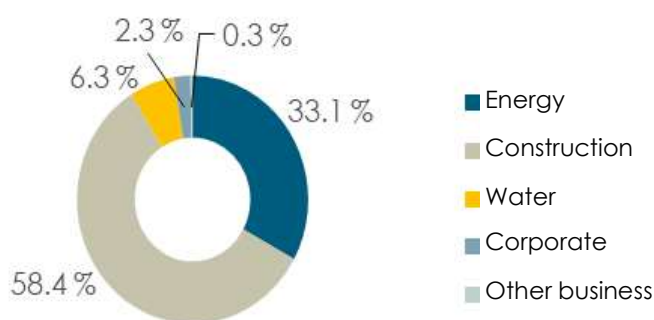


ACCIONA's determination to advance in innovation has enabled the company to stay at the top of the ranking. "The 2020 EU Industrial R&D Investment Scoreboard" report, produced by the European Commission's IRI (Economics of Industrial Research and Innovation), ranks ACCIONA as the sixth Spanish company and the 156<sup>th</sup> in Europe in terms of R&D&I.

## ACCIONA's R&amp;D&amp;I figures

		2017	2018	2019	2020
<b>R&amp;D&amp;I figures (million euros)</b>		<b>209.4</b>	<b>225.4</b>	<b>230.4</b>	<b>237.0</b>
EU Industrial R&D Investment Scoreboard	European Union's ranking	147	150	141	156
	Spain's ranking	6	6	6	6

## Breakdown by business line

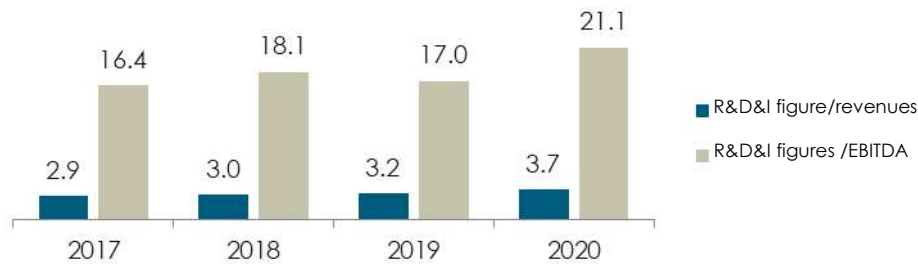


85

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

The innovation intensity ratio, obtained by dividing sales by innovation spending, is 3.7% in 2020.

Evolution of innovation intensity (%)



ACCIONA reaffirms its leadership in innovation with an innovation intensity of 3.7%, higher than the European average

Technology centres and business innovation

ACCIONA has two technological innovation centres in Spain whose lines of research are focused around construction and water technologies. It also has a team dedicated to energy innovation in Spain and Mexico. The innovation function is also present in the rest of the businesses with projects in the engineering, industrial and service fields.

R&D&I units of research in ACCIONA's core businesses

RENEWABLE ENERGIES

- MaxPower
- Digital Innovation Pilots
- Wind advanced technologies
- Advanced technologies in solar PV
- Storage and hybridisation
- Hydropower
- New energy solutions
- Innovation to sustainability
- Life extension

ENGINEERING

- Design with new materials
- New construction processes
- Engineering methods and energy efficiency

CONSTRUCTION

- Innovative materials
- Digitalisation
- Environmental aspects of works

INDUSTRIAL

- Photovoltaic
- Biomass
- Biofuel
- Hydrogen
- Waste to energy
- Solar thermal

WATER TECHNOLOGIES

- Desalination and new technologies
- Purification and water reuse
- Purification and water chemistry

SERVICES

- Service management applications
- Process automation
- Less paper
- Business intelligence dashboard

More information in the section "The energy business" and "The infrastructure business"

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



## Sharing innovation

### Digital Innovation Hub

ACCIONA is aware that new technologies are transforming not only how it does things, but what it does. ACCIONA's Digital Innovation Hub (ADIH) focuses on providing innovative solutions, always striving for excellence under the motto: to do more, better and with less impact in our planet.

ADIH works to ensure that new technologies are integrated into the organisation as a tool for future development, with seven skill centres whose purpose is threefold: to demonstrate, transfer and share technology.

### 2020 milestones of the Digital Innovation Hub initiative per Skill Centre

- **Large scale 3D Printing:** modular, scalable and reusable 3D-printed housing design.
- **Mixed reality:** implement a complete asset manager with augmented reality in the Gartxeta purification plant which allows immediate access to the information of all the resources of the plant. Also a digital identical twin was created to view the data of the assets and connect to different sources.
- **Connected Things:** development and implementation of the data architecture of the Citizen control centre.
- **Data Science:** construction of a web site as a scorecard for the entire Mobility business.
- **Robotics & Artificial Intelligence:** development and implementation of a robot for ultraviolet-C disinfection in the service contract for 14 hospitals in Doha (Qatar) and in two workplaces of ACCIONA.
- **Blockchain and new technologies:** application of the blockchain technology in the processes to take a water sample.
- **Smart Cities:** launch of the Datacity programme to help reduce energy poverty in Barcelona, in collaboration with the town council of the city.

87

### Open and collaborative innovation

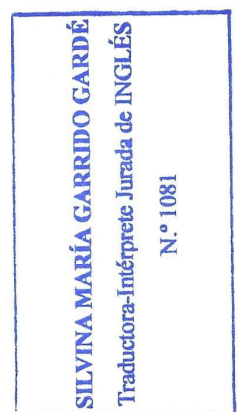
In 2020 in the I'MNOVATION #Startups programme 14 projects with startups were carried out in response to the challenges defined by the business units and customers. The result of 8 of them was presented at the event in Spain and of the other 6 at the event in Chile. One of them was based on the need identified in the Intrapreneurship programme in 2018 related to the last-mile delivery through mobile minihubs.

The I'MNOVATION #Startups programme seeks to coordinate a model of relationship with the entrepreneurship ecosystem to enable the incorporation of external talent to accelerate the innovation in ACCIONA. The initiative seeks to co-create solutions to strategic challenges defined by the company by combining ACCIONA's technical and market knowledge, on the one hand, with the capabilities of the startups on the other. In this way, the company seeks to maintain its competitive advantage in the sectors where it operates while exploring new business models. Furthermore, agile methodologies are used during the development of projects which involve the use of innovative ways of working.

Owing to the situation caused by the COVID pandemic, the Open Innovation department worked in two other new lines:

- > **Positive Energy Initiative.** Together with other energy companies, a reinforcement and support action of the entrepreneurship ecosystem was taken, launching a common initiative to alleviate the impact of the pandemic. The participating companies undertook to activate their available mechanisms to start working in proposals from different startups. ACCIONA activated two proposals.
- > **COVID initiative.** ACCIONA invited those startups that had participated in its I'MNOVATION programme to present ideas to help fight the pandemic. Two projects of the ideas received were launched.

Also, owing to its continuous support for the entrepreneurship ecosystem, ACCIONA started to collaborate with the LANZADERA growth in 2020. After an identification phase of areas of interest, search for startups and filtering, three pilot projects were activated in the field of mobility and smart cities.



Strategic agreements and awards

ACCIONA has established a collaboration network with many centres of excellence in Spain and abroad, with which it participates on various R&D&I projects: Norwegian Geotechnical Institute, Centro Nacional de Energías Renovables (CENER), Circe, Pontificia Universidad Católica de Chile, Massachusetts Institute of Technology, or the University of Southern Queensland.

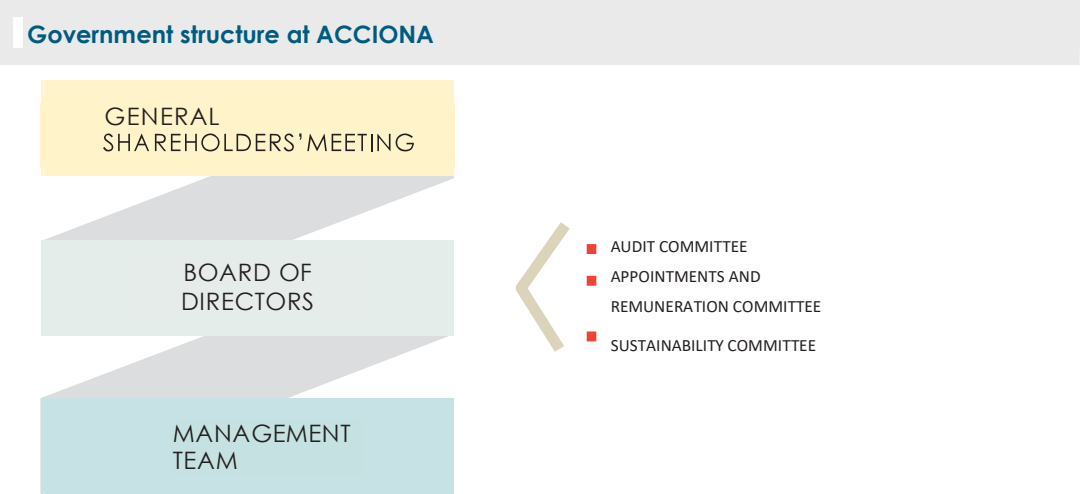
ACCIONA is a member of the Board of Directors of Water Europe and the International Desalination Association (IDA). The company also participates in the European Network of Construction Companies for Research and Development (ENCORD), the Spanish Association of Renewable Energies (APPA), among others.

GOVERNANCE

Corporate governance

One of ACCIONA's commitments in the area of corporate governance is to strive for continuous improvement and greater transparency, efficiency and rigour in the operation of its governing bodies. This factor is decisive for the generation of trust and long-term commitment between ACCIONA and its stakeholders.

The organisation is governed by the recommendations set out in the Code of Good Governance for Listed Companies of the Spanish National Securities Market Commission (CNMV), as well as domestic and international best practices in this area.



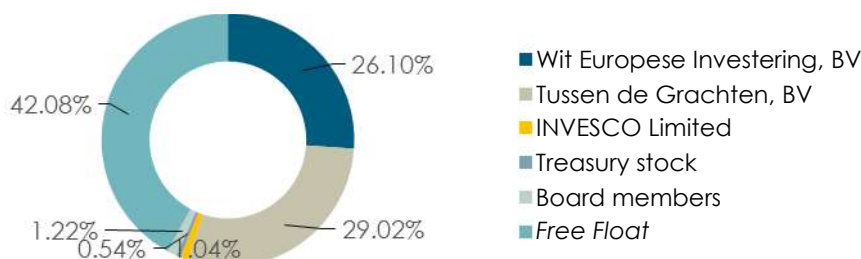
**More information** in detail of the governing bodies: <https://www.acciona.com/shareholders-investors/corporate-governance/board-directors-committees/>

Shareholders' and General Shareholders' Meeting

As of the date of this *Report*, the parent company's share capital was made up of 54,856,653 fully subscribed and paid-up ordinary shares with a par value of €1 each, registered in book entries.

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

## Shareholding as of the date of preparation of this report



The change in the shareholding structure with respect to last year is due to the private placement by La Verdosa, S.L., in December 2020, of 3.85% of the share capital of ACCIONA, S.A. with qualified investors and the sale of 1.75% of the share capital to company shareholders.

The company's bylaws contain no restrictions or maximum limits on the exercise of voting rights by shareholders. Nor are there any legal or statutory limitations on the acquisition or transfer of shares, without prejudice to the pre-emptive acquisition rights, which are reciprocally granted to significant shareholders declared to the company pursuant to the shareholder agreement communicated to the CNMV (the Spanish National Securities Market Commission) by means of relevant event number 147698, duly registered with the Companies Registry.

ACCIONA has had since 2011 an Electronic Shareholders' Forum prior to the Shareholders' Meeting in order to guarantee and facilitate communications with all shareholders, including minority shareholders, pursuant to the terms of the Spanish Corporations Law. Proposals for adding to the agenda announced in the notice of the General Shareholders' Meeting applications to join such proposals, initiatives aimed at achieving a sufficient percentage to exercise a minority right provided for by law, and offers and requests for voluntary representation are published there. ACCIONA also establishes permanent channels of communication with its shareholders and investors through its Investor Relations department.

89

In addition, ACCIONA makes available to shareholders, on the occasion of the call to the Shareholders' Meeting, and through its web site, a system for remote electronic or mail-in voting in order to facilitate the exercise of voting rights.

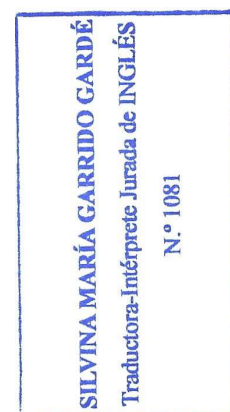
At the General Shareholders' Meeting held on 28 May 2020, various issues were discussed which included the following: (i) the approval of a gross dividend of €1.925 euros per share, paid on 2 July 2020; (ii) the re-appointment of two Independent Directors; (iii) amendments to the articles of association and regulations of the general meeting of shareholders in order to include the possibility to regulate attendance at the General Meeting of Shareholders via electronic means; (iv) the approval of the Remuneration Policy for directors for 2021, 2022 and 2023; (v) modification of the settlement system of the 2014 Share and Performance Share Delivery Plan; (vi) the approval of a new long-term incentive plan for executive directors; and (vii) the approval of the Non-Financial Information Statement and the Sustainability Report for the 2019 financial year. All resolutions were approved with favourable vote of at least 92.71% of the voting capital in attendance at the Meeting.

#### Board of Directors

The Board of Directors is the highest management and representative body, with the exception of certain matters which are reserved for the General Shareholders' Meeting. Composed of a group of professionals with diversity of knowledge, origins, experiences, nationalities and gender, whose aim is to provide real value to the company, working every day from a position of integrity and transparency in the most efficient and effective way.

The mission of ACCIONA's Board of Directors is to promote the corporate interest by representing the company and its shareholders by administering its assets, managing its business and overseeing its operations.

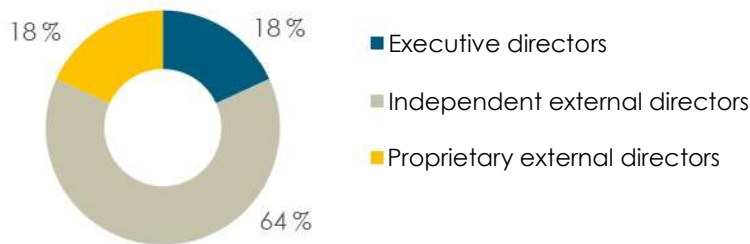
In 2020, ACCIONA amended its Board of Directors Composition Policy (formerly, the Director Selection Policy) to adapt it to the modifications introduced in the Corporate Good Governance Code and thus adapt it to the gender diversity objectives contained in the recommendations of the Code.



Board members serve for a three-year term and may be re-elected one or more times. The Board of Directors of ACCIONA comprises eleven members:

- > Nine are external. Of these, seven are independent directors and two are proprietary directors.
- > Two of the eleven members are executive directors.

#### Composition of the Board according to the nature of the position



Three women sit on the Board, representing 27.27% of the total number of members, the same percentage as the year before.

The Appointments and Remuneration Committee has been promoting the incorporation of female directors for some time now. At present, the percentage of women on ACCIONA's Board of Directors is close to 30%, although the Board of Directors Composition Policy has been adapted to establish the 40% objective for 2022.

#### Board of Directors as at 31 December 2020

Member	Profile	First appointment (year)	Committees of the Board of Directors to which he/she belongs
José Manuel Entrecanales Domecq	CEO	1997	
Juan Ignacio Entrecanales Franco	Executive Vice-Chairman	1997	
Juan Carlos Garay Ibargaray	Lead Independent Director	2013	Audit Committee (Member) Appointments and Remuneration Committee (Chairman)
Javier Entrecanales Franco	Proprietary Director	2011	Sustainability Committee (Member)
Daniel Entrecanales Domecq	Proprietary Director	2009	Sustainability Committee (Chairman)
Javier Sendagorta Gómez del Campillo	Independent Director	2018	Appointments and Remuneration Committee (Member)
Ana Inés Sainz de Vicuña Bemberg	Independent Director	2015	Audit Committee (Chairwoman)
Jerónimo Marcos Gerard Rivero	Independent Director	2014	Appointments and Remuneration Committee (Member)
José María Pacheco Guardiola	Independent Director	2018	Sustainability Committee (Member)
Karen Christiana Figueres Olsen	Independent Director	2017	Audit Committee (Member)
Sonia Dulá	Independent Director	2019	
Jorge Vega-Penichet López	Secretary Non-Director	2006	

90

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

## Attendance and meetings of the Board of Directors and Committees in 2020

	Board of Directors	Audit Committee	Appointments and Remuneration Committee	Sustainability Committee
Quorum	98.34 %	99.17 %	100 %	100 %
No. of meeting	11	11	9	4

In response to the current needs, the Board of Directors has implemented a "Safe Portal" system for directors providing access to information for directors and enhancing communication between the Directors and the Secretary, guaranteeing at all times the confidentiality of documentation and information and facilitating meetings via electronic means in a secure digital environment that is accessible to Directors.

To guarantee the quality and efficiency of its management, every year the Board of Directors evaluates its operation, including the performance and contribution of each director and the diversity in composition and expertise. The evaluation of the functions and the members' position, the Chairman, Vice-Chairman of the Board and Lead Independent Director, and Chair people of the Committees, is based on the reports submitted to them by the Appointments and Remuneration Committee. The evaluation of the Committees' functions and the members' position is also based on the reports of each individual Committee.

The evaluation is carried out by means of individual forms that are completed anonymously by each director. Once completed, the Audit Committee and the Appointments and Remuneration Committee analyse the results and issue the corresponding reports and proposals to the Board of Directors. The Board determines the areas of improvement and oversees their subsequent implementation.

In compliance with the recommendation 36 of the Good Governance Code of Listed Companies, ACCIONA conducts evaluations with the support of external consultants every three years, the last one having been done in 2017 and the next one planned for 2021 regarding 2020, for which purpose the Appointments and Remuneration Committee has already appointed an external consultant.

Furthermore, as an additional evaluation measure, the Regulations of the Committees set forth that the Committees must carry out an annual autonomous evaluation. The Board of Directors of ACCIONA, at the proposal of the Appointments and Remuneration Committee, has a Lead Independent Director. The Regulations of the Board of Directors, in compliance with Best Corporate Governance Practices established in the Good Governance Code of Listed Companies and the Spanish Corporations Law, assigns the following functions to the Lead Independent Director:

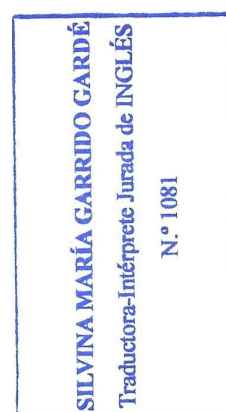
1. Chair the Board of Directors in the absence of the Chairman and the Vice-Chairmen, if there is one.
2. Coordinate and meet with non-executive directors. Voice their concerns.
3. Maintain contacts with investors and shareholders to ascertain their views and concerns, particularly in relation to the corporate governance of the company.
4. Direct the Board of Directors' assessment of the Chairman.
5. Coordinate the Chairman's succession plan.
6. Request the scheduling of the Board of Directors meeting or the inclusion of new items on the agenda of a meeting already convened.

As a result of the greater interaction between the Supervisory Committees, joint meetings of the Audit and Sustainability Committees have been instituted to deal with matters related to non-financial information. In 2020, the joint meeting was held in February in order to prepare the consolidated non-financial information statement.

### Management team

In October 2020, the company published the new composition of the Management Team composed of more than 47 professionals in Spain and a similar amount internationally, organised by department and specialisation, as well as per country. In line with this reorganisation of the Management Team, the company notified the CNMV the members of the Management Team who have roles with managerial responsibilities in accordance with the provisions of Regulation (EU) No 596/2014, on market abuse.

This Management Team is the connecting link between the Board of Directors and the rest of the company.



## Remuneration policy

A new Directors' Remuneration Policy for 2021, 2022 and 2023 was approved as a separate item on the agenda at the General Shareholders' Meeting on 28 May 2020, in accordance with Article 529 novodecies of the Spanish Corporations Law and Article 31.5 of ACCIONA's Articles of Association. Both establish the obligation to approve the Director Remuneration Policy at least every three years as a separate agenda item. The new guidelines are published on ACCIONA's website<sup>14</sup>.

The company's remuneration policy, including that of members of the Board of Directors who perform executive functions, is governed by the following principles:

- > Consistency with business strategy.
- > Corporate governance and transparency.
- > Balanced design.
- > Internal equity.
- > Alignment with market practices.

In addition to the above, the General Shareholders' Meeting approved on 28 May 2020 a long-term incentive plan linked to the creation of value, aimed at the executive directors of Acciona, S.A., named "2020-2029 Long-term Incentive Plan linked to the Creation of Value aimed at the Executive Directors of Acciona, S.A." or the "2020 LTIP" which intends to align remuneration with long-term objectives and interests of the company. The 2020 LTIP is under a multiannual framework to guarantee that the evaluation process is based on long-term results and that it takes into account the underlying economic cycle of the company.

The Annual Report on Directors' Remuneration, approved by the Board of Directors, which includes the remuneration policy for its members, details the compensation received by each individual director (see Annual Report on Directors' Remuneration 2020<sup>15</sup>. Section C.1).

## Ethics and anti-corruption

### Fight against corruption, bribery and money laundering

The specific policies established by ACCIONA to fight corruption and bribery, as well as money laundering, are as follows:

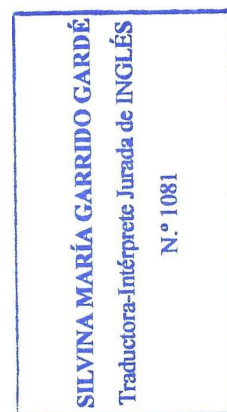
- > Anti-Corruption Policy: approved in 2013, this policy establishes the group's clear and explicit position against any corrupt or criminal act, which extends to all persons who are part of the company in their professional performance.
- > Crime Prevention and Anti-Bribery Policy: approved by the Board of Directors in 2018, it reinforces the group's commitment to zero tolerance of illegal activities, through permanent monitoring measures for prevention and detection, effective communication and awareness mechanisms for all employees and a business culture based on ethics and compliance.

The above policies are based on international standards and were implemented by the company through corporate provisions and instructions regulating aspects such as: donations and sponsorships, hiring of business consultants, interaction with public officials, rules on gifts and hospitality, international trade sanctions, rules on market competition, antitrust compliance, prevention and management of conflicts of interest, personnel selection and the ACCIONA Bonus.

The rules deriving from these policies apply to all companies that are part of ACCIONA, to all its employees and to third parties that are related to the group.

The Anti-Corruption Guidelines were approved by the Board of Directors in 2016. They provide specific guidelines to avoid improper conduct, and are applicable and mandatory for each and every employee and all groups associated with ACCIONA (including agents, intermediaries, advisors, consultants and suppliers).

92



<sup>14</sup> Remuneration policy available at <https://mediacdn.acciona.com/media/vwnpxvln/11-politica-remuneraciones-2021-2023-en.pdf>

<sup>15</sup> More information at: <https://www.acciona.com/shareholders-investors/corporate-governance/remuneration-directors/>



### Organisation and management model

The company, in the process of running its business, maintains relations with public administrations and participates in infrastructure bidding processes in various countries. It is therefore necessary to analyse the public corruption risks for each project, based on the country involved and the importance of the operation in question. These notwithstanding, control policies and measures have been implemented to avoid or identify possible cases of corruption.

The General Compliance Management supervises the operation and effectiveness of the procedures, controls and internal commitments established to ensure that obligations, whether legal or voluntary, of an ethical, organisational, environmental or social nature, are complied with, and that the related risks are identified, prevented and mitigated. The Compliance Department reports to the Audit Committee of the Board of Directors.

ACCIONA has adopted and implemented an Organisation and Management Model for Crime Prevention and Anti-Corruption (MPDYA), the characteristics of which are as follows:

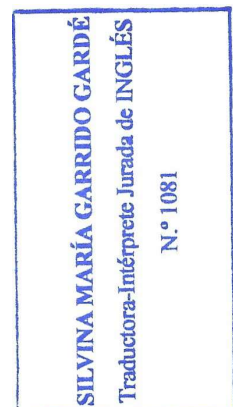
- > It is designed in accordance with the group's organisational structure, assigning specific criminal compliance risks and their corresponding controls to each department.
- > Internal controls have been associated with each risk to mitigate, to some extent, the probability of involving a criminal risk.
- > These internal controls have a series of characteristic attributes, among others, the corporate area or management responsible for them and the description of the specific control activity.
- > In addition, the MPDYA includes supervisory measures pertaining to the group's Internal Financial Reporting Control System (ICFR) appropriate for preventing the commission of certain crimes.

The main activities carried out in 2020 in this area include:

- > Performance of an audit to follow up the Criminal and Anti-bribery Compliance Management System certification of ACCIONA, S.A. The implementation of the System has been verified regarding the specific requirements in the reference standards UNE 19601:2017 and UNE ISO 37001:2017 without requiring corrective measures.
- > Performance of an initial audit of the Criminal and Anti-bribery Compliance Management System certification of the companies ACCIONA Infrastructure and ACCIONA Construction. The implementation of the System has been verified regarding the specific requirements in the reference standards UNE 19601:2017 and UNE ISO 37001:2017.
- > Certification of all controls included in the criminal scope for the companies ACCIONA S.A., ACCIONA Energy, ACCIONA Infrastructure, ACCIONA Construction, ACCIONA Water and ACCIONA Service. The persons in charge of the controls certify not only those that have been assigned to them, but also those that they know and apply the code of conduct and the anti-corruption rules.
- > Supervision of a considerable part of the controls established in the model by requesting evidence of the application of such interventions.

In 2021, the Code of Conduct and the corporate regulations in matters related to hospitality, consultants and shareholders will be reviewed and updated. Furthermore, the scope of the ISO 37001 and UNE 19601 certifications will be extended.

93



A handwritten signature in blue ink, appearing to be 'Sil', located below the stamp.



## ACCIONA's anti-corruption guidelines

The company strictly forbids:

1. Offering or accepting bribes to or from civil servants or private individuals.
2. Offering or accepting facilitation payments to initiate or expedite administrative proceedings.
3. Offering or accepting gifts and hospitality to or from civil servants or any other third party in violation of these Guidelines.
4. Making contributions on behalf of the group with political aims.
5. Obtaining preferential treatment by using sponsorship or donations as a means of obtaining it.
6. Using the company's business relationships and contacts for one's own benefit or that of a third party.
7. Establishing business relationships with third parties without complying with minimal due diligence duties as regards third-party knowledge.

### Anti-money laundering measures

In terms of money-laundering, Real Estate and Bestinver are bound by the terms of Article 2 of Law 10/2018 and have the internal control bodies and procedures required by current regulations.

ACCIONA has imposed a company-wide obligation on all employees to pay special attention to cases where there are indications of a lack of integrity on the part of the persons or entities with which they have business relations. Except in rare cases, cash payments are not permitted and require explicit authorisation with traceable supporting documentation. Furthermore, the group has established controls in matters of payments and due diligence procedures, suppliers and business partners.

In 2020 compulsory training courses were given to the staff of the liable parties.

### Code of conduct

The Code of Conduct sets out the values that should guide the behaviour of all ACCIONA companies. Its aim is to reinforce the type of business conduct that is accepted and respected by all employees and managers.

By complying with it, the company undertakes to carry out its activities in accordance with the laws in force in each of the countries where it does business, always based on the highest international standards. Among others: the United Nations Universal Declaration of Human Rights, the Conventions of the International Labour Organisation (ILO), the ILO Declaration on Fundamental Principles and Rights at Work, the OECD Guidelines for Multinational Enterprises and the United Nations Global Compact.

The Code of Conduct and the Anti-corruption Action Guidelines must be read and accepted by all employees; more than 20,000 people have already accepted them.

On the other hand, the Code of Conduct addresses a variety of issues, from the ethics and compliance model to the basic principles of action or guidelines for behaviour relating to respect for human rights, to the prevention of money laundering.

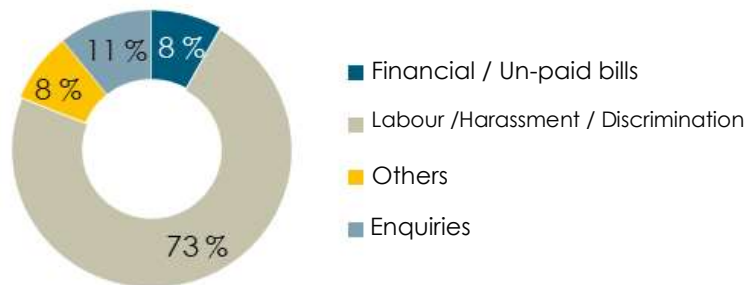
Compliance with and control of this corporate standard is carried out through:

- > The Code of Conduct Committee: a body that analyses reports of non-compliance.
- > Ethical Channel: allows for confidential reporting of irregular conduct related to any alleged breach of the Code of Conduct. The mailbox is available to the company's employees, suppliers and contractors.
- > Protocol for action in situations of harassment: through the Ethical Channel, the Commission assesses the case and establishes the necessary actions. With this protocol, ACCIONA makes clear its intention to adopt whatever measures are necessary to prevent harassment at work.

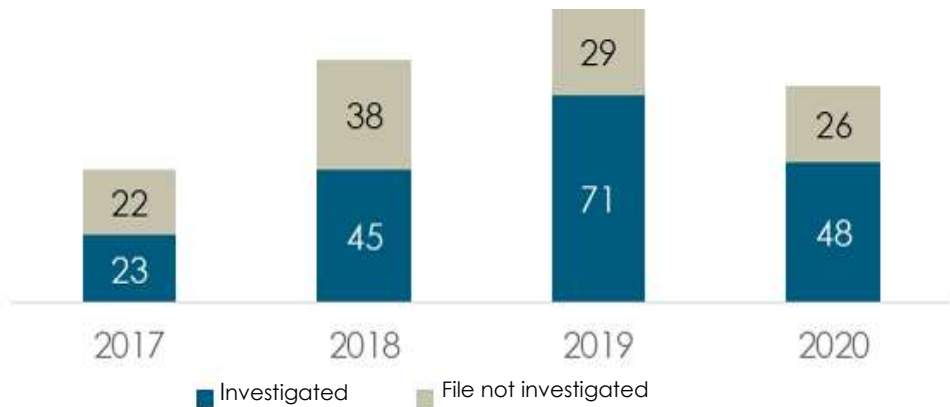


In 2020, 74 reports were received through this channel. Of those, 48 cases were investigated, 12 by an external examiner and 36 by an internal examiner. The remaining reports were dismissed, either ex officio because they do not fall within the competence of the Code of Conduct Committee, or after having received additional information from the corresponding department.

Type of reports



Processing of reports



95

*\*File not investigated: as the issue is not regulated by the Code of Conduct (anonymous non-financial, purely labour, organisational or functional complaints) notwithstanding the fact that in a large part of the complaints filed, a preliminary investigation is conducted without appointing a specific examiner.*

None of the reports received refers to the giving or offering of bribes or any other type of remuneration or similar consideration, to any public or private person or entity in order to illegally obtain or retain a business or a competitive advantage for the group. No reports related to human rights of tax issues have been received.

Regarding the communication work, in 2020 the Compliance Management published 50 communications on the intranet (30 in 2019), with relevant anti-corruption information, specifically on issues such as gifts, bribes, intermediaries and agents or interaction with civil servants. Also, the importance of the Ethical Channel for reporting irregularities were promoted jointly with a summary of its work.

SILVINA MARÍA GARRIDO GARDÉ  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

## Compliance Planet website: Compliance training

The Compliance Planet website brings together all the courses on compliance. When it was launched, there was an internal communication campaign at international level. A total of 2,681 employees have received training on issues related to anticorruption. At the same time, 2,464 employees participated in the Code of Conduct course last year (since 2017 more than 12,700 workers have received this training), available for the whole workforce in 7 languages. We have also trained 984 employees in other training courses on compliance and 160 employees in a face-to-face course on competition law given by a prestigious law firm.

We also distributed six videos of the online course on the United Nations' Global Compact's fight against the corruption.

### Training per country on the Code of Conduct and in the Anticorruption Course (no. employees)

Country	Code of Conduct	Anti-Corruption Course
Spain	618	1,839
Australia	1,069	241
Mexico	320	192
Chile	49	61
Peru	55	69
United States	57	57
Others	296	222
<b>Total</b>	<b>2,464</b>	<b>2,681</b>

96

### Contributions to foundations and non-profit organisations

As part of the UNE 19601 and ISO 37001 certification process, the Corporate Donations and Non-Commercial Sponsorship Standard was developed and adopted. The aim of this standard is to establish a framework of action that allows the group to ensure that donations and non-commercial sponsorship to charity or non-profit organisations are not a front for illegal payments to civil servants or other people, which would be an infringement of the company's Anticorruption Guidelines. Any contribution of this type made by ACCIONA should not give rise to any doubt whatsoever as to its appropriateness and, of course, it should not involve the infringement of any applicable law. These rules are must be complied with by all the companies and employees of the group, and also by any third parties acting on their behalf. Similarly, ACCIONA makes no donations to any political party or candidate nor any foundation that could be considered as political contributions in the terms established in the Code of Conduct.

Contributions to foundations and non-profit organisations are made with suitable analysis of the receiving institutions, and also their reputation and financial transparency.

Lastly, all contributions fall under the ACCIONA Social Action Plan, the aim of which is to bring 100 % of the social aid in line with the company's objectives, through sustainable projects in the medium/long term in all the places where it operates.

In 2020 ACCIONA contributed € 2,341,543 to associations or organisations for promoting sustainability and associations in the sector, amongst others.



## Contributions to associations for the promotion of sustainability and in the sector

Organisations	Contribution	Institutions receiving the main contributions (in order)
Institutions for promoting sustainability and the global dialogue	€ 778,406	World Economic Forum and World Business Council for Sustainable Development (WBCSD)
Institutions for the technical development of ACCIONA business	€ 533,591	International Emissions Trading Association (IETA), European Australian Business Council, Official Chamber of Building Contractors of Catalonia, Clean Grid Alliance, Innoenergy, Instituto de la Empresa Familiar, Spain's Official Chamber of Commerce in Brazil, Roads Australia, Círculo de Empresarios, Economics For Energy, Spain-Chile Foundation, Tech City Barcelona, Valencia Association of Startups, Lanzadera Spaces
Sector associations	€ 1,029,546	SEOPAN, Australian Contractors Association, Wind Europe, Australian Contractors Association Membership, Global Wind Energy Council, Clean Energy Council (Australia)
<b>TOTAL</b>	<b>€ 2,341,543</b>	



For further information, see the "Measuring social action" section of the "Integrate to transform" chapter

The main areas where contributions were made are the following:

1. Decarbonisation of the economy, clean energy, meeting the goals of the Paris Agreement on climate change:

ACCIONA is focused on actively pursuing implementation of the Paris Agreement and its decarbonisation commitments across all the geographic regions in which it operates. To this end, it is actively involved, either directly or through collective study groups or trade associations, in training and communication, in an effort to implement effective measures to decarbonise the economy. At the global and multilateral level, it mainly channels its commitment through global institutions or associations.

The total amount invested in this area during the year was € 644,234€.

2. A water management model based on environmental and economic sustainability, thus contributing to Sustainable Development Goal 6 on clean water and sanitation:

ACCIONA is firmly committed to meeting the Sustainable Development Goals. Due to the particular nature of the water sector, which is less visible to the general public, the company pays special attention to the work of communicating and informing society and policy makers of the need to achieve more efficient regulation of water management. Water availability and quality will soon be a key issue in many of the countries in which the company is currently operating.

A total amount of €291,905 was invested in this area in 2020.

## Due diligence of third parties

This procedure is carried out through the PROCUR-e (for suppliers) and PROCUR-e 3P (partners, intermediaries and commercial agents acting on behalf of ACCIONA) portals for ACCIONA S.A. and its subsidiaries. In addition, the company has three documents that describe how to perform due diligence: the Corporate Procurement Standard, the Corporate Procedure for the Certification and Evaluation of Suppliers, and the Corporate Standard for the Hiring of Commercial Consultants.

At the end of 2020, ACCIONA replaced Procur-e 3P with a new third-party management tool: the Dow Jones RiskCenter KYBP. This allows the company to obtain the necessary information on the identity of the third party, who manages and directs the company, any possible links these individuals may have with public officials, and other important factors, such as any potential litigation in relation to corruption, money laundering, fraud or involvement with tax havens. Since its launch, 15 third parties have been registered in this tool.

97

PROCUR-e 3P and Dow Jones were used to carry out 96 investigations in 2020. A total of 403 third parties (partners, consultants and agents) have already been assessed. A total of 81 third party reports were sent out during the year.

## Tax information

### Tax policy

Transparency and fiscal responsibility are important issues for ACCIONA, and are directly related to economic performance.

The company's tax policy, approved in 2015 by the Board of Directors, defines the company's approach to all matters relating to taxation, as well as its consistency with the global business strategy. Applicable to all group companies, this policy is based on three fundamental values: social responsibility; financial soundness, return and results; and honesty. It is also based on the following specific objectives and general principles:

1. Compliance with the tax obligations required in each jurisdiction, in accordance with existing applicable regulations.
2. Commitment to our obligation to pay all applicable taxes required by the relevant legal system, based on a reasonable interpretation of the regulations, and in accordance with the group's business activity.
3. The protection of ACCIONA's reputation through the management of significant tax risks, through appropriate mechanisms for their coverage, prevention, reduction and monitoring, while taking into account the reputational factor associated with such risks. The company undertakes to carry out operations with adequate economic consistency, aligning its taxation with the effective performance of its activity.
4. ACCIONA has established a transfer pricing policy and a definition of the value chain for all its operations between related parties and entities, following the principles of free competition, creation of value through functions and assets, and assumption of risks and benefits.
5. The group will not consider the implementation of artificial corporate structures, based on opacity or with little/no economic substance.
6. The promotion of transparent and good faith relations with the tax administrations of each country, aimed at achieving the highest degree of predictability of the tax positions adopted, as well as minimising discrepancies and disputes regarding tax payments. ACCIONA has strengthened its cooperation with the Spanish Tax Agency (AEAT) within the framework of the Code of Good Tax Practices (CBPT).

98

Likewise, the adoption of policies to promote greater fiscal transparency is one of the objectives contained in the Sustainability Master Plan.

ACCIONA currently submits the Annual Tax Transparency Report to the Spanish Tax Agency (AEAT), having signed up to the agency's Code of Good Tax Practices in 2011.

It also submits an annual voluntary Tax Transparency Report to the ATO (Australian Taxation Office).

In relation to the transfer pricing standard and policy, fees for management support services provided by ACCIONA to its investees and related companies are calculated on the basis of the direct and indirect costs incurred by the entity providing the support services, with the application of a market margin. This is consistent with the ranges of market values identified and obtained by independent organisations that provide services of a similar and comparable nature.

The criterion applied by ACCIONA in the valuation and quantification of the different activities it performs is the arm's length principle or market value, as defined in the OECD Guidelines. The arm's length principle used by the company is the internationally accepted standard for assessing the appropriateness of related-party transactions, whose conditions and prices must be the same as those that would apply to independent third parties carrying out the same operations or that would have participated in comparable transactions in similar circumstances. In order to comply with this principle, the group is aware that the results of its application must be within the range of the results of a comparable uncontrolled transaction. The group also understands that results, comparability, reliability and range are of fundamental importance in the process of defining prices and transactions if it aspires to correctly comply with this principle.

ACCIONA's tax policy is available (in Spanish) at:  
[https://mediacdn.acciona.com/media/pqbhpic5/estrategia\\_fiscal.pdf](https://mediacdn.acciona.com/media/pqbhpic5/estrategia_fiscal.pdf).

#### Governance and control of tax policy

The Board of Directors is responsible for defining the company's tax strategy, as well as ensuring compliance through an appropriate control and supervision system. The Board therefore assumes the following non-delegable powers:

- > The design of the company's tax policy.
- > The determination of tax risk control and management policies.
- > The certification of investments or operations which, due to their high amount or special characteristics, are of a strategic nature or have a particular tax risk, unless their authorisation corresponds to the General Shareholders' Meeting.
- > The certification of the creation or acquisition of shares in special purpose entities or entities domiciled in countries or territories considered tax havens.
- > Consent for any analogous transaction which, due to its complexity, could undermine the transparency of the company and its group.

The Audit Committee is responsible for supervising the effectiveness of the tax risk control and management systems. As part of its 2020 activity, the Committee analysed ACCIONA's corporate tax principles and tax strategy, prior to their consideration and approval by the Board of Directors, as well as its adherence to the Code of Good Tax Practices. It has also monitored the application of all these tax guidelines, analysing any relevant issues related to the legal and tax risks applicable to the group. The results of the monitoring are published on the company's website.

For its part, the Tax Department is responsible for developing the principles of the tax strategy, and establishing the control mechanisms and internal rules necessary to ensure compliance with current regulations and the aforementioned principles. It also advises the Board of Directors and senior management on matters with tax implications, and reports periodically to ACCIONA's governing bodies on the degree of compliance with the tax strategy. The General Manager of the Economic Control and Tax Area reports to the Board of Directors on the year's most significant tax-related issues, as part of the non-delegable functions of the Board of Directors, as well as the management of risks of this nature, and investments or transactions with any tax implications carried out during the year.

Tax risks are incorporated into ACCIONA's Risk Map, using the same methodology and mitigation plans applied to the rest of the group's risks.

The Ethical Channel allows for confidential reporting of irregular conduct related to any alleged breach of the Code of Conduct. The mailbox is available to the company's employees, suppliers and contractors.

Tax-related content presented in the Sustainability Report is verified in accordance with the ISAE 3000 standard by an independent auditor, as is the rest of the report.

#### Dispute and litigation management

ACCIONA submits an Annual Tax Transparency Report to the Spanish Tax Agency (AEAT). The company has adhered to AEAT's Code of Good Tax Practices since 2011.

In strict compliance with its tax and fiscal transparency obligations, the company delivers a Country-by-Country Report to the Spanish Tax Agency every year.

Since 2018, ACCIONA has also delivered a Tax Transparency Report to the Australian authorities (Australian Taxation Office - ATO).

The Financial Statements also report on "Years open for review by the tax authorities" (note 24).

The company receives and considers the opinions and concerns of stakeholders on tax matters through the Ethical Channel. In addition, Global Sustainability Department compiles and documents the recommendations and feedback on its tax reporting in various public reports. This information is sent to the tax department for evaluation.

99



## Country-by-country information

The following table includes information on all the tax jurisdictions in which the entities included in ACCIONA's Consolidated Financial Statements are resident for tax purposes.

## Tax information country by country (CbC)

Tax jurisdiction	Total sales (M€)	EBT (M€)	Corporate Income Tax accrued (M€)	Corporate Income Tax paid on a cash basis (M€)	Employees at the close of 2020	Grants (M€)	Footnote explaining effective rate due	Footnote explaining effective rate paid
Spain	2,673	367	51	-0.7	20,860	4.8	1	2
Germany	12	75	-8	-0.1	428	0	1	2
Mexico	238	54	19	7.1	1,978	0	5, 8	9
Australia	881	33	13	0.0	1,704	0	4, 5	10
Poland	335	19	4	1.4	1,523	0	4	9
Saudi Arabia	329	10	6	6.6	131	0	4	4
Portugal	152	9	7	5.2	2,015	0.01	7	11
Brazil	44	-8	-16	0.2	390	0	3	2
USA	71	-41	-6	0.0	184	1.3	7	2, 10
Canada	327	-44	-0,1	0.1	1,379	0	7	2
Others	1,409	35	27	24.8	7,763	0.3		
<b>Total</b>	<b>6,472</b>	<b>508</b>	<b>97</b>	<b>44.5</b>	<b>38,355</b>	<b>6.4</b>		

The complete list of ACCIONA companies, and also their main activities, is published annually in appendices I, II and III of the Consolidated Financial Statements.

Furthermore, the social cash flow and tax contribution is published in the Summarised Report. Notes on the "Reconciliation of the accounting profit to the taxable profit", "Taxes recognised in equity", "Deferred taxes" and "Reporting Obligations" are published in the Financial statements.

The Earnings Before Taxes (EBT) is the consolidated figure after allocating corporate analytical costs.

Explanatory notes on the differences between the effective tax rates and the nominal tax rates:

1. Reversal of non-deductible expenses (non-taxable income).
2. Tax losses in the year.
3. Application of unrecorded tax credits.
4. Allocation of consolidation vs local accounts (Corporation Tax payments).
5. Tax rate for Corporation Tax higher than in Spain.
6. Tax rate for Corporation Tax lower than in Spain.
7. Non-capitalisation (recording) of tax credits.
8. Non-deductible expenses and adjustment for inflation.
9. Application of tax credits.
10. Deferral for accelerated depreciation / unrestricted depreciation.
11. Non-application of the tax consolidation system.

At 31 December 2020, the amount of capital grants and operating grants received by the company amounted to € 848,000 and € 5,539,000.

None of the jurisdictions in which ACCIONA operates is considered a tax haven under Spanish legislation contained in Royal Decree 1080/1991, as amended by Royal Decree 116/2003.

100



### Relationship with the auditor

The *Remuneration and other benefits* section of the *Consolidated Financial Statements* contains information on the fees for auditing services and other services rendered by the auditor of the group's consolidated financial statements, KPMG Auditores, S.L., and by companies belonging to the KPMG network, as well as the fees for work invoiced by the auditors of the annual financial statements of the companies included in the consolidation, and by the entities related to them in terms of control, common ownership or management.

The *Audit Committee Report on the independence of the external auditor* is prepared annually. In this report, the Audit Committee of the Board of Directors delivers an opinion on the independence of the external auditor for each financial year in relation to ACCIONA, S.A. and its subsidiaries, and in accordance with applicable legislation on the independence of the Accounts Auditor, specifically Law 22/2015 on Account Auditing, and Regulation 537/2014 of the European Union.

## TRANSPARENCY

### Other non-financial information reports

In addition to the *Sustainability Report*, the company publishes two other corporate reports with ESG information of interest.

### Sustainability Report for the first half of the year

ACCIONA's *Sustainability Report* for the first half of the 2020 financial year was the first non-financial interim report presented by the company. This document monitored the main non-financial indicators and objectives, and listed the milestones achieved in areas of environmental and social sustainability, sustainable finance and external evaluations during the six months in question.

Sustainability accountability needs to be increasingly transparent, and must adapt to the frequency with which financial information is published. This is especially relevant in a year with such decisive events as those that occurred during the first six months of 2020.

### Integrated Report

ACCIONA publishes its annual *Integrated Report*, prepared in accordance with the guidelines of the International Integrated Reporting Council (IIRC). The ninth edition will be published in 2021. The aim of this document is to show the relationship between corporate strategy and financial performance in the different contexts in which the company operates. It provides the reader with key information that explains the decision-making process that creates value in the short, medium and long term.

This report integrates all relevant information for the company's stakeholders relating to both financial and non-financial matters, and includes not only a review of the company's performance in recent years, but also a forecast based on the analysis of the current context, expected evolution and future plans.

### Dialogue and sustainable leadership

ACCIONA actively participates in international initiatives that strengthen its commitment to sustainable development, the fight against climate change, and its leadership in these areas.

### World Economic Forum

Within the framework of the 2020 World Economic Forum (WEF), ACCIONA's Executive Chairman, José Manuel Entrecanales, reaffirmed the need to develop sustainable and scalable business models that help to ensure access to clean energy in the most disadvantaged areas of the world.

In 2020, GREENCHAIN®, ACCIONA's platform that guarantees the renewable origin of the energy generated by the company, has been selected by the WEF as one of the energy sector's most innovative solutions of the decade, according to the *Global Innovations from the Energy Sector 2010-2020* report. Among other WEF projects, ACCIONA participates in the Accelerating Clean Hydrogen Initiative, a collaborative platform to increase investment in clean hydrogen, in view of its costs and scale challenge.

101

### United Nations Global Compact

ACCIONA has been a member of the United Nations Global Compact since 2005. It confirms its commitment to the Ten Principles of the Global Compact on an annual basis. The company collaborates regularly with the Spanish, Chilean and Australian Global Compact Networks.

José Manuel Entrecanales participated in the Leaders' Summit to commemorate the 20th anniversary of the United Nations Global Compact (UN), and urged governments to prioritise investments that contribute to decarbonisation within its post-COVID recovery plans.

In addition, as part of Climate Week in New York and the 75th session of the General Assembly, ACCIONA's CEO took part in the *Uniting Business LIVE* conference, organised to address any shortcomings in SDG progress, drive business ambition for the achievement of the SDGs, and highlight cooperative solutions.

Through the *Business Ambition for 1.5°C* campaign, ACCIONA shared its best practices for achieving its decarbonisation targets under the 1.5°C scenario. In the *'Putting a Human Face to Climate Change'* working group, the company shared examples of actions to address climate and health issues from a human rights perspective, based on its work with indigenous communities, and in the context of the pandemic.

### 'RACE TO ZERO' CAMPAIGN

ACCIONA has joined the global 'Race to Zero' campaign, as part of the United Nations Framework Convention on Climate Change (UNFCCC), to mobilise the leadership and commitment of companies, cities, regions and investors to achieve a healthy, resilient and low-carbon recovery that prevents future threats, creates jobs and drives inclusive and sustainable growth.

ACCIONA continued to participate in the EU Peer Learning Group Climate working group, sharing best practices to address the regulatory requirements of the transition to climate neutrality. ACCIONA presented its case study on the use of the European taxonomy of sustainable economic activities.

In 2020, ACCIONA joined the Women Empowerment Principles initiative, led by the Global Compact, to promote gender equality in business. The project has the support of more than 3,000 CEOs, and is based on 7 principles that guide companies in the empowerment of women and the advancement of gender equality in the workplace and the business world. ACCIONA has also joined the Global Compact's Target Gender Equality initiative.

### CLG Europe

ACCIONA has been a full member of CLG Europe since 2009 (formerly The Prince of Wales' Corporate Leaders Group), a group of European business leaders convinced of the urgent need to develop new long-term policies to combat climate change.

In 2020, ACCIONA CEO José Manuel Entrecanales endorsed the organisation's *Open Letter*, which called for greater ambition in Europe's climate goals. 170 business leaders call on EU decision-makers to support a greenhouse gas (GHG) emissions reduction target of at least 55% by 2030.

This year's outreach activities support this need to accelerate and focus energy transition efforts to make the EU a carbon neutral continent by 2050. Especially noteworthy, among other actions, is the publication of *The Green Deal and Europe's recovery: Building a prosperous, resilient and climate neutral EU through business and political action*, with recommendations for a green recovery and a just transition.

### World Business Council for Sustainable Development (WBCSD)

ACCIONA responded to the call to action to combat the pandemic made by WBCSD member companies by maintaining the continuity and quality of essential services, and providing sustainable infrastructure solutions for the safety and well-being of its staff and affected communities.

Of particular note was ACCIONA's contribution to the updating of the WBCSD's *Vision 2050*, and new membership criteria, with greater emphasis on transparency to accelerate the transition to a sustainable world. In addition, the company has worked on disseminating its leadership in the mobilisation of capital towards sustainability, and the application of the European taxonomy of sustainable activities.

ACCIONA has continued to participate in the REScale project to promote the development of corporate long-term renewable energy purchase agreements (PPAs). It has also collaborated in the WBCSD cities and mobility programme, exchanging best practices in transport and building, as part of the *Transforming the Built Environment* project.

#### Spanish Green Growth Group (GECV)

The GECV has undergone significant development over the last year, and now has over 50 member companies. ACCIONA has actively contributed to this growth, holding the position of general secretary and leading the Energy Transition Working Group.

Particularly noteworthy is the group's support for the *Manifesto for a Sustainable Economic Recovery*, which calls for alliances between political parties, the private sector and civil society to promote stimulus packages based on science and best practices as a means to overcoming the coronavirus crisis.

#### European Alliance for a Green Recovery

This alliance of business leaders, European ministers, MEPs and members of civil society urges European Union governments to prioritise green investments in their economic recovery plans in the wake of the COVID-19 crisis.

#### Internal and external dissemination of sustainability principles.

Throughout the year, ACCIONA has attended forums, talks and meetings with various organisations and has also collaborated in numerous publications, promoting regenerative capitalism, a recovery based on green investment, and mechanisms aimed at achieving these goals. The company has focused on disseminating the requirements of the European taxonomy with the Organisation for Economic Cooperation and Development, the Elcano Royal Institute, and the Climate Bonds Initiative; promoting sustainable mobility with the United Nations Environment Programme and the World Bank's Sustainable Mobility for All (SuM4All) initiative; and disseminating ACCIONA's High Impact Solutions approach and the Resilience tool in climate finance initiatives like the Climate Investment Funds' Transformative Change Learning Partnership. Taken together, all these activities have contributed to the consolidation of ACCIONA's leadership in the area of sustainability.

#### Cybersecurity

The company has an Information Security Steering Committee, composed of the Managing Director of Technology and Innovation, the Director of Security, the Chief Information Officer and the Director of Cybersecurity. This committee is the body responsible for establishing strategy, and for driving, prioritising and managing the follow-up of security plans and programmes in a potential crisis situation that may originate from an incident related to the security of reporting or information systems. It also oversees security risks and issues, reporting to the Board of Directors when requested.

ACCIONA's cybersecurity framework is based on the NIST standard, which defines all processes and activities under the supervision of the relevant management. As part of this instrument, the company has a corporate information security policy and an employee awareness and training plan, as well as procedures and mechanisms for any employee to report a security incident or any suspected incident. It also has an ISO 27001 certification for the information security management system associated with the security services provided internally from the central offices.

The group has established processes to prevent information system interruptions and cyberattacks. A Contingency Plan is in place, which is reviewed and tested on a six-monthly basis, and covers specific applications.

There were no security incidents in 2020 that compromised customers' personal data.

103



## SUPPLY CHAIN

ACCIONA communicates its commitment to sustainability to its supply chain with total transparency, seeking excellence in management and the generation of shared value. We are experiencing exceptional times as a result of the COVID-19 crisis, which has had a direct impact on risks, with interruptions of deliveries, factory closures, labour shortages and the disappearance of companies, among other issues. Now more than ever, minimising these risks and implementing a sustainable supply chain management strategy is reliant on having a more resilient network of suppliers and contractors. Over the last few years, ACCIONA has been "creating long-term value" by establishing lasting relationships with the supply chain. An approach which, in these complicated times, helps to avoid jeopardising projects and provide a better response to customers.

### Responsible procurement management

ACCIONA's supply chain management strategy is determined by the Procurement Coordination Committee, made up of the Procurement Managers of the infrastructure and energy divisions. Various actions were undertaken in 2020 in connection with the pandemic situation:

- > Evaluation reports on the impact of coronavirus on procurement. The greatest impact was on projects in the Middle East, although the cost overrun detected in the procurement process was kept below 0.05%.
- > COVID-19 Procurement Plan. Managed by a multidisciplinary working group, this plan guaranteed the supply of PPE to 100 % of the critical infrastructures at all times.
- > Promotion of paperless technologies: purchasing through electronic catalogues (an increase of 179.8% compared to 2019); the *Procurement to Pay* (PtoP) platform, whose deployment plan will be addressed in 2021, which avoids paper ordering and invoicing, and the consolidation of electronic signatures and e-contracts for corporate and water suppliers. Over 712 contracts were signed using this tool, and teleworking was facilitated for employees.

The Corporate Purchasing Standard, together with the related procedures integrated into the main ERPs, the planning and reporting tools, and the PROCUR-e system, are the instruments that record, support and control purchasing operation and management.

Since 2015, PROCUR-e has been the driving force behind the functional, digital and process transformation of the entire purchasing cycle. This is the key mechanism for identifying and managing supply chain risk through the Risk Map, and for dealing with tenders and supplier relations.

### PROCUR-e in figures:

Almost 50,000 registered suppliers, more than 45,600 with Risk Map.

More than 8,400 RFQs awarded.

More than €1,147 million awarded in 2020.

More than 2,300 users around the world.

2020 saw the following advances made in procurement management:

- > Promotion of digital transformation.
  - Implementation of the new CATMAN module, which digitises the purchasing strategies of Category Managers in the infrastructure division. This is one of the main methods for sharing and publishing the sustainable development strategy of the most critical suppliers.
  - Supply Chain Visibility (SCV): a new tool which allows stakeholders to consult the status of their purchasing processes in real time.
  - ALIA: the water and construction businesses have defined common requirements for digitising the processes associated with supply chain management in the four areas of activation, quality, logistics and warehouse management.
- > Electrification of the vehicle fleet, reflecting a clear commitment to replacing the fleet of company vehicles with less polluting models.

104

- > International expansion of the purchasing function. Particularly noteworthy was the implementation of systems, processes and procedures in the new business unit in Australia.

### Purchasing function

86% of employees in the purchasing area have objectives linked to sustainability, and employees have received a total of 3,450 hours of training on the subject, more than twice the number of hours in 2019.

### Supply chain management objectives

This year closes the cycle of the Sustainability Master Plan 2020. The following graph shows the fulfilment of the annual objectives to contribute to the global goal to "Mitigate environmental, social and good governance risk in the supply chain".

#### Degree of fulfilment of the objectives of the supply chain under the 2020 SMP

SUSTAINABILITY MASTER PLAN	PERFORMANCE INDICATORS – CLOSING CYCLE OF THE SMP 2020				
<ul style="list-style-type: none"> <li>Extending the scope of the suppliers Risk Map</li> </ul>	<ul style="list-style-type: none"> <li>Extending the scope of the Risk Map</li> </ul>	<ul style="list-style-type: none"> <li>Extending the scope of the international risk map</li> </ul>	<ul style="list-style-type: none"> <li>100% Suppliers Awarded under PROCUR-e with Risk Map</li> </ul>	<ul style="list-style-type: none"> <li>Critical suppliers Own Works with Risk Map (97% national and 80% international)</li> </ul>	
<ul style="list-style-type: none"> <li>Expounding on the supplier risk map</li> </ul>	<ul style="list-style-type: none"> <li>Defining Supply Chain Variables</li> </ul>	<ul style="list-style-type: none"> <li>Introduce Supply Chain Variables into the Risk Map</li> </ul>	<ul style="list-style-type: none"> <li>Measure, over 80% of approved suppliers 2019 with Supply Chain analysed</li> </ul>	<ul style="list-style-type: none"> <li>Measure, over 90% of approved suppliers in the year with this variable analysed</li> </ul>	
<ul style="list-style-type: none"> <li>Development and introduction of No Go Policies</li> </ul>	<ul style="list-style-type: none"> <li>Introducing No Go policies in purchasing process</li> </ul>	<ul style="list-style-type: none"> <li>Introducing Solvency and Legal Documentacion into No Go Policies</li> </ul>	<ul style="list-style-type: none"> <li>0% orders to No Go suppliers</li> </ul>	<ul style="list-style-type: none"> <li>0% orders to No Go suppliers</li> </ul>	
<div> <div>...</div> <div>2017</div> <div>2018</div> <div>2019</div> <div>2020</div> </div>					
<div> <div>Complete 100%</div> <div>Incomplete</div> <div>In Progress</div> </div>					

105

In 2020, ACCIONA placed purchase orders with 19,420 suppliers for more than € 3,600 M

### 2021 challenges in the supply chain management

- 0 % of general purchases from No Go suppliers, as they involve a high risk to sustainability.
- ESG assessment: 85 % of critical suppliers (national and international) in the company's own works must be approved.  
95 % of the approved suppliers during the year will have analysed the supply chain variable.
- 90 % of the suppliers undergoing the process for certification/audit and having risks in OHS issues will be subject to an action plan for reducing the risk.

## Distribution of suppliers by type and division

Business line	Total No.	% Outside of Spain	% Critical	% Local
Energy	2,492	61 %	13 %	93 %
Infrastructure				
- Construction	8,774	55 %	12 %	96 %
- Concessions	244	33 %	7 %	57 %
- Water	2,920	44 %	10 %	91 %
- Services	2,680	20 %	7 %	99 %
Other business*	2,310	15 %	6 %	87 %
<b>Total</b>	<b>19,420</b>	<b>44 %</b>	<b>10 %</b>	<b>94 %</b>

\* Other Business: Real estate, Bodegas Palacio, Corporate, ACCIONA Cultural Engineering, AMISA and Forwarding. The assigning of supplier/business is made to companies with a higher volume of contracts with the supplier.

## Breakdown of purchases by geographical area

In terms of geographical regions, 86% of the total volume of purchases in 2020 was concentrated in 10 countries, while 46% was located in Spain. The diversity in the nationality of the suppliers contracted is directly related to the company's presence in the country. Canada and Norway entered the top 10, while China and the United Kingdom dropped out.

## Critical suppliers

The criticality level of suppliers and contractors is based on economic risk: any supplier with an annual business relationship exceeding €250,000 is considered critical. At the end of 2020, this figure was raised to €400,000, which will serve as a threshold in the following reports. Throughout the year, 10% of the supply chain base was deemed critical, accounting for 85% of procurement.

The number of critical intermediary companies has decreased, due to a change in criteria made as part of a project to optimise the supplier certification process (see section: *Supplier Certification and Evaluation Procedure*).

## Local suppliers

ACCIONA believes that working with local suppliers not only has a positive impact on the economic development of the communities in which it operates, but also minimises operational risk by reducing product delivery and service execution times. 94% of companies and distribution channels are contracted locally.

## Sector-specific characteristics of the supply chain

The purchasing categories with the highest volume of spending by the group are wind and solar energy generation components, water treatment equipment, construction and civil works. Seventeen percent of the group's purchases are accounted for by 10 suppliers in these categories, six of which are related to high-technology equipment.

## Risks and controls in the supply chain

The objective of the purchasing function is the continuous optimisation of processes for the correct identification of potential risks in the supply chain. ACCIONA recognises two types of risks associated with purchasing processes:

- > Operational risks: these affect business results or contravene the Corporate Purchasing Standard and related procedures.
- > Compliance, sustainability, environmental and social risks: linked to bad practices in the area of corporate responsibility and sustainability.

For each of the risks detected, specific preventive control mechanisms, updated and periodically configured, are developed, in order to minimise the probability of their occurrence.

106



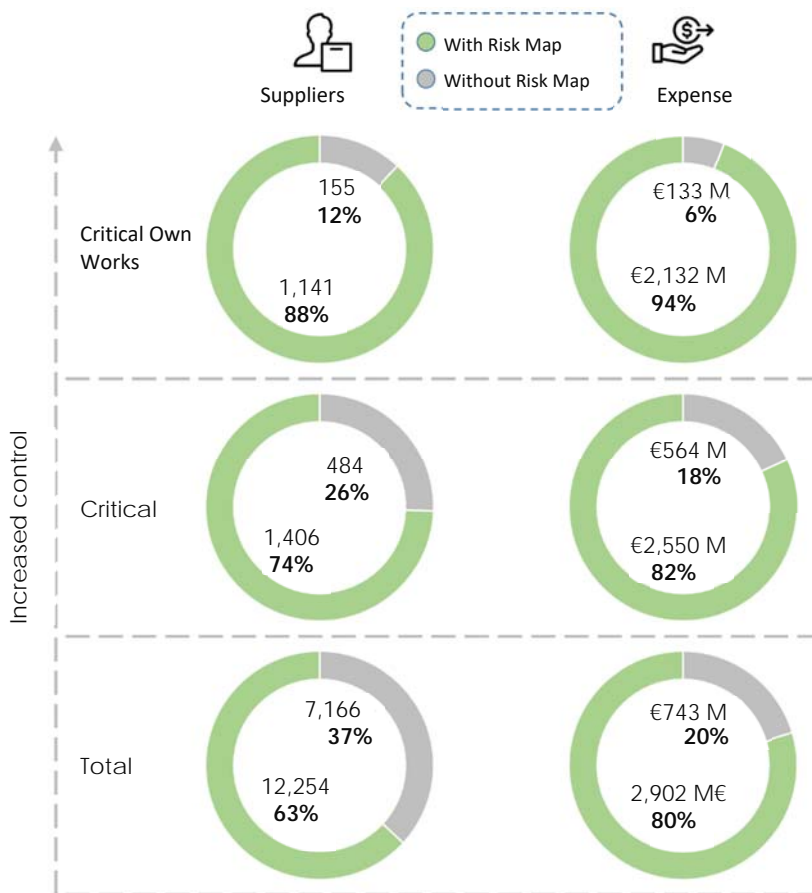
### Supply chain risk map

The Risk Map is ACCIONA's primary supply chain risk control and management tool. This mechanism enables the company to transfer its corporate responsibility and sustainability criteria and policies to its entire supply network. In 2020, a new risk assessment model was implemented, which brings sustainability closer to suppliers of smaller amounts, and always includes an ESG analysis.

A supplier's Risk Map is made available prior to contracting. The map currently comprises 11 variables, including ESG, ethics, integrity and governance, as well as other factors that support the purchasers' decision-making process, such as performance assessment and financial solvency.

At the end of 2020, the Risk Map v 4.0 in PROCUR-e included a total of 45,641 suppliers, an increase of 55% compared to 2019.

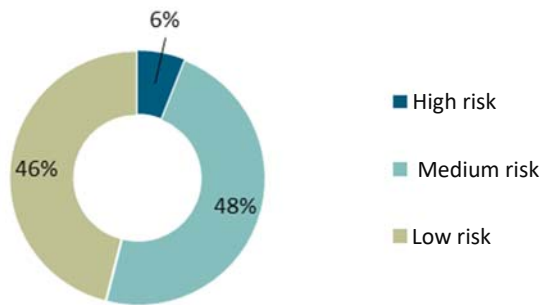
#### Risk Map of the suppliers contracted in 2020



107



## Distribution of the risk of all suppliers registered in PROCUR-e

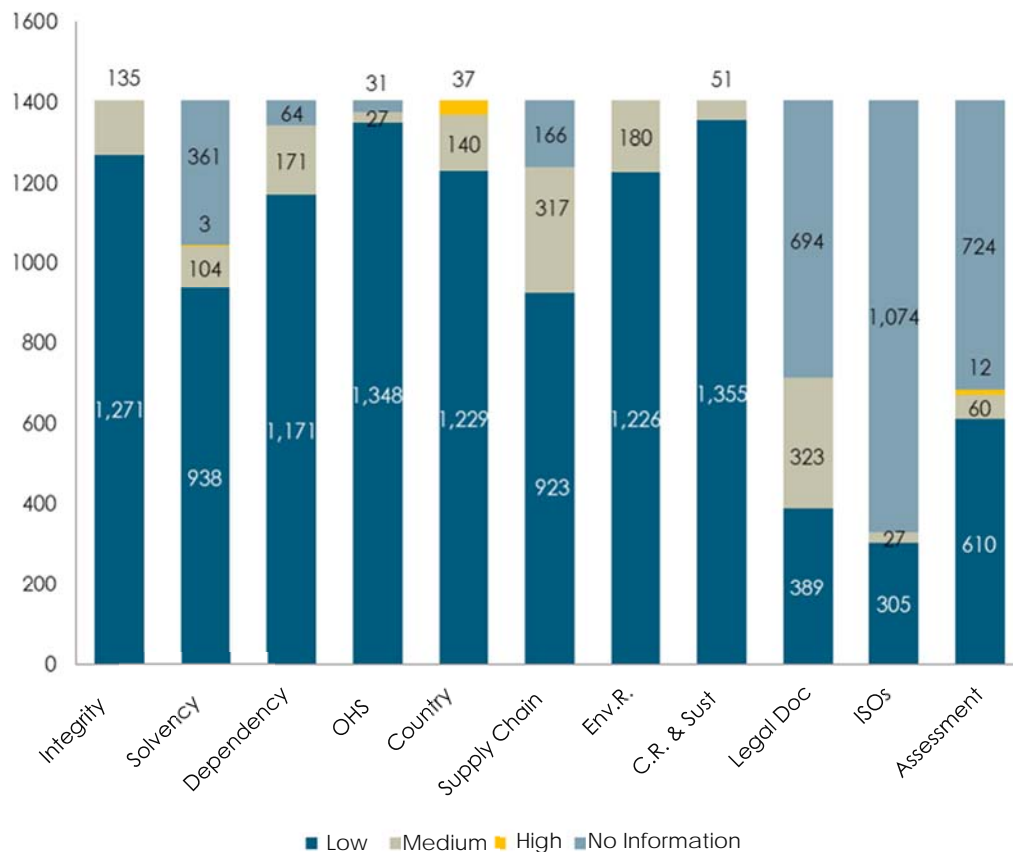


As can be seen, the percentage of the scope of the Risk Map and control is greater in proportion to the supplier's degree of criticality the for the group.

## Critical Supplier Risk Map in 2020

In 2020, 1,406 critical suppliers had a Risk Map, which accounts for 82% of all contracts with these suppliers.

## Distribution of the risk in the variables of the Risk Map in critical suppliers



108

Note: cases for which there is no information are due to none being available or incomplete in systems external to the company.

## Conclusions of the Risk Map:

- > The distribution or level of risk has remained stable with respect to previous years. As a result, 94% of suppliers have a medium/low risk level.

- > The supply chain risk analysis model has been further consolidated, with far greater visibility and scope. This year, ACCIONA has 55% more suppliers with Risk Map, and a total of 45,461 companies are monitored on a daily basis.
- > In 2020, the Risk Map for suppliers covers:
  - 79.6% of total contracts.
  - 82% of contracts with critical suppliers.
  - 94% of contracts with critical suppliers' own work.
- > Control over suppliers from designated high-risk countries continues to increase, as they pose the greatest threat to the group. These are known as "MACS" (Mandatory to be Audited Critical Suppliers).
- > As in previous years, there is no supplier with a high-risk integrity variable that has not been considered No Go, since there can only be two possible options for this type of supplier: not contracting the company or creating a Reinforced Due Diligence process that mitigates the company's risk level.
- > 51 critical suppliers with Medium CR and Sustainability Risk were detected, and the company will work with these suppliers to reduce this risk over the course of 2021. This represents a 50% reduction when compared to the figure 2019.
- > The Risk Map for critical suppliers for own work includes 1,141 companies, exceeding the target for this type of collaborating firms, with 99.7% at national level and 93.7% at international level (the targets were 97% and 80%, respectively).

#### Supply Chain variable and non-Tier 1 suppliers

ACCIONA uses the Supply Chain variable to determine whether suppliers identify, monitor and evaluate their supply chain, and build improvement capacity. In 2020, the objective was to analyse this variable in more than 90% of suppliers approved in PROCUR-e, and the figure has now reached 98.6%.

In addition, although ACCIONA does not have a direct contractual relationship with its suppliers' supply chain, it is aware of its duty to supervise all its agents. In this context, the company considers *non-Tier 1* suppliers (suppliers of its suppliers) that carry out work in its facilities and projects to be critical from a health and safety point of view. The control of these suppliers is regulated through contractual clauses during the relationship with Tier 1 suppliers, and specific tools for the Coordination of Business Activities. A total of 6,660 indirect suppliers were registered on these platforms by the end of 2020.

109

#### Human rights assessment

The company assumes its responsibility for identifying, preventing, mitigating and responding to the negative impact of its activities on human rights, and is therefore committed to conducting due diligence on its suppliers. In 2020, the ACCIONA carried out 45,641 company human rights assessments through the Risk Map.

ACCIONA establishes various mechanisms to prevent and control the risk of human rights violations:

- > Self-Declaration of Responsibility for Suppliers, including, but not limited to, the Ethical Principles for Suppliers, Contractors and Collaborating Firms.
- > CR self-assessment questionnaire, in which companies, upon registration, answer questions on international standards. If the answer is negative, this impacts the Risk Map, prevents supplier certification, and triggers the audit process.
- > Help sheets that suppliers can access when filling in the questionnaire, which are intended to inform, raise awareness and provide training in the area of human rights.
- > Risk Map with "Country Risk" variable comprising several indexes extracted from Maplecroft and linked to various factors: child labour, freedom of association and collective bargaining, forced labour, decent working hours, fair minimum wage and discriminatory practices. The countries that score the lowest are considered high risk, and must be audited as required by the Approval Process. These suppliers are known as "MACS" (Mandatory to be Audited Critical Suppliers).
- > Auditing processes involving on-site verification of correct compliance in human rights management throughout the supply chain.

- > Visits by ACCIONA personnel to verify minimum human rights standards.

31% of suppliers registered in PROCUR-e with a Risk Map report that they conduct regulatory compliance and international standards audits of their own suppliers.

#### Focus on the Integrity Variable

The Integrity variable analyses the supplier's position on issues such as money laundering, tax havens, corruption litigation, presence on international sanctions lists, etc.

The integrity variable of 10,005 suppliers had been monitored by the end of 2020, which represents 72% of the year's contracts. ACCIONA monitors the most important companies, whether for certification reasons, or because the company is one of ACCIONA's main agents, or because the company is recurrent, or working in a country at risk, etc.

In addition, there are 20 suppliers with significant risk in the Integrity variable. Of these, 15 have No Go status, another 2 have Invalid status, and 3 have lost their approved status and will be investigated in 2021.

In addition, 8 suppliers were subject to Enhanced Due Diligence (EDD) procedures in the integrity area, in line with the provisions contained in both the company's anti-corruption guidelines and the *Integrity Interpretation Guide*. Having conducted the EDD, all of these suppliers no longer constitute a high integrity risk.

### No Go suppliers

Non-compliance with the minimum requirements set out in the No Go Policies means that a supplier cannot be contracted until the reasons for this status are resolved. ACCIONA has met the 2020 target of 0% general purchase orders from companies with this status.

The No Go policies are based on the following assumptions:

- > Suppliers with significant risk in terms of ethics and integrity, as their names appear on international sanctions lists or because there are serious indications of corruption, fraud or money laundering.
- > Critical suppliers in at-risk countries that have not been audited, or have been audited and have one or more unresolved Serious Nonconformities.
- > Proven non-compliance with the United Nations Global Compact.
- > Economic solvency risk (contracts over €1 million).
- > Outstanding tax or social security debt.
- > Companies penalised for their performance assessment in previous activities or for deficiencies detected in audits that remain unresolved.

171 suppliers were considered No Go in 2020, 53 of which have been removed from this category following audit, action or improvement plans, or Enhanced Due Diligence.

### Supplier certification and evaluation procedure

The Supplier Certification and Evaluation Procedure remains one of the main mechanisms for managing supply chain risks and generating improvement opportunities and sustainable growth in the purchasing processes. By the end of last year, 426 suppliers from 55 different countries were certified.

In 2020, this global procedure was subject to two updates: 4.0 (1st Quarter) and 5.0 (4th Quarter). This change, which stems from a project to optimise the supplier approval system, seeks more transparent, efficient and exhaustive processes that are tailored to the needs of the markets in which the group operates, while still maintaining focus on risk management.

The main impacts of these changes are:

- > 55% increase in the scope of the Risk Map.
- > Increased certification. Version 4.0 was created in order to serve as a transition to edition 5.0. The price considered during the transitional period was €250,000, with the limit necessary to approve a supplier being finally set at €400,000 in the 5.0 edition.



- > Implementation of the delegated supplier management function in Australia's energy and infrastructure business units, in order to carry out this task in closer proximity to the business, while at the same time ensuring compliance with corporate policies.

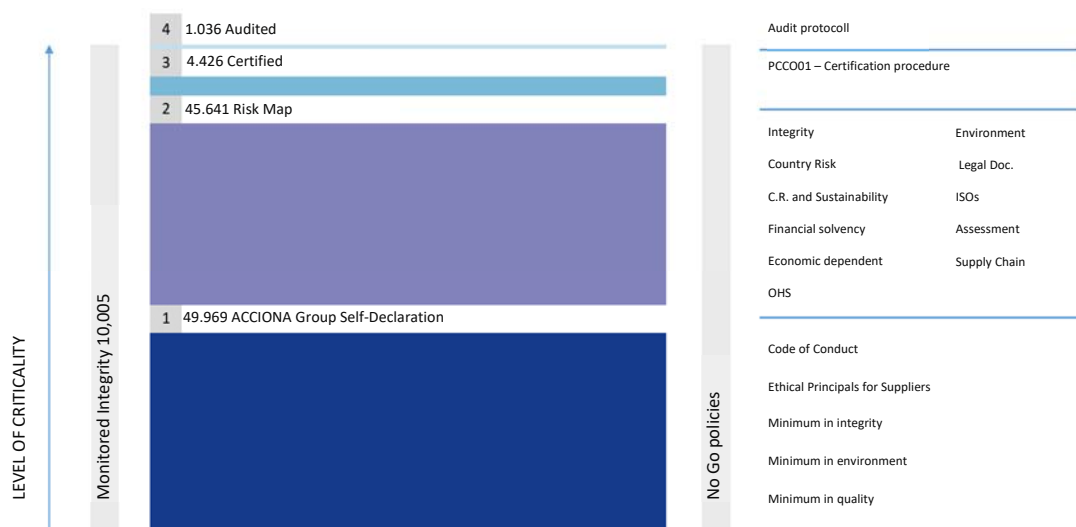
### Supply chain controls

Supply chain controls are defined by levels of criticality. This means they become more exhaustive as risks of any kind increase, whether economic, country, activity or CR and Sustainability. The levels are:

1. Suppliers must accept the group's Self-Declaration document, which contains the Code of Conduct, the Ethical Principles, and basic objectives in terms of Integrity, Environment and Quality. This is an indispensable prerequisite for accessing the Supplier Portal.
2. To be able to bid, collaborating companies must fill in the self-assessment questionnaire in PROCUR-e, so that the company's Risk Map can be calculated and monitored.
3. In order to be awarded contracts over € 250,000 (those considered critical suppliers), an additional control is required, as stipulated in the Supplier Certification and Evaluation Procedure
4. Finally, the highest level is aimed at critical suppliers in "MACS" risk countries or with significant or recurrent contracts. For this group, social and regulatory compliance audits are carried out by an external organisation that performs an on-site evaluation using the Group's Audit Protocol.

Integrity analyses and monitoring of No Go policies are common at all levels, regardless of their criticality.

### Controls in the supply chain



111

### Improvement plans for the certification process

Improvement plans are an opportunity to improve supplier business management and reduce supply chain risk. ACCIONA implements these plans as a result of the supplier certification process, mainly in the areas of occupational risk prevention, financial solvency and environmental issues.

In 2020, the company analysed 46 suppliers that required certification, due to having a high risk with regard to occupational risk prevention. Following assessment, a total of 16 suppliers signed up to an improvement plan, 5 took the online course for suppliers, and 10 resolved the situation in other ways. The remaining suppliers will not be certified until they join the action plan. Of the 4,426 certified suppliers, 133 have signed up to improvement plans for occupational risk prevention.

In addition, of the total number of certified companies in ACCIONA, 1,779 required an additional assessment of their financial risk, due to their failure to make this information public, or for representing a solvency risk, and therefore endangering the company. 4 suppliers had a significant risk in this variable at the end of 2020, so extraordinary control measures were established in coordination with the financial department.

However, no environmental risk has been detected in any of the suppliers that have required certification.

### Supplier performance assessment

When evaluating a supplier in a project, it is important to know exactly how the supplier has managed its performance in its business relationship with ACCIONA. Throughout 2020, suppliers continued to be assessed according to criteria of deadlines, occupational risk prevention, quality, environment, compliance with administrative obligations, and technical capabilities. More than 4,693 order evaluations were carried out on more than 2,337 companies. 95% of the analyses resulted in type A or B (highly recommended or recommended supplier). The number of suppliers evaluated increased by 20% compared to 2019, while the percentage of A+B evaluations increased by 2 percentage points.

### Environmental, labour and social assessment of suppliers and audits.

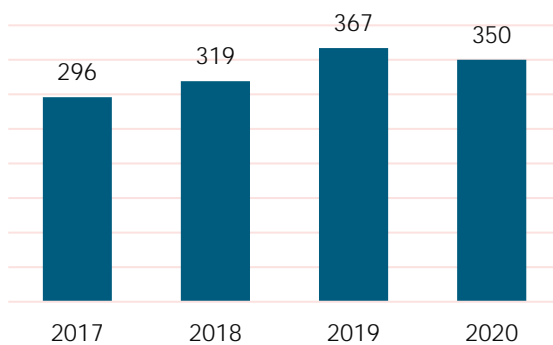
The Risk Map assesses suppliers using ESG criteria: environmental, social, human rights, ethics, integrity and governance. This assessment is verified in the certification and audit processes.

#### External audits

Since 2013, the group has been conducting annual ESG audits of suppliers. During this time, 2,010 audits have been completed. These audits are carried out by international or local auditing companies with local knowledge of the country, and always in accordance with a highly comprehensive protocol that not only examines aspects relating to ESG, but also issues related to finance and quality.

Due to the restrictions arising from the pandemic, most of the audits have been carried out remotely. Last year, 350 suppliers were audited (342 direct and 8 *non-Tier 1*). A total of 1,036 suppliers had been audited by the end of 2020, a 5.5% increase over the total for the three previous years.

#### Evolution of supplier audits



112

As established in the supplier certification and evaluation procedure, there are two types of audits:

1. Approval audits for critical suppliers, which are mandatory for suppliers in at-risk countries. 64 audits of this kind were carried out in 2020, in China, Saudi Arabia, the United Arab Emirates and India. ACCIONA is aware that its verification efforts must focus on countries where human rights risks are most likely to occur.

Moreover, one of the SMP targets states that "90% of critical own-work suppliers from at-risk countries (MACS) must be audited". The company once again achieved this target in 2020, as 93% of these suppliers are currently audited. Last year was especially challenging, due to water business projects in at-risk countries.

2. Monitoring audits, carried out on suppliers of interest to the group, either due to their recurrence, criticality or specialisation. 286 audits of this type were carried out in 2020.

The energy business also successfully completed the "Tier 2 Audits" pilot project, which will enable ACCIONA to gain a better understanding of the suppliers in its supply chain. The pilot project required the auditing of 84 companies.

### Internal audits

In terms of internal control, ACCIONA made on-site visits to more than 1,250 suppliers in 2020, mainly through employees assigned to the quality and purchasing areas. The aim of these visits is to ensure compliance with the group's standards, especially in terms of product and service quality. In addition, 77 of these audits verified suppliers' application of the minimum requirements in areas relating to safety, quality, the environment, human resources, and health and safety, as set out in the *Guidelines for Minimum Sustainability Checks during Onsite Visits*. Non-compliance in these areas was not detected in any of the 77 visits carried out.

### Questionnaire verification

The veracity of the information on suppliers registered in PROCUR-e is also checked with third-party document management tools that validate and monitor the data. Information on 3,597 collaborating firms was double-checked by RePro/Achilles, and another 4,482 companies by Obralia/Gestiona.

## Resolution of serious non-conformities

ACCIONA works together with its suppliers to resolve any Serious Non-Conformities (SNC) detected in the audits, initiating action plans if necessary. If the deficiencies found cannot be resolved within a reasonable period of time, the company is considered a No Go. This helps to significantly minimise risks in the supply chain.

Focusing on the Non-Conformities of the 342 direct suppliers audited in 2020, it should be noted that:

- 49% had zero SNCs, 4 percentage points higher than the previous year.
- The remaining 51% have benefited from the various action plans. Of this percentage, 15% have not fully resolved their SNCs and have moved to No Go status.

With regard to suppliers in risk countries, of the 64 suppliers audited:

- 26% had zero SNCs.
- The remaining 74% have implemented various action plans. 76% have been resolved and the rest have either moved to No Go or were on schedule.

As in previous years, the highest number of SNCs occurred in the areas of health and safety, quality, and the environment. These are therefore the areas in which ACCIONA is making the greatest effort to implement its improvement plans.

ACCIONA is aware that insisting on the resolution of Non-Conformities identified during the audit is the right way to help its suppliers improve as a company and to mitigate the risks associated with the supply chain. Working with suppliers who comply with the standards enhances performance and generates shared value.

113

## Monitoring compliance with the Disability Law

PROCUR-e monitors supplier compliance with the General Disability Act (LGD). Of 18,874 collaborating firms in Spain that were aware of the issue, 99.9% stated that they comply with the law or have a certificate of exemption. At the international level, of the 2,654 suppliers consulted, 84.2% stated that they apply the laws of their respective countries.

## Ethics for hiring suppliers, contractors and collaborators

ACCIONA considers the dissemination of the company's Ethical Principles to its supply chain as key to consolidating a network of suppliers, contractors and collaborators consistent with corporate values. Throughout 2020, there were more than 193,000 communications via acceptance of the Supplier Self-Declaration of Responsibility (any supplier that does not accept this document is prohibited from working with the company), and also through orders, contracts and bidding conditions, where mandatory clauses include aspects such as Ethical Principles for Suppliers, sustainable procurement, confidentiality, information security and data protection. Such clauses have been incorporated into 95% of the group's orders. The remaining 5% are mainly related to projects with partners.

Of the suppliers with a Risk Map, 51% declare that they have their own Code of Conduct.

## Training and communication with suppliers

The ACCIONA Corporate University Suppliers Campus is integrated into PROCUR-e, and is available to 100% of the supply chain free of charge.

Within the framework of the PDS 2020, 3,499 suppliers and 5,052 supplier employees have taken an interest in these courses. Of all these courses, *Sustainability applied to your company* was particularly noteworthy, with a 61% increase in participation compared to 2019.

2020 has proved to be the best year in terms of supplier training, thanks to various campaigns and specific courses on sustainability, in which emphasis has been placed on the importance of full awareness of the issue and the application of everything related to this subject.

### Training of supplier employees (cumulative volume)

Course taught	2017	2018	2019	2020
Code of Conduct	789	908	927	1,049
Sustainability applied to your company	16	165	219	373
RC and sustainability in the supply chain	683	790	805	957
OHS basic concepts, management and regulations	650	794	851	1,026
Equality and prevention of discrimination	616	700	708	708
Raising awareness about disabilities	555	640	653	653
Climate change	0	0	0	157
Human rights	0	0	0	129
<b>Total</b>	<b>3,309</b>	<b>3,997</b>	<b>4,163</b>	<b>5,052</b>

114

## Communication with suppliers

Suppliers can make use of a wide range of communication channels to raise any kind of questions about their business relationship with ACCIONA:

compraresponsable@acciona.com, boletinproveedores@acciona.com, proveedores@acciona.es y procure.helpdesk@acciona.com.

Similarly, companies can use the Ethical Channel to report any irregular practices detected, which will be duly analysed by ACCIONA.



### Supplier satisfaction survey

For the fourth consecutive year, the "Supplier Satisfaction Survey" was conducted among 22,187 collaborating firms, of which 15% responded. The main objective of the survey is to gather information about ACCIONA's relationship with its supply chain through suppliers' opinions, assessments and experiences.

Key findings include:

- > 97% of suppliers consider ACCIONA's commitment to sustainability to be good or very good. 95% say that the ACCIONA inspires confidence, and they would recommend it to other companies. These figures have remained very similar year after year.
- > 73% of supplier companies stated that they apply one of the following measures to mitigate the greenhouse gas emissions they produce: calculate, reduce and/or offset.
- > Almost 100% of suppliers rate the areas of Occupational Health and Safety and Human Rights as "very important" and "quite important", respectively.
- > 90% consider the group's impact on the local communities in which it operates to be good or very good.

In 2020, sustainability and innovation consultancy was carried out with 5 of the main suppliers. The result has shown the varying degrees of progress in awareness and implementation in matters relating to sustainability. All companies will develop a tailor-made improvement plan in line with their capabilities, activities and resources, which will provide them with long-term value and increase their competitiveness.

### First edition of the Energy Supplier Prize

Two of the main product suppliers have been recognised (Best Product Supplier Prize). On the basis of an excellent evaluation (type "A" highly recommended suppliers), the following criteria are assessed, which all have an implicit sustainability component: occupational health and safety, excellence in execution, active search for solutions, competitiveness of products and/or services, and collaboration in management and innovation.

115

### Integration of ESG principles into the procurement process

ACCIONA's *Sustainable Procurement Guide* ensures that sustainability criteria are incorporated into the company's procurement and contracting management. 1,784 orders were considered sustainable in 2020.

#### Sustainability criteria in procurement and contracting management



#### Renewable energy

In total, 344 GWh of energy from renewable sources was consumed in Spain in 2020. Furthermore, 1,214 facilities used 100% renewable energy, 30 more than in 2019.



#### Eco-efficient vehicle fleet

The operational fleet for executives consisted of 383 vehicles in 2020, of which 102 have emissions lower than 120 gCO<sub>2</sub>/km. 100% of the cars have EURO6 engines, 17.5% are hybrid vehicles, and 0.8% are electric vehicles, which means lower CO<sub>2</sub>, NOx and particle emissions.

As for the service fleet, ECO or zero-emission vehicles increased by 233% in 2020, with 102 electric, hybrid and LPG/CNG vehicles now available.



#### Sustainable materials

2,185 tonnes of wood with chain of custody certification (FSC, PEFC, or similar), and herbaceous waste were purchased at a cost of 17.2 million euros.



Working with  
Special  
Employment  
Centres

Contracts were signed with 19 Special Employment Centres that promote the incorporation of people with disabilities into the labour market. Expenditure amounted to almost two million euros over the year. ACCIONA works with these companies primarily to supply work clothes, laundry services, security equipment, travel agency services, printing, vending machines and consultancy services.

---

# Integrate to transform

*Connect to impact | Difference in every project*

ACCIONA has the capacity to create a unique sustainable difference with a portfolio of solutions perfectly aligned with the sustainable transformation required to meet the challenges defined in the Sustainable Development Goals.



## KEY MILESTONES 2020

- > Review and validation of socio-economic and environmental impact methodology by the University of Zaragoza.
- > Identification and commencement of work on three high-impact solution projects.
- > Total funding instruments under the Green Financing Project to exceed € 1,700 million



## MAIN CHALLENGES 2021

- > Design and implementation of a digital tool to measure socio-economic and environmental impact that can be accessed by all company businesses.
- > Implementation of high-impact solutions in the three projects on which work has started.
- > Design of new financing frameworks that promote high positive impact or regenerative projects.

117

## A SOLUTIONS-BASED APPROACH

The *"Integrate to Transform"* chapter describes a new working area included in the Sustainability Master Plan 2025, and is a new addition since the previous SMP. Its value proposition is based on integrated infrastructures designed to maximise the contribution to the Sustainable Development Goals. The various divisions of the company work together to design and offer their customers solutions that advance the achievement of the SDGs to the greatest possible extent.

### Transformation levers

- > Development of analysis and diagnostic tools that allow for the identification of regenerative opportunities, with the incorporation of local assessment of SDG compliance, in order to develop solutions that will have a positive impact on a larger number of sustainable variables.
- > Incorporation of the analysis and coordination of differential sustainable capacities into the project design and management process, from the opportunity stage through to implementation.
  - Potential regenerative capabilities to be created and enhanced.
  - Cross-capabilities in the company.
- > An internal organisational system that optimises resources and coordination between the different business units.

### Measuring socio-economic impact

Since 2015, ACCIONA has been measuring the socioeconomic and environmental impact of its projects in different countries, in order to understand and enhance the benefits they generate throughout their life cycle. Using an econometric model based on input-output tables (an analysis of the relationships between different industries that compares purchases and sales between the various economic sectors in the region), the company obtains specific figures on the direct, indirect and induced impact of its activity in terms of job creation and contribution to the country's gross domestic product, and identifies other positive effects on the environment and communities. In 2020, work was carried out on the design of a digital tool to facilitate and accelerate the execution of these studies.

During 2020, the University of Zaragoza reviewed the ACCIONA model, based on two socio-economic impact studies in Australia and Ecuador. The review had two main objectives. The first was methodological, based on the detection of possible errors and inconsistencies in the loading and use of statistical data, the allocation of inputs by sector and the interrelationship between sectors, and the calculations and hypotheses. The second objective was to make improvements designed to make better use of the data in terms of environmental and social externalities, databases and calculation tools.

In collaboration with the University of Zaragoza, 2020 also saw the introduction of a five-session training course for employees on the application of the methodology. This will enable employees to incorporate the methodology in the bidding process and current projects. The course was attended by approximately 50 employees, who gave the course a score of 4.25 out of 5.

## SUSTAINABLE DIFFERENCE IN EVERY PROJECT

The company aims to demonstrate the sustainable difference inherent in each activity it undertakes. During execution, the business lines, and especially the projects, develop their own distinctive regenerative/sustainable features, which are recognisable by third parties.

### Transformation levers

- > Establish a widely accepted model for measuring the total productivity and regenerative capacity of projects: ACCIONA Compass.
- > Identify and develop a catalogue of sustainable differences in the company's business lines. This will provide an inventory of sustainable improvements and synergistic solutions with the company's core businesses that can enhance the regenerative nature of the projects. Examples of such sustainable differences include initiatives undertaken mainly by women, landscape concealment measures, and the recovery of adjacent spaces.

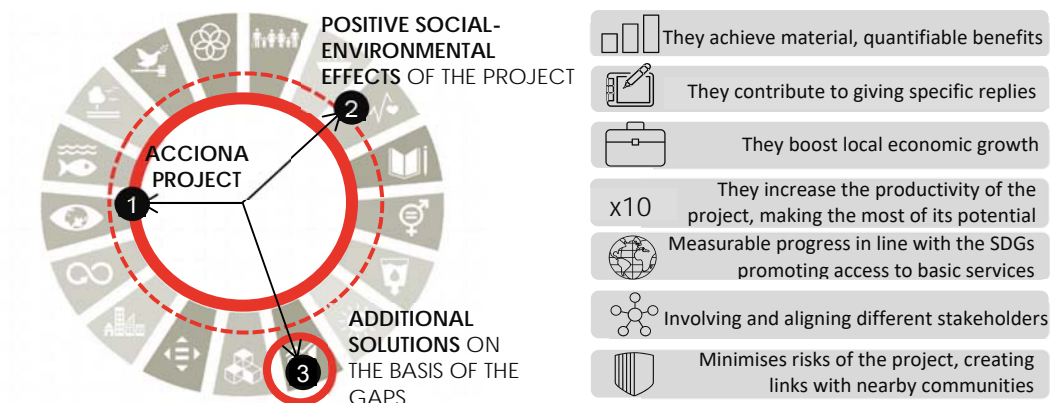
118

- > Development of specific job profiles with knowledge and expertise in incorporating sustainable advantage in bidding processes and project implementation.
- > Implement a working protocol with partners for operations not carried out by ACCIONA, in order to improve the sustainable performance of joint projects.
- > ACCIONA.EDU: introduce a programme for developing knowledge and training for the transformation of the regenerative economy, in collaboration with leading educational institutions.

### High Impact Solutions

ACCIONA seeks to enhance the transformative effect of its projects by maximising the impact they generate in terms of local impact, return on investment, and the acceleration of sustainable development. To this end, it has designed business solutions called High Impact Solutions, which, through the inclusion of adjacent projects, contribute to improving the living conditions of the population and/or the environment in the vicinity of the company's operations. The ultimate goal is to make projects economically sustainable.

#### Benefits of High Impact Solutions



119

Infrastructure development is directly or indirectly linked to the achievement of the Sustainable Development Goals. The High Impact Solutions approach helps to channel the necessary investment towards company projects that promote the global sustainability agenda. It acts directly on social gaps identified in the immediate vicinity, such as gender equality and inclusion of disadvantaged groups, entrepreneurship, lack of access to basic services such as water, energy or telecommunications, or other benefits, in order to drive inclusive economic growth. Additional projects are designed to provide sustainable service over time, either through their development as new business models or through collaboration with third parties to ensure their long-term operation and maintenance.

#### Work tools

In order to implement High Impact Solutions, the company has established a series of tools and work teams:

- > Catalogue of solutions: in order to standardise and facilitate the development of these solutions, ACCIONA compiled a register, in 2020, which details additional standard projects already described. Information for each project includes the definition of the objective, model, context, beneficiaries, milestones, internal capacities, partners, investment and financing model.
- > Working teams: these are the corporate sustainability function, the local teams in each project, the sustainability management of the companies, and the innovation centres.

As these High Impact Solutions are put into effect, ACCIONA will establish a network of partners with which it will collaborate actively in carrying out and operating additional projects: consulting firms with expertise in fundraising and fund management, multilateral development banks and impact and innovation funds, NGOs, cooperation agencies, public administrations and other foundations and companies.

### High Impact Solution Methodology

ACCIONA has developed a process whereby, from the phase for identifying a business opportunity (which can begin at any other stage), the company can assess the potential for including this type of solution in a project. The following steps are followed:

**1. Project identification.**

Implementation of High Impact Solutions can benefit projects in a number of different ways. These include: potential eligibility for sustainable financing with more favourable conditions for the company and/or the customer; differentiation from competitors in the tender phase; improved relationship with communities and prevention of possible risks.

**2. Diagnosis of socio-economic gaps in the immediate area surrounding the project.**

Identification and analysis of social and environmental gaps, in line with the Sustainable Development Goals in the area of influence of the project.

**3. Consultation with local experts.**

Analysis of local concerns, as well as consultation with public bodies, social organisations, universities, consultants, partners or other parties to assess the gaps identified.

**4. Communication with investment agents and external partners.**

Search for and communicate with potential partners and financiers with expertise in sustainable projects, such as the Inter-American Development Bank, the European Union, the International Finance Corporation, the World Bank and the International Fund for Agricultural Development.

**5. Definition of solutions and completion of financing.**

Definition of priority areas that respond to the identified gaps. Solutions are designed on the basis of knowledge, experience and own resources, as well as customer, community and partner expectations. A key element is completion of financing and the allocation of resources for the implementation of the adjacent solutions, through own or external funds.

**6. Implementation of the proposed solutions for adjacent areas.**

This includes everything from outreach to the local population and presentation of the project to the relevant authorities, to implementation and operation in collaboration with partners.

**7. Measurement and management of impact generated.**

Impact assessment and management in accordance with the SDGs, in order to objectively and rigorously assess the positive effects generated during the project lifecycle.

120

Following a review of proposals, 2020 saw work carried out on solutions for three projects in Mexico and Brazil.

### High Impact Solution for Tamaulipas wind farms

ACCIONA has one wind farm in operation in Tamaulipas, El Cortijo, and two under construction, Santa Cruz and San Carlos, which are scheduled for completion by the end of 2021.

The company has carried out an expansion of studies into the socio-environmental gaps in the vicinity of these wind farms, including field surveys and on-site visits to the most important *ejidos* (communally owned land), as well as to public institutions at local, municipal, community and state level. Potential High Impact Solutions were analysed, focusing on the supply and distribution of drinking water. Development of the solution will continue in 2021, with a view to its implementation and maintenance in the coming years.

Details of the two projects associated with the infrastructure division can be found in the chapter dealing with this business.

## LOCAL ECOSYSTEMS

The goal is to develop an ecosystem of organisations that is capable of increasing the potential for regenerative transformation. Discussions will be held with third parties to establish work programmes, initiatives and collaborative projects to increase the company's capacity to develop or improve regenerative solutions, with the aim of accelerating the achievement of the Sustainable Development Goals.

### Transformation levers

- > Develop leverage capacity to highlight the multiplier effect of infrastructure, so as to ensure greater understanding and appreciation of the benefits of the regenerative approach. Use of the total productivity indicator.
- > Establish a mechanism for dialogue, co-creation and development with customers and suppliers, with a view to designing solutions for social and environmental gaps that advance the SDGs.
- > Develop a network of local partnerships in platform countries to facilitate the identification of partners and co-financiers of sustainable difference projects.
- > Promote community integration, volunteer project, corporate and family programmes, among others, in order to promote and share ACCIONA's values with third parties.

### ACCIONA's impact on the Sustainable Development Goals

In 2020, ACCIONA developed solutions that had a significant impact on five SDGs:





- > ACCIONA SDG 6 solutions: availability and sustainable management of water and sanitation through advanced technologies.
- > ACCIONA SDG 7 solutions: access to affordable, reliable, sustainable energy and its efficient use.
- > ACCIONA SDG 9 solutions: developing resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation.
- > ACCIONA SDG 11 solutions: services that contribute to inclusive, safe, resilient and sustainable development of cities.
- > ACCIONA SDG 13 solutions: development of integrated solutions to combat climate change and its effects.

121

Having examined each business activity, ACCIONA carried out an analysis of the indicators that are most relevant and have the greatest impact on the targets included in the SDGs. Likewise, the requirements of each country, with respect to a specific SDG, have been studied, using the information gathered in the *SDG Index and Dashboards Report 2020*.





















ACCIONA's contribution in the main countries in which it operates is shown below. The impact is only shown for those SDGs where impact remains an important issue, i.e. where there are still significant challenges to be addressed. The last column indicates if ACCIONA's impact has increased, decreased or remained the same over the last year.

### Local impact on the SDGs

SDGs Context		ACCIONA Activity	Impact of ACCIONA	Annual Evolution of the impact
Mexico	6  Access to safe drinking water: 43 % Access to safe sanitation: 50 % Ratio of water collected: 32 %	Integrated water management of Boca del Rio Waste Water Treatment plant at Atotonilco	+10.5 M people served	
	7  Renewable energy: 9 %	Five wind farms Puerto Libertad photovoltaic plant	3,528 GWh renewables	





	SDGs Context	ACCIONA Activity	Impact of ACCIONA	Annual Evolution of the impact
Australia	11  Concentration of PM2.5: 21 µg/m³	Five wind farms Puerto Libertad photovoltaic plant	1,280 tNOx, 1,790 tSOx and 25 tPM10 avoided	↑
	13  CO <sub>2</sub> emissions: 4.0 tCO <sub>2</sub> e/capita	Five wind farms Puerto Libertad photovoltaic plant	2.0 M tCO <sub>2</sub> avoided	↑
	7  Renewable energy: 7 %	4 wind farms Kwinana Waste to Energy	1,239 GWh renewables	→
	9  R&D expenditure on the GDP: 1,9 % Transport infrastructure quality: 4,0/5	Innovation projects Two highways Sydney light rail network	€28.5 M figure for innovation 60 km roads 12 km light rail	↑
	13  CO <sub>2</sub> emissions: 15 tCO <sub>2</sub> e/capita	4 wind farms	1.0 M tCO <sub>2</sub> avoided	→
Chile	11  Hospital beds: 2,2 / 1,000 inhabitants	Two hospitals	Over 300 hospital beds	→
	13  CO <sub>2</sub> emissions: 4,6 tCO <sub>2</sub> e/capita	2 wind farms El Romero solar plant	1.1 M tCO <sub>2</sub> avoided	↑
United States	7  Renewable energy: 8 %	8 wind farms Nevada Solar One Thermosolar Plant	2,311 GWh renewables	→
	13  CO <sub>2</sub> emissions: 16 tCO <sub>2</sub> e/capita	8 wind farms Nevada Solar One Thermal solar Plant	1.4 M tCO <sub>2</sub> avoided	→
Canada	6  Access to safe sanitation: 77 %	Wastewater treatment plant North Shore water purification plant Saint John	270,000 people served	→
	13  CO <sub>2</sub> emissions: 15 tCO <sub>2</sub> e/capita	4 wind farms	0.36 M tCO <sub>2</sub> avoided	→ 122
Spain	9  R+D expenditure / GDP: 1.2 % Quality transport infrastructure: 3.8/5	Innovation projects 4 highways	€47.2 M figure for innovation 27 km of roads	↓
	13  CO <sub>2</sub> emissions: 5.3 tCO <sub>2</sub> e/capita	>200 renewable facilities 6 cities with <i>motosharing</i>	5.4 M tCO <sub>2</sub> avoided	↓
Cooperation Council for the Arab Gulf States	6  Ratio of water collected: 374-1,869 %	3 desalination plants in operation	3.4 M people served	→
	9  R+D expenditure / GDP: 0.5 to 1.3 % Quality transport infrastructure: 3.1 to 4.0 on 5	Innovation projects Dubai Metro, UAR	15 km of lines	↓
Rest of the world	6  <b>Egypt:</b> Ratio of water collected: 119 % Treated wastewater: 42 %	Gabal Al Asfar wastewater treatment plant New Cairo water purification plant	8 M people served	→
	7  <b>South Africa:</b> Renewable energy: 6 %	Gouda wind farm Sishen photovoltaic plant	530 GWh renewables	→
	9  <b>Norway:</b> Quality transport infrastructure: 3.7/5	Follo Line tunnels E6 Motorway Moss Railway line	30 km of railway line 23 km of motorway	↑
	11  <b>Brazil:</b> PM2.5 Concentration: 13 µg/m³ Satisfaction with public transport: 50 %	Line 6 of Sao Paulo metro	600,000 passengers/day	↑
	13  <b>Poland:</b> CO <sub>2</sub> emissions: 8.0 tCO <sub>2</sub> e/capita	3 wind farms	0.18 MtCO <sub>2</sub> avoided	↓

## Social Impact Management.

ACCIONA's management of the social impact of its projects and services is a strategic component of its sustainable business model. In addition to legal and contractual requirements, more than 10 years ago the company set itself the task of gaining a deeper understanding of the social footprint of its activities, with the ultimate aim of increasing positive social impact and reducing negative impact to the greatest extent possible.

To this end, ACCIONA has its own environmental impact management methodology based on international standards<sup>16</sup>, and the implementation of this methodology is considered a cross-cutting responsibility within the organisation. Depending on each phase, implementation may involve the business development and studies departments, the project or service managers, and the quality, environment, prevention and sustainability departments of the various businesses. In addition, the company's Global Sustainability Department periodically monitors the application of the methodology in projects, and updates the methodology when areas for improvement have been identified.

The development of the projects generates numerous positive impacts, including the hiring of local personnel, acquisition of goods and services in the area of influence, training of workers, increased income for employees and improved access to roads. However, the company's activity can also generate adverse effects, such as interruption of supplies to communities, harm to vulnerable groups, temporary cuts in transport routes or alterations in local prices. ACCIONA's specific methodology makes it possible to anticipate the identification, evaluation and management of these impacts.

ACCIONA's social impact management has made excellent progress over the years. In 2020, improvement was especially focused on the area of human rights (further details in the "People centric" chapter); on evolution towards a model the company terms "high impact solutions" (further details in the "Integrate to transform" chapter); and on updating the system for measuring socio-economic impact, in order to establish the extent to which the company's projects affect job creation and contribute to the country's GDP (further details in the "Integrate to transform" chapter).

### Methodology stages

- > Description of the social risk: study of the degree of social risk of the project from the design phase and tender stage.
- > Social assessment of the project: analysis of the socio-demographic characteristics of the area of influence of the project, identification and assessment of positive and negative social impacts, and preparation of a proposal for social measures.
- > Communication and dialogue with local communities and other stakeholders with relation to the project, its main impacts, and social measures to be carried out. Depending on the type of infrastructure, specific communication or dialogue channels are established to provide information about the project, its main effects, and the social actions to be carried out.
- > Implementation and monitoring of the identified measures, in order to enhance positive social impacts and avoid and mitigate negative impacts.

123

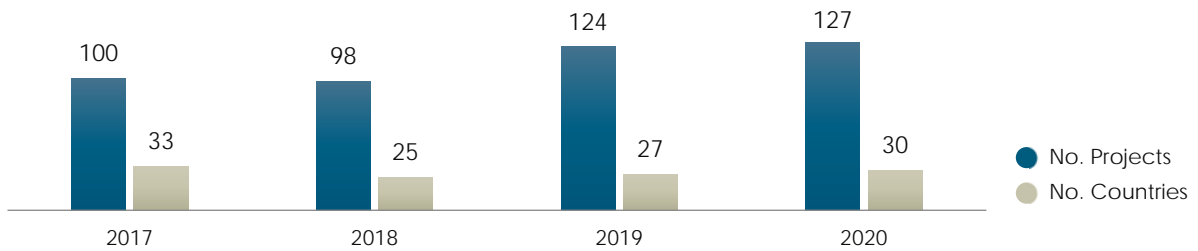
This methodology is implemented in accordance with corporate standards in the main construction, operation and service provision projects of the Infrastructure and Energy divisions, as well as in all the geographical regions in which ACCIONA operates. Over the last year, the methodology was used in 127 projects in a total of 30 countries. This procedure also reinforces the company's contribution to the achievement of the Sustainable Development Goals (SDGs), by monitoring the measures that help to improve the well-being of communities.

<sup>16</sup> IFC performance standards on environmental and social sustainability, Guidelines for Environmental & Social Impact Assessment (ESIA) WBCSD, Guidance for assessing and managing the social impacts of projects (International Association for Impact Assessment), The Equator Principles, World, Bank Environmental and Social Framework.



**More information** in the chapters 'Energy Business' and 'Infrastructure Business'

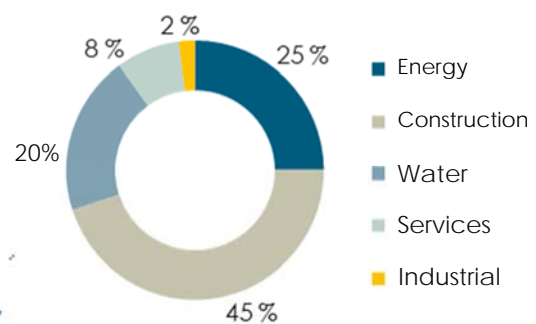
### Evolution of the implantation of Social Impact Management (SIM) methods



#### Countries with projects with SIM



#### Distribution of projects per business



### Phases of SIM methods and status of implantation (% of the total projects with SIM)

#### DESIGN

#### CONSTRUCTION/OPERATION

##### DEFINITION OF SOCIAL RISK

PHASE IMPLEMENTED

**77 %**

##### SOCIAL ASSESSMENT OF THE PROJECT

PHASE IMPLEMENTED

**94 %**

##### COMMUNICATION AND DIALOGUE BETWEEN COMMUNITIES

PHASE IMPLEMENTED

**64 %**

##### IMPLANTATION AND MONITORING MEASURES

PHASE IMPLEMENTED

**75 %**

#### Audits

Since 2017 external audits are carried to assess the degree of application of the methods of Social Impact Management, so as to identify and show the positive or negative social impacts, whether real or potential, resulting from operating certain projects.

Furthermore, in 2020 the scope of the audits was broadened with the addition of new criteria and relevant aspects related to best practices, amongst which:

- > Analysis of criteria and relevant aspects under the SA 8000:2014 International Standard, choosing which of them are covered in the projects and which could be included to facilitate their application.
- > Analysis of the “Matrix Outcome” tool of Big Society Capital to identify the areas and beneficiaries on which ACCIONA’s activity has an impact.
- > Analysis of the safeguards established by the European Taxonomy. These guarantees are based on OECD Guidelines on multinational companies, the UN’s Guiding Principles on business and human rights and the fundamental ILO conventions.
- > Analysis of the *Guide to Human Rights Impact Assessment and Management*<sup>17</sup> to ascertain the potential and/or existing risks and impacts of human rights in the projects, and to determine the ability to management them.
- > Analysis of the Life Cycle of projects in order to prioritise and allocate the possible social impacts depending on their stages of development.

#### Evolution of the Social Impact Management audits

	2017	2018	2019	2020
Total No. of audits	9	8	8	7

The conclusion is that the methods are correctly implemented in each phase. The company has been seen to progress beyond the level established by the standard in certain projects where the impact and contribution to the SDGs has begun to be measured. The need has also been detected to improve the system of recording evidence of communications with the stakeholders, increasing specific training on Human Rights or making an assessment that considers the differences arising between the initial and final phases.

#### Social Impact Management course

Since 2018 the company has offered a Social Impact Management Course to all employees with direct or indirect responsibility for the application of the Corporate Social Impact Management Standard. 61 employees completed the course in 2020.

#### Commitment to the community

The company understands that it has to be a key player in the development of the communities in the countries where it does business and contributes to improve people’s quality of life. As part of the Sustainability Master Plan 2020, ACCIONA is committed to aligning 100% of its social contribution with its Social Action Plan. In 2020, the company achieved the following results:

- > Over € 11.7 million in social contributions to the community, equal to 5.50% of the 2020 dividend<sup>18</sup>.
- > 30.7 % of of social investment allocated to ACCIONA's priority SDGs: access to water (No. 6), energy (No. 7), infrastructure (No. 9), sustainable cities (No. 11) and climate change mitigation (No. 13).
- > Over 2 million beneficiaries under the various social initiatives.

The Social Action Plan is structured as five core areas:

- Access to basic energy, water and infrastructure services through the Acciona.org Foundation.
- Investment associated with projects.

<sup>17</sup> Guide drawn up by the International Business Leaders Forum, IBLF and the International Finance Corporation, IFC, in association with the United Nations Global Compact Office.

<sup>18</sup> See the figure published in the proposal for distribution of profits in the Financial Statements

- Sponsorship and patronage in the areas of health, culture and education.
- Promotion of sustainability.
- Corporate volunteering.

#### Access to basic services: [acciona.org](http://acciona.org)

- > 63,930 people benefitted in Peru, Mexico and Panama, equivalent to 15,210 homes that have benefitted.
- > 953 rural and indigenous communities served in in Peru, Mexico and Panama.
- > 23 *Luz en Casa* centres run by local microfranchised staff.

The acciona.org corporate foundation, dedicated to facilitating access to basic electricity, water and sanitation services that are affordable, reliable and sustainable, continued to advance in 2020 in spite of the spread of COVID-19.

The pandemic brought about a temporary halt in activity due to the mobility restrictions imposed and to protect the health of the teams and local people. During those weeks the foundation adopted the necessary measures for ensuring the continuity of those services, it cooperated with other organisations and the communities themselves in buying and distributing protection material and items of basic necessity, and in addition it strengthened its procedures for efficiently resuming its activity in the field.

With this, in Peru, acciona.org continued the basic electricity service supplying more than 4,200 homes with *Luz en Casa*, in the department of Cajamarca, and with *Luz en Casa Amazonía*, in the department of Loreto. Here it also started providing electricity to 689 additional families in 18 communities in the river basins of the Amazonas and Ucayali rivers. The supply of the home photovoltaic systems that provide these families with electricity are part of a project that will end in 2021, benefitting some 500 additional homes; it is carried out in conjunction with the Polytechnic University of Madrid and cofunded by the Spanish Agency of International Cooperation for Development (AECID). It also advanced with a pilot project being developed in the department of Ica, for a reliable water and sanitation supply to two rural communities by strengthening their community management organisations, installing additional solar water pumping and purification systems, and through improvements and technical support for the existing infrastructure.

In Mexico, acciona.org began the year with some 8,800 homes to which it had provided access to the basic electricity service in the States of Oaxaca, Chiapas and New León. The most important challenge was the conclusion of the first project under the EncAsa Oaxaca programme, executed under a public-private development partnership with the Government of the State of Oaxaca, AECID and its Mexican counterpart, AMEXCID, with which in 2020 in provided around 300 home photovoltaic systems. The target set for providing access to drinking water, conditioning drainage systems and renovating kitchens was exceeded with 281 systems, benefitting 124 homes, 5 schools, 3 municipal institutions and 1 health centre. The success of the initiative was doubly acknowledged, as it was the winner in the category "International Business Cooperation for Sustainable Development" under the Spanish section of the European Business Awards for the Environment, and by obtaining cofunding from AECID to be able to replicate its success.

In Panama, the foundation provided access for 1,200 homes to the basic electricity service of *Luz en Casa Ngäbe-Buglé*, 568 of which were brought into the programme during the course of the year as a result of the project for supplying the photovoltaic systems, executed under a public-private development partnership with AECID.

At the same time, the organisation continued its work on the project "Alianza Shire: Access to energy for refugee camps and host communities" in cooperation with the Polytechnic University of Madrid, AECID and other Spanish companies, in addition to continuing to participate with ACNUR and other local organisations. The system of access to electricity using home photovoltaic equipment and promoting microbusinesses developed by acciona.org advanced in different aspects, such as identifying beneficiaries and buying materials.

#### Social investment associated to projects

ACCIONA makes an active contribution to improving the social-economic scenario of the communities in which it operates. Its initiatives contribute to people's well-being, broaden their access to education, promote the conservation of their heritage, care for the environment and biodiversity, and promote sport and healthy

lifestyle. Its projects also focus on job creation by training workers and creating local business as well as improving community infrastructure.

- > 696,309 people have benefitted in 28 countries.

#### Sponsorship and patronage in the areas of health, culture and education

The company collaborates with different institutions in the allocation of resources with priority objectives within the field of health, culture and education. In 2019, a new version of the Corporate Donations and Non-Commercial Sponsorship Standard was approved, which is compulsory for all ACCIONA companies and employees, and also for third parties that acting on their behalf.

- > Over 244,560 people have been helped.

Sponsorship of the following health-related initiatives is worth noting:

- > Pro CNIC Foundation: joining forces to channel the commitment to heart disease research at the National Cardiovascular Research Centre (CNIC).
- > Spanish Rubinstein-Taybi Syndrome Association: for research into RSTS and support for children affected and their families.

There are also significant actions in the areas of education and culture:

- > ACCIONA Chair, in collaboration with SUR, School of Artistic Professions: to training professionals in the arts. ACCIONA funded 10 scholarships in 2020.
- > Princess of Asturias Foundation: contributes to the promotion of scientific, cultural and humanistic values.

#### Promoting sustainability

ACCIONA believes it is essential to promote and disseminate sustainable culture in order to create a more responsible and supportive society.

- > 4,957,366 users have been registered on the Sustainability for All web site, which received more than 5.8 million visits. 68% of the visitors came from countries that are critical to ACCIONA's business.
- > Sustainability for All accounts for 41% of the traffic on all ACCIONA's web sites.

Sustainability for All is the online community created by ACCIONA to make users aware of the importance of sustainable development. An entertaining and informative web site designed to make readers aware of the climate emergency on the planet and learn how to lead a more sustainable life.

In 2020, Sustainability for All received over 5.8 million visits from more than 100 countries. The reading time per article has increased by more than 15%.

#### Volunteering

The purpose of the ACCIONA Volunteer Programme is to channel the solidarity concerns of its employees and to generate within the workforce a culture of collaboration and solidarity with other social groups who are most in need. In 2020, due to COVID-19, most of these initiatives have been put into effect online with the participation of 233 volunteers who have dedicated 1,954 hours to work in the community.

- > Princess of Girona Foundation: Within the framework of the "Rescatadores de Talento" (Rescuers of Talent) programme, 61 managers and directors acted as mentors for university graduates from disadvantaged backgrounds. Training for young students was also extended using the online training resources of T-MAX.
- > Integra Foundation: 19 ACCIONA volunteers participated in the "Escuela de Fortalecimiento" (School for Back-up Skills), where 33 workshops were given on different basic subjects (preparing a curriculum, work interviews, workers' rights and obligations), intended to help individuals in situations of social exclusion to find a job. The programme has benefitted 156 people, 115 of which 115 have now entered the labour market.
- > Acciona.org Foundation: three ACCIONA employees were "virtual" volunteers taking part in the "Water and Sanitation Observatory", a collaboration group on water technology, sanitation



technology and service provision models in which innovative solutions are shared for acciona.org projects.

- > Quiero Trabajo Foundation: this organisation has designed a solidarity programme for training and accompanying women in a situation of high social and economic vulnerability, in which 29 ACCIONA volunteers have helped the women participating.
- > 40 volunteers also participated in a virtual stand which gave training sessions on topics related to looking for work online, in the framework of the Digital Week organised by the Madrid Council's Employment Agency.
- > Tengo Hogar Foundation: as a result of the collaboration of ACCIONA professionals in the Tengo Hogar Foundation initiative 'Reyes Magos', children from 22 families at risk of social exclusion were able to enjoy receiving a present on the day of the "Three Kings".

## ACCIONA brought together some 900 volunteers during the beach clean-up day at the Cavero beach at Pachacútec (Peru)

During the event, over 100 tonnes of solid waste were collected which would have been a risk for the marine and coastal biodiversity, and also for the health of the local population. This initiative mobilised ACCIONA workers, people in the vicinity of the project and local and regional authorities and institutions.

### Measuring social action

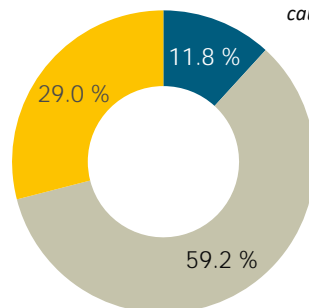
ACCIONA measures and evaluates its social action and the degree to which it contributes to the 17 Sustainable Development Goals, applying the international LBG (London Benchmarking Group) methodology which allows for an overview and comparison of results with other companies.

#### Motivation of the initiatives

(according to LBG methods)

##### Initiative in line with the business:

Social interest initiatives designed to directly promote the company's business.



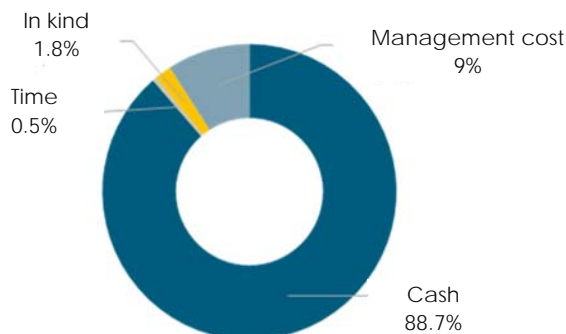
**Specific contribution:**  
Specific support for social causes.

**Social investment:**  
Strategic long term commitment to collaborating with the community.

128

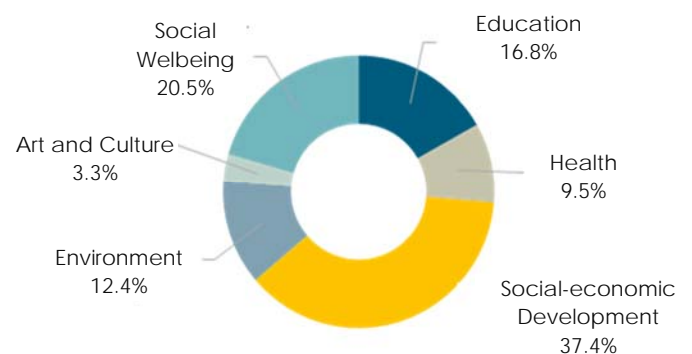
#### Type of contribution

(according to LBG methods)



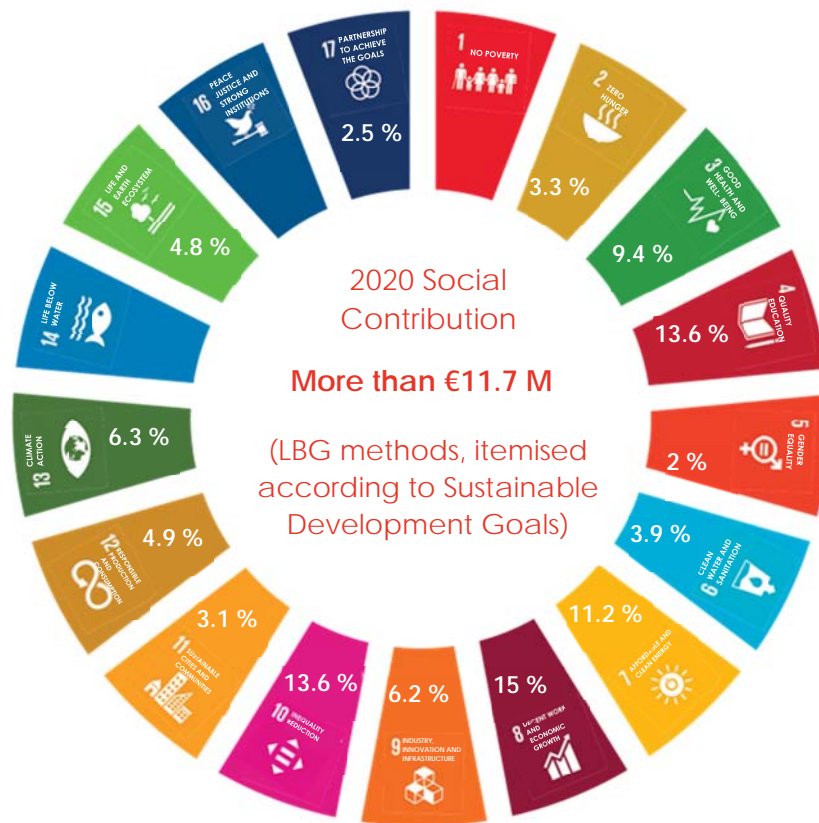
#### Contribution field of action

(according to LBG methods)





## Contribution to the SDGs through the Social Action Plan



129

## IMPACT FUNDING

Maximizing the capacity of sustainable finances enhances the company's value and the competitive regenerating advantages of the projects. ACCIONA promotes innovative solutions for sustainable funding which make it possible to create differences and advantages in the development of regenerative infrastructure, building on the interest of the capital markets in financing the existing gaps in fulfilment of the Sustainable Development Goals.

### Levers for transformation

- > Promoting innovative financing structures that enhance the development of high impact regeneration projects with the creation of an internal investment fund for adjacent projects—ACCIONA regeneration ventures.
- > Having mechanisms for the analysis and adaptation of the investment strategy linked to European taxonomy criteria.
- > Supporting the development of the new sustainable financing tools. Making ACCIONA a reference for socially responsible investment. Identifying and promoting relationships with sustainable investors as part of our value proposition.
- > Maintaining the Tier 1 classifications in the sector in the main ESG ratings.
- > Utilising the offer of ESG funds and services in Bestinver according to advanced practices.

### Sustainable financing in 2020

ACCIONA uses two mechanisms of sustainable financing: one aimed at projects or activities with sustainable goals intended to promote specific positive impacts associated to funding and the other is corporate funding that involves undertakings to improve ACCIONA's ESG performance.

## ACCIONA's sustainable funding operations

Type of funding	No. of active operations	No. of new or extended operations in 2020	Current outstanding amount (M€)
Funding intended for projects	18	10	1,760.9
Corporate funding with sustainable commitments	5	0	3,711.8
<b>Total</b>	<b>23</b>	<b>10</b>	<b>5,472.7</b>

During the past year, the following operations are worthy of mention:

- > NSV loan for € 30 million to its green financing instruments.
- > Bilateral green loan from Bankia for AUD 165 million for funding the construction of the Mortlake wind farm.

ACCIONA has a Green Financing Framework whose eligible activities are those in line with a low-carbon economy. The framework has been reviewed by Sustainalytics, who gave an second-party opinion (SPO) which confirmed its alignment with the Green Bond Principles and the Green Loan Principles.

In both types of financing, the company's investment is linked to its vocation for implementing the sustainable agenda, such as renewable energies, access to water and sanitation, sustainable mobility and circular economy and adapting to climate change.

During 2020, the group signed two green loans for AUD 265 million and issued around € 370 million on the debt capital markets. As a result, the total of ACCIONA's financing instruments under Green Financing Framework was more than € 1,700 million at 31 December 2020.

At the same time, the group receives funding linked to meeting the targets for improving its environmental, social and of governance (ESG) performance. In 2020 ACCIONA has 5 active operations in which the interest rate for this funding has been linked to its score in the Corporate Sustainability Assessment by RobecoSAM, meeting the objectives set to date.

ACCIONA's funding position, in a green recovery context, was strengthened in 2020 after obtaining an investment grade - "BBB" corporate credit rating in the long term, and "R-2 (middle)" rating in the short term – given by the DBRS Morningstar agency. This score is within the eligibility criteria for the debt purchase programme of the European Central Bank, such as its Pandemic Emergency Purchase Programme (PEPP).

 **More information** on green financing instruments and the projects to which they are allocated: <https://www.acciona.com/shareholders-investors/stock-market-information/sustainable-finance/>

130

### External ESG rating

ACCIONA's sustainability has been assessed by different ESG analysts.

#### ESG analyst ratings



Sector	Electric utilities	Utilities	No sectors	Utilities	Construction	Heavy Construction
Position	Leaders	2 <sup>nd</sup> multi-utilities	NA	NA	Leaders	5 <sup>th</sup> in the European sector

\* the Sustainalytics ESG Risk Rating gives a lower score to companies with less exposure and better management of their ESG risks

### ACCIONA, world leader in sustainability according to S&P Global and RobecoSAM






ACCIONA closed the year 2020 as the leading electric company in sustainability, as can be seen in the *Sustainability Yearbook 2021*, compiled by S&P Global and RobecoSAM. ACCIONA, with a score of 90 points out of 100, is the head of the electricity sector.

When preparing its yearbook, S&P Global and RobecoSam analysed more than 7,000 top-ranking international companies belonging to 61 business sectors. The methodology applied assesses a broad range of sustainability that includes economic and environmental performance, social variables and human resources.

Consequently, S&P Global and RobecoSAM awarded ACCIONA the Gold Sustainability Yearbook Award 2021, which places it on the podium of the best utility companies in the world in respect of sustainability.

ACCIONA is present in different sustainability indexes which include leading companies in this field.

#### Presence in sustainability indexes

Supplier	Index Name
	iClima Global Decarbonisation Enablers Index
	Solactive Candriam Factors Sustainable EMU Equity Index
	Solactive Candriam Factors Sustainable Europe Equity Index
	Solactive ISS ESG Screened Europe Small Cap Index NTR
	Ethibel Sustainability Index (ESI) Excellence Europe
	Euronext Vigeo Europe 120
	FTSE4Good Europe Select Index
	FTSE4Good Developed
	FTSE Environmental Markets Index Series
	FlexShares STOXX US ESG Impact Index Fund ESTC

131

ACCIONA has also received the following acknowledgements during 2020.

#### Presence in rankings and other sustainability acknowledgements

Recognition	Organisation	Position	Description
<b>2021 Global 100 Most Sustainable Corporations</b>	Corporate Knights	31 <sup>st</sup> in the world	For the fourth year in a row, ACCIONA has been selected as one of the 100 most sustainable companies in the world, from among 8,080 companies evaluated with their turnover higher than US\$1,000 million, for its financial performance and ESG indicators.
<b>New Energy Top 100 Green Utilities</b>	Energy Intelligence	1 <sup>st</sup> utility in the world	For the sixth consecutive year ACCIONA has again validated its position as the world's "greenest" electricity generation company.
<b>Sustainability Reporting Performance</b>	Ecoact	1 <sup>st</sup> in Spain and 3 <sup>rd</sup> in the world	This compares the performance of large global companies in the fight against climate change.
<b>Top 100 Company 2020 Diversity &amp; Inclusion Index</b>	Refinitiv	54 <sup>th</sup> in the world	ACCIONA is listed among the world's top companies in terms of diversity and social inclusion in the workplace.
<b>CDP Climate Change &amp; Water</b>	CDP	A-	List made up of the corporations with the best practices and results in reducing emissions, tackling climate change and aligning their activities with a low-carbon economy.
<b>CDP Supplier Engagement Leader 2020</b>	CDP	Leader	ACCIONA has been recognised as a Supplier Engagement Leader in 2020 for its actions to cut emissions and reduce risks related to climate change in its supply chain.
<b>Gaia Rating</b>	EthiFinance	N/A	Its performance is assessed on social, environmental and corporate governance aspects, scoring of 78 out of 100, against an average of 51 in the energy sector.

# Energy Business

ACCIONA's energy business makes it the greatest independent world-wide operator engaged in producing electricity solely from renewable sources.



133

	2018	2019	2020
<b>FINANCIAL PERFORMANCE</b>			
Sales (million €)	2,206	1,997	1,765
EBITDA (million €)	743	845	831
Gross CAPEX (million €)	554	608	755
<b>NON-FINANCIAL PERFORMANCE</b>			
Workforce at year-end	1,587	1,629	1,543
Women executives (% of total executives)	12.5	10.3	10.5
Accident rate: employee frequency rate	0.5	0.4	0.1
Emissions generated (million tonnes of CO <sub>2</sub> )	0.038	0.030	0.026
Emissions avoided (million tonnes of CO <sub>2</sub> )	14.7	13.1	13.2
Total innovation figure (million €)	61.8	75.4	78.3
Global customer satisfaction index (%)	100	98	99
Projects with Social Impact Management (no.)	17	22	32
Projects with social-economic impact measurement	20	14	19

The main aspects in which the energy business has advanced in 2020 within its strategy for sustainability are shown below.

## PEOPLE CENTRIC

### Transformative Environments

#### The health of energy business workers

Energy has an Integrated Management System for the entire business which establishes the minimum health and safety requirements that should be taken into account in any of its companies and countries. Under the multi-site certification format, in 2020 the energy division of ACCIONA maintained the certification in all of its companies in accordance with the ISO45001 standard.

The health and safety strategy of ACCIONA's Energy division is based on excellence (zero accident target), continuous improvement and employee support.

#### 100 % of energy activity has ISO 45001 certification

The possible Energy risks involving health and safety at work arise from two of its main activities: construction and operation and maintenance of facilities.

### Identification and management of occupational risk

The identification of any possible labour-related risks, their assessment and control measures for minimising the probability of them occurring is documented in specific procedures for each facility. The risk analysis determines the points that are critical in each centre and the associated preventive action, which affects not only its own employees but also those of contractors and firms collaborating with the division.

In addition, the facilities have their own emergency plans with guidelines on how to proceed in emergency situations. Employed or subcontracted personnel can report any hazardous situation they detect by sending an e-mail to [safety.energy@acciona.com](mailto:safety.energy@acciona.com) or using the occupational risk prevention management tool.

As a highlighted good practice, the energy division makes and publishes safety alerts on its web site involving any incidents from which lessons have been learned that could be of interest to the sector (<https://www.acciona.com/our-purpose/work-with-us/safety-health-well-being/>).

The Energy business chairs the Global Wind Organisation (GWO) for the promotion of occupational health and safety standards in the wind energy sector worldwide. This platform promotes safe working environments based on the technical qualifications of the professionals working in the sector, especially in countries where the level of training is lower.

No cases of occupational disease were detected in the division and there were no fatal accidents. In addition, the hygiene risk is minimal or zero.

In 2020, both the frequency rate and the severity index went down by 97% and 75%, respectively, compared to the previous year. This is due to the health and safety policies and programmes implemented, notwithstanding the increase in teleworking and therefore lesser importance of face-to-face activities because of the worldwide pandemic.

### Evolution of accident rate indicators for energy employees

	Severity index				Frequency rate			
	2017	2018	2019	2020	2017	2018	2019	2020
Energy	7.9	17.7	19.4	0.5	0.4	0.5	0.4	0.1

Among the objectives defined by energy for the year 2019, the following deserve special mention:

- > A 5% reduction in the accident frequency rate involving its own employees and subcontracted employees being off work, compared to the 2020 figure.

- > To implement the actions defined in the safety improvement programme, Drive Safe, in at least three countries in ACCIONA's Energy Division: Chile, Mexico and Spain.
- > To implement the priority scheduled actions for the first year resulting from the ergonomic analysis made in 2020 in the activities of wind farms and hydraulic plants.
- > To extend the philosophy defined and introduced for the Integrated Management of Engineering and Construction Contractors to the Operation and Maintenance activities.

## Act Safe and Build Safe projects

Both projects began in 2019, with defined action plans to be launched in the next two years respectively; both initiatives share the same structure and mode of operation, although each has its own particularities.

- Projects led by the respective O&M and I&C Directorates. The function of H&S is to support this leadership.
- Both have received the advice of the expert health and safety consultant DUPONT.
- Both are based on a diagnosis made by DUPONT regarding the situation of the O&M and I&C services within the Bradley Preventive Culture curve. From there, it was possible to identify where the company is and where it wants to be in two years' time.
- Based on this, action plans have been defined aimed at attaining the objective of health and safety excellence for all activities in the ACCIONA Energy Division (in both O&M and I&C).
- The two projects have their own Steering Committees and Implementation Committee with the active participation of staff at management level in both departments.
- There are actions common to both, such as the development and introduction of a "Preventive Observations" programme, a "Personal Action Plan" programme and a "Rules that Save Lives" programme.
- There are also individual actions, such as "Risk Factor" training within O&M or a "Learning from Major Incidents" programme within I&C.

135

## Drive Safe Programme

With regard to road safety, in 2020 the energy division designed a road safety programme with the name Drive Safe. This programme comprises a comprehensive view of road safety as it takes into account both our own employees and those of our new subcontractors, and in addition it covers the risk factors associated with driving skills, environmental conditions and the technical requirements that our vehicles have to meet.

Its application has been tested in three pilot plants pilot in the wind farm and hydraulic plant sector. That experience resulted in an action plan to be put into effect in 2021 in three countries: Chile, Mexico and Spain.

### Health and safety in the energy supply chain

Energy's occupational safety policy establishes that the requirements for preventing risks are the same for its own employees as for its subcontractors. At the time of contracting, all suppliers must undergo an assessment of their performance in this area. The company's contract is thus contingent upon effective implementation. Energy has measures in place that cover all phases of the process, from tendering to completion:

- > Limiting the frequency rates of suppliers and contractors in tenders.
- > Personalisation of tasks and periodic compliance assessments.
- > Warning letters and fines for reiterated misconduct.
- > Final occupational health assessment by the manager and the procurement area with a view to future tenders.





In addition, the division periodically organises "meeting points" with suppliers to share experiences and agree on health and safety actions to be taken.

In 2019, accident rates for Energy contractors increased slightly, although none of them resulted in fatal accidents.

#### Evolution of accident rate indicators for energy contractors

	Severity index				Frequency rate			
	2017	2018	2019	2020	2017	2018	2019	2020
Energy	3.6	22.0	24.4	7.7	1.1	0.6	0.8	0.7

## PLANET POSITIVE

### Climate

With 25 years' experience in the sector, ACCIONA is present in the main renewable technologies, with activities covering the whole value chain: development, engineering and construction, operation and maintenance, and the management and sale of energy, all renewable.

The energy business stands out for its firm and unwavering commitment to production solely from renewable sources, contributing to replacing fossil fuels in the national electricity mixes. This is the basis of the business model, which has a positive impact, contributing intrinsic value to the fight against climate change and to the contribution of the SDGs.

### Greenest electricity company in the world for the sixth consecutive year

ACCIONA has once again confirmed its position as the world's "greenest" electricity generation company, occupying the New Energy Top 100 Green Utilities ranking since 2015. This ranking is drawn up annually by Energy Intelligence, an independent consultancy firm specialised in energy markets.

The ranking selects one hundred of the largest electricity companies in the world and classifies them according to their CO<sub>2</sub> emissions and their installed capacity in renewable technologies, to determine their degree of involvement in the transition to a low-carbon electricity system.

136

In the framework of the Sustainability Master Plan 2020, this business committed to investing \$ 2.500 million in the 2016-2020 period in renewable generation, reaching a total capacity of 10,500 MW. In 2020 the target has been achieved and the emission of a total of 13.2 million tonnes of CO<sub>2</sub> into the atmosphere has been avoided.

For the 2020-2024 period, the company has set itself the new challenge of increasing its installed capacity by nearly 50 %, adding 5,000 renewable MW to its current figures.<sup>19</sup>

As a result of technical and economic competitiveness, the investment in renewable energies contributes to reducing the GHG emissions that cause climate change. Nowadays it is seen as the best sustainable energy solution in the long term.

#### Emissions avoided per country by generating renewable electricity

Countries	Installed capacity (MW)	Production (GWh)	Emissions avoided (tCO <sub>2</sub> e)
Australia	453	1,239	978,880
Canada	181	503	358,690
Chile	713	1,461	1,072,312

<sup>19</sup> See updated information in the "Presentation of Results. FY 2020 - January- December", and also in successive quarterly presentations.

Countries	Installed capacity (MW)	Production (GWh)	Emissions avoided (tCO <sub>2</sub> e)
Costa Rica	50	227	154,147
Croatia	30	71	36,779
United States	1,128	2,311	1,402,163
Egypt	186	432	228,369
Spain	5,677	12,486	5,446,283
Hungary	24	42	24,507
India	164	367	349,792
Italy	156	231	104,968
Mexico	1,335	3,528	2,022,024
Poland	101	230	183,581
Portugal	165	351	244,473
South Africa	232	530	524,421
Ukraine	100	67	66,830
<b>TOTAL</b>	<b>10,694</b>	<b>24,075</b>	<b>13,198,219</b>

Due to the nature of its activity, Energy is not a relevant emitter. However, it participates in the achievement of the group's carbon-neutrality objective by offsetting 100% of its generated emissions (25,633 tCO<sub>2</sub>e in 2020).

## Reducing carbon footprint by adjusting combustion in biomass plants

For generating electricity from biomass, ACCIONA mainly uses agricultural (straw) and/or forestry waste, which guarantee that the CO<sub>2</sub> issued during combustion forms part of the biogenic carbon cycle. However, due to the conditions of temperature and pressure during this process, a minor amount of the gases generated is also issued in the form of methane (CH<sub>4</sub>) and/or nitrous oxide (N<sub>2</sub>O).

In 2020 the company initiated a combustion process re-engineering project which has managed to reduce the emissions of those two gases to levels that are so low that they are not even recorded by the exhaust gas monitoring equipment. Taking the tolerance values of the measuring system as a reference, it is estimated that they have managed to reduce the emission between 50 % and 60 %, which would be equivalent to more than 4,000 tonnes of CO<sub>2</sub>.

## Circular Economy

The energy business clearly identifies with the circular economy model in such a way that the generation of renewable energy has for some years now been linked to measures such as the recovery of most of the related waste. It mainly involves slag and ash generated by its biomass plants, which are put to agricultural use. They are used for recovering degraded areas or as an ingredient for producing clinker (the main component of cement), low in carbon. Furthermore, in 2020 this division put the following initiatives into operation:

## Incorporation of the Life Cycle Analysis strategy and circular economy into operations

ACCIONA uses Life Cycle Analysis methodology for all new renewable projects. This process shows, for example, that the emissions caused by the construction of a wind farm are compensated during its first 9-10 months of operation, and from then on, the facility becomes a positive carbon emitter until the end of its useful life, 25 or 30 years later.

137

The use of these tools also shows the relevance of the sustainable management of replacement parts during the life cycle of the wind farms, especially for the large components of the wind turbines. The application of the circular economy, with priority for repair over replacement, enables ACCIONA to avoid the emission of more than 6,000 tonnes of CO<sub>2</sub> by extending the useful life of multipliers (>3,500 tCO<sub>2</sub>) and generators (2,500 tCO<sub>2</sub>).

## Biodiversity

The energy division makes every effort to protect and conserve biological diversity. It has initiatives for the conservation of fauna and flora in its facilities, highlighting the following actions carried out in 2020:

### Installation of bird detectors on wind turbines

An R&D project was commenced, focusing on analysing and experimenting with technologies aimed at reducing incidents involving birds and wind turbines. These are systems that use high resolution cameras and artificial intelligence for detecting birds in the area of the wind farms and which emit signals in circumstances considered a risk of collision.

The first phase of the project was to carry out flash-tests with bird-shaped drones to compare the results in similar controlled situations. In Autumn 2020, the period began for validating the system in two turbines to test its effectiveness in real situations.

### Recuperation of the salmon habitat in the River Nansa (Spain)

ACCIONA has completed the project for recuperating the salmon habitat in the River Nansa, which was split over 60 years ago after being transformed into a hydroelectric power source. The two levels built in recent years (in Celis and Vendul) have been joined by a lift for overcoming the 20 m of the Palombera dam, which constituted the first major obstacle for the salmon to run upstream to spawn.

The salmon cross through small artificial ponds or troughs to enter a metal cabin submerged in the water, which is lifted using a system of rails to the upper part of the reservoir. Here the characteristics of the salmon can be observed, measured and documented before they are deposited in the Palombera reservoir through a network of chutes.

138

## Exponential leadership

### Authenticity: customers

#### Long term agreements

There are three factors that make corporate purchasing of green energy a powerful tool for the transition to a decarbonized economy: the competitiveness of renewable technologies, the interest of companies in securing an energy supply at a stable price over time, and corporate climate change policies.

In 2020, ACCIONA continued to reinforce its strategy of selling renewable energy to large corporate customers who wish to reduce their carbon footprint with new agreements for long-term renewable supply, known as Power Purchase Agreements (PPAs).

In 2020, ACCIONA was the 4<sup>th</sup> developer with the highest number of PPAs signed in the world, according to BloombergNEF. During the year, 10 new PPAs were signed under which 2,770 GWh will be delivered per year in Mexico, Spain, Chile and United States. The contracts are for a term of up to 12 years.

**ACCIONA was the 4<sup>th</sup> developer with the highest number of PPAs signed in the world**

#### Customer relations and services at their disposal

Green Energy Developments, a subsidiary of ACCIONA, manages the sale of 100% of the renewable energy produced at the group's facilities to the electricity market. It also handles the sale of renewable energy of other independent producers, who benefit from the group's technical capacity and experience, adapted to customer needs. Green Energy has a long history of selling energy in wholesale markets.

It also sells 100 % renewable energy certified by the National Commission on Markets and Competition (CNMC) to customers, who it advises on the most suitable contract for optimising their consumption. It is worth mentioning that among the associated services and downloading bills and 24/7 telephone assistance, or the possibility of consulting the consumption history and price forecasts. The company has a CRM system that manages the relationship with the customer, contributes to the provision of the service and effective follow-up.

Regarding the solar farms, 43 % of customers are very satisfied with the service provided by the company, indicating that they think there is nothing to improve on. For the energy business in Chile, the customers gave a 10 out of 10 score on quality, precision, level of detail, clarity and transparency of the bills.

#### Customer satisfaction and loyalty

##### Evolution of customer satisfaction

	2017	2018	2019	2020
Satisfied customers	100 %	100 %	98 %	99 %

*Includes solar farms, Green Energy, Chile and India.*

With regard to complaint handling, the business line has implemented a system for prioritising complaints in order to manage them more quickly. The division received 34<sup>20</sup> B2B complaints, of which 97 % were Solar, and 41 B2C, all of which were resolved. Solar resolved them in an average time of 24 hours.

### Greenchain: traceability of the renewable origin of electricity with blockchain

ACCIONA's Greenchain project traces the renewable origin of its electricity generation with blockchain technology, so that customers who wish to do so can check in real time that 100% of the electricity supplied is clean. This system increases their confidence and favours the growth of these types of contracts.

In 2020 it has been implemented in Chile with Enami and New Atacama customers.

Greenchain has been selected by World Economic Forum as one of the innovations of the decade, Breakthrough Energy Related Innovations (2010-2020).

139

#### Non-conformities

The philosophy of the non-conformity report, and also the correct attribution of non-conformity costs, is essential for carrying out a thorough analysis of the lines of action regarding the most critical processes, supplies and/or suppliers.

The company has managed to implement, monitor and obtain a significant reduction of KPI (Costs of Non-conformity / CAPEX of the projects monitored), obtaining a 43% improvement on the previous year, from 0.82 (2019) to 0.47 (2020).

#### Product security and quality

The Control Centre of Renewable Energy (CECOER), has adapted its processes to comply with CIP regulations (Cybersecurity in the Energy Sector) in USA and Canada. A new infrastructure has been created in the Chicago control centre, monitoring users and access. Furthermore, a new app has begun to be used for improving security in the management of electrical discharges in substations.

<sup>20</sup> One complaint yet to be settled due to reasons beyond Acciona's control: resolution depends on the Distributor.

## Sustainable transformative innovation

In the energy business, innovation is a founding pillar for staying in the forefront in a sector that is increasingly more competitive. The figure recorded for innovation in renewables in 2020 was € 78.4 million.

### Evolution of figure for R+D+i in Energy

	2017	2018	2019	2020
Figure for Energy R&D+i (M€)	66.4	61.8	75.4	78.3

## Energy technology management

The Energy Technology Department is located in Madrid and is the core of ACCIONA's renewable energy innovation activity, where most of the strategic lines of research are carried out: wind, solar, electricity storage and new energy solutions. The energy innovation team is distributed among the energy centres in Pamplona, Madrid and Mexico. ACCIONA tests, characterises and integrates the best technologies available on the market and collaborates with various manufacturers on new products to improve the cost and reliability of the energy generated.

Among the key milestones in innovation undertaken in 2020, the following deserve special mention:

### Blockchain to energy

ACCIONA is pioneer in using blockchain technology for trading emission allowances, in association with Climate Trade. This platform facilitates contact between the generators of emission (carbon offsets) and organisations that need to buy them in order to comply with their carbon footprint reduction targets.

### On-Shore wind area

- > Implantation of innovative control strategies that maximise the power curve in the AW3000 fleet.
- > Study, implementation and validation of noise reduction in wind turbines with different brands of blade.
- > Use of 3D printing to manufacture spare parts, avoiding international logistics.

140

### Photovoltaic solar area

Conclusion of construction of the first floating PV plant connected to the Spanish electricity grid in the Sierra Brava reservoir (Cáceres) with 1.125 MW of power.

### New energy solutions: hydrogen

## Power to Green Hydrogen Mallorca (Spain)

In line with the new EU Hydrogen Strategy, the first green hydrogen industrial plant in Mallorca will also become the first strategic reference (flagship) for Southern Europe, with the creation of a "green hydrogen ecosystem" in the Balearic Islands.

Power to Green Hydrogen Mallorca will generate, distribute and use at least 300 tonnes of renewable hydrogen per year, produced from solar energy. The target is to reduce the island's CO<sub>2</sub> emissions by up to 20,700 tonnes a year.

The project also falls under the "Hydrogen Road Map: a wager for renewable hydrogen", recently approved by the Spanish Government. This initiative seeks to position the country as a technological model in the production and use of renewable hydrogen; in 2030 it will reach a production output of 4 GW, mobilising a total estimated investment of € 8,900 million.

## INTEGRATE TO TRANSFORM

### Solutions approach

#### Social-economic impact of the projects

The division uses the economic model based on input-output tables (analysis of the relationships between different industries) to identify and measure the socio-economic and environmental benefits generated by the energy projects from start to finish. Through this tool the company obtains quantitative results of the direct, indirect and induced impact of its operations in terms of job creation and contribution to the gross domestic product GDP of each country, and also in the environment and communities.

In 2020, 19 analyses have been made of the social-economic and environmental impact that has been integrated into several offers, negotiations and tenders, and also in the response to requirements from regulators and customers. The calculation tool has been implemented in the reporting system to gain more speed and reliability in the report, and to include fields and technologies other than wind and photovoltaic energy, such as biomass or hydrogen.

#### Social-economic impact and environmental in the Macintyre wind farm (Australia)

This 1,026 MW facility will contribute significantly to the country's growth, job creation and improvements in the environment during the entire life cycle of the project, as described below:

- Contribution to the GDP: AUD 1,737 million equivalent to the GDP per capita of 26,754 Australians.
- Job creation: 1,854 direct, indirect and induced jobs during the entire life cycle of the project.
- Emissions avoided: 2,647,700 tCO<sub>2</sub> per year, equivalent to the consumption of 572,000 cars.
- Water saved: 5,468,215 m<sup>3</sup> of water per year, equivalent to 2,187 Olympic swimming pools.
- Improvement of air quality: 24,800 tonnes of SO<sub>2</sub> and NO<sub>x</sub> avoided per year, which translates as savings in medical costs associated to respiratory diseases amounting to AUD 50 million.

141

#### Social-economic and environmental impact on the Tolpán Sur wind farm (Chile)

ACCIONA's third wind facility in the country, with the capacity to produce 84 MW of power, creates the following impacts:

- Contribution to the GDP: € 130 million, equivalent to the GDP per capita of 9,655 Chileans.
- Job creation: 1,182 direct, indirect and induced jobs during the entire life cycle of the project.
- Emissions avoided: 266,600 tCO<sub>2</sub> per year, equivalent to the consumption of 55,600 cars.
- Water saved: 534,725 m<sup>3</sup> of water per year, equivalent to 214 Olympic swimming pools.
- Improvement of air quality: 2,263 tonnes of SO<sub>2</sub> and NO<sub>x</sub> avoided per year, which translates as savings in medical costs associated to respiratory diseases amounting to € 2.78 million.

## Local ecosystems

### Social Impact Management

ACCIONA uses methods inherent to Social Impact Management (SIM) with which, right from the offer or design stage, it is aware of the social risks that its construction works, operations or provision of services could produce in the areas of influence of its projects. The aim is to generate positive impacts and minimise the negative impacts in the local communities and environments in which it operates. In 2020, Energy has introduced Social Impact Management into 32 wind farm and photovoltaic projects in 10 countries, compared to 22 in 2019.

In line with the Equator Principles, Energy has complaints mechanisms for communities and other stakeholders: specific communications channels in 100 % of its projects and a public form on its web site for people or groups wishing to submit queries and/or suggestions in relation to any project (<https://accionaenergia-old-code.azurewebsites.net/sustainability-innovation/queries-or-suggestions/>).

### Projects with highlighted social actions

#### Initiative for tourist positioning in the Antofagasta region (Chile)

1.5 kilometres from the Usha photovoltaic plant which ACCIONA is building in the commune of Calama, there are two indigenous communities: the Lyckan Itchai Paatcha indigenous community in Yalquincha and the Hijos de Yalquincha indigenous community. ACCIONA works with these groups to promote their tourist activity. To this end, a tourist positioning strategy has been designed, a starting point for having the area declared a touristic interest zone (ZOIT). Furthermore, a marketing plan and different actions have been worked out for broadcasting the tourism activities carried out in the area. This social initiative will benefit 50 indigenous inhabitants of Yalquincha, and also other communities.

#### ACCIONA collaborates with the livestock breeders in South Africa with a project for hydroponic fodder production

The company, along with local livestock breeders associations in Deben – Northern Cape, South Africa - has promoted the "Green Sprouts" project for sustainable hydroponic cultivation of feed intended for livestock in the area surrounding the Sishen photovoltaic plant. This initiative enables the continuity of communal livestock farms that were in a precarious situation due to drought in recent years, which obliged them to buy feed at a high cost.

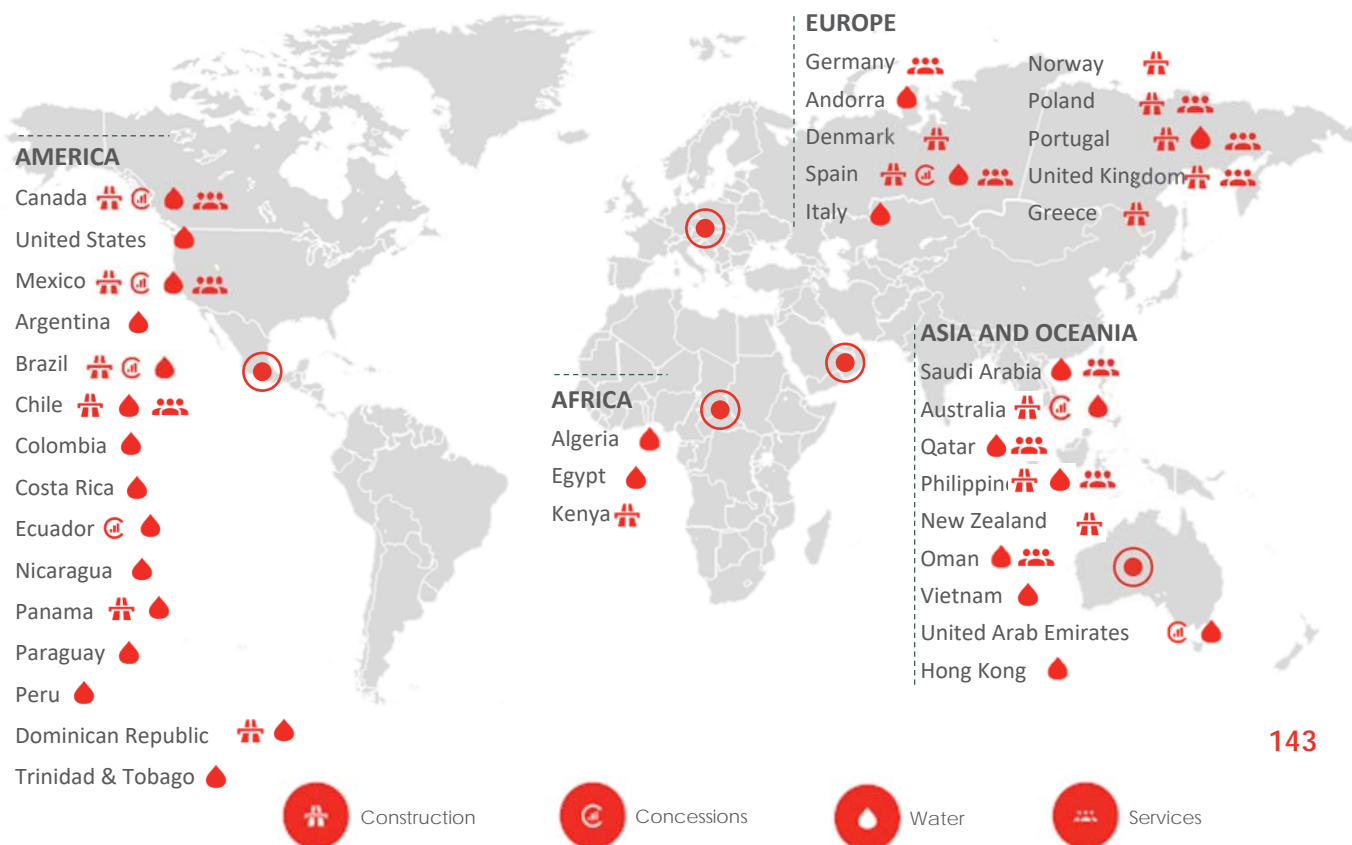
This type of cultivation completely dispenses with soil for growing plants, as it works with the roots in suspension and a minimum amount of water that contains the necessary nutrients. This provides a sure, sustainable and nutritious source of food, regardless of the climate or market conditions. The production cost is 75 % cheaper.

142



# Infrastructure Businesses

ACCIONA has extensive experience in the development and implementation of complex projects and services around the world.



	2018	2019	2020
<b>FINANCIAL PERFORMANCE</b>			
Sales (million €)	5,059	5,034	4,375
EBITDA (million €)	419	431	213
Gross CAPEX (million €)	145	372	241
<b>NON-FINANCIAL PERFORMANCE</b>			
Workforce at year-end	35,596	37,039	35,558
Women executives (% of total executives)	N/A	9,3	13,2
Accident rate: employee frequency rate	5.0	4,8	3,3
Emissions generated (million tonnes of CO <sub>2</sub> )	0.138	0,134	0,107
Water treated (hm <sup>3</sup> )	790	1.030	923
Total innovation figure (million €)	162	149	152.5
Global customer satisfaction index (%)	96	98	97
Projects with Social Impact Management (no.)	81	102	95

N/A: Not available

Below is a description of the main topics in which the infrastructure division has advanced in 2020 as part of the sustainability strategy.

## PEOPLE CENTRIC

### Transformative environments

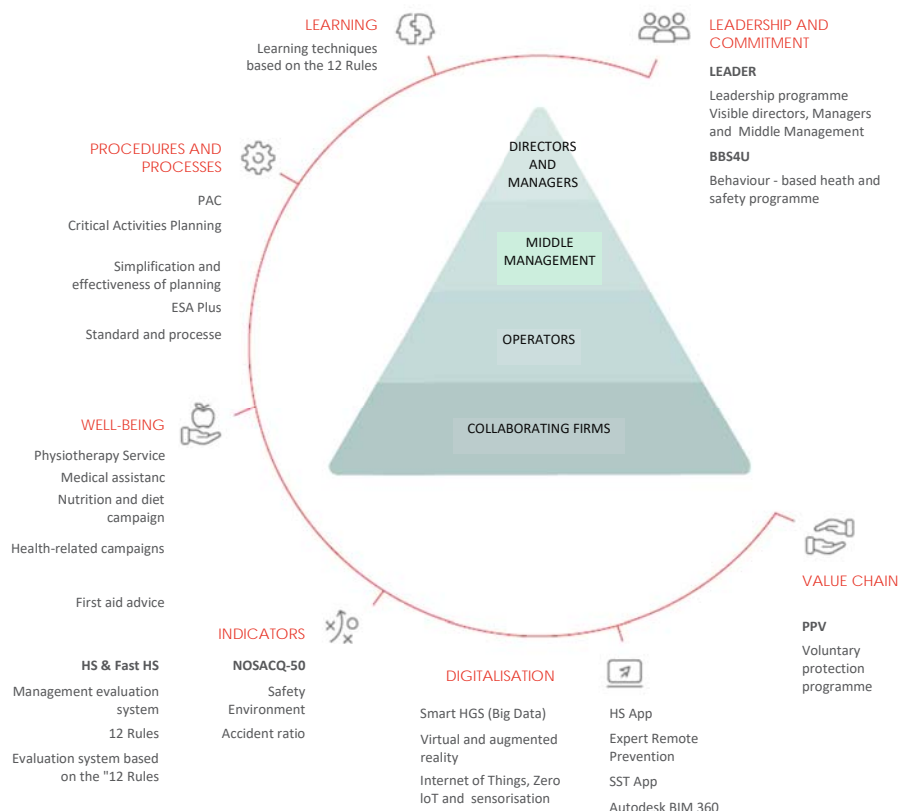
#### Health and Safety at infrastructure

For ACCIONA's infrastructure division, the Sustainable Development Goals (SDG) allow it to tackle the greatest challenges to humanity from a global and transversal perspective, where the solutions to certain problems produce impacts and synergies in resolving others. In its relationship with society, the company assumes the need to collaborate in improving people's quality of life: the commitment is to create a safe, attractive, inspiring and successful working environment.

The company is working on a model of reference within the culture of excellence in Health and Safety at Work through by creating and improving efficient working conditions, guaranteeing health and safety in the workplace with the aim of creating a healthy environment, improving the well-being of all employees at work, helping to reduce the number of on-the-job accidents and occupational diseases and influencing the entire value chain, especially in collaborating companies. All of this places an increased importance on the human factor by strengthening the relationship between positive behaviour and the management of occupational health and safety in the 21st century, through innovative programmes which are already having success in sectors where it operates.

The model provides a new order of things leading to the consolidation of a new culture of prevention, as evidenced by its visible leadership programmes, safety based on positive behaviour and reinforcements, voluntary protection programmes aimed at suppliers and collaborating companies, high safety standards, or the new critical activity planning models based on intuition, simplicity and documentary economy. In addition to this, a profound technological transformation has resulted in a revolutionary digital management model for preventive management, such as remote assistance in streaming, IoT, virtual and augmented reality, and especially the development of predictive tools.

#### Intelligent prevention. Cultural transformation.



144

K. Rosenberg

Among the many advances in health and safety at work in 2020, some of the most relevant are:

- > Drawing up and monitoring preventive action protocols against COVID-19.
- > We have continued with the process of migrating to the new ISO 45001 standard with the concessions and industrial business, which was added to the construction, water and services business.
- > The use of the Experta Remote Prevention tool made it possible to continue visits to the work centres for the corresponding inspections (SGV, COVID-19 Checklist, investigation of accidents, etc.), even when most of the population was in confinement due to the pandemic.
- > Introduction of the "6Conecta" tool.
- > Occupational Health and Well-being Programme.
- > Emotional fitness: workshops for understanding and managing emotions.
- > Courses on road safety, efficient driving, use of measuring equipment, good posture, nutrition, diabetes, heat stroke, eye health, first aid, injuries, chronic illnesses, tobacco, alcohol and drugs.
- > Creation of a centralised warehouse for internal management for supplying protection equipment against COVID-19 to all the work centres.
- > Implantation of the process of Safety In Design in an international project.

## Project Zero IoT

The ZERO IoT project in which the water and construction businesses participate, is based on the "Internet of Things" (IoT), which connects different wearable devices in real time, such as wristbands or smartbands and sensors, with smartphones, beacons, and tablets. This system enables early detection with alerts for situations of risk that could result in real incidents to both workers and supervisors in a task.

Zero IoT works as a "Zero accidents" programme for workers. It makes it possible to parameterize the "shields" based on the working conditions, with the aim of identifying unforeseen risks in order to avoid them or, in the case of an emergency situation, to intervene as quickly as possible.

In 2020, 3 pilot projects were developed in the Water and Construction businesses, that included the following measures:

- Sensorisation of working areas.
- Generation of real time alerts for situations of risk that warn the worker and the team at the worksite control centre.
- Development of a mobile application for workers and supervisors in addition to a control panel that displays the information in real time.
- Historical analysis of the information.
- Development of the SDA module centred on protecting workers in lane closures using AI, preventing potential accidents.

## "6Conecta" tool

6Conecta is a tool for the integrated management of occupational health and safety: behavioural programmes, training, indicators (SVG, 12 Rules, COVID-19 Checklist, etc.), accident rate, evaluation of risks, monitoring and analysis of data, etc.

In 2020 the tool was adapted to the company's Management System and it was launched in Spain in the last quarter of the year.

During the first quarter of 2021 it will be introduced at international level, which will make it possible to have project management data in a single application for later analysis.

Under this model of preventive management, communication and response to incidents are essential. The communication channel established (OHS.infrastructure@acciona.com) has speeded up the management of such incidents.



The severity and frequency indicators went down by 29 % and 31 %, respectively.

#### Evolution of accident indicators for infrastructure employees

	Severity index				Frequency rate			
	2017	2018	2019	2020	2017	2018	2019	2020
Infrastructure	142.4	165.5	160.5	114.7	4.8	5.0	4.8	3.3
> Construction	53.9	49.2	62.5	24.9*	1.6	1.1	1.9	1.3*
> Concessions	111.9	139.5	191	145.8	2.7	3.1	6.5	6.2
> Water	119.0	172.7	153	134.3	4.4	4.4	3.7	3.9
> Services	194.4	212.0	188.7	137	6.8	6.7	5.7	3.8

\*In 2020 it includes the accident rate corresponding to the Industrial business.

Following on from the work in previous years, a series of road safety initiatives was implemented in 2020 to prevent the incidence of occupational accidents while commuting or on work-related travel. During 2020, specific road safety training was given using augmented reality technology. Due to the appearance of the pandemic, the content has not been able to be distributed and it has been postponed until 2021.

Even so, the accident data shows that considerable effort will be required in this area in the coming years. There were 215 commuting accidents and 34 on-mission accidents.

#### Health and safety in the infrastructure supply chain

In almost all prevention activities ACCIONA has the full collaboration of contractors, subcontractors and suppliers since they participate in the company's regular management system procedures. Generally speaking, the accident rates of Infrastructure contractors increased in 2020.

#### Evolution of accident rate indicators for infrastructure contractors

	Severity index				Frequency rate			
	2017	2018	2019	2020	2017	2018	2019	2020
Infrastructure	19.1	18.6	23.1	13.4	0.9	0.9	1.0	0,7
▪ Construction	15.8	16.1	19.2	16.4*	0.8	0.8	0.8	0,8*
▪ Concessions	16.9	32.3	116.9	21.9	0.7	0.9	3.6	0,8
▪ Water	43.9	30.7	22.1	4.6	2.0	1.9	0.9	0,2
▪ Services	1.6	0.0	35.7	4.8	0.8	0.0	3.1	0,5

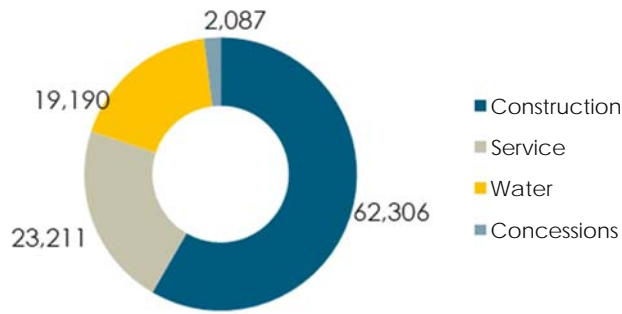
\*In 2020 it includes the accident rate corresponding to the Industrial business.

## PLANET POSITIVE

### Climate

ACCIONA's priority is to respond to the global demand for sustainable infrastructure. In this respect, the division implements energy efficiency solutions at its own locations and those of its customers, optimising consumption and reducing the associated CO<sub>2</sub> emissions.

146

Emissions generated by the division in 2020 (tCO<sub>2</sub>e)

The Infrastructure division participates in achieving the goal of carbon neutrality for the entire group by offsetting 100% of the scope 1 and scope 2 emissions generated, which were 106,794 tCO<sub>2</sub>e in 2020. To this end, it has developed various solutions for reducing emissions:

### Electrification of processes in tunnelling work

Building tunnels using a tunnel boring machine is highly efficient compared to the traditional method of perforation and blasting, involves less execution time and is more environment-friendly. However, the diversity of ground types and dimensions of the excavation work mean these large machines need considerable capacity of adaptation.

For the work of creating the tunnel for transporting water to the Mularroya reservoir in Zaragoza (Spain), ACCIONA has developed an innovative solution that has made it possible to adapt one of its double shield tunnel boring machines to the requirements of the project. The complex geology of the route and the project requirements called for a single shield rock-boring machine with a smaller diameter.

With this modification, other major improvements had also been introduced that resulted in less emissions. The process for the extraction of excavation material was designed using a conveyor belt and electric locomotives, which have achieved a reduction of 219 tCO<sub>2</sub>e.

147

### Streamlining earthworks

ACCIONA's Construction Technology Centre has developed a digital tool for the comprehensive control and monitoring of the machinery used in earthworks. It is intended to streamline operations and increase productivity in the projects.

The web interface of the tool allows viewing and analysing the figures for production, execution times, distances, volume and performance, following sensorisation of the equipment. It can be implemented in the company's own or subcontracted machinery as it is compatible with any manufacturer.

The mechanism has already been successfully tested on the Puhoi-Warkworth motorway in New Zealand. It makes it possible to improve excavation performance by up to 10 %, reducing the emissions generated in the same percentage.

### Control system for improving energy efficiency in water treatment plants

ACCIONA has put the SCREEN project into operation (cloud-based energy efficiency remote control system), a platform that enables the monitoring and streamlining of energy consumption of the WWTPs in each of their processes. The results are shown collectively and separately so specific action can be taken on each component of the system. For example, overconsumption

can be investigated in real time and the cause discovered. Each phase of control can be adjusted until maximum efficiency is obtained. At present, the energy expenditure has been reduced by 15 %.

14 water treatment plants have been connected to the control system, although the target is to bring in all the wastewater treatment facilities operated by ACCIONA over a 5 year period.

## ACCIONA extends its motorbike sharing services

Following the launch of the service in 2018, there are now eight cities in which ACCIONA provides shared mobility services using electric motorbikes.

At the end of 2020, ACCIONA had a fleet of more than 12,000 motor-cycles powered by renewable electricity, making the company largest operator in the world in this sector.

Each shared vehicle means two private vehicles can be taken off the road and promotes the use of public transport, which it then complements. This year along more than 850 tCO<sub>2</sub>e have been avoided, equivalent to the emissions generated by around 100,000 cars circulating per day, freeing space equivalent to more than 45 football stadiums.

## Water

Through the management of the integral water cycle ACCIONA meets the needs of millions of people around the world by responding to one of the greatest environmental challenges facing mankind: access to water and sanitation. In 2020, the treatment plants managed by this business line desalinated, treated and purified 923 hm<sup>3</sup> of water (439 hm<sup>3</sup> in water-stressed countries), while the water supplied from primary networks and groundwater sources amounted to 48 hm<sup>3</sup>.

### Evolution of the volume of water managed (hm<sup>3</sup>)

	2017	2018	2019	2020
Desalinated water	296	318	455	322
Purified water	199	26	123	116
Treated wastewater	279	445	453	484
<b>TOTAL</b>	<b>775</b>	<b>790</b>	<b>1,030</b>	<b>923</b>

148

### Infrastructure's water consumption

The use of water for internal consumption went up in 2020 compared to 2019 by around 1.4 million m<sup>3</sup>, mainly due to the upsurge in the use of WWTP recycled water which, to date, had been identified as process waters. With this, the use of recycled water and rainwater went up in 2020, accounting for 59 % of the total.

The execution of on-site work, such as excavation, perforation, concrete production or compacting embankments, requires using significant quantities of water. In order to minimise the volume of water extracted from the environment, ACCIONA includes best practices in this subject:

- > In the construction of the tunnel for the Valls-Montblanc relief road of the A-27 highway (Tarragona), a water tank was installed at the southern tunnel mouth to be used for collecting discharge. Its content will be re-used during the excavation of the tunnel, thus saving almost 18,000 m<sup>3</sup> of water.
- > In the work for the Pedralba section of the Pradería- Padornelo Tunnel on the Madrid-Galicia high-speed train line, nearly 7,500 m<sup>3</sup> of water coming from the water treatment plant have been used for producing concrete.
- > In the execution of the section of the A-54 between Melide and Palas de Rei, the runoff water crossing the section is redirected toward different temporary separators or interceptors before being returned to the natural sources. That water is re-used by the tanker truck for the daily watering of the main access to the site, cleaning operations or embankment work. This means a saving in consumption of over 7,000 m<sup>3</sup> of water.



## Reduction of water consumption in the Kwinana waste to energy plant from the design stage

ACCIONA is building the first plant for transforming waste into energy in Western Australia. The plant will process up to 400,000 tonnes of waste per year and will have a production capacity of 36 MW, equivalent to the consumption of 50,000 homes.

The company's proposed design will include significant improvements in water consumption. The use of a fin fan cooler system with evaporative cooling for the auxiliary refrigeration system instead of evaporation towers, has resulted in a saving of around 50 % in water expenditure (some 72,000 m<sup>3</sup> per year), in addition to contributing to the achievement of zero effluent discharge.

### Water treatments in areas with water stress

As in previous years ACCIONA continues to contribute to guaranteed access to drinking water in areas with water stress and to the sustainability of the environment in areas where the level of sewerage services is low, by building, operating and maintaining water purification, desalination and treatment plants. In 2020, 48 % of the water treated has been generated in places with water stress.

## Al Khobar 2 desalination plant

ACCIONA continues to respond to the demand for water treatment infrastructure in regions with water stress or with predicted water shortages due to the climate change. The company, together with RTCC, has been awarded the construction of the Al Khobar 2 desalination plant.

The plant has reverse osmosis technology and its output will be somewhat more than 600,000 m<sup>3</sup> of water per day, making it the largest reverse osmosis plant in the world built under the EPC format in a single phase. It will meet the needs of a population of three million inhabitants. With this, ACCIONA consolidates its presence in the water business treatment in Saudi Arabia, a country in which it is currently developing 4 projects.

149

### Circular economy

The infrastructure division implements sustainable projects that promote a model of circular economy. In its different business lines, it promotes procedures aimed at waste reduction, segregation, reutilisation, recycling and recovery. It also encourages the use of renewable materials instead of virgin materials.

Excavated earth and rubble are the most common types of waste in the field of construction, so ACCIONA's 2016-2020 Waste Management Plan focusses significantly on re-using and recycling this type of residue. Some of the cases worthy of mention in 2020 were:

- > The expansion of the El Estrellin quarry, where 28,000 tonnes of earth coming from the excavation of the quarry itself have been deposited, 2.5 kilometres away, to be used in the subsequent phase of restoring the northern section of the quarry.
- > All the rubble generated in the refurbishment of the building where the hotel IKOS in Estepona will be located has been sent to a plant for recycling.
- > In the work on the Metro Conexión JV in Malaga, once authorisation was given by the project management, recycled aggregates were used to avoid the extraction of more than 10,400 tonnes of natural quarry material.

## Recycled material and re-use of structures in building

The RE4 project, in which ACCIONA has participated, is a research initiative funded by the EU within the framework of the Horizonte 2020 programme, with the collaboration of 13 institutions from the world of the science and industry. Its main objective is to promote new technological solutions and strategies for the development of prefabricated components with a high percentage of recycled material and re-used structural material from demolished buildings.



The project has focused on designing building elements that are easily assembled or dismantled for re-use, containing 65 % of construction and demolition waste. The components will be suitable for use in building and refurbishment.

## Recovery of the carbon content in wastewater

ACCIONA forms part of the European Water Mining project, the aim of which is to identify solutions that enable converting conventional waste water and sea water treatment systems into processes for the recovery of resources.

To be more specific, the company has an active participation in the development of technology for the recovery of carbon originating from waste water in the form of biopolymer, a compound that has applications in sectors such as the textile industry, construction or medicine.

## Challenges in waste management during the construction of the DEWA III photovoltaic plant

ACCIONA participates in the construction of the largest photovoltaic plant in the world in the United Arab Emirates, that will have 800 MW of nominal power. The size of the project has been a challenge in respect of the separation and recovery of the waste generated by the packaging for the almost 100,000 photovoltaic modules received.

After a complicated beginning, the project managed to improve its recovery statistics up to almost 74 % for plastics, 81 % for wood waste and 99 % for paper and cardboard waste. It also managed to reduce the management expense to almost half as a result of less need for transportation and the revenue generated by the sale of waste to local recovery companies.

150

### Use of resources and waste management in Infrastructure

	2017	2018	2019	2020
TOTAL resources (tonnes)	8,548,722	17,389,443	5,441,783**	8,180,828
Recycled or renewable resources* (%)	21 %	29 %	9 %	11 %
TOTAL non-hazardous waste (tonnes)	12,073,759	9,566,294	3,752,589	6,235,078
Non-hazardous waste recovered	43 %	58 %	75 %	77 %

\*Recycled or renewables: biomass, certified wood (FSC or similar), soil, aggregates, steel, coal and recycled paper

\*\*Corrected errata in 2019 figure.

### Biodiversity

The infrastructure business activities can produce adverse effects for biodiversity. For this reason, all the areas identify and assess any possible alterations in each phase of the projects it carries out, with the aim of implementing the necessary prevention and correction measures.

## Rescue and translocation of populations of the Pyrenean desman

The Pyrenean desman (*Galemys pyrenaicus*) is a mammal native to the Iberian Peninsula, classified as "Vulnerable" by the Spanish Catalogue of Threatened Species and by the IUCN. It is a semiaquatic species that lives in mountainous regions.

The Pedralba section of the Pradería-Padornelo Tunnel of the Madrid-Galicia high-speed train line constructed by a consortium in which ACCIONA participates, includes the construction of a viaduct that crosses one of the main habitats of the Pyrenean desman.

The company has put a pioneer programme into effect for the translocation of specimens of this singular species, consisting of reintroducing specimens captured in the section of river affected by the building work back into the environment; specifically a 1km stretch of the river. To this end, radio tracking techniques have been used in a total of 24 specimens, to obtain information on how this species uses and explores the territory, how it uses the shelters and how they behave. After transferring them, they were seen to have adapted rapidly to their new habitat, finding shelters and studying the river environment normally.

## Conservation of biodiversity in the maintenance of green zones in Vigo

ACCIONA has been selected by the Vigo Council for the maintenance of more than three million square metres of green zones around the city, in which it will use principles of sustainable gardening. Among the actions that it will be carrying out are:

- > Drawing up a programme for increasing, compensating and improving biodiversity, with actions centred on the fauna, flora and ecosystems of the area.
- > Carrying out a study of bats and nocturnal birds for balancing the ecosystem.
- > Making a detailed report on environmental improvements for the aquatic and wetland environments and the renovation of the interpretative signage of the ornithological route along the River Lagares.
- > Reducing the use of chemicals to a minimum for pest control and replacing them by non-polluting methods of biological control.

151

## EXPONENTIAL LEADERSHIP

### Authenticity: customers

#### Relations with customers and services at their disposal

Taking into account the diversity of Infrastructure's customers, communication with them is managed using a wide variety of channels ranging from face-to-face attention to web spaces for each business in the division.

In the Entorno branch, the main topics handled with customers have concentrated on planning service, frequency and special events. This year in particular, the planning for cleaning to combat COVID-19 has been the item most frequently addressed. Another item dealt with was the implementation of the collection of bio-waste in towns. In the Healthcare business, ACCIONA has been informing its customers on the updates of its COVID-19 protocols. Due to the type of service it provides, the adaptation has been continuous and permanent through: a commission that monitors the pandemic on a daily basis, follow-up meetings held weekly with customers, increased number of COVID ambulances with specific personnel and constant announcements.

#### Quality of the water supplied to customers

Water customers have different channels available to them for managing claims, complaints, suggestions and incident-solving, such as web sites and virtual offices in the concessions, amongst others.



For vulnerable customers, ACCIONA's water services business collaborates with the town councils in order to not leave any customers falling into that category without water.

## Global Water Intelligence Awards

The ACCIONA water business has won Global Water Intelligence awards in the virtual event held in 2020. It has two projects that have won "Distinction Awards": the Shuqaiq-3 desalination plant in Saudi Arabia for the best contract, and the Putatan-2 water purification plant in the Philippines for the best treatment plant.

### Customer satisfaction and loyalty

The percentage of satisfied Infrastructure customers remained very high in 2020.

#### Infrastructure customer satisfaction

	2018	2019	2020
Construction*	100 %	100 %	100 %
Concessions**	100 %	100 %	100 %
Water	100 %	100 %	100 %
Services***	86 %	99 %	98.6 %
<b>Infrastructure</b>	<b>96 %</b>	<b>98 %</b>	<b>97 %</b>

\*Includes Industrial, which sent no surveys.

\*\* Includes Hospital León Bajío, CHUVI and A2-Tramo 2.

\*\*\* Includes AFS Spain, AFS Portugal, Mexico, Environment, Healthcare, Mobility and EROM.

Some indicators to be highlighted in the scope of customer satisfaction during the year are:

- > The implantation of a new virtual customer service has been 75% completed in the water business.
- > A level of 4.5 out of 5 was reached for customer satisfaction in ESCO and an average of over 4 in Facility Services Portugal.
- > In the satisfaction survey carried out with the motosharing customers after the first state of alert, 66 % of participants used the service after the first wave; 83 % of the bike users felt safe with them and 84 % thought the anti-COVID measures taken were sufficient.

152

In this respect the assessment of ACCIONA as compared to its competitors is also significant. With this, 100 % of the customers consulted by ESCO, and 76 % of customers consulted by AFS Spain would contract its services again.

In 2020 a solution was found for 100 % of the complaints received from customers of the concessions and water business lines. 76 % of the complaints received in the construction business were solved, and in the case of services, 99.6 % of the B2B complaints and 80 % of the B2C complaints were solved.

### Groups for improvement

At the close of 2020 23 groups for improvement have been identified in the infrastructure division, and a total of 41 lessons learned that are disseminated through a "Knowledge Navigator" portal.

## LECTOR (Reader) Project

This is a group of experts in reading specifications sheets and contracts, intended to provide expert contractual and technical knowledge for programming key alerts in software that aids the reading of specifications sheets and contracts using artificial intelligence.

There were 294 alerts programmed until 2020.

## Certifications

Infrastructure has Quality Management Systems and Environmental Management Systems certified under the ISO 9001 and ISO 14001 standards respectively, as well as other certifications, to ensure its technical capacity, guarantee its competitiveness and improve its processes

### Main Infrastructure certifications in force during the year

CONSTRUCTION	ISO 9001 and ISO 14001: 100 % of the activity in several countries (Spain, Chile, Brazil, Mexico, Colombia, Canada, Australia, etc.).
	PBQP-H Certification (Brazilian Programme for Quality and Productivity of the Habitat) in Brazil.
CONCESSIONS	Green and Gracious Builder Scheme of Singapore
	ISO 9001 and ISO 14001: 7 centres including highways and hospitals.
	ISO 27001: in Gran Hospital Can Misses (Ibiza, Spain).
WATER	ISO 39001: A2 Concession company, section 2 and La Plata Highway.
	ISO 9001 and ISO 14001: 100 % of the water treatment activity in Spain, Italy, Chile. 100 % of the integrated management services.
	ISO 50001: in twelve centres, three of them have been certified this year.
SERVICES	ISO 9001 and ISO 14001: Urban and Environmental Services activity in Spain and Mexico, Renewable Energy Operation and Maintenance (EROM), cleaning trains and railway stations, handling and driving gangways as part of airport services in Spain and Chile, Healthcare and provision of energy services (ESCO), Facility Services in Spain, Portugal and Mexico.
	ISO 22000: 100 % of the facility services activity
	ISO 50001: 100 % of the energy services activity.
	ISO 179002: Quality Management Systems for Medical transport companies under Healthcare activity.
	EMAS: Environmental certificate, engaged in managing landscaping and public spaces, the offices in Avda. de Europa and the gardening centre in León.

153

### Sustainable transformative innovation

Infrastructure stands at the forefront in R&D&i with specific solutions with a high technological component for resolving the problems of each of its activities. In 2020, the figure substantiated by the division was € 155.5 million.

### Evolution of R&D&i figures per business in Infrastructure (million euros)

Business	2017	2018	2019	2020
Infrastructure	142.4	161.8	149.4	152.5
▪ Construction	119.2	140.5	134.0	137.7
▪ Water	19.7	20.7	15.3	14.8
▪ Services	3.5	0.6	0.1	0.0
▪ Concessions	0.0	0.0	0.0	0.0

Infrastructure has two technology centres in Spain: the Construction Technology Centre and the Water Technology Centres. The innovation function is also present in the development of projects in the other Infrastructure businesses.



## Construction Technology Centre

Located in Madrid, it is dedicated to the improvement of construction processes as well as the incorporation of new technologies and efficient construction materials, which gives ACCIONA a competitive edge over other companies in the sector.

Despite the inconveniences that 2020 has brought to large and small businesses, the Construction Technology Centres has managed to continue strengthening its three main lines of action, bringing excellence to the business:

- Improving the environmental aspects of construction projects.
- Implementing digitalisation.
- Providing ongoing solutions using innovative materials.

With this, different platforms have been developed to control processes such as tunnel construction or earthworks; methodologies based on the circular economy have been extended to reduce raw materials in our projects. Furthermore, the centre has included its own developments and tools which enable it to reduce execution times.

## Water Technology Centre

This Technology Centre ranges from the most basic laboratory activities to pilot studies and industrial scale-up. It uses powerful modelling software using fluid dynamics and for carrying out structural studies.

The strategic lines are:

- Desalination and new technologies.
- Water treatment and reuse.
- Purification and water chemistry.

In addition to the facilities at the Water Technology Centre (Barcelona), ACCIONA has a series of demonstration plants located in water treatment plants operated by the Water business, where experiments are conducted under real conditions that supplement those conducted at the Technology Centre.

154

Some of the projects that have contributed to cost savings or revenue generation for the infrastructure division in 2020 are as follows:

### Innovation in construction and engineering

- > Development of the DIGITUNEL project for the digitalisation of the monitoring and control of construction work in conventional tunnels. Applying it in MossIA ANS, where it is using and validating the new technology in building 10 km of the Moss railway line (Norway).
- > A new device for handling and controlling girders by mechanical drive using a rack. It makes it possible to mount heavy-duty girders on land with gradients of over 7 % when building bridges and viaducts in Cebú, Philippines.

### Innovation in services

- > Definition of a model of last mile urban deliveries using mobile mini hubs developed with the VONZU startup under the I'MNOVATION programme.

### Innovation in water

- > The STARNIT project is evaluating the use of sludge treatment by-products to optimise nitrogen removal in the main water treatment line, thus reducing energy demand and sludge production. The STARNIT process makes it possible to reduce energy consumption by around 25 % and to cut back to 100 % the need for external organic matter for nitrogen removal.
- > The LIFE-DREAMER project, finished in 2020, has succeeded in increasing the percentage of water recovery in seawater desalination systems from 45-50 % to 80-85 % in reverse osmosis

treatment plants. Similarly, the volume of brine residual currents went down by 65 % and the consumption of chemicals also diminished as a result of the strategies introduced. All these improvements contribute to increasing the sustainability of the desalination process.

## INTEGRATE TO TRANSFORM

### Sustainable difference in each project

The infrastructure business has identified and began to design High Impact Solutions in Mexico and Brazil.

#### High Impact Solution in the Atotonilco WWTP

The wastewater treatment plant at Atotonilco (Mexico) enables purifying the water of 12.6 million inhabitants, which is re-utilised for agricultural use or irrigation technification. This is the largest wastewater treatment plant in Latin America and the third largest in the world.

In 2020 work began on designing the implementation of the High Impact Solution concept in order to make a substantial contribution to improving the quality of life of the nearby communities through training, generating quality local employment (in turn reducing the gender gap and inequality gap), improving production output and soil quality.

ACCIONA has presented the proposal to the CONAGUA (Mexican National Water Commission) and to a possible funding partner, who have rated the proposal very highly. It has also advanced in designing solutions in order to commence a plan for closer rapprochement with the community and to implement those solutions during 2021.

#### High Impact Solution in the São Paulo Metro

The Line 6 concession of the São Paulo Metro is the largest public-private infrastructure project being developed in Latin America, and the biggest project in ACCIONA's history. It is estimated that during the construction period approximately 9,000 direct and indirect jobs will be generated. Once in operation, it will reduce the emission of more than 100,000 tonnes of CO<sub>2</sub> a year and will substantially contribute to reducing the travel time of 600,000 travellers every day. Line 6 connects the city centre to the Brazilândia District, one of the most impoverished areas of the State of São Paulo, where 21 % of the population lives in favelas (approximately 57,000 people).

ACCIONA aspires to convert the project into an example of transformative infrastructure with an additional positive impact for the community through the activation of development vectors based on the socio-economic analysis of the population. To that end, after an exhaustive analysis of the socio-economic and environmental gaps and opportunities in the area, four strategic aspects have been identified: training for the local population, promoting employment and entrepreneurship, introducing electric mobility solutions and promoting the gender perspective in the project. During 2021 it will continue with the development and implementation of the solutions proposed.

155

### Local ecosystems

#### Social Impact Management

Through its own Social Impact Management (SIM) methodology, ACCIONA can know right from the outset what social risks are involved in its building works, operations and services for the areas of influence of its projects. Following this procedure, the positive impacts on the local communities and environments in which it operates are maximised, while the negative impacts are minimised.

In 2020, Infrastructure worked on 95 projects in 24 countries where it has implemented Social Impact Management. The type of projects is varied: from the construction of underground and railway lines, roads, hospitals and tunnels, to buildings or integrated services for managing water and cleaning.

The division currently establishes suggestions and complaints channels in each business line and in projects in which the customer requires or allows it. Using web forms, e-mails, telephones, suggestion boxes and community attention offices, the stakeholders involved in a specific project have been able to submit their queries and/or proposals.

## Projects with social actions worthy of mention

**Social actions in Facility D Independent and Power Project (Qatar)**

- 50 % contracting with local services and hiring local qualified labour.
- Plan for sharing the technical know-how with local students, providing them with active involvement in the plant's operations.
- Employee welfare programme that includes physical and mental health campaigns and also acceptably conditioned accommodation made available to employees and transport from their accommodation to the workplace.
- Welfare programme for subcontracted employees based on transparency, integrity and ethical principles, aimed at maintaining the business relationships.
- Integration and socialising activities between company workers and subcontracted workers from different ethnic groups and their families.

**Social actions in Ness Energy Project (Scotland)**

- Contracting with local services with the aim of improving the economy of the area.
- Apprenticeship programme aimed at training new employees.
- Qualifying the workforce and obtaining industry certification, which will provide specific career skills for workers.
- Programmes to ensure equal opportunity and decent salaries for workers in the construction and operation phases.
- Meetings with interested parties, such as unions, local communities and schools, with the aim of informing on the project, receiving suggestions on initiatives and establishing future communications. The web site enables direct communication between the interested parties and the project organisation.
- Putting a volunteer "Time Bank" into effect in which the employees make their knowledge and time available to local businesses, for example, creating their web sites and holding informative conferences.
- Joining the "Considerate Constructors Scheme", which is an independent non-profit organisation, intended to raise standards and encourage industry best practices, as part of ACCIONA's commitment with the local communities in the area of influence of the project.

156






## Other businesses

All ACCIONA businesses conserve their sustainable vocation, which is comprised in the financial services for fund management and brokerage services through Bestinver, the development of museums and event management through ACCIONA Cultural Engineering, the production of top-quality wines by Grupo Bodegas Palacio 1894 and housing development through its real estate business.

### BESTINVER'S SUSTAINABILITY PERFORMANCE

	Over 30 YEARS EXPERIENCE	€114 M REVENUE	€6,397 M UNDER MANAGEMENT
	€63 M EBITDA	€2 M CAPEX	49,966 INVESTORS

Bestinver is a leading company in management services for investment funds, pension funds and other collective investment institutions. Bestinver focuses on delivering attractive and sustainable returns through the construction of robust portfolios. Alignment of interests is fundamental, as both investors and managers co-invest with the same objective: to obtain the best possible returns over the long term. Bestinver's investment philosophy is defined in a simple way: "to obtain returns by investing in undervalued companies through fundamental analysis, appropriate risk management and a long-term time horizon shared by investors and managers".

157

#### Investor satisfaction

Among the milestones achieved during 2020 in Bestinver business regarding the quality of the service, the standardisation of processes and customer satisfaction, special mention is made of the consolidation of the incorporation of Fidentiis.

With the aim of constantly increasing the satisfaction of its customer base, Bestinver has an extensive investor relations team which has the task of keeping them informed at all times of the status of their portfolios, and also of facilitating operations in the management of their investment and pension funds.

During 2020, Bestinver has continued reinforcing its commitment with its investors, completely renovating its "private area" where now, apart from operating 100% online, the investors intuitively have access to all the information on their investments. The situation caused by COVID-19 required adapting the format for the Annual Investors Conference broadcast by streaming, where over 2,700 investors were brought together live. At this conference it was announced that ESG criteria would be included in all company funds.

Bestinver has a section called "Investing School" where the essential concepts of investing in investment funds and pension plans are provided.

#### Incorporation of ESG criteria into all funds


Bestinver plays a relevant role in promoting a more prosperous, sustainable world by searching for the positive impact of its investments on society. As a management firm, Bestinver considers that the inclusion of environmental, social and of governance criteria (ESG) in its funds is not only correct in terms of trust responsibility towards the participants and society, but it is also completely in line with its investment philosophy.

The inclusion of these criteria strengthens the pillars on which that culture is based (fundamental analysis, appropriate risk management and long-term horizon), therefore improving Bestinver's ability to generate

sustainable long term returns and contributing to the identification, limitation and management of other non-financial risks associated to its investments.

Consequently, Bestinver has decided to apply ESG criteria across all of the firm's products, for equity, bonds and private markets, in order to consolidate its commitment with sustainable investment and with the spirit of contributing and leading the dissemination of ESG practices, in line with group policy.

## SUSTAINABILITY PERFORMANCE OF ACCIONA CULTURAL ENGINEERING

	217 EMPLOYEES	€35 M REVENUE	129 AWARDS
	€1 M EBITDA	8 OFFICES IN 5 COUNTRIES	38 COUNTRIES

Since 1990, ACCIONA Cultural Engineering tackles large-scale international projects in the field of museums and exhibitions, International and Universal Exhibitions and indoor and outdoor events. Its services offer comprehensive solutions to public and private customers and cover all phases of the project: consultancy, planning, design, production, technical and artistic operation, operating and marketing. Quality, excellence and exclusivity are part of the professional seal of sus productions, features that have earned it wide recognition in the sector.

### Customer Satisfaction


In the surveys made in ACCIONA Cultural Engineering people are asked to evaluate the concept and design of the project, among other factors.

The percentage of customer satisfaction is 100 %, and during 2020 no complaints were received from customers.

All centres are ISO 14001 certified and as a new development, in 2020 the Madrid office has obtained ISO 20121:2013 certification in the management of sustainable events.

This year saw the mutual transfer of know how between ACCIONA Cultural Engineering and the new events company acquired, Auriga Cool Marketing. Customer and supplier processes, techniques and information have been unified, sharing accumulated experiences. This has been possible thanks to the integration of teams, grouping together qualified people and always with the common objective of establishing strategies for meeting customers' needs.

## SUSTAINABILITY PERFORMANCE OF GRUPO BODEGAS PALACIO 1894

	186 EMPLOYEES	€29 M REVENUE	+3,000 CONSUMERS IN THE DIRECT SALE CHANNEL
	€5 M EBITDA	99 % CUSTOMER SATISFACTION	311 DISTRIBUTORS

The Grupo Bodegas Palacio 1894 has vineyards and wineries in the five most prestigious denominations of origin in Spain and a solid presence in 40 markets throughout the world. Its basic pillars are the constant search for excellence, commitment with the environment, sustainability and the ability to innovate, with the aim of the producing and aging quality wine. The group's portfolio ranges from iconic wine to the more widely produced labels.

## Planet positive

The respect for the environment shown by Grupo Bodegas Palacio 1894 is in line with the policies and strategies of the rest of the company. Since 2015 it consumes only renewable electricity, having emitted 259 tCO<sub>2</sub>e in 2020. As occurs in other ACCIONA businesses, Bodegas Palacio 1894 is a carbon-neutral company that has offset the emissions generated from its activity.

Regarding water consumption, a strategic resource for managing its more than 500 hectares of vineyards, for years the group has been applying efficiency methods such as the use of drip irrigation programmers, the management of water stress in crops or the adoption of varieties of grape with low water requirements. In 2020, the business consumed 270,458 m<sup>3</sup> of water, 50 % less than the previous year, mainly due to the higher rainfall which reduced the demand for watering the vineyards.

The business is based on a model that traditionally is highly circular. For example, other elements and drinks deriving from grapes, such as pomace and stems, are managed as by-products. In addition, the main raw materials used come from purely renewable materials, such as cork, or with a high recycling content, such as glass. Lastly, it has been working constantly on reducing bottle weight, lessening the amount of waste generated, at source.

As regards biodiversity, the business workplaces have spaces dedicated conserving and protecting it, for example the network of birdhouses distributed around all of its facilities, or plots of land used solely for developing autochthonous species of flora and fauna.

During 2020, some of the highlighted activities of Grupo Bodegas Palacio 1894 were:

- > The 22 % reduction in diesel consumption per bottled litre in the Peñascal wineries as a result of replacing the boiler burner, and the reduction of electricity consumption by 15 % by making some changes in measures introduced in the past, such as adapting temperatures to the seasons of the year, programming continuous filtration or replacing refrigeration equipment.
- > Changing aerial drip irrigation for buried drip irrigation in the Caserío de Dueñas vineyard, avoiding loss through evaporation and optimising the use of water.
- > The recovery of forests and pine groves belonging to the company (planting trees and plants in the forest along the banks of the River Zapardiel), in the vicinity of its Caserío de Dueñas facilities.

159

## Customer satisfaction

At Grupo Bodegas Palacio 1894, customers evaluate the features of the product, sales attention, handling of logistics and the brand.

The percentage of satisfied customers of GBP 1894 was 98.8 % in 2020.

In 2020 the following advances are worthy of mention:

- Transformation of the Online Direct Channel to optimise the customer relationship model.
- Improvement of the process for measuring customer satisfaction, developing a new specific survey for each stakeholder: Marketing Channel.

100 % of the Grupo Bodegas Palacio customers would repeat their contracts for products and services, and 100 % of customers recommend them.

In 2020 Grupo Bodegas Palacio 1894 settled 84 % of the 722 B2B complaints received and 100 % of the 504 B2C complaints. The most habitual causes of B2C complaints are breakages during transportation. The average time for solving claims from B2C customers was 2 days and for B2B claims it was 5 days.

### Direct Winery

A new online sales channel has been created offering one of the most complete purchasing experiences on the market. Amongst the offers that make it stand out from the rest are:

- enjoying a Master Class with the Master of Wine, Almudena Alberca
- Hiring a "home sommelier", or

- The possibility of buying in exclusive and personalised formats.

This new e-commerce is based on a consumer centric model.

### Commitment to quality and food safety

Grupo Bodegas Palacio 1894 strives to bring maximum quality and safety to the products that it offers its customers, and also to promote responsible consumption. It participates in initiatives such as Wine in Moderation, a project of the European wine-growing sector whose aim is to promote moderation and responsibility in wine consumption and to prevent excessive or improper consumption of alcoholic drinks.

### Certifications

- ISO 9001 and ISO 14001: 100 % of wine production at Bodegas Peñascal, Viña Mayor, Caserio de Dueñas and Bodegas Palacio.
- Wineries for Climate Protection: the only specific certification for the wine sector in the field of environmental sustainability and the fight against climate change. This seal requires actions to improve processes that reduce emissions and increase energy efficiency.
- ISO 22000:2018, food safety management system at Bodegas Peñascal, Viña Mayor, Caserio de Dueñas and Bodegas Palacio.

At year-end 2020 there are no non-compliances relating to impacts in the health and safety of products and services.

## SUSTAINABILITY PERFORMANCE OF THE REAL ESTATE BUSINESS



**136**  
EMPLOYEES

**€19 M**  
EBITDA

**€198 M**  
REVENUE

**+13,000**  
PROPERTIES

**100 %**  
ISO 14001  
CERTIFICATION REAL ESTATE  
DEVELOPMENT IN SPAIN

**100 %**  
OHSAS 18001  
CERTIFICATION ACTIVITY  
IN SPAIN

160

With more than 30 years of experience in the sector, the real estate division is a leader in residential development and management in Spain, having built more than 13,000 homes throughout Spain, Portugal, Poland, and Mexico.

### Planet positive: eco-efficient housing

For years, ACCIONA has been committed to having all new developments certified with the BREEAM sustainable seal, aspiring to the qualification of "good" or higher in all of them.

This prestigious method of evaluating sustainability provides tools and procedures to measure, analyse and weigh the levels of sustainability in the design, execution and maintenance of new construction. The certificate applies to both the design and construction phases and establishes ten categories: management, health and well-being, energy, transport, water, materials, waste, ecological use of soil, pollution and innovation.

In 2020, Real Estate delivered 10 residential developments with this certification (61% of the homes are rated "Very Good", which is above target) and at least another 11 are planned or already underway, making over 1,000 additional sustainable homes.

Thanks to the improvement brought about by the sustainability seals, BREEAM-certified homes have higher quality standards than those available on the market. Lower consumption and maintenance requirements make them a more attractive investment. Accreditation of the building's construction quality makes it easier for customers to obtain mortgages with better conditions and thereby speed up the sales and rental operations.

As a result of the improvement brought about by the sustainability seals, BREEAM-certified homes have higher quality standards than those available on the market. Lower consumption and maintenance requirements make them a more attractive investment. Accreditation of the building's construction quality makes it easier for customers to obtain mortgages with better conditions and thereby speed up sales and rental operations.

### Improving customer experience and satisfaction

Customers are provided with information through the company's business service, both face-to-face and remotely using a call centre and online services. Communications are continuous during the entire process of buying a property.

During 2020 a system for contracting after-sales companies has been implemented in all the developments delivered, to improve the experience of buying an ACCIONA property.

During the months of confinement, several virtual 'open doors' events were held to continue maintaining contact with customers and resolve any specific doubts customers may have regarding the promotion of the property they are interested in.

In 2020, the business received 4,424 B2C complaints, 72% of which were resolved. Those complaints include requests by buyers for touch-up work in properties.

No customer satisfaction surveys have been made as they usually wait several months after the properties are delivered. In 2020, deliveries were made at the end of the year, so the surveys have not been scheduled yet.

### Health and Safety

Safety management at Real Estate is included throughout the entire organisational structure of the company. It is ISO 45001-certified. At all the permanent work centres there is an individual who liaises with the Prevention Service, who is in charge of supervising health and safety. This allows for real integration of preventive action in each workplace.

The circle of influence of the safety culture includes not only the collaborating firms but also customers. Information on risks of the centre and instructions on prevention and action in case of emergency have been included in student residences contracts. These actions are supplemented with awareness-raising talks with all staff members at the beginning of the academic year.

161



# About this Report

## Transparency and accuracy

This Report meets the requirements of the Spanish Law 11/2018 on Non-Financial and Diversity Information. The information presented fulfils the criteria of comparability, materiality, relevance and reliability.

(GRI 102-46)

This *Sustainability Report* sets out the progress, results and status of ACCIONA's sustainability performance in 2020, as well as its management approach and the challenges it faces. The object of this *Report* is to clearly and meticulously provide the most relevant information about the company as it relates to the most significant positive and negative impacts on its different stakeholders.

The report is based on the challenges described in previous years' sustainability reports and focuses on the progress made during 2020. The content has been expressed to serve as the *Non-Financial Information Statement 2020*.

This *Report* also describes the company's annual progress in implementing the United Nations Global Compact's Ten Principles on human rights and labour rights, the environment, anti-corruption, and ACCIONA's contribution to achieving the Sustainable Development Goals (SDGs) at local level.

The information published in this document is supplemented by other company reports: the *Consolidated Financial Statements and Directors' Report*, the *Annual Corporate Governance Report*, the *Integrated Report* (GRI 102-45). The sustainability content is updated regularly on ACCIONA's website: [www.acciona.com](http://www.acciona.com).

The company addresses the main sustainability issues that concern its internal and external stakeholders, whether they involve a particular topic or a particular line of business. The first sections deal with the issues regulated in Law 11/2018, with a structure adapted to the Sustainability Master Plan 2025. Following these chapters, the reader will find the most relevant information on sustainability for the different divisions: Energy, Infrastructure and Other Businesses, avoiding the repetition of information already set out in the previous chapters.

The report complies with the principles of comparability, materiality, relevance and reliability:

### Comparability

The *Sustainability Report* is published annually and is prepared in accordance with the Reporting Principles included in Standard 101 of the Global Reporting Initiative (GRI). ACCIONA has followed the principles – such as comparability, completeness and balance – described in this standard. This report has been prepared in accordance with GRI Standards: comprehensive option.

### Materiality and relevance

The Materiality Analysis 2020, carried out by ACCIONA in keeping with the principles of GRI Standard 101, has made it possible to identify those economic, environmental and social issues that have the greatest impact on the company's activities.

As a result of this study, ACCIONA considers that the information contained in this *Report* is relevant for the company and its various stakeholders. The section titled *Materiality Analysis* describes the development process and methodology used to identify the contents of the document.

### Reliability

To check the reliability of the data and the consistency of the information in response to GRI Standards, the company commissioned an external audit of the *Report* through the firm KPMG Asesores S.L.

162

As in previous reports, ACCIONA has self-imposed a reasonable level of review in a large number of relevant indicators. As a result of the audit process, this *Report* contains an *Independent Review Report* detailing the objective and scope of the review, the procedures used and the conclusions reached.

### SCOPE (GRI 102-46)

ACCIONA has been reporting on the non-financial performance of its businesses in *Sustainability Reports* since 2005. The company describes all its activities, providing an overview by division and, where possible, by geographical area of operation.

The scope of the report comprises all of the group companies<sup>21</sup>, in all their significant aspects, in accordance with the terms of Law 11/2018, of 28 December, on non-financial information and diversity.

Throughout the report, the scope of each one of the indicators shown is specified. Similarly, data from previous years is provided in order to facilitate a better understanding of the evolution of the company's performance.

The criterion for the consolidation of environmental information is based on the financial control scheme, as it is defined in the GHG Protocol standard.

<sup>21</sup> All the companies in the group are listed in Annexes I, II and III of the Consolidated Financial Statements of the company. The group companies that meet the requirements set out in article 49.5 of the Code of Commerce are: ACCIONA Facility Services S.A., ACCIONA Energía S.A., ACCIONA Construcción S.A., ACCIONA Agua S.A., ACCIONA Medioambiente S.A., ACCIONA Servicios Urbanos S.L., ACCIONA Airport Services S.A., Energías Renovables Operación y Mantenimiento, S.L.



# Annex of itemized indicators

## DISTRIBUTION OF EMPLOYMENT

(102-8)

Evolution of distribution of the workforce per contract type and gender (no. of employees)

	2019						2020					
	Temporary			Permanent			Temporary			Permanent		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Energy	42	13	55	1,150	424	1,574	49	16	66	1,072	405	1,477
Infrastructure	8,232	3,366	11,599	17,311	8,129	25,440	6,705	3,164	9,869	17,228	8,461	25,689
▪ Construction	3,451	442	3,893	5,953	1,484	7,437	2,249	431	2,680	6,043	1,466	7,509
▪ Concessions	8	19	27	125	139	264	10	17	27	120	147	267
▪ Water	991	159	1,150	1,796	494	2,290	1,417	269	1,686	2,129	481	2,609
▪ Services	3,781	2,747	6,528	9,438	6,011	15,449	3,029	2,447	5,476	8,937	6,367	15,304
Other businesses*	69	64	133	478	420	898	44	37	80	604	569	1,173
<b>Total</b>	<b>8,343</b>	<b>3,443</b>	<b>11,786</b>	<b>18,940</b>	<b>8,973</b>	<b>27,912</b>	<b>6,798</b>	<b>3,217</b>	<b>10,015</b>	<b>18,904</b>	<b>9,435</b>	<b>28,339</b>

\* Includes Bestinver, Corporate, Grupo Bodegas Palacio 1894, Real estate and ACCIONA Cultural Engineering.

Evolution of the breakdown of the workforce by job classification and age range (no. of employees)

164

	2019				2020			
	< 31	31 to 50	> 50	Total	< 31	31 to 50	> 50	Total
Executives and managers	19	1,676	672	2,367	16	1,833	792	2,641
Technical staff	1,154	4,322	984	6,460	1,217	4,679	970	6,866
Support staff	245	723	237	1,205	162	645	234	1,042
Operators	4,898	15,484	8,794	29,176	4,462	14,583	8,744	27,789
Others*	134	234	122	491	13	3	-	16
<b>Total employees</b>	<b>6,451</b>	<b>22,439</b>	<b>10,809</b>	<b>39,699</b>	<b>5,871</b>	<b>21,743</b>	<b>10,741</b>	<b>38,355</b>

\* The "Others" category corresponds to personnel who are not identified within the role model. Most of them are employees of Joint Ventures where the model does not apply.

Evolution of the number of employees per contract type and age range (%)

	2019		2020	
	Temporary	Permanent	Temporary	Permanent
< 31 years	44 %	56 %	38 %	62 %
31 to 50 years	28 %	72 %	25 %	75 %
> 50 years	23 %	77 %	21 %	79 %

## Evolution of the number of employees per contract type and job classification (%)

	2019		2020	
	Temporary	Permanent	Temporary	Permanent
Executives and managers	0 %	100 %	3 %	97 %
Technical staff	20 %	80 %	21 %	79 %
Support staff	20 %	80 %	18 %	82 %
Operators	33 %	67 %	30 %	70 %
Others	26 %	74 %	81 %	19 %

## Evolution of the geographical distribution of the workforce (no. of employees)

	2019			2020		
	Men	Women	Total	Men	Women	Total
Spain	13,619	7,251	20,870	13,173	7,687	20,860
Germany	26	452	478	367	61	428
Australia	922	204	1,126	1,375	328	1,703
Brazil	803	70	873	318	72	390
Canada	834	366	1,200	985	394	1,379
Chile	2,530	428	2,957	1,771	416	2,187
Ecuador	1,301	116	1,417	697	88	785
UAE	375	96	472	245	80	325
United States	154	28	182	155	28	184
Italy	297	135	432	380	68	448
Mexico	1,171	852	2,023	1,141	837	1,978
Norway	640	43	683	148	42	190
Oman	305	81	386	316	79	395
Peru	644	83	727	901	135	1,037
Poland	940	559	1,498	965	558	1,523
Portugal	923	1,019	1,942	849	1,166	2,015
Qatar	1,076	407	1,482	1,175	407	1,582
Others countries	723	226	951	740	206	946
<b>Total employees</b>	<b>27,283</b>	<b>12,416</b>	<b>39,699</b>	<b>25,702</b>	<b>12,652</b>	<b>38,355</b>

165

## Distribution of full/part time status per gender (no. of employees)

	2020					
	Full time			Part time		
	Men	Women	Total	Men	Women	Total
Energy	1,120	411	1,531	1	11	12
Infrastructure	21,765	7,940	29,705	2,168	3,685	5,853
▪ Construction	7,933	1,785	9,718	359	112	471
▪ Concessions	122	144	266	8	20	28
▪ Water	3,462	673	4,135	84	77	160
▪ Services	10,250	5,337	15,587	1,717	3,477	5,194
Other businesses *	645	598	1,243	3	7	10
<b>Total employees</b>	<b>23,531</b>	<b>8,949</b>	<b>32,480</b>	<b>2,172</b>	<b>3,703</b>	<b>5,875</b>

\* Includes Bestinver, Corporate, Grupo Bodegas Palacio 1894, Real estate and ACCIONA Cultural Engineering.

### Breakdown of the workforce by job classification and gender (no. of employees)

	2019			2020		
	Men	Women	Total	Men	Women	Total
Executives and Managers	1,885	482	2,367	2,093	548	2,641
Technical staff	4,444	2,016	6,460	4,368	2,498	6,866
Support staff	418	787	1,205	273	769	1,042
Operators	20,307	8,869	29,176	18,957	8,833	27,789
Others*	229	261	491	11	4	16
<b>Total employees</b>	<b>27,283</b>	<b>12,416</b>	<b>39,699</b>	<b>25,702</b>	<b>12,652</b>	<b>38,355</b>

\* The "Others" category corresponds to personnel who are not identified within the role model. Most of them are employees of Joint Ventures where the model does not apply.

### Breakdown of the workforce by job classification and type of working day (%)

	2020					
	Full time			Part time		
	Men	Women	Total	Men	Women	Total
Executives and managers	99 %	99 %	99 %	1 %	1 %	1 %
Technical staff	99 %	98 %	99 %	1 %	2 %	1 %
Support staff	97 %	94 %	95 %	3 %	6 %	5 %
Operators	90 %	62 %	82 %	10 %	38 %	18 %
Others	100 %	100 %	100 %	0 %	0 %	0 %
<b>Total employees</b>	<b>92 %</b>	<b>73 %</b>	<b>86 %</b>	<b>8 %</b>	<b>27 %</b>	<b>14 %</b>

166

### Breakdown of the workforce by age range and full/part time status (%)

	2020					
	Full time			Part time		
	Men	Women	Total	Men	Women	Total
< 31 years	90 %	79 %	87 %	10 %	21 %	13 %
31 to 50 years	94 %	79 %	90 %	6 %	21 %	10 %
> 50 years	90 %	61 %	80 %	10 %	39 %	20 %
<b>Total employees</b>	<b>92 %</b>	<b>73 %</b>	<b>86 %</b>	<b>8 %</b>	<b>27 %</b>	<b>14 %</b>

### Average permanent contracts per year by age, gender and job classification (no. of employees)

	Women				Men			
	< 31	31 to 50	> 50	Total	< 31	31 to 50	> 50	Total
Executives and managers	2	22	4	28	4	88	26	118
Technical staff	83	147	15	245	132	309	49	490
Support staff	16	35	6	57	14	15	1	30
Operators	483	669	214	1,366	789	870	262	1,921
<b>Total employees</b>	<b>584</b>	<b>873</b>	<b>239</b>	<b>1,696</b>	<b>939</b>	<b>1,282</b>	<b>338</b>	<b>2,559</b>

There are workers who are not identified within the role model. Most of them are employees of Joint Ventures where the model does not apply.

## DISMISSALS

(401-1)

### Dismissals by gender and job classification (no.)

Group	2019			2020		
	Men	Women	Total	Men	Women	Total
Executives and managers	64	11	75	75	15	90
Technical staff	160	64	224	115	68	183
Support staff	11	26	37	9	20	29
Operators	804	338	1,142	913	332	1245
Others	-	-	-	-	-	-
<b>Total</b>	<b>1,039</b>	<b>439</b>	<b>1,478</b>	<b>1,112</b>	<b>435</b>	<b>1547</b>

Note: data as of 31/12/2020 for active personnel. Three categories of dismissals are considered for Spain (Dismissals on objective grounds, disciplinary grounds and collective layoffs). For the rest of the world, involuntary resignations, contract terminations and repatriations or deconsolidation are excluded.

### Dismissals by job classification and age range (no.)

	2019				2020			
	< 31	31 to 50	> 50	Total	< 31	31 to 50	> 50	Total
Executives and managers	0	54	21	75	0	47	43	90
Technical staff	46	141	37	224	31	122	30	183
Support staff	9	18	10	37	4	16	9	29
Operators	324	613	205	1,142	371	625	249	1.245
<b>Total employees</b>	<b>379</b>	<b>826</b>	<b>273</b>	<b>1,478</b>	<b>406</b>	<b>810</b>	<b>331</b>	<b>1.547</b>

Note: data as of 31/12/2019 for active personnel. Three categories of dismissals are considered for Spain (Dismissals on objective grounds, disciplinary grounds and collective layoffs). For the rest of the world, involuntary resignations, contract terminations and repatriations or deconsolidation are excluded.

167

## NEW HIRES

(401-1)

### New hires by age group (no.)

	2019			2020		
	Men	Women	Total	Men	Women	Total
< 31 years	4,816	2,381	7,197	2,355	1,258	3,613
31 to 50 years	6,110	3,188	9,298	3,301	1,971	5,272
> 50 years	1,763	1,334	3,097	844	487	1,331
<b>Total employees</b>	<b>12,689</b>	<b>6,903</b>	<b>19,592</b>	<b>6,500</b>	<b>3,716</b>	<b>10,216</b>



## MATERNITY AND PATERNITY LEAVE

(401-3)

## Employees entitled to maternity/paternity leave (no. of employees)

	2019			2020		
	Men	Women	Total	Men	Women	Total
Number of employees with the right to maternity/paternity leave	684	277	961	756	256	1,012
Number of employees who took maternity/paternity leave	684	277	961	756	256	1,012
Number of employees who returned to work after taking maternity/paternity leave	682	277	959	754	256	1,010
Number of employees who returned to work after taking maternity/paternity leave and remained in their jobs twelve months after returning to work	662	277	939	735	254	989
Retention ratio*	0.97	1.00	0.98	0.97	0.99	0.98

GRI has no specific definition for the ratio, so for the calculation of ratios, the number of employees remaining in their jobs on 31 December 2020 after having taken paternity/maternity leave in 2020 will be reported as part of the paternity/maternity leaves that took place in the same year (2020).

## TRAINING

(404-1)

## Training received per job classification and gender

		2020				
		Executives and managers	Technical staff	Support staff	Operators	Total
Total number of hours received	Men	51,300	107,408	2,361	138,294	299,363
	Women	17,374	59,207	8,697	23,574	108,852
	<b>Total</b>	<b>68,674</b>	<b>166,615</b>	<b>11,058</b>	<b>161,868</b>	<b>408,215</b>
Students	Men	2,077	4,198	161	6,617	13,053
	Women	511	2,073	586	1,299	4,469
	<b>Total</b>	<b>2,588</b>	<b>6,271</b>	<b>747</b>	<b>7,916</b>	<b>17,522</b>
Training hours per employee/year	Men	24.70	24.59	8.65	7.29	11.65
	Women	34.00	23.70	11.31	2.67	8.60
	<b>Total</b>	<b>26.54</b>	<b>24.27</b>	<b>10.61</b>	<b>5.82</b>	<b>10.64</b>

168



## RETRIBUTION

(405-2)

## Total average remuneration broken down by gender, age and job classification (€)

Production and business development areas		2019			2020		
Gender	Job classification	< 31	31 - 50	> 50	< 31	31 - 50	> 50
Men	Executives and Managers	59,316	90,110	127,610	64,965	85,932	113,305
	Technical and Qualified Staff	34,261	44,481	48,982	37,068	43,755	47,984
	Other personnel	15,792	21,410	24,337	14,668	19,061	21,470
Women	Executives and Managers	N/A	69,628	88,481	N/A	72,789	90,450
	Technical and Qualified Staff	25,659	35,869	39,036	33,522	39,087	40,931
	Other personnel	14,499	16,872	17,326	13,562	15,267	15,544
Support Areas		2019			2020		
Gender	Job classification	< 31	31 - 50	> 50	< 31	31 - 50	> 50
Men	Executives and Managers	52,146	102,890	154,037	62,905	99,304	155,521
	Technical and Qualified Staff	30,080	37,508	43,013	29,980	37,309	44,379
	Other personnel	15,047	18,524	32,216	15,486	14,942	26,279
Women	Executives and Managers	57,000	82,270	124,685	53,356	83,001	108,413
	Technical and Qualified Staff	27,610	36,426	42,652	29,453	36,126	43,228
	Other personnel	17,858	23,329	29,558	14,899	22,500	28,617

Notes: professionals with annual earnings of less than 3,000 euros who could not be annualised are not included in the statistical analysis. Bestinver employees are not included in this table. It is worth noting the inclusion of the salaries of workers in more than 40 countries where ACCIONA does business. ACCIONA has defined remuneration policies for each one of the countries where it does business. Therefore, the average aggregate compensation figures for all countries taken together are not representative of the individual wage management policies of each business unit and country where ACCIONA operates.

The average total remuneration for directors who were not executive directors was € 167,000 for men (170,000 in 2019) and € 133,000 for women (130,000 in 2019).

169

(102-38)

**Ratio between highest wage earner and average wage, by business line and country in 2020**

	Spain	Mexico	Chile	Australia	Poland
Energy	30	16	12	3	4
Infrastructure					
- Construction	26	5	21	4	16
- Concessions	36	-	-	3	-
- Water	29	23	4	2	-
- Services	11	11	20	-	-
Other businesses					
- AIC	10	6	-	-	-
- Wineries	7	-	-	-	-
- Real estate	16	15	-	-	15

Note: professionals with annual earnings of less than 3,000 euros who could not be annualised are not included in the statistical analysis.

(102-39)

**Increase as a percentage of the total annual compensation rate**

	Spain	Mexico	Chile	Australia	Poland
Energy	4	9	6	2	27
Infrastructure					
- Construction	8	5	15	6	--
- Concessions	11	--	--	--	3
- Water	9	20	3	0	31
- Services	13	9	12	--	--
Other businesses					
- Bestinver	5	--	--	--	--
- Wineries	4	5	--	--	--
- Real estate	7	1	--	--	--

Note: For 2019, professionals with annual earnings of less than 3,000 euros who could not be annualised are not included in the statistical analysis.

170





## USE OF WATER

(303-3, 303-4, 303-5)

## Evolution of the use of water

	2017	2018	2019	2020
<b>WATER TREATMENT AND DISTRIBUTION FOR CUSTOMERS (m³)</b>				
Production at wastewater treatment plants discharged to surface water	251,550,688	416,580,208	364,710,907*	400,382,251
Production at wastewater treatment plants discharged into the sea	27,855,000	28,771,011	67,961,696*	61,172,270
Production at wastewater treatment plant for recycled water network	N/A	N/A	20,749,799	22,435,592
Production of drinking water at drinking water treatment plants	199,310,999	26,456,455	122,557,216	116,471,949
Production of drinking water at desalination plant	296,122,571	318,210,247	454,509,684	322,120,061
Supply of drinking water from primary network and groundwater sources	N/A	N/A	42,268,959	48,411,094
<b>TOTAL</b>	<b>774,839,258</b>	<b>790,017,921</b>	<b>1,072,758,262</b>	<b>970,993,218</b>
<b>WATER FOR INTERNAL CONSUMPTION (m³)</b>				
On-site recycled/reused water	221,134	250,859	652,989	1,706,633
Recycled water from networks	509,153	448,458	492,621	505,960
Rainwater	17,182	13,796	33,825	22,017
Municipal drinking water	1,699,584	1,754,917	1,175,724	1,202,212
Surface water	3,660,073	927,457	649,654	815,260
Groundwater	941,973	894,841	654,501	423,894
<b>TOTAL</b>	<b>7,049,099</b>	<b>4,290,328</b>	<b>3,659,313</b>	<b>4,675,976</b>
<b>DISCHARGE (m³)</b>				
Discharge to the sea	392,054,087	479,707,261	511,008,634	524,140,447
Discharge to surface water	1,583,137	752,202	5,283,726**	3,907,563
Discharge into the sewer system	567,985	702,042	771,332**	468,278
<b>TOTAL</b>	<b>394,205,209</b>	<b>481,161,504</b>	<b>517,063,692</b>	<b>528,516,288</b>
<b>TRANSFERRED WATER (m³)</b>				
Surface water turbined in a hydraulic plant	20,993,303,451	30,742,510,000	22,811,220,000	27,487,990,000
Surface water for open-loop refrigeration	24,310,108	23,658,982	21,010,692	23,310,326
Other	950,217	0	1,130,191	1,717,342
<b>TOTAL</b>	<b>21,018,563,775</b>	<b>30,766,168,982</b>	<b>22,833,360,883</b>	<b>27,513,017,668</b>

\* 128,052,494 m³ of production in water treatment plant discharged to the sea identified in 2019 was really production in water treatment plant discharged to surface water.

\*\* 4,769,346 m³ of discharge to a sewer system identified in 2019 was really a discharge to surface water

171

## Evolution in the use of water in areas with water stress

	2017	2018	2019	2020
<b>WATER TREATMENT AND DISTRIBUTION FOR CUSTOMERS (m³)</b>				
Production at wastewater treatment plants discharged to surface water	0	90,000,000	128,052,494*	128.871.294
Production at wastewater treatment plants discharged into the sea	0	0	0*	0
Production at wastewater treatment plant for recycled water network	N/A	N/A	0	0
Production of drinking water at drinking water treatment plants	0	320,000	82,086,123	91.443.423
Production of drinking water at desalination plant	159,612,002	204,411,609	308,963,858	218.225.482
Supply of drinking water from primary network and groundwater sources	N/A	N/A	0	0
<b>TOTAL</b>	<b>159,612,002</b>	<b>294,731,609</b>	<b>519,102,474</b>	<b>438,540,199</b>
<b>WATER FOR INTERNAL CONSUMPTION (m³)</b>				
On-site recycled/reused water	1,433	0	552,990	234.371
Recycled water from networks	0	0	0	0
Rainwater	0	14	18	6
Municipal drinking water	188,559	142,250	76,771	87.345
Surface water	0	0	0	9.547
Groundwater	715	18,188	1,372	3.332
<b>TOTAL</b>	<b>190,707</b>	<b>160,452</b>	<b>631,150</b>	<b>334,601</b>
<b>DISCHARGE (m³)</b>				
Discharge into the sea	233,854,200	343,059,693	317,310,367	387.920.203
Discharge to surface water	6	693	4,769,346**	3.100.576
Discharge into the sewer system	223,682	283,451	19,216**	17.807
<b>TOTAL</b>	<b>234,077,888</b>	<b>343,343,837</b>	<b>322,098,929</b>	<b>391.038.586</b>
<b>TRANSFERRED WATER (m³)</b>				
Surface water turbined in a hydraulic plant	0	0	0	0
Surface water for open-loop refrigeration	0	0	0	0
Other	2,308	0	0	0
<b>TOTAL</b>	<b>2,308</b>	<b>0</b>	<b>0</b>	<b>0</b>

\* 128,052,494 m³ of production in water treatment plant discharged to the sea identified in 2019 was really production in water treatment plant discharged to surface water.

\*\* 4,769,346 m³ of discharge to a sewer system identified in 2019 was really a discharge to surface water.

172



## PRODUCTS AND SERVICES FOR PUBLIC AND PRIVATE-SECTOR CUSTOMERS

(102-6)

Products and Services	Public customers and private business-to-consumer (B2C) and business-to-business (B2B) customers in 2020
<b>ENERGY:</b> sale of renewable energy, renewable technology EPC contract and O&M of renewable technology plants and PPA.	<b>Solar farms:</b> 2,747 customers. <b>Energy sales:</b> 22 public sector customers and 654 private sector B2B customers. <b>PPA:</b> 13 private B2B customers. <b>Maintenance B2B:</b> 20 wind; 6 hydroelectric, thermal and photovoltaic.
<b>INFRASTRUCTURE</b>	
<b>- Construction:</b> civil engineering, building, infrastructure maintenance, engineering, industrial plant O&M, EPC and O&M renewable energy plants, electrical installations and heating & cooling.	<b>Projects awarded in 2020:</b> 62. <b>Public customers:</b> 37 customers <b>Private B2B customers:</b> 20 customers
<b>- Concessions:</b> social infrastructures and transport infrastructures.	<b>Public sector:</b> 7 road concessions, 2 railway, 6 social infrastructure, 1 sports marina, 1 canal.
<b>- Water:</b> management of water services, automation and control, construction and O&M of drinking water, wastewater treatment and desalination plants.	<b>Management of water services:</b> <ul style="list-style-type: none"> <li>354,950 users of water services in Spain.</li> <li>1,620,119 users of sewer services in Spain.</li> <li>12 million users of comprehensive water services in Spain, Mexico and Peru.</li> </ul> <b>Construction:</b> 80 % desalination, 10 % treatment and 10 % purification plants. <b>Plant O&amp;M:</b> <ul style="list-style-type: none"> <li>160 WWTPs, equal to 19.5 million inhabitants served.</li> <li>7 DWTPs, equal to 3 million inhabitants served.</li> <li>19 SWROs, equal to 11 million inhabitants.</li> </ul>
<b>- Services:</b> handling, cleaning, maintenance, forwarding, gardening, waste collection and treatment, medical transport, motorbike sharing services ,etc.	<b>Public customers:</b> <ul style="list-style-type: none"> <li>Facility services: 30 %.</li> <li>Entorno (waste removal and gardening): 100 %.</li> <li>Healthcare: 100 %.</li> </ul> <b>Private B2B customers:</b> Facility Services: 70 %. <b>Users:</b> 316,335 users of Motosharing and 566,428 of Entorno.
<b>OTHER BUSINESSES</b>	
<b>- Bestinver:</b> Financial asset management services through investment funds, pension funds, and SICAVs. This activity is complemented by stock brokerage services.	<b>Private customers B2C:</b> 49,966 investors.
<b>- Grupo Bodegas Palacio 1894:</b> Production and marketing of wine.	<b>Public customers:</b> 2. <b>Private B2B customers:</b> 50 large retailers, 196 HORECA and 63 exporters. <b>Private customers B2C:</b> more than 3,000 consumers in the direct sale channel.
<b>- Real estate:</b> real estate development, management of rental assets.	<b>Private B2B customers:</b> 96 % of turnover comes from residential assets for sale and 2% from property transactions. <b>Private B2C customers:</b> 2 % in university residences.
<b>- ACCIONA Cultural Engineering:</b> Museum projects, exhibitions, events and spaces.	<b>Events:</b> 18 contracts. <b>Museums and Exhibitions:</b> 5 contracts. <b>Internal events:</b> 4 contracts.

173

Acronyms: Operations and Maintenance (O&M), Power Purchase Agreement (PPA), Hotels, Restaurants and Cafés (HORECA), Investment company with variable capital (SICAV), Engineering, Procurement and Construction (EPC), Wastewater Treatment Plant (WWTP), Drinking Water Treatment Plant (DWTP), Sea Water Reverse Osmosis (SWRO)



# Index of GRI content

GRI Standard	Content	Pages of Report	Direct response or omission	External verification
<b>GRI 101: Foundation 2016</b>				
<b>GENERAL CONTENT</b>				
<b>GRI 102: General Disclosures 2016</b>				
1. Organisational profile				
102-1	Name of the organisation		ACCIONA S.A.	✓
102-2	Activities, brands, products, and services	8-9		✓
102-3	Location of headquarters	<i>Corporate Governance Report 2020</i> (p.1)		✓
102-4	Location of operations	10-11		✓
102-5	Ownership and legal form	<i>Corporate Governance Report 2020</i> (Sub-section A. Corporate Structure)		✓
102-6	Markets served	8-11		✓
102-7	Scale of the organisation	6-11		✓
102-8	Information on employees and other workers	31, 164-166		✓
102-9	Supply chain	104-116		✓
102-10	Significant changes to the organisation and its supply chain	104-106, 88-92 <i>Consolidated Financial Statements 2020</i> (Appendix IV)		✓
102-11	Precautionary Principle or approach	71-72		✓
102-12	External Initiatives	94, 101-103		✓
102-13	Membership of associations	77-78, 101-103		✓
2. Strategy				
102-14	Statement from senior decision-maker	4-5		✓
102-15	Key impacts, risks, and opportunities	121-122, 24-25, 58-60		✓
3. Ethics & Integrity				
102-16	Values, principles, standards, and norms of behaviour	6, 92-98		✓
102-17	Mechanisms for advice and concerns about ethics	92-98		✓
4. Governance				
102-18	Governance structure	88-92		✓

174

		<i>Corporate Governance Report 2020</i> (Sub-section C1.2)	
102-19	Delegating authority	12-13, 90	✓
102-20	Executive-level responsibility for economic, environmental, and social topics	12, 90 <i>Corporate Governance Report 2020</i> (p. Sub-sections C1.3 and C2.1)	✓
102-21	Consulting stakeholders on economic, environmental, and social topics	20-21, 76-79	✓
102-22	Composition of the highest governance body and its committees	90 <i>Corporate Governance Report 2020</i> (Sub-section C1.2)	✓
102-23	Chair of the highest governance body	88-92 <i>Corporate Governance Report 2020</i> (Sub-section C1.3)	✓
102-24	Nominating and selecting the highest governance body	<i>Corporate Governance Report 2020</i> (Sub-section C1.16)	✓
102-25	Conflicts of interest	<i>Corporate Governance Report 2020</i> (Sub-section D6)	✓
102-26	Role of highest governance body in setting purpose, values, and strategy	<i>Corporate Governance Report 2020</i> (Sub-section C2.1)	✓
102-27	Collective knowledge of highest governance body	12	✓
102-28	Evaluating the highest governance body's performance	<i>Corporate Governance Report 2020</i> (Sub-section C1.17)	✓
102-29	Identifying and managing economic, environmental, and social impacts	12, 20-21, 24-25, 58-59	✓
102-30	Effectiveness of risk management processes	24-25	✓
102-31	Review of economic, environmental, and social topics	<i>Corporate Governance Report 2020</i> (Sub-section E)	✓
102-32	Highest governance body's role in sustainability reporting	12 <i>Board of Directors Regulations</i> (p. 31)	✓
102-33	Communicating critical concerns	92-98	✓
102-34	Nature and total number of critical concerns	92-98	✓
102-35	Remuneration policies	92 <i>Annual Report on Remuneration of Directors 2020</i> (Section A)	✓

175

102-36	Process for determining remuneration	Annual Report on Remuneration of Directors 2020 (Section A)		✓
102-37	Stakeholders' involvement in remuneration	Annual Report on Remuneration of Directors 2020 (Section A)		✓
102-38	Annual total compensation ratio	170		✓
102-39	Percentage increase in annual total compensation ratio	170		✓
5. Stakeholder Engagement				
102-40	List of stakeholder groups	76		✓
102-41	Collective bargaining agreements	49		✓
102-42	Identifying and selecting stakeholders	76		✓
102-43	Approach to stakeholder engagement	76-79		✓
102-44	Key topics and concerns raised	76-79		✓
6. Reporting Practice				
102-45	Entities included in the consolidated financial statements	Consolidated Financial Statements 2020 (Appendix I)		✓
102-46	Defining report content and topic boundaries	20-21, 162-163		✓
102-47	List of material topics	19-20		✓
102-48	Restatements of information	2017 and 2018 CO <sub>2</sub> e data recalculated (as stipulated by the GHG Protocol), due to the fact that various centres with significant consumption are no longer directly attributable to ACCIONA .		✓
102-49	Changes in reporting	20-21		✓
102-50	Reporting period	2020 ( calendar year ending on 31 December )		✓
102-51	Date of most recent report	2019		✓
102-52	Reporting cycle	Annual		✓

176

102-53	Contact point for questions regarding the report		<a href="mailto:responsabilidadcorporativa@acciona.es">responsabilidadcorporativa@acciona.es</a>	✓
102-54	Claims of reporting in accordance with the GRI Standards	162		✓
102-55	GRI content index	174-183		✓
102-56	External assurance	191	All of the information concerning the GRI Standards of this content index has been externally audited	✓

GRI Standard	Content	Pages of Report	Direct response or omission	External verification
<b>PEOPLE CENTRIC</b>				
<b>Related material topic: ESG as a decisive factor</b>				
<b>GRI 103: Management Approach 2016</b> (of the related material topic)				
103-1	Explanation of the material topic and its boundary	19-24	<ul style="list-style-type: none"> <li>• Within and outside the organisation</li> <li>• The organisation contributes to the impact directly</li> </ul>	✓
103-2	The management approach and its components	30-52		✓
103-3	Evaluation of the management approach	30		✓
<b>GRI 401: Labour 2016</b>				
401-1	New employee hires and employee turnover	35-36, 167		✓
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	34-35		✓
401-3	Parental leave	168		✓
<b>GRI 404: Training &amp; Education 2016</b>				
404-1	Average hours of training per year per employee	47, 168		✓
404-2	Programmes for upgrading employee skills and transition assistance programmes	46-48		✓
404-3	Percentage of employees receiving regular performance and career development reviews	31-32		✓
<b>GRI 202: Market Presence 2016</b>				
202-1	Ratios of standard entry level wage by gender compared to local		The average minimum salary at ACCIONA is higher than the national minimum wage throughout the company.	✓
202-2	Proportion of senior management hired from the local community		In 2020, 90.5 % of the total number of company executives have a local contract. Of the managers who work outside of Spain, 58% have a local contract.	✓
<b>GRI 405: Diversity and equal opportunity 2016</b>				
405-1	Diversity of governance bodies and employees	36-38, 89-90, 164-166		✓
405-2	Ratio of basic salary and remuneration of women to men	33, 169		✓
<b>GRI 403: Occupational Health &amp; Safety 2018</b>				
403-1	Occupational health and safety management system	39-40, 44		✓
403-2	Hazard identification, risk assessment, and incident	39-41, 44		✓

177



	investigation		
403-3	Occupational health services	40-41, 44	✓
403-4	Worker participation, consultation, and communication on occupational health and safety	45	✓
403-5	Worker training on occupational health and safety	45	✓
403-6	Promotion of worker health	34, 44	✓
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	39, 135-136, 144-146	✓
403-8	Workers covered by an occupational health and safety management system	44-45	✓
403-9	Work-related injuries	41-43, 46	✓
403-10	Work-related ill health	44	✓

**GRI 406: No discrimination 2016**

406-1	Cases of discrimination and corrective measures undertaken		In the Ethical Channel 2 complaints for discrimination have been received, 11 for harassment at work and 2 for sexual harassment. All the procedures have been processed. In the cases of discrimination, in one of the procedures the investigator concluded that the conduct was contrary to the Code of Conduct and recommended a course on verbal communication and emotional intelligence. In the other discrimination procedure the conduct reported would not be classified as discriminatory. For the harassment at work, in most cases it has not been demonstrated that harassment as defined by case law under the labour courts had taken place. Nevertheless, the measures proposed by the investigator have been implemented, such as training courses, team meetings to promote respect and awareness-raising schemes. In the cases of sexual harassment, the corresponding disciplinary measures have been adopted, support has been given to the victims and training courses and awareness- raising on interpersonal relationship in the working groups.	✓
-------	--	--	--	---

178

**GRI 407: Freedom of Association and Collective Bargaining 2016**

407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	49-52, 110, 114	✓
-------	--	-----------------	---

**GRI 408: Child Labour 2016**

408-1	Operations and suppliers at significant risk for incidents of child labour	24-25, 50-52, 110-114	✓
-------	--	-----------------------	---

**GRI 409: Forced or Compulsory Labour 2016**

409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	24-25, 50-52, 110-114	✓
-------	---	-----------------------	---

**GRI 410: Security Practices 2016**

410-1	Security personnel trained in human rights policies or procedures	50-52, 94-96	✓
-------	---	--------------	---

**GRI 412: Evaluation of human rights 2016**

412-1	Operations that have been subject to human rights reviews or impact assessments	24-25, 50-52, 110-114	✓
412-2	Employee training on human rights policies or procedures	52	✓
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	50-52, 110	✓

**PLANET POSITIVE**

Related material topics: decarbonisation of the economy, weather events, circular opportunities, circularity policies, biodiversity.

**GRI 103: Management Approach 2016** (of the related material topics)

103-1	Explanation of the material topic and its boundary	19-24	<ul style="list-style-type: none"> <li>• Within and outside the organisation</li> <li>• The organisation contributes directly to the impact</li> </ul>	✓
103-2	The management approach and its components	53-74		✓
103-3	Evaluation of the management approach	53		✓

**GRI 302: Energy 2016**

302-1	Energy consumption within the organisation	62-63	✓
302-2	Energy consumption outside of the organisation	63	✓
302-3	Energy intensity	62	✓
302-4	Reduction of energy consumption	60	✓
302-5	Reductions in energy requirements of products and services	60	✓

**GRI 305: Emissions 2016**

305-1	Direct (Scope 1) GHG emissions	60	✓	
305-2	Energy indirect (Scope 2) GHG emissions)	60	✓	
305-3	Other indirect (Scope 3) GHG emissions	61	✓	
305-4	GHG emissions intensity	61	✓	
305-5	Reduction of GHG emissions	60	✓	
305-6	Emissions of ozone-depleting substances (ODS)		Not applicable: ACCIONA does not use ozone-depleting gases in its facilities.	✓
305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	61-62		✓

**GRI 304: Biodiversity 2016**

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	70	✓
304-2	Significant impacts of activities, products, and services on biodiversity	70	✓
304-3	Habitats protected or restored	71	✓
304-4	UCN Red List species and national conservation list species with habitats in areas affected by operations	71	✓

179

**GRI 303: Water and effluents 2018**

303-1	Interactions with water as a shared resource	64-66, 148-149	✓
303-2	Management of water discharge-related impacts	64-66, 71	✓
303-3	Water withdrawal	64-65, 171-172	✓
303-4	Water discharge	64-65, 171-172	✓
303-5	Water consumption	64-65, 171-172	✓

**GRI 306: Waste 2020**

306-1	Waste generation and significant waste-related impacts	66	✓
306-2	Management of significant waste-related impacts	66-67	✓
306-3	Waste generated	67-68	✓
306-4	Waste diverted from disposal	67-68	✓
306-5	Waste directed to disposal	67-68	✓

**GRI 301: Materials 2016**

301-1	Materials used by weight or volume	68	✓
301-2	Recycled input materials used	68, 149-150	✓
301-3	Reclaimed products and their packaging materials	68, 149-150	✓

**EXPONENTIAL LEADERSHIP**

Related material topics: digitalisation, IoT data, multi-dimensional infrastructure, associations between customers, developers and funders, public customers.

**GRI 103: Management Approach 2016 (of the related material topics)**

103-1	Explanation of the material topic and its Boundary	19-24	<ul style="list-style-type: none"> <li>• Within and outside the organisation</li> <li>• The organisation contributes directly to the impact</li> </ul>	✓
103-2	The management approach and its components	75-116		✓
103-3	Evaluation of the management approach	75		✓

**GRI 205: Anticorruption 2016**

205-1	Operations assessed for risks related to corruption	92-98		✓
205-2	Communication and training about anti-corruption policies and procedures	95-96		✓
205-3	Confirmed incidents of corruption and actions taken		With regard to actual corruption risks, none have materialised during the year, even though in previous years there were different investigations related to additional costs, settlements and claims arising from public contracts involving employees of the group which, in some cases have been closed or are pending closure, and in others they are still in the investigation phase.	✓

**GRI 415: Public Policy 2016**

415-1	Political contributions	96-97		✓
-------	-------------------------	-------	--	---

**GRI 206: Anti-competitive behaviour 2016**

180

206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	See footnote <sup>22</sup>	✓
<b>GRI 201: Economic performance 2016</b>			
201-1	Direct economic value generated and distributed	<i>Consolidated Financial Statements 2020</i> (p. 5) 27-29, 31, 100-101, 129	✓
201-2	Financial implications and other risks and opportunities due to climate change	58-60	✓
201-3	Defined benefit plan obligations and other retirement plans	<i>Consolidated Financial Statements 2020</i> (Note 4.2.M)	✓
201-4	Financial assistance received from government	100-101	✓
<b>GRI 207: Tax 2019</b>			
207-1	Approach to tax	98-99	✓
207-2	Tax governance, control and risk management	99	✓
207-3	Stakeholder engagement and management concerns related to tax	99-100	✓
207-4	Country-by-country reporting	100-101	The content required under GRI 207-4.b.v and GRI 207-4.b.vii involves unavailable information. The company will disclose this information in future years. ✓
<b>GRI 204: Procurement impacts 2016</b>			
204-1	Proportion of spending on local suppliers	106	✓
<b>GRI 308: Supplier Environmental Assessment 2016</b>			
308-1	New suppliers that were screened using environmental criteria	106-114	✓
308-2	Negative environmental impacts in the supply chain and actions taken	106-114	✓
<b>GRI 414: Supplier Social Assessment 2016</b>			
414-1	New suppliers that were screened using social criteria	106-114	✓
414-2	Negative social impacts in the supply chain and actions taken	106-114	✓
<b>GRI 416: Customer Health and Safety 2016</b>			
416-1	Assessment of the health and safety impacts of product and service categories	82	✓

<sup>22</sup> CNMC

The Comisión Nacional de los Mercados y de la Competencia (CNMC) has asked ACCIONA Construcción, S.A. to provide certain information and data in relation to possible anti-competitive practices in the market for comprehensive maintenance of state roads to determine if there was bid-rigging in relation to tenders put out by the Ministry of Development. This request for information was made as a preliminary step prior to the initiation of disciplinary proceedings and was answered by informing the CNMC that the company in charge of road maintenance tenders and works is ACCIONA Mantenimiento e Infraestructuras S.A. and not ACCIONA Construcción, S.A. Other maintenance companies received similar requests. ACCIONA is confident that once the non-existence of the anti-competitive conduct described by the CNMC has been demonstrated, the case will be closed. Pending a decision to dismiss the case or bring proceedings.

G-7: Note on CNMC disciplinary proceedings against the seven leading Spanish construction companies: On 11 October 2018, the CNMC agreed to open disciplinary proceedings against the seven leading Spanish construction companies, including ACCIONA Construcción. Based on the documentation gathered during its inspections, the CNMC deduced that these companies had engaged in anticompetitive conduct consisting of "agreements and exchanges of information between those undertakings with the object and/or effect of restricting competition, in the field of tenders issued by the various public authorities in Spain, for the construction and refurbishment of infrastructure and buildings. These agreements and exchanges would have had a particular impact on the preparation of their technical bids for these tenders and would have been implemented, among other things, by setting up a stable and formal group made up of the companies involved, called the G7, in which they decided on a weekly basis whether to bid jointly on the various parcels of the technical bids for the abovementioned public tenders". It is the Company's understanding that such conduct, i.e., the joint procurement of technical, geotechnical and/or environmental reports in relation to joint tenders for public works, the sole purpose of which is to save on bid preparation costs, in no way constitutes anticompetitive conduct. The CNMC has initiated disciplinary proceedings by issuing a Statement of Facts, to which a response was submitted on 17-01-2020. Pending CNMC's Proposed Resolution.

416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		The Mobility business received a fine for non-compliance of ADR regulations – the European Agreement concerning the International Carriage of Dangerous Goods by Road – regarding the carrying of lithium batteries in its motorbikes. ACCIONA has appealed against the fine, holding that it is not applicable.	✓
-------	---	--	--	---

**GRI 417: Marketing and Labelling 2016**

417-1	Requirements for product and service information and labelling	82-83		✓
417-2	Incidents of non-compliance concerning product and service information and labelling		In 2020, there was a case of non-compliance of the regulations on product information and labelling in the United States (the alcohol content on the label was not within the tolerances permitted under U.S. legislation), requiring a change in labelling. No fine or warning was involved, but a labelling penalty charged by the customers.	✓
417-3	Incidents of non-compliance concerning marketing communications		During 2020, there is no record of any notification being received on non-compliance of regulations or voluntary codes relating to marketing communications.	✓

**GRI 418: Customer Privacy 2016**

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		In 2020, there has been no communication/complaint from external third parties or regulating authorities relating to infringements of customer privacy or data loss.	✓
-------	--	--	--	---

**GRI 419: Socioeconomic Compliance 2016**

419-1	Non-compliance with laws and regulations in the social and economic area		The company is not aware of any fines or penalties for non-compliance with social and economic laws or regulations. All ACCIONA projects, services and products comply with applicable legislation and any additional provisions established by the customer or by the Public Administrations throughout their life cycle.	✓
-------	--	--	--	---

**INTEGRATE TO TRANSFORM**

Related material topics: remuneration of the impact, price of financing.

**GRI 103: Management approach 2016** (of the related material topics)

103-1	Explanation of the material topic and its boundary	19-24	<ul style="list-style-type: none"> <li>• Within and outside the organisation</li> <li>• The organisation contributes directly to the impact</li> </ul>	✓
103-2	The management approach and its components	117-132		✓
103-3	Evaluation of the management approach	117		✓

**GRI 203: Indirect Economic Impacts 2016**

203-1	Infrastructure investments and services supported	125-126		✓
-------	---	---------	--	---

203-2	Significant indirect economic impacts	125	✓
<b>GRI 413: Local Communities 2016</b>			
413-1	Operations with local community engagement, impact assessments, and development programmes	123-125	✓
413-2	Operations with significant actual and potential negative impacts on local communities	123-125	✓



A handwritten signature in black ink that reads "K Rosenberg". The signature is stylized with a large, looped 'K' and a cursive 'Rosenberg'.

# Law 11/2018 content index

Questions addressed by Spanish Law 11/2018 on the disclosure of non-financial and diversity information: material topics for ACCIONA and reporting criteria

		Section of the Sustainability Report	GRI Standards Reporting Criteria	Pages of the Report
<b>General Topics</b>				
<b>Business Model</b>	Brief description of the group's business model	The First Company of a New Sector	GRI 102-2 GRI 102-7	6-7
	Markets where it operates	The First Company of a New Sector	GRI 102-3 GRI 102-4 GRI 102-6	8-11
	Organisational objectives and strategies	The First Company of a New Sector	GRI 102-14	7-8
	Key factors and trends that could affect the future outlook	Degree of fulfilment of commitments	GRI 102-14 GRI 102-15	19-20
<b>General</b>	Reporting framework	About this Report	GRI 102-54	162-163
<b>Management Approach</b>	Description of applied policies	Degree of fulfilment of commitments	GRI 103-2	12-13, 26
	Results of these policies	Degree of fulfilment of commitments	GRI 103-2	13-18
	Main risks related to those aspects linked to the group's activities	Degree of fulfilment of commitments	GRI 102-15	24-26
<b>Environmental matters</b>				
<b>Environmental Management</b>	Current and foreseeable effects of the business activities on the environment and, where applicable, on health and safety	Planet Positive	GRI 102-15	71-72
	Environmental assessment or certification procedures	Planet Positive	GRI 103-2	73-74
	Resources dedicated to the prevention of environmental risks	Planet Positive	GRI 103-2	72
	Application of the precautionary principle	Planet Positive	GRI 102-11	72
	Number of provisions and guarantees for environmental risks	Planet Positive	GRI 103-2	74
<b>Pollution</b>	Measures to prevent, reduce or repair carbon emissions (includes noise and light pollution)	Planet Positive	GRI 102-46	60-61
<b>Circular economy and waste prevention and management</b>	Measures for prevention, recycling, reuse, other forms of recovery and disposal	Planet Positive	GRI 103-2 GRI 306-2 (version 2020)	66-67
	Actions to combat food waste	Planet Positive	GRI 103-2 GRI 306-2 (version 2020)	See note <sup>23</sup>
<b>Sustainable use of resources</b>	Water usage and water supply according to local constraints	Planet Positive and Annex of itemized indicators	GRI 303-5 (version 2018)	64-66, 171-172
	Consumption of raw materials and measures taken for more efficient use	Planet Positive	GRI 102-46	66-67
	Direct and indirect energy consumption	Planet Positive	GRI 302-1	62-63
	Measures taken to improve energy efficiency	Planet Positive	GRI 103-2 GRI 302-4	60-61
	Use of renewable energies	Planet Positive	GRI 302-1	62-63
<b>Climate change</b>	Important elements of greenhouse gas emissions generated as a result of the company's activities	Planet Positive	GRI 305-1 GRI 305-2 GRI 305-3	53-57, 60-63

184

<sup>23</sup> Due to the nature of ACCIONA's business and based on the materiality study, the information on "food waste" is not considered relevant to this report.



	Measures taken to adapt to the consequences of climate change	Planet Positive	GRI 103-2 TCFD and NBG <sup>24</sup>	57-59
	Voluntary medium and long-term reduction targets set to reduce greenhouse gas emissions and the measures implemented to that end	Planet Positive	GRI 305-4 GRI 305-5	56
Protecting biodiversity	Steps taken to preserve or restore biodiversity	Planet Positive	GRI 102-46	68-71
	Impacts caused by activities or operations in protected areas	Planet Positive	GRI 102-46	70-71
<b>Social and personnel-related questions</b>				
Employment	Total number and breakdown of employees by country, gender, age, and professional category	People centric and Annex of itemized Indicators	GRI 102-8 GRI 405-1	31, 164-166
	Total number and breakdown of types of employment contracts	Annex of itemized Indicators	GRI 102-8	164-166
	Annual average per type of contract (permanent, temporary and part-time) and by gender, age and professional category	Annex of itemized Indicators	GRI 102-9	166
	Number of terminations by gender, age and professional category	Annex of itemized Indicators	GRI 103-2	167
	Wage gap	People centric and Annex of itemized Indicators	GRI 103-2 GRI 405-2	33, 169
	Disaggregated average salaries and their evolution by gender, age, professional category or equal value	People centric and Annex of itemized Indicators	GRI 103-2 GRI 405-2	33, 169
	Average compensation of directors and officers, including bonuses, allowances, indemnities, contributions to life insurance and pension plans, disaggregated by gender	Annex of itemized Indicators	GRI 103-2 GRI 405-2	169
	Implementation of workplace disconnection policies	People centric	GRI 103-2	39
Organisation of work	Employees with disabilities	People centric	GRI 405-1	38
	Working hours organisation	People centric	GRI 103-1	38-39
	Hours of absenteeism	People centric	GRI 403-9 (Version 2018)	42-43
	Measures intended to promote work-life balance and co-responsible parenting by both parents	People centric and Annex of itemized Indicators	GRI 401-2	38-39, 168
Health and safety	Health and safety conditions in the workplace	People centric	GRI 403-1 GRI 403-2 GRI 403-3 GRI 403-7 (Version 2018)	39-46
	Workplace accidents, in particular frequency and severity, disaggregated by gender	People centric	GRI 403-9 GRI 403-10 (Version 2018)	41-42, 46
	Occupational diseases, disaggregated by gender	People centric	GRI 403-9 GRI 403-10 (Version 2018)	44
Labour relations	Dialogue in the workplace, including procedures to inform, consult and negotiate with employees.	People centric	GRI 103-1	45, 49-50
	Percentage of employees covered under collective bargaining agreement, by country	People centric	GRI 102-40	49
	The balance of collective bargaining agreements, particularly in the areas of occupational health and safety	People centric	GRI 403-3	45, 49-50
Training	Training policies implemented	People centric	GRI 103-2 GRI 404-2	46-49
	Total hours of training per professional category	People centric and Annex of itemized Indicators	GRI 404-1	47, 168
Accessibility	Universal accessibility for people with disabilities	People centric	GRI 103-2	36, 38
Equality	Measures taken to promote equal treatment and opportunities for women and men	People centric	GRI 103-2	36-37

185

<sup>24</sup> TCFD and NBG: The information on climate change included in the report is consistent in all material aspects with the recommendations made in June 2017 by the "Task Force on Climate Financial Disclosures" (TCFD) and the non-binding guidelines (NBG) for reporting climate information of the European Commission: "Guidelines on non-financial reporting: Supplement on climate-related information".

	Equality plans (Chapter III of Organic Law 3/2007, of 22 March on effective equality for men and women)	People centric	GRI 103-2	37
	Measures adopted to promote employment, protocols against sexual and gender-based harassment, integration and universal accessibility for persons with disabilities	People centric	GRI 103-3	36-38
	Policy against all types of discrimination and, where appropriate, diversity management.	People centric	GRI 103-4	36-38
<b>Information on respect for Human Rights</b>				
<b>Human rights</b>	Application of due diligence procedures in the area of human rights, preventing the risk of human rights violations and measures to mitigate, manage and repair possible abuse	People centric and Exponential Leadership	GRI 102-16 GRI 102-17 GRI 412-1	50-52, 110
	Human rights violations reported	People centric	GRI 103-2 GRI 406-1	52
	Promotion of and compliance with the provisions of the fundamental conventions of the International Labour Organisation regarding freedom of association and the right to collective bargaining, the elimination of job discrimination, the elimination of forced labour and the effective abolition of child labour.	People centric, Exponential Leadership and GRI content index	GRI 103-2 GRI 406-1 GRI 407-1 GRI 408-1 GRI 409-1	49-52, 94, 110, 178
<b>Disclosures on the fight against corruption and bribery</b>				
<b>Corruption and bribery</b>	Measures adopted to prevent corruption and bribery	Exponential Leadership	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-2	92-98
	Measures for the prevention of money laundering	Exponential Leadership and GRI content index	GRI 103-2 GRI 102-16 GRI 102-17 GRI 205-2	92-94, 97-98, 180-181
	Contributions to foundations and non-profit organisations	Exponential Leadership	GRI 102-13 GRI 201-1	96-97
<b>Information about the company</b>				
<b>The company's commitment to sustainable development</b>	The impact of the company's operations on local employment and development	Integrate to transform, Energy Business and Infrastructure Businesses	GRI 103-2 GRI 203-2	123-127, 141-142, 155-156
	The impact of the company's operations on local resident and the territory	Integrate to transform, Energy Business and Infrastructure Businesses	GRI 413-1 GRI 413-2	123-127, 141-142, 155-156
	Relations with key members of local communities and ways of dialogue with them	Integrate to transform	GRI 102-43 GRI 413-1	77, 123-124
	Partnership and sponsorship actions	Integrate to transform	GRI 103-2 GRI 201-1	125-129
<b>Subcontracting and suppliers</b>	Inclusion of social, gender equality and environmental issues in the procurement policy	Exponential Leadership	GRI 103-2	104-116
	Consideration of social and environmental responsibility in relations with suppliers and subcontractors	Exponential Leadership	GRI 102-9 GRI 308-1	104-116
	Supervision systems and audits and their result	Exponential Leadership	GRI 102-9 GRI 308-2	113-114
<b>Consumers</b>	Measures to promote consumer health and safety	Exponential Leadership	GRI 103-2	82-83
	Complaint procedures, complaints received and complaint resolution	Exponential Leadership	GRI 103-2 GRI 418-1	80-82
<b>Tax information</b>	Profits earned country-by-country	Exponential Leadership	GRI 201-1	100-101
	Corporate income tax paid	Exponential Leadership	GRI 207-4	100-101
	Public grants received	Exponential Leadership	GRI 201-4	100-101

186

# Content index according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)

ACCIONA follows the TCFD recommendations regarding publication of information relating to climate change in the heading "Climate" of the chapter "Planet Positive".

Areas	Recommended reports	Pages of the Report
Governance	Describe management's role in assessing and managing climate-related risks and opportunities.	12-13, 24-26, 55-56
	Describe the board's oversight of climate-related risks and opportunities.	12-13, 24, 56
Strategy	Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	56, 58-60
	Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	54-56, 58-60
	Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	58
Risk Management	Describe the organisation's processes for identifying and assessing climate-related risks.	57-58
	Describe the organisation's processes for managing climate-related risks.	58-59
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	58
Metrics and Targets	Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	57, 60-63
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	60-61
	Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	56, 60-63

187

# Sustainable Value Creation

## Index of metrics

In accordance with the guides published by the World Economic Forum's International Business Council.

### Core metrics for measuring Sustainable Value Creation

Pillar	Theme	Core Metric	Pages of the Report	Level of assurance
Principles of Governance	The company's purpose	Setting purpose	6-7	Limited
	Quality of governing body	Governance Board composition	88-91	Reasonable (GRI 405-1)
	Stakeholder engagement	Material issues impacting stakeholders	20-21	Limited
	Ethical behaviour	Anti-corruption	92-94	Limited
		Protected ethics advice and reporting mechanisms	94-95	Limited
	Risk and opportunity oversight	Integrating risk and opportunity into business process	24-26	Limited
Planet	Climate change	Greenhouse gas (GHG) emissions	60-61	Reasonable (GRI 305-1, 305-2)
		TCFD implementation	54-63	Limited
	Nature loss	Land use and ecological sensitivity	70-71	Reasonable (GRI 304-1)
	Freshwater availability	Water consumption in water-stressed areas	172	Limited
People	Dignity and equality	Diversity and inclusion (%)	36-37, 164-166	Reasonable (GRI 405-1)
		Pay equality (%)	33	Reasonable (GRI 405-2)
		Wage level (%)	170, 177	Reasonable (GRI 202-1)
		Risk for incidents of child labour, forced or compulsory labour (no., %)	50-52, 110	Limited
	Health and well-being	Health and safety (%)	39-44	Limited
	Skills for the future	Training provided (no.)	47, 168	Reasonable (GRI 404-1)
Prosperity	Employment and wealth generation	Absolute number and rate of employment	35, 167	Reasonable (GRI 401-1)
		Economic contribution	27-29, 31, 100-101, 129	Limited
		Financial investment contribution	27	Limited
	Innovation of better products and services	Total R&D expenses (\$)	85	Limited
	Community and social vitality	Total tax paid	See <i>Integrated Report 2020</i>	Limited

188

## Expanded metrics for measuring Sustainable Value Creation

Pillar	Theme	Expanded metric	Pages of the Report	Level of assurance
Principles of Governance	The company's purpose	Purpose-led management	4-6 <i>Corporate Governance Report 2020</i> (Sub-section C2.1)	Limited
		Progress against strategic milestones	13-18	Limited
	Quality of governing body	Remuneration	92 Annual Report on Directors' remunerations for the 2020 financial year (Section A)	Limited
	Ethical behaviour	Alignment of strategy and policies to lobbying	96-97	Limited
		Monetary losses from unethical behaviour	Not available	
	Risk and opportunity oversight	Economic, environmental and social topics in capital allocation framework	24-26	Limited
Planet	Climate change	Paris-aligned GHG emissions targets	56	Limited
		Impact of GHG emissions	28-29	Limited
	Nature loss	Land use and ecological sensitivity	Not available	
		Impact of land use and conversion	28-29	Limited
	Freshwater availability	Impact of freshwater consumption and withdrawal	28-29	Limited
	Air pollution	Air pollution	61-62	Reasonable (GRI 305-7)
		Impact of air pollution	28-29	Limited
	Water pollution	Nutrients	Not applicable	
		Impact of water pollution	28-29	Limited
	Solid waste	Single-use plastics	Not applicable	
		Impact of solid waste disposal	28-29	Limited
	Resource availability	Resource circularity	67	Limited
	People	Pay gap (% , No.)	33, 169	Limited
		Discrimination and harassment incidents (No.) and total amount of monetary losses (\$)	Not available	
	Dignity and equality	Freedom of association and collective bargaining at risk (%)	49-52, 110, 114	Limited
		Human rights review, grievance impact and modern slavery (No.,%)	24-25, 50-52, 110-114	Limited
		Living wage (%)	Not available	
	Health and well-being	Monetized impacts of work-related incidents on organization (No.,%)	Not available	
		Employee well-being (No., %)	39-46	Limited
	Skills for the future	Number of unfilled skilled positions (No.,%)	Not available	
		Monetised impacts of training – Increased earning capacity as a result of training intervention (% , \$)	Not available	

189

Prosperity	Employment and wealth generation	Infrastructure investment and services supported	125-129	Limited
		Significant indirect economic impacts	120-122, 125	Limited
	Innovation of better products and services	Social value generated (%)	54-55	Limited
		Vitality Index	Not applicable	
	Community and social vitality	Total social Investment (\$)	129	Limited
		Additional tax remitted	<i>Integrated Report 2020 (Annex)</i>	Limited
		Total tax paid per country for significant locations	<i>Integrated Report 2020 (Annex)</i>	Limited

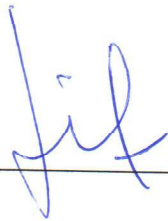
SWORN TRANSLATION

---

Doña Silvina María GARRIDO GARDÉ, Traductora-Intérprete Jurada de INGLÉS, nombrada por el Ministerio de Asuntos Exteriores, Unión Europea y Cooperación, certifica que la que antecede es traducción fiel y PARCIAL (páginas 1 a 95) al INGLÉS de un documento redactado en ESPAÑOL.

En Galicia, a

16 MAR. 2021

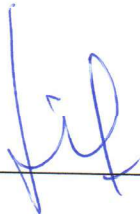


**SILVINA MARÍA GARRIDO GARDÉ**  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081

Ms Silvina María GARRIDO GARDÉ, Sworn Translator-Interpreter of ENGLISH, appointed by the Ministry of Foreign Affairs, European Union and Cooperation, does hereby certify that this is a true and PARTIAL translation into ENGLISH (pages 1 to 95) of a document in SPANISH.

In Galicia, on this

16 MAR. 2021



**SILVINA MARÍA GARRIDO GARDÉ**  
Traductora-Intérprete Jurada de INGLÉS  
N.º 1081



KAREN ROSENBERG ALEXANDER, Official Translator of **ENGLISH** no. 4186, under the appointment by the Ministry of Foreign Affairs, European Union and Cooperation hereby certifies that the foregoing is a true and exact translation into **ENGLISH** of a document drawn up in **SPANISH**. The portion translated by this translator is from page 96 to the end of the document.

In Marbella, on 18 March 2021



A handwritten signature in black ink, appearing to read "K Rosenberg", written in a cursive style.



KPMG Asesores, S.L.  
Pº de la Castellana, 259 C  
28046 Madrid

## **Independent Assurance Report on the Sustainability Report of ACCIONA, S.A. and subsidiaries for 2020**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish language version prevails.)*

To the Shareholders of ACCIONA, S.A.:

In accordance with our engagement letter dated December 2020, we have reviewed the 2020 Sustainability Report of ACCIONA, S.A. (hereinafter the Parent) and subsidiaries (hereinafter the Group) for the year ended 31 December 2020 (hereinafter the Report) that enclosed Non-financial Information Statement and is an inseparable part of ACCIONA's Consolidated Directors' Report for the 2020 fiscal year.

### **Scope of our review**

The scope of our review of the contents of the Report is as follows:

- a. We have performed a reasonable assurance review of the preparation and disclosure of the indicators included in the Report related to GRI 102-8, GRI 102-41, GRI 202-1, GRI 202-2, GRI 204-1, GRI 302-1, GRI 304-1, GRI 305-1, GRI 305-2, GRI 305-4, GRI 305-7, GRI 401-1, GRI 401-3, GRI 403-1, GRI 403-4, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 410-1, GRI 412-2, and of the quantitative information derived from these indicators regarding the degree of compliance with the objectives of the 2020 Sustainability Master Plan (hereinafter SMP 2020) and the qualitative information regarding the degree of compliance with the objectives of SMP 2020, in accordance with the Comprehensive option of the Sustainability Reporting Standards of the Global Reporting Initiative (hereinafter the GRI Standards).
- b. We have conducted a limited assurance review of the preparation and disclosure of the remaining GRI indicators in the Report, which are not included in the list in the preceding point, and which are described in detail in the "GRI Content Index" of the Report, in accordance with the GRI Standards.
- c. Furthermore, pursuant to article 49 of the Spanish Code of Commerce, we have conducted a limited assurance review of the Consolidated Non-Financial Information Statement (hereinafter NFIS) of the Group for the year ended 31 December 2020, included in the Report, which in turn forms part of the Group's 2020 Consolidated Directors' Report.

The Report includes additional information to that required under the GRI Standards: Comprehensive option and under prevailing mercantile legislation on non-financial information, which we have not reviewed. Our work was limited exclusively to review the information identified in the "GRI Content Index" and "Law 11/2018 Content Index" tables included in this Report.

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish language version prevails.)*

## **Responsibility of the directors and Management of the Parent**\_\_\_\_\_

Management of the Parent is responsible for the preparation, presentation and contents of the Report.

The NFIS has been prepared in accordance with prevailing mercantile legislation and with the criteria of the GRI Standards selected and the recommendations of the Task Force on Climate Financial Disclosures (hereinafter the TCFD) published by the Financial Stability Board in June 2017 for reporting on climate change, as indicated for each topic in the "Law 11/2018 Content Index" table of the aforementioned Report.

Management of the Parent is responsible for the preparation and presentation of the Report in accordance with the GRI Standards Comprehensive option, as mentioned for each topic included in the "GRI Content Index" table of the Report.

This responsibility also encompasses the design, implementation and maintenance of internal control deemed necessary to ensure that the Report is free from material misstatement, whether due to fraud or error.

The Parent's directors are also responsible for defining, implementing, adapting and maintaining the management system through which they obtain the necessary information to prepare the Report.

## **Our Independence and quality control**\_\_\_\_\_

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## **Our responsibility**\_\_\_\_\_

Our responsibility is to carry out a review of the Report prepared by ACCIONA, S.A. and to express a conclusion on the basis of the work performed, within the different scopes determined in the section on "Scope of our review" in this Report.

We conducted our review engagement in accordance with the current Revised International Standard on Assurance Engagements 3000, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (Revised ISAE 3000), issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the guidelines for assurance engagements on the Non-Financial Information Statement issued by the Spanish Institute of Registered Auditors (ICJCE).



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish language version prevails.)*

### **Reasonable assurance review of GRI indicators**

The Reviewed ISAE 3000 requires that we plan and perform our procedures to obtain reasonable assurance about whether the indicators described in point a) of the “Scope of our review” section of this Report have been prepared and disclosed, in all material respects, in accordance with the GRI Standards.

Our reasonable assurance review is subject to our professional judgement and includes an assessment of the risks arising from material misstatement of these indicators, whether due to fraud or error.

In making these risk assessments, we have considered internal control relevant to the preparation and disclosure of the indicators with reasonable assurance, in order to design appropriate review procedures, but not to reach a conclusion on the effectiveness of the Group’s internal control over the preparation and presentation of the Report.

Our engagement included an assessment of compliance of the indicators with the criteria of the GRI Standards, gaining an understanding of the procurement of financial and non-financial information from its source, evaluating the reasonableness of the estimates drawn up by the Group and recalculating the indicators subject to a reasonable assurance review.

Reasonable assurance is less than total assurance.

### **Limited assurance review of information**

The Revised ISAE 3000 requires that we plan and perform our procedures so as to obtain limited assurance on whether:

- the indicators described in point b) of the section on “Scope of our review” of this Report have been prepared and presented, in all material respects, in accordance with the GRI Standards.
- the NFIS referred to in point c) of the section on “Scope of our review” of this Report has been prepared, in all material respects, in accordance with prevailing mercantile legislation, the criteria of the chosen GRI Standards and the TCFD’s recommendations for reporting on climate change.

The procedures selected depend on our knowledge of the various types of information included in the Report and other circumstances of the engagement, and our assessment of the areas in which material misstatements are likely to arise.

The procedures performed in a limited assurance engagement are different, owing to their nature and timing, from those used in a reasonable assurance engagement, and their scope is less. Consequently, the level of assurance obtained in a limited assurance engagement is substantially less than that which would have been obtained in a reasonable assurance engagement.

Our work on the information for limited assurance consisted of making enquiries of management and of the different units and areas in charge of the Group that participated in the preparation of the Report, reviewing the processes for compiling and validating the information presented in the Report, and applying certain analytical procedures and sample review tests, which are described below:

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish language version prevails.)*

- Meetings with personnel of the Group to gain an understanding of the business model, policies and management approaches applied, and the principal risks related to these matters, and to ascertain the existence of a sustainability strategy and policies to address risks and their application at all levels within ACCIONA, thereby obtaining the information necessary for the external review.
- Analysis of the scope, relevance and completeness of the content of the Report based on the materiality analysis performed by the Parent and described in the “Analysis of materiality” section, considering the content required by prevailing commercial legislation.
- Review of information on the risks, policies and management approaches applied in relation to the material aspects presented in the Report for 2020, in accordance with the requirements of the GRI Standards on management approaches and on the compliance with the recommendations made by the TCFD for reporting on climate change in the presentation of information on management’s approach to climate risks.
- Analysis of the processes for compiling and validating the data presented in the Report for 2020.
- Corroboration, through sample testing, of the information relative to the content of the Report for 2020 and whether it has been adequately compiled based on data provided by the information sources.
- Review of the quantitative and qualitative information regarding the degree of compliance with the objectives of the SMP 2020.
- Perusal of the information included in the Report to determine whether it tallies with our general knowledge and experience of ACCIONA’s performance regarding sustainability.
- Contrasting of the financial information reflected in the Report and that included in the 2020 consolidated annual accounts of ACCIONA, audited by independent third parties.
- Review of the reporting process for environmental information from the source through on-site visits and online reviews of ten work centres selected on the basis of a risk analysis and quantitative and qualitative criteria.
- Procurement of a representation letter from the Directors and management.

Our multidisciplinary team included specialists in reviews of financial performance and sustainability.

## Conclusions

---

Our conclusions are based on and subject to the matters described in this Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusions.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish language version prevails.)*

### **Conclusion of our reasonable assurance review of GRI indicators**

In our opinion, the indicators included in the Report under the following denominations: GRI 102-8, GRI 102-41, GRI 202-1, GRI 202-2, GRI 204-1, GRI 302-1, GRI 304-1, GRI 305-1, GRI 305-2, GRI 305-4, GRI 305-7, GRI 401-1, GRI 401-3, GRI 403-1, GRI 403-4, GRI 404-1, GRI 404-2, GRI 404-3, GRI 405-1, GRI 405-2, GRI 410-1, GRI 412-2, the quantitative information derived from these indicators regarding the degree of compliance with the objectives of the Sustainability Master Plan, and the qualitative information regarding the degree of compliance with the objectives of the Sustainability Master Plan, have been prepared and presented, in all material respects, in accordance with the GRI Standards, as described in point 102.54 of the "GRI Content Index" table of the Report.

### **Conclusion of our limited assurance review of information**

Based on the procedures performed and the evidence obtained, no matters have come to light that lead us to believe that:

- the indicators described in point b) of the section on "Scope of our review" and the "GRI Content Index" table of the Report have not been prepared and presented, in all material respects, in accordance with the GRI Standards: Comprehensive option, as described in point 102-54 of the GRI Content Index.
- the NFIS of ACCIONA, S.A. and subsidiaries for the year ended 31 December 2020 has not been prepared, in all material respects, in accordance with prevailing mercantile legislation and with the criteria of the GRI Standards selected and the TCFD's recommendations for reporting on climate change, as indicated for each topic in the "GRI Content Index" table of the Report.

### **Use and distribution**

---

In accordance with the terms and conditions of our engagement letter, this Report has been prepared for ACCIONA, S.A. in relation to its 2020 Sustainability Report and should therefore not be used for any other purpose or used in any other context.

This Report on the Consolidated NFIS has been prepared in response to the requirement established in prevailing mercantile legislation in Spain, and thus may not be suitable for other purposes and jurisdictions.

KPMG Asesores, S.L.

*(Signed on original in Spanish)*

Patricia Reverter Guillot

18 February 2021