

Madrid, August 2 2011

Dear Sirs,

For yet another year, I am pleased to present this Communication on Progress Report. It underscores our commitment not only to incorporating the Global Compact's Ten Principles in our activities, but also to reporting to our stakeholders on the progress that we have made in 2010 in introducing, supporting and fostering the Principles.

As part of our commitment to the Global Compact's Principles, we would like to point out in particular that during the World Economic Forum, held in Davos, we presented, along with 54 signatory companies of the UN Global Compact, "Global Compact LEAD", which commits us to working on the basis of the "Blueprint for Corporate Sustainability Leadership", a comprehensive road map that features specific and concrete measures that can be adopted by companies to help them enhance their sustainability performance.

Along similar lines, in October 2010, ACCIONA became a member of the Steering Committee for "Caring for Climate", the Global Compact-UN Environment Programme joint platform for driving the business community's role in the global strategy on climate change and for raising awareness on mitigation among governments and public institutions.

I would like to take this opportunity to point out some of progress that we have made towards the targets laid out in ACCIONA's Sustainability Master Plan. We continue to advance in environmental issues with the launch of Phase II of our Environment Efficiency Plan and the definition of our proprietary environment footprint model: carbon footprint and water footprint. In response to the challenge posed by climate change, and specifically with regard to carbon emissions, in 2010 ACCIONA saw a 31% improvement on 2009, avoiding more than 11 million metric tons of CO<sub>2</sub> emissions.

I am also pleased to inform you that in 2010 we invested the equivalent of 3.6% of dividend in social contribution related to a range of initiatives that make access available to basic services (renewable energies, water and eco-efficient construction) in underprivileged communities; promoting sustainability and sponsoring various initiatives in the fields of health, culture and education. Our commitment is to invest the equivalent of 5% of the estimated annual dividend over the coming three years.

As regards the application of principles of good corporate governance, we have taken steps to strengthen our Code of Conduct, bolstering aspects such as transparency, responsibility and integrity. Moreover, ACCIONA, alongside other companies and organizations, has played an active role in the drafting of the Spanish version of the Global Compact Guide Against Corruption.

At ACCIONA we are working to extend sustainability standards across the entire value chain. Our new Procurement Standard has served to improve the sustainable management of our supply chain, and we continue to apply contractual clauses that

ensure compliance with the Global Compact Principles, Spain's Organic Law on Effective Equality between Men and Women, and the hiring of disabled people.

Our Sustainability Report 2010 is available at <http://annualreport2010.acciona.com/sustainability-report.aspx> ; it mirrors our commitment to continue to advance along the road towards integrating and promoting the Global Compact Principles in all our operations and in all the countries where ACCIONA operates. ACCIONA is the first company to draft its Report in accordance with the Global Reporting Initiative's (GRI) new and more-demanding G3.1 guidelines, which require more information on human rights, gender equality policies and impacts on the community.

In a nutshell, we have drafted our Report based on the conviction that our vision of the future and our company model contribute, as best they can, to providing real solutions to the major social, environmental and economic development issues of the day.

Sincerely,

José Manuel Entrecanales Domecq  
Chairman & CEO, ACCIONA