

PEOPLE

HUMAN CAPITAL, HEALTH AND SAFETY

Human capital is a priority for ACCIONA. The company shares the values of respect, transparency, equal opportunities, meritocracy, continuous communication and diversity with all its employees. Likewise it also promotes health and safety amongst employees and collaborators.



HIGHLIGHTS IN 2017

- Development of the New Performance Management Model, having launched its first two phases: Objective Setting and the first pilot of Performance Status.

- Revision of the Selection Method, incorporating new tests that will enable the detection of the necessary capacities in a more effective manner.

- Launch of the “ACCIONA Sustainability Course”, available to 10,584 company employees in 41 different countries.

- OHSAS 18001 certification reaches 95.59 % in countries with more than 150 FTEs (full-time equivalents).

- Reduction of the accident frequency rate from 3 to 2.7 in 2017 of employees and contractors.

- Consolidation of global programmes like the VPP Programs, BBS4U or the LIDER program in infrastructure, and the start-up of THINK SAFE in Energy.

MAIN CHALLENGES FOR 2018

- ▶ Global launch of performance status, the tool that identifies talent, as well as the Corporate Onboarding Programme for new employees.

- ▶ Expand the Programme for the Development of High Potential Women aiming to prepare women with high potential to assume managerial responsibilities.

- ▶ Prepare and launch a series of advanced courses on climate change, human rights and sustainability risks.

- ▶ Bring the accident frequency rate down 5 % to below the figure for 2017

- ▶ Reinforce the commitment to health and safety amongst suppliers and subcontractors of infrastructure, by means of the VPP Programs.

- ▶ Through the Energy THINK SAFE programme, improve the preventive culture through awareness-raising sessions reaching 100 % of the workforce in Spain and 30 % of the international workforce working in wind and photovoltaic production.

THE HUMAN TEAM: A PRIORITY

ACCIONA has a specific Human Resources and Occupational Health and Safety Policy which identifies ethical conduct and safety as distinctive, differential values of the way in which the company works. In the same way, it is committed to the success and professional development of its employees, permanently investing to retain the best talent.

The availability of adequate talent and leadership is one of ACCIONA's competitive advantages. The company seeks to lead the creation of an attractive, inspirational and successful work environment, with the objective of being known and recognised as the best place to work.

Human capital management in ACCIONA is designed based on the definition of the human resources strategy and is adjusted each year to the new business needs. For the period 2018-2020, the company has established as its main priority, the need to put employees at the heart of the strategy, with five basic management pillars:

- Attraction of the best technical and managerial talent.
- Focus on employee experience.
- Collaborative leadership: focus on relationships and the achievement of results.
- Smart office: adapt the working environment to the new ways of working.
- Operative & HM Tech model: speed up technological change.

In 2018, Human Resources will begin several important changes:

- Changes in the process of identifying training needs: associated with the new business requirements, the new incorporations, globalising certain training, extending the scope of access to the online campus, etc.
- Global launch of the performance status process and implementation of the My Development module as part of the New Performance Management Model, through which managers and employees can manage and monitor the development plans of each professional.

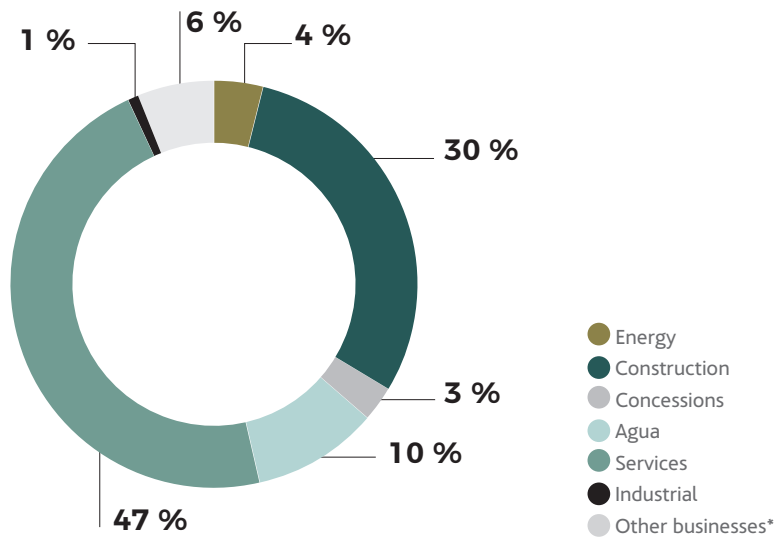
PEOPLE, MORE THAN NUMBERS

At the end of 2017, ACCIONA had a global workforce of 37,403 people, of whom 30% were women, with an average age of 42.2 years old. The global nature of the company is shown in the geographical distribution of the workforce: 41% of professionals are non Spanish nationals, out of a total of 111 different nationalities. Similarly, the number of people working in a different country than their home country has also increased.

The increased workforce (14% more than 2016) is a reflection of the increase in the company's business outside Spain and the acquisition of Geotech in Australia, as well as airport concessions in Germany and Chile. Moreover, no collective measures occurred in any country in 2017. Satisfactory dialogue is the commitment through which ACCIONA has structured all adopted measures other than those deriving from the finalisation of the projects.

FIGURE 1.

Breakdown of total workforce by business line
(%)



* Other businesses* includes Bestinver, Corporate, Grupo Bodegas Palacio 1894, ACCIONA Inmobiliaria and Trasmediterranea.

TABLE 1.

Evolution of the geographical distribution of the workforce

(no. of employees)

	2016			2017		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Spain	12,657	7,251	19,908	13,376	7,497	20,873
Germany	691	144	835	911	187	1,098
Algeria	17	0	17	32	-	32
Australia	306	86	392	956	179	1,135
Bolivia	-	-	-	170	22	192
Brazil	1,618	288	1,907	1,916	323	2,239
Canada	291	218	509	271	205	476
Qatar	-	-	-	145	17	162
Chile	1,394	163	1,557	1,823	221	2,044
China	3	1	4	-	-	-
Colombia	214	157	371	108	98	206
South Korea	5	1	6	-	-	-
Costa Rica	-	-	-	32	14	46
Croatia	8	2	10	8	2	10
Denmark	-	-	-	16	8	24
Ecuador	307	34	341	1,024	79	1,103
Egypt	3	0	3	6	-	6
Arab Emirates	42	3	45	241	28	269
United States	140	25	164	144	26	170
Philippines	-	-	-	2	1	3
France	2	3	5	3	1	4
Gabon	102	12	114	35	5	40
Greece	3	1	4	-	-	-
Netherlands	29	8	37	7	1	8
India	31	1	32	47	2	49
Italy	328	43	371	346	44	390
Morocco	79	11	90	78	11	89
Mexico	999	796	1,795	1,201	804	2,005
Nicaragua	-	-	-	2	-	2
Norway	253	13	266	618	38	656
New Zealand	-	-	-	38	13	51
Panama	20	6	26	30	15	45
Paraguay	-	-	-	3	0	3
Peru	647	172	819	814	84	898
Poland	960	553	1,513	974	564	1,538
Portugal	583	598	1,181	520	690	1,210
United Kingdom	1	1	1	1	0	1
Dominican Republic	77	15	93	49	6	55
Romania	-	-	-	8	5	13
Singapore	-	-	-	6	4	10
South Africa	33	10	43	31	13	44
Trinidad and Tobago	-	-	-	28	3	31
Venezuela	16	12	27	12	10	22
Rest of the world	272	77	349	129	23	152
TOTAL EMPLOYEES	22,129	10,706	32,835	26,163	11,241	37,403

TABLE 2.

Evolution of the breakdown of workforce by contract type and gender

(no. of employees)

	2016						2017					
	TEMPORARY			PERMANENT			TEMPORARY			PERMANENT		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Energy	37	15	53	1,386	471	1,857	41	7	48	1,176	408	1,583
Infrastructure	3,331	1,630	4,960	15,777	8,142	23,920	7,866	2,628	10,494	15,702	7,513	23,215
Construction	848	115	963	6,214	1,408	7,622	3,134	323	3,458	6,470	1,192	7,662
Concessions	58	30	88	423	371	794	84	44	128	514	362	876
Water	289	42	330	2,489	525	3,015	1,495	138	1,633	1,645	346	1,991
Services	2,101	1,425	3,526	6,552	5,795	12,347	3,099	2,103	5,203	6,971	5,577	12,549
Industrial	35	18	53	99	43	142	53	19	73	102	36	138
Other businesses*	205	84	289	1,285	471	1,756	272	115	388	1,105	569	1,675
TOTAL	3,572	1,729	5,301	18,449	9,085	27,534	8,179	2,751	10,930	17,984	8,490	26,474

* 'Other businesses' includes: Bestinver, Corporate, Grupo Bodegas Palacio 1894, ACCIONA Inmobiliaria and Trasmediterranea.

TABLE 3.

Evolution of new hires by business line

(no. of employees)

	2016			2017		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Energy	652	151	803	545	130	675
Infrastructure	8,944	4,173	13,117	12,312	5,098	17,410
Construction	4,380	579	4,959	5,648	577	6,225
Water	334	80	414	882	85	967
Services	4,190	3,504	7,694	5,723	4,422	10,145
Industrial	40	10	50	50	14	73
Other businesses*	280	184	464	378	266	644
TOTAL NEW HIRES	9,876	4,508	14,384	13,235	5,494	18,729

* 'Other businesses' includes: Bestinver, Corporate, Grupo Bodegas Palacio 1894, ACCIONA Inmobiliaria and Trasmediterranea.

TABLE 4.

Evolution of management indicators

	2015	2016	2017
Revenue (EUR million)	6,544	5,977	7,254
Workforce cost/revenue (%)	19	21	20.63
Revenue/workforce (EUR)	203,564	182,031	193,941
EBITDA (EUR million)	1,174	1,192	1,275
EBITDA/workforce cost	0.93	0.92	0.85
EBITDA/workforce	36,519	36,303	34,094
Costs (EUR million)	1,254	1,288	1,497

TABLE 5.

Evolution of employees eligible for maternity/paternity leave

	2016			2017		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
No. of employees entitled to paternity/maternity leave	313	187	500	378	236	614
No. of employees who took paternity/maternity leave	313	187	500	378	236	614
No. of employees who returned to work following paternity/maternity leave	297	187	484	375	234	609
No. of employees who returned to work following paternity/maternity leave and continued to work for twelve months after their return	269	182	451	354	226	580
Retention ratio*	0.91	0.97	0.93	0.94	0.97	0.95

* The GRI does not establish a specific definition for the ratio. Accordingly, in order to calculate the rate, the number of people who remain in their job on 31 December 2017 after taking paternity/maternity leave in 2017, divided by the number of paternity/maternity leaves the same year, will be reported.

DEVELOPMENT OF HUMAN CAPITAL

For ACCIONA, the talent of the people who make up its workforce is its main asset and competitive advantage. Consequently, it is vital for the company to recruit the best professionals and provide them with new learning experiences so as to continue their professional development.

TALENT ATTRACTION AND ACQUISITION

To strengthen this key area, in 2017 the Selection Method was revised, incorporating new tests to detect the necessary capacities in a more effective manner. Moreover, a specific area has been defined in the Employment Channel for candidates, improving their experience in selection processes, with complementary teaching and training.

In line with its employer branding strategy, the ACCIONA TAP (Talent Acquisition Process) methodology is the company's integral and overall solution for attracting and recruiting talent. This methodology answers the need to find different profiles in multiple locations around the world, each with new and complex requirements as a result of the diversification and specialisation of the businesses.

The methodology provides new search and recruitment methods which are adapted to the current environment and situation, placing the focus on international growth and expansion. TAP, which was successfully implemented in Australia, Brazil, Canada, Chile, Mexico and Spain, is structured into a series of tools that cover the different talent attraction and recruitment subprocesses: TAP Employer Branding, TAP Recruitment and TAP Assessment.

In 2017, the ACCIONA Graduates programme was re-launched, seeking to capture excellence in the areas of science, technology, engineering and mathematics (STEM).

ACCIONA GRADUATES: CREATION OF THE INTERNATIONAL WORKFORCE

The programme, which was launched in 2017 globally, aims to establish a new standard of contracting, which allows the creation of an international workforce to meet ACCIONA's needs in the medium and long-term, through the training of the best students and graduates.

The new standard stipulates that the grants programmes will, as from now, only be for students and establishes a new junior selection method, for profiles of graduates and students, based on their potential, through the following profile:

- Superior/Masters qualifications, particularly STEM training.
- Academic excellence.
- Skills: focus on results/customers, learning/innovation capacity, cultural intelligence, flexibility and motivation for growth.

The project includes a specific Basic and Digital Competencies Training programme and a performance monitoring and assessment process.

JOB MOBILITY

As part of its International Transfer Policies, ACCIONA's localisation process seeks to respond to the growing number of employees who, at the end of an international assignment, choose to stay in the destination country as local employees. Accordingly, the localisation procedures in Australia, Canada, the United States, Mexico and Poland have been extended.

In 2017, work was carried out on the definition and start-up of an internal mobility control panel, to develop people with the highest potential, cover vacancies in an efficient manner, create an environment for an attractive career development, stimulate internal talent and increase permeability between the different businesses that makes up the company. The number of employees on temporary international assignments was 396 in 2017, in a particularly intense year of project execution.

Looking to 2018, a new internal mobility structure will be launched, with the aim of:

- Developing high potential professionals that have stood out for their performance and support and assuring them a career in ACCIONA that is appropriate for their capabilities.
- Achieving an efficient coverage of vacancies with a suitable mix of internal and external candidates that can cover each of the jobs in the organisation, with the best market professionals.
- Creating an environment for attractive career development, both for current and potential ACCIONA workers.
- Fostering internal talent with assessment, development and training tools
- Facilitating permeability between the different ACCIONA group businesses, so that the company is nourished by the cross-functional knowledge of its employees.
- Creating employees' pride of belonging to the company.

With this aim in mind, an Internal Mobility Committee was established, scheduled to meet once a week to discuss matters such as the Internal Mobility Policy, the Communication Plan, and the management of internal applications.

Likewise, there is an important focus on the development of careers with high added value and which are critical to the business, such as Project Directors or Plant Managers (engineers), for which training, teaching, development and promotion programmes have been developed.

MANAGING KNOWLEDGE: SKILL MAPPING

The people management model at ACCIONA is based on the definition of roles as basic organisational units that join together job positions and that share a mission, responsibilities, knowledge and skills.

This model makes it possible to know 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, this model 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 the process so as to facilitate team managers in the definition of these needs. Personnel managers are 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 agenda for the whole of FY 2018, identifying the most appropriate programmes/actions through three major pillars: identification of strengths, definition of aspirations and management of priorities.

One of the most noteworthy of these 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 its 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. Based on this information, different communities were created featuring practices linked to specific fields of knowledge and specialities, directly connected to the "formative itineraries" of the Corporate University's technical schools.

In 2017, work continued on the design of a new personal and professional space for each employee, called My Development, which will be integrated into the new version of the Intranet (Interacciona). This web space, which focuses on the principle of self-development, will foster the strengths and skills of the ACCIONA professionals who commit with their own development.

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 both inside ACCIONA and out, have 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 2017, the programme was successfully implemented, with the following key developments

- The development of a monthly working session, where the Master Technical Leaders have presented and executed their technical knowledge transmission plans.
- Launch of the 1st Forum of Technical Leaders, with the participation of the members of the Steering Committee and more than 100 people. This forum was broadcast via streaming to the entire organisation.

ACCIONA UNIVERSITY

The company's range of training offer is structured around the ACCIONA University, the mission of which is to guarantee the permanent overall development of people through the alignment of training with the needs generated by business strategies.

The company has a physical corporate training centre, with multiple classrooms and hi-tech rooms, as well as a Campus Online with more than 2,000 learning resources in several languages and formats. In 2017, almost 10,000 people accessed the Campus Online and 26% of the target group accessed it once a month.

A pilot project was run in Spain in 2017 to expand upon the group of people who can access the campus, which has granted access to more than 300 employees of ACCIONA Service. In 2018 and 2019, this group will be extended with the aim of reaching 100% of the workforce.

TABLE 6.

Training received by professional category and gender

		2017					
		EXECUTIVES	MANAGERS	TECHNICAL STAFF	SUPPORT	WORKERS/ OPERATORS	TOTAL
Total no. of hours received	Men	12,720	82,360	142,057	6,897	196,817	440,851
	Women	2,181	23,626	74,125	23,573	32,445	155,950
	TOTAL	14,901	105,986	216,182	30,470	229,262	596,801
Students	Men	274	1,534	3,335	345	11,487	16,975
	Women	37	369	1,643	777	2,630	5,456
	TOTAL	311	1,903	4,978	1,122	14,117	22,431
Training hours employee/year	Men	50.48	53.52	35.67	14.41	9.86	16.82
	Women	58.95	217.31	42.20	29.14	3.95	13.94
	TOTAL	51.56	55.26	37.67	23.66	8.14	15.96

TABLE 7.

Investment in training delivered

	EXECUTIVES AND MANAGERS	TECHNICAL STAFF	SUPPORT	WORKERS/ OPERATORS	TOTAL
Total investment (EUR)	3,844,941	2,890,785	353,076	1,807,017	8,895,819
Investment in employee/year (EUR)	1,742.16	503.68	274.21	64.15	237.84

The Corporate University has a process in place to assess the effectiveness of the training:

TABLE 8.

Assessment levels

ASSESSMENT LEVELS		
Level 5 ROI	Return on investment.	Analysis of the impact of training on selected business indicators.
Level 4 Results	Business results achieved through the training.	Training Efficacy Assessment Questionnaire.
Level 3 Performance	Changes that have taken place in the position held by the person who has attended the training.	Training Efficacy Assessment Questionnaire.
Level 2 Learning	Determines whether there has been a transfer of knowledge and a learning process.	Knowledge assessment test at the end of the formative itinerary.
Level 1 Reaction	Equivalent to measuring participant satisfaction.	Assessment questionnaire filled out by the student once the course has been completed.

NB: in 2017, only levels 1, 2 and 3 were assessed; in 2018, NPS (Net Promoter Score) will be included, to assess the learning experience of our employees.

The company's model of formative itineraries can be broken down into five lines: Skills Development Centre, Business School, Functional Itineraries focusing on sustainability, Technical Schools and Language School.

SKILLS DEVELOPMENT CENTRE

The Corporate University, together with its Skills Development Centre, continues making its so-called Basic Itineraries available to all company employees. The Basic Itineraries are designed to develop skills associated with the role of each person. In 2017, these itineraries were renewed and extended with new content called ACCIONA Skills, which is composed of a series of multi-channel resources that are made available to employees in different editions throughout the year.

The itineraries are designed sequentially, with three key components: a presentation of the skill, an expert's video, and blocks of content available on the corporate platform. The total number of hours taught in the Skills Development area was 596,801 in 2017; a 19% increase over 2016.

In 2017, of all programmes, the following stand out:

- Digital Skills Programme: launched in 2017 with two editions and in collaboration with the Universidad Politécnica de Madrid (Spain). This new training programme aims to develop employees' capacities in the areas of digital communication and collaboration, amongst others. The programme was widely accepted by participants scoring 4.10 out of 5. It should also be noted that the ratio of completeness of the different editions is 76% in the first and 73% in the second.
- The T-Max Programme, which was designed in collaboration with the Madrid School of Industrial Organisation (Escuela de Organización Industrial - EOI) in Spain, is a training programme that specifically targets the ACCIONA technical team. The aim is to make progress in the consolidation of the skills that technical staff are required to have, and which are marked as a development need during the performance evaluation process. During this year, several new modules have been added to the programme to include the following skills: Efficiency and effectiveness, Customer focus, Quality of management, Teamwork, Achievement of results, Initiative and innovation, Communication, Negotiation and Networking.
- M3+ programme: in collaboration with the Business Institute (IE) and intended for all executives. In 2017, 490 executives took part within Spain, completing a total of 1,976 training hours. Special emphasis was assigned to people management, carrying out four classroom sessions. Three were on innovation, with the collaboration of the ACCIONA Corporation R&D&I Director as well as the ACCIONA Infrastructure Digital Transformation Director. The aim for 2018 is to globalise this programme.

BUSINESS SCHOOL

In 2017, the Business School has developed programmes like the ACCIONA MBA and the Emerging Talent Programme.

- Executive MBA in Sustainable Global Business (VIII edition): a complete focus has been included on sustainable business management, as well as specific modules on the Sustainability Master Plan (SMP). In 2017, 30 ACCIONA professionals took part, distributed geographically in various places across the world.
- ACCIONA Emerging Talent programme: launched in 2015, the initiative, which consists of introducing skills management to the technical team, makes it possible to perform an employee evaluation based on the employee's new individual role and its implications, with special emphasis on the skills that are most needed for their new managerial position: leadership, negotiation, flexibility and change management. In 2017, a session of the programme was held for recently promoted executives and managers, obtaining a very positive average score (4.5 out of 5). In the forthcoming sessions, the focus will be on those with high potential and forecasting identified in the performance status process. They will use the three pillars of the development framework (learning, exposure and experience).

TECHNICAL SCHOOLS

The ACCIONA University Technical Schools comprise a basic pillar for ensuring the availability of qualified professionals, and they are designed to have an impact on improved productivity, technical excellence, specialisation and internationalisation.

The Technical Schools offer training in specialities and sub-specialities. Each of them provides formative itineraries that include activities designed to follow a structured pedagogical sequence. The perception and response of the General Management, business units and employees has been excellent.

LANGUAGE SCHOOLS

In 2017, a New Language Platform was launched, with modified usability, searching and browsing, obtaining an 18% increase in participants with respect to 2016. All target workforce can access this platform which allows the study of up to 6 different languages.

SUSTAINABILITY TRAINING

In 2017, ACCIONA launched the new ACCIONA Sustainability Course, with the aim of providing to 10,584 employees in 41 different countries with basic knowledge and skills. The 15-hour course consists of 7 modules with different contents on the impact of human beings on the Earth, sustainability in the business and future sustainable development trends, amongst others.

The ACCIONA Sustainability Course was based on a game-driven itinerary in which users achieve points and targets by viewing content and participation. Through this approach, learning was reinforced by means of interaction in debates, 16,641 comments and the contribution of additional materials. The main course monitoring indicators were:

- 1,423 employees started the course, 415 employees completed it.
- 10,138 total training hours.

Amongst the various actions organised for 2018 in sustainability training, the following objectives apply:

- Launch a second campaign of ACCIONA Sustainability Course for those who have not been able to start or complete the training. This campaign will be guided by a tutor.
- Prepare and launch a series of advanced courses on climate change, human rights and sustainability risks.

TALENT RETENTION

The ACCIONA people management model is composed of policies and initiatives that are geared towards achieving: a high performance from all employees, objective compensation based on results, and career development inside the company.

NEW PERFORMANCE MANAGEMENT MODEL

ACCIONA aims to promote the development of a high performance culture of people and evaluate objectives through its own performance evaluation process. To do so, it has developed tools to allow objectives to be set and monitored in a flexible manner and according to the needs for immediacy and flexibility by the needs that the world raises.

The performance evaluation model has change entirely in 2017 with the new performance model establishing the manager as the main player. The objectives defined by each manager with each team member no longer takes place on an individual basis, with a shift in focus to setting ambitious objectives in a collaborative manner. This tool makes it possible to improve the team's professional capabilities and align individual and group expectations with the strategic expectations of the company. The implementation of this process in ACCIONA has been gradually extended and in 2017 reached 100 % of the groups involved in the process with the new tool developed. Additionally, this new tool allows objectives to be adjusted at any time to the day-to-day business needs.

In 2017, the New Performance Management Model was developed, which replaces the previous performance evaluation process. It comprises a dynamic model, targeting achievement, with a clear focus on the team and the future, where the manager's role is to guide and develop the professionals, who are the main protagonists.

NEW PERFORMANCE MANAGEMENT MODEL: 4 DRIVERS

1. Establishment of objectives set by the management.
2. Performance Status: tool that helps managers identify talent and potential amongst employees.
3. My Development: offers employees the chance to discover their strengths and define their priorities to prepare action plans and achieve objectives.
4. Decentralisation of remuneration management: by decentralising the process of preparing decision proposals. The manager will continue to be the main player and continue to assess the individual performance of its team, applying the criteria to be considered. For the remuneration proposals, the manager will, amongst others, consider the following criteria:
 - The specific contributions and technical excellence in work that help ensure the correct pursuit of the annual results.
 - The contribution to the multidisciplinary and multifunctional working teams.
 - The contribution to results in terms of flexibility and adaptability to the business needs.
 - Support to the company's long-term transformation projects including sustainability and digitalisation, and others, identified as priorities for the business' future.
 - Both targeted works planned at the start of the year, and objectives and priorities that arose on a later date.

In this new model, in 2017, the following progress was made:

- Implementation of the Objective Setting lever and its new associated tool. This lever promotes the establishment of transformational objectives on a team level and in a collaborative manner. The focus is on “thinking big” and on change, transformation and innovation. Moreover, this lever is hinged on a core element, feedback, and ongoing discussion, as the tool allows for objectives to be redefined from time to time, by the manager and employee, as well as continuous monitoring. The process reaches a total of 11,560 people, from all divisions, business lines and roles, which makes for 100 % of the scope group.
- It also launches the implementation of the new talent and potential identification process, Performance Status, as a reinforcement of the current Talent Review. All ACCIONA divisions and business lines take part in this process, which consists of a questionnaire that both hierarchical and functional managers will complete on each professional. This will enable a better identification of the potential in the company and thus organise a talent map through which to design specific development and training programmes for the segments of groups, based on their needs and the business needs. People identified will participate in the different programmes designed by the company so that they can take greater responsibilities in the future. In 2017, the new process was directed towards a group of 325 people. Full implementation, in all divisions, will be achieved in April 2018.

- Lastly, a new space has been designed so that everyone can manage their own development in ACCIONA: My Development. This platform will facilitate self-development, helping to establish strengths, motivations, priorities and aspirations. Both managers and employees can take part in this space and work together on the employee's career development, starting from the diagnosis and designing an action plan.

TABLE 9.

Evolution of employees involved in the Objective Setting process by professional category*

		2016			2017		
		MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
No. of employees involved in the objective setting process	Executives	230	32	262	252	35	287
	Managers	1,264	308	1,572	1,409	368	1,777
	Technical Staff	2,943	1,710	4,653	3,396	1,729	5,125
	Support	116	317	433	310	761	1,071
	Workers/Operators	690	124	814	2,745	555	3,300
	TOTAL	5,243	2,491	7,734	8,112	3,448	11,560
% of the total workforce involved in the objective setting process	Executives	95	94	95	100	100	100
	Managers	95	97	95	100	100	100
	Technical Staff	92	99	94	100	100	100
	Support	91	96	95	100	100	100
	Workers/Operators	90	95	99	100	100	100
	TOTAL	92	98	94	100	100	100

*Note 1: the total workforce involved in the objective setting process does not include workers/operators or administrative support positions with lower qualifications (roles at levels lower than four for workers/operators and lower than two for administrative support employees).

Note 2: in 2017, the optimisation process changed meaning that the 2016 and 2017 data is not 100 % comparable.

COMPENSATION

The basic criteria used to design and implement the company's compensation policies are objectivity, external competitiveness and internal equity. In this sense, the ACCIONA remuneration model is defined based on the results and levels of a job classification system, which objectively arranges the contribution made by all employees to the company.

As a consequence of this model, remuneration bands are established by country. At present, 59 remuneration bands of ACCIONA are being managed worldwide. The bands have up to 10 different levels. The definition of the remuneration policy by country both in terms of remuneration and social benefits, is achieved by considering the best remuneration information available on the market and in the countries in which there is a structure. Internal equity is also analysed to determine competitive remuneration on the reference market.

ACCIONA BONUS

Implemented in 2012, ACCIONA Bonus is a programme for those employees with variable remuneration that is linked to the company's financial results and individual targets, and is based on objective and pre-established metrics.

In accordance with the goals established in the Sustainability Master Plan (SMP), the ACCIONA Bonus programme has been extended internationally to all divisions in the company's main countries of operation. In 2017, more than 3,800 employees benefited from the ACCIONA Bonus programme, including 95 % of executives, 85 % of structural managers and part of the technical and support staff. On an international level, the bonus was applied in Australia, Brazil, Canada, Qatar, Chile, Colombia, Costa Rica, Croatia, Egypt, the United Arab Emirates, Spain, the United States of America, the Philippines, Gabon, India, Italy, Morocco, Mexico, Norway, New Zealand, Panama, Peru, Poland, Portugal, the United Kingdom, South Africa, Trinidad and Tobago and Venezuela.

The structure of the targets is standardised across countries and includes:

- Overall company targets, which have a weighting of at least 10 % for all employees and 15 % in the case of executives.
- Targets of divisions, companies, countries and units with their own profit and loss accounts.
- Individual targets. In 2017, for payment in FY 2018, the valuation of individual targets is not bound to the performance evaluation. Through the Salary Revision tool, managers can make proposals for the achievement of individual targets more easily. The system seeks to provide managers with greater autonomy/flexibility so that they can recognise the work carried out during the year for the short- and long-term objectives.

Additionally the Bonus system includes approximately 3.5 % of the sustainability-related targets that have been defined for each of the divisions in the framework of the Sustainability Master Plan's areas. These include, for instance, targets for reducing CO₂ emissions, implementing the Social Impact Management methodology in projects, increasing the presence of women at executive level and consulting with stakeholders, among others.

Additionally, there is an ACCIONA Flexible Remuneration Plan, which allows the selection, acquisition and/or contracting of certain benefits with important advantages, which enables the employees' salaries to be maximised. In 2017, the following benefits were available: medical insurance, meal vouchers, childcare vouchers, transport cards and training programmes linked to professional development and the role. Through the flexible remuneration plan, there is also a programme that fosters the participation of employees in ACCIONA's share capital.

THE ACCIONA
BONUS
INCLUDES
OBJECTIVES
INVOLVING
THE REDUCTION
OF EMISSIONS,
SOCIAL IMPACT
MANAGEMENT,
INCREASE IN
THE NUMBER
OF WOMEN IN
MANAGERIAL
POSITIONS,
AMONG OTHERS

EMPLOYEE SATISFACTION AND COMMITMENT

Employee satisfaction and commitment are the key attributes of the relationship model that ACCIONA aspires to achieve with its employees. The climate and commitment survey, conducted globally every two years, is the tool that allows the company to identify factors that have an impact on these attributes.

In 2017, the global commitment study was launched, which ACCIONA carries out once every two years with AON. The traditional climate and commitment survey has been transformed, converted into multiple short questionnaires (in 7 different languages) in digital format for the first time, with a view to obtaining more immediate information with a greater focus on employees' opinions. The first study with the new model was related to commitment. For the first time, the figure of 6,200 answers was exceeded (1,400 more than the previous edition).

ACCIONA's commitment on a global level comes to 68 %, 7 % more than the previous edition and 6 % more than the international AON benchmarks. On a global level, it emerges that 81 % of ACCIONA employees would recommend the company as a good company in which to work (as compared with 78 % in 2015) and 73 % consider that there would need to be an important reason to leave ACCIONA.

SOCIAL RESPONSIBILITY WITH PEOPLE

WORKER'S 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 specific countries, and for legislative implementation or framework reasons, there may be small groups of workers that are not covered, although in any case, these would represent fewer than 1 % of the total workforce.

Collective bargaining agreements are signed for all works and projects; except in those countries where trade union affiliation or representation is not standardised practice or is even considered illegal. In these cases control mechanisms have been established with regard to conditions agreed upon both by the company and its suppliers. ACCIONA is a member of Building and Wood Workers' International (BWI), which covers all work in the industries in which it operates.

In Spain alone, the company has more than 726 legal worker representatives in the country and more than 350 collective bargaining agreements in place in different areas.

ACCIONA holds ongoing, regular meetings with all trade union and employee representatives to preventively manage any matters that may derive from situations of conflict, thereby reducing them to a bare minimum.

EQUALITY AND DIVERSITY

ACCIONA's commitment to values such as integrity, transparency, safety and equal opportunities is described in detail in the company's Code of Conduct. ACCIONA works hard to achieve real equal opportunities for all groups of workers, and to incorporate the diversity factor as a strategic element of its people management.

In response to this commitment, and as a key part of its diversity management policy, the company has been developing a process of continuous support for the incorporation of women in the company's management teams.

It should be noted that in some countries, the protection of children stands out (BBEEE requirements in South Africa, First Nations in Canada, Indigenous in Australia) or the promotion of equality (Europe, Canada, etc.), as well as the protection of immigrant groups (Middle East and Asia). ACCIONA's management of these risks involves the alignment of the global diversity processes and overall targets, and socially-responsible contracting, with the development of specific plans and procedures where required. To this end, in certain high risk situations, external audits are carried out on working conditions, as is the case in the United Arab Emirates.

In order to ensure that these targets are met, once a month the results are reported on the achievement of equality and socially-responsible contracting. These results are analysed by each business division and country with the aim of determining precise implementation and /or correction plans to ensure achievement of the targets.

In the case of Spain, all business lines are covered by Equality Plans that are compliant with the Organic Law 3/2007 (Spain) for the effective equality of men and women, stipulated with the most representative trade unions and in which the results are reported and evaluated jointly once every six months. Similar mechanisms are implemented in countries like Australia, Mexico and Canada. Additionally, ACCIONA Engineering, Facility Services and ACCIONA Energy have all earned the Equality seal.

Regarding gender diversity, in 2017, 30 % of the total workforce are women, occupying 12.8 % of executive positions and 19.8 % of managerial positions.

TABLE 10.

Evolution of the distribution of the workforce by gender

(% of employees)

	2015	2016	2017
Men	66	67	70
Women	34	33	30

TABLE 11.

Evolution of women in the qualified employees group

(% of employees)

GROUP	2015	2016	2017
Executives	11.89	12.73	12.80
Managers	18.80	19.73	19.76
Technical Staff	34.00	32.58	30.61
TOTAL	29.32	28.75	27.34

In 2017, the company continued to strengthen the use multi-channel to carry out sensitisation campaigns that would enable employees to obtain information on diversity initiatives. All this was structured through communication plans, a tool that fostered performance of the content of the different initiatives in which ACCIONA is engaged. In 2017, participation in the following stand out:

- International Women's Day.
- International Day for the Elimination of Violence Against Women: work is carried out with various institutions for the dissemination of the awareness-raising campaign such as the Red Cross, the Ministry of Health, Social Services and Equality and the Integra Foundation.
- Wage Equality Day: ACCIONA joined the cause in 2015.

ACCIONA's remuneration policy makes no difference according to gender and seeks objectivity in decision-making regarding the review of individual salaries, so that remuneration is fair and according to the level of responsibility and contribution to ACCIONA's results.

In line with the goal of closing the remuneration gap set out in the SMP 2020 and in line with the European Commission Recommendation of March 2014 on the principle of equal pay²¹ and legislative trends of some European countries, ACCIONA has completed a project to redefine the salary analysis method and how it is applied to identify the gender pay gap between men and women.

The project included an analysis to identify the variables that influence the salary perceived by a person, so as to more rigorously outline differences that may potentially be rooted in gender.

The new analysis process has enabled ACCIONA to more appropriately quantify the possible existence of a gender pay gap aimed at better guiding its initiatives to correct possible salary differences between men and women.

In this sense, ACCIONA is working on the development of a control panel by business line and country to monitor the remuneration gap and, if applicable, ensure action is taken to address any remuneration difference so that there are no gender differences in ACCIONA.

As a result of the analysis method, ACCIONA identified a gender pay gap between men and women on a global level of 5.17 % in 2017²².

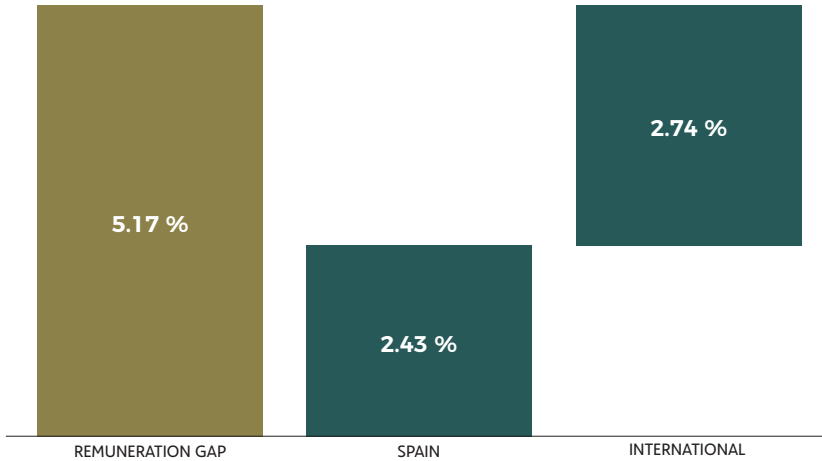
(21) http://ec.europa.eu/justice/gender-equality/files/gender_pay_gap/c_2014_1405_en.pdf

(22) The combination of all the variables affecting an employee's salary (including country, business line and role level) and which come together to form the concept of "same job or same value" has given rise to the establishment of comparable employee segments, for which salary differences between men and women are calculated. For these calculations to be possible, ACCIONA has had to make improvements to its human resources information systems, to incorporate and improve the quality of the data on these new variables included in the analysis. The revision of the analysis method and the improvement made to the information systems means that the 2017 figure of is not entirely comparable with that of previous years.

FIGURE 2.

Global gender pay gap

(weighted median of the gap in Spain* and internationally)



*Remuneration gap Spain 4.3 %.

The information provided below shows the breakdown by internal ACCIONA level. In this sense, with a view to facilitating the monitoring of the gender pay gap by level compared to previous years, a collective group has been included given that the gender pay gap analysis carried out between 2017 and 2018 is based on the ACCIONA role levels and not in group collectives.

FIGURE 3.

Remuneration gap internally between men and women

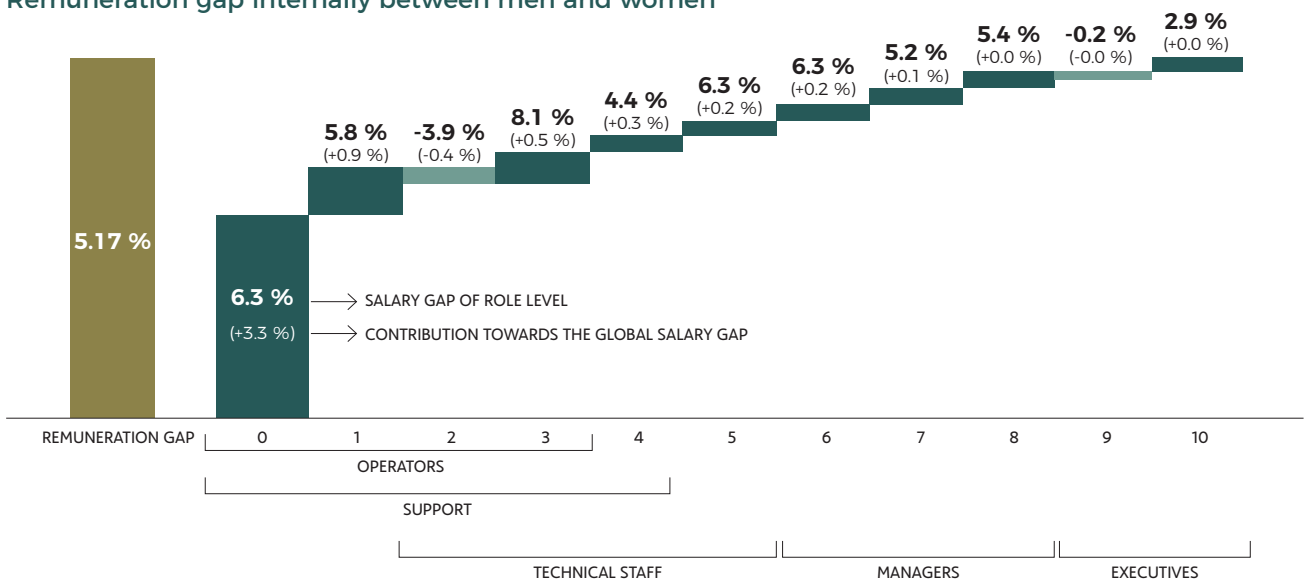


TABLE 12.

Evolution of turnover by gender, age and workplace

(%)

	2015	2016	2017
Men turnover	4.51	4.21	4.86
Women turnover	5.01	7.56	3.29
Turnover of people under 30	11.52	12.56	8.84
Turnover of people between 30 and 50	6.55	9.25	5.32
Turnover of people over 50	4.48	6.65	3.77
Turnover of people working in Spain	1.42	1.91	2.02
Turnover of people working outside of Spain	5.62	12.86	6.35
Total turnover*	5.15	6.59	7.6
Voluntary turnover**	4.66	6.59***	3.74

* Total turnover = total no. of departures/SME.

** Voluntary turnover = no. of voluntary departures of employees with permanent contract / PME with permanent contract.

*** Figure influenced by incorrect accounting taken from the figures of ACCIONA Service in Mexico.

TABLE 13.

Evolution of breakdown of the workforce by professional category and age band

(no. of employees)

	2016				2017			
	< THAN 31	31 TO 50	> THAN 50	TOTAL	< THAN 31	31 TO 50	> THAN 50	TOTAL
Executives	-	146	129	275	-	149	140	289
Managers	8	1,270	445	1,723	10	1,426	482	1,918
Technical Staff	883	3,610	726	5,219	1,065	3,938	736	5,739
Support	220	741	273	1,228	242	780	268	1,290
Workers/Operators	3,258	13,412	7,294	23,967	3,821	15,027	8,259	27,107
Other*	60	220	142	423	125	580	355	1,059
TOTAL EMPLOYEES	4,429	19,398	9,008	32,835	5,263	21,900	10,240	37,403

* The category 'Other' corresponds to personnel not identified within the role model. These are mostly employees of Trasmediterranea plus a managed Joint Venture where the model is not applied.

TABLE 14.

Breakdown of the workforce by professional category and gender

(no. of employees)

	2016			2017		
	MALE	FEMALE	TOTAL	MALE	FEMALE	TOTAL
Executives	240	35	275	252	37	289
Managers	1,383	340	1,723	1,539	379	1,918
Technical Staff	3,500	1,718	5,218	3,974	1,765	5,739
Support	419	815	1,234	478	813	1,290
Workers/Operators	16,083	7,881	23,964	18,925	8,182	27,107
Other*	396	25	421	995	65	1,059
TOTAL EMPLOYEES	22,021	10,814	32,835	26,163	11,241	37,403

* The category 'Other' corresponds to personnel not identified within the role model. These are mostly employees of Trasmediterranea plus a managed Joint Venture where the model is not applied.

INTEGRATION

As regards the non-discrimination of people with disabilities or those at risk of social and occupational exclusion, ACCIONA's Code of Conduct constitutes the guide to which behaviour in all of the company's businesses should adhere. The Code fosters effective equality, a term which in practice consists in promoting gender diversity as well as the professional and personal development of all employees, thus ensuring equal opportunities. Likewise, no form of discrimination in the professional sphere, for reasons of age, race, colour, gender, religion, political views, national origin, sexual orientation, social origin or disability will be tolerated.

ACCIONA reached and exceeded the SMP 2020 target set for 2017 (3 % of equivalent employment of people with disabilities in Spain). The total figure reached was 3.6 %²³. Of this percentage, it is worth noting that 2.89 % corresponds to direct employment, which is up 0.9 % on the previous year, and reflects the company's commitment to direct job insertion. The remaining 0.71 % of the total figure is accounted for by indirect employment. This was achieved through procurement from Special Employment Centres and donations to the third sector foundations and organisations.

In this regard, ACCIONA renewed its Bequal certification, including the Bequal Plus seal for several of its businesses. This seal in the field of disability certifies not only compliance with the law but also ACCIONA S.A.'s commitment to disability causes and social responsibility through an auditing process; it has become one of the first corporations to obtain this certificate.

With regard to the company's participation in initiatives in the area of social and occupational integration, the following stand out:

- Renewal of the Inserta Convention of the ONCE Foundation: this entails a commitment to hire 150 people during the next four years, in order to reach 500 contracts since the collaboration first started.
- Job insertion programmes (Ministry of Health, Social Services and Equality, Integra Foundation and Red Cross): ACCIONA has hired a total of 35 women who have been victims of gender violence, in addition to 115 people from other groups at risk of social exclusion.

This scope also includes awareness-raising initiatives around the International Day of Persons with Disabilities.

The company also carries out internal awareness-raising initiatives on disability, equality, gender diversity and age, among others. Courses on equality and diversity are also taught via the corporate e-learning platform.

(23) Figure at the close of preparation of this report.

HEALTH AND SAFETY AT ACCIONA

The company has a number of instruments that it uses to promote the health of its employees and outsourcers, and prevent occupational risks. Noteworthy examples include strategies based on its Human Resources and Occupational Health and Safety (OHS) policy, and a health and safety action and target plan. The company also assesses specific risks associated with each of its activities through its OHS management system.

Throughout 2017, ACCIONA worked on several initiatives aimed at ensuring the health and safety of the people who work in its different businesses, as well as in its supply chain. These measures include preventive measures such as the Health and Well-being Plan, the Road Safety Plan, and novel actions in the fields of training, communication and safety awareness based on conduct, among others.

ACCIONA consults and collaborates with the representative bodies so required by the different legislations in which it operates, such as the Health and Safety Committees in Spain, and uses other communication tools, such as suggestion boxes, in its different business lines.



MORE INFORMATION

in the sections on "Health and Safety" in the chapters "ACCIONA Energy's commitment" "ACCIONA Infrastructure's commitment" and "Other business' commitment".

The company understands that promoting health and safety goes beyond its own employees and extends to its stakeholders: suppliers, customers and its social setting. In this regard, ACCIONA develops programmes aimed at ensuring occupational risk prevention for its contractors and participates with government agencies in promoting safe and healthy environments in the areas where it operates.

EVOLUTION OF THE MAIN ACCIDENT INDICATORS

In 2017, a total of 2,515 accidents occurred involving employees of ACCIONA, 2,329 in Spain and 186 in international subsidiaries. Unfortunately, 4 of these accidents were fatal, three of them in Spain (Infrastructure) and one in Mexico (Energy).

FIGURE 4

Evolution of fatal accidents

(own employees)

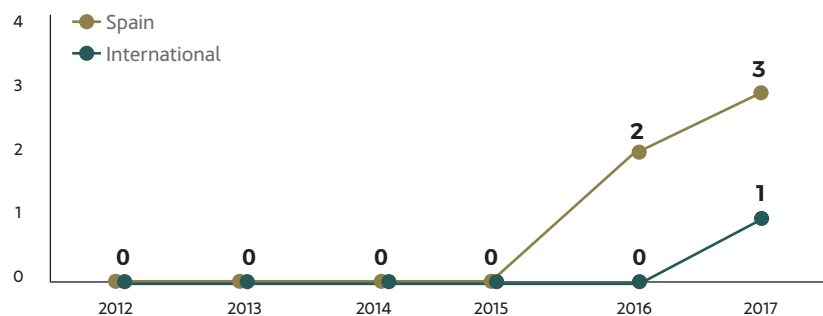
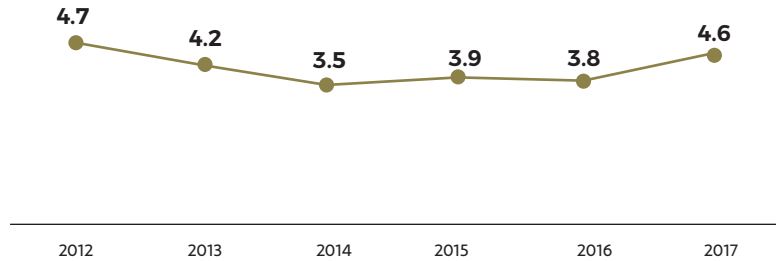


FIGURE 5

Accident frequency rate evolution

(own employees)

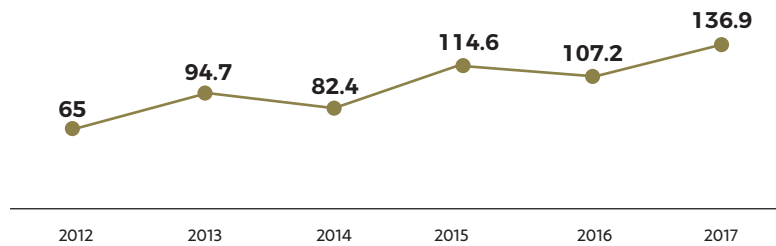


OHS - I. Frequency rate: (no. of accidents with work loss/hours worked) x 200,000.

FIGURE 6

Severity rate evolution

(own employees)



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

According to figure 5, the accident frequency rate and severity rate have risen in the past year. The objective for 2018 for ACCIONA is to reduce the frequency rate by 5 %, compared with 2017.

TABLE 15.

Evolution of accident rate indicators

(own employees)

	SEVERITY RATE ⁽¹⁾				FREQUENCY RATE ⁽²⁾			
	2014	2015	2016	2017	2014	2015	2016	2017
Energy	17.6	39.8	17.1	7.9	1.3	1.6	0.5	0.4
Infrastructure	84.6	120.7	111.2	147.3	3.6	4.3	4.0	4.9
Other businesses*	136.3	139	134.4	113.2	4.1	1.9	2.6	2.7
Corporate	0.5	0	0	0	0.5	0	0	0

(1) OHS - SR: (no. of days lost due to work accident/hours worked) x 200,000.

(2) OHS - FR: (no. of accidents with loss of work/hours worked) x 200,000.

* Includes Bestinver, Wineries, ACCIONA Inmobiliaria and Trasmediterranea.

The absenteeism rate has increased slightly. The following table shows a breakdown of 2017 data by business line and country. Values are calculated in a common and standardised way for all the countries where the company has significant activity under the international standard indicator.

TABLE 16.

Evolution of the employee absenteeism rate by business line

BUSINESS	2014	2015	2016	2017
Energy	0.10	0.16	0.07	0.84
Infrastructure	3.63	3.21	4.71	4.94
Other businesses*	3.13	4.42	4.67	4.65
Corporate	2.04	1.43	1.93	1.59
TOTAL	3.36	3.00	4.48	4.67

Note: Bestinver, Wineries, ACCIONA Inmobiliaria, Trasmediterranea

Absenteeism rate = (no. of days lost through absenteeism/no. of days worked) x 100

TABLE 17.

Evolution of the employee absenteeism rate per country

COUNTRY	2015	2016	2017
Australia	0.1150	0.0779	0.0002
Bolivia	0.0000	0.0000	0.0000
Brazil	0.1956	0.1139	0.0676
Canada	2.3036	3.6185	2.3286
Chile	0.7939	1.1999	1.0060
Spain	3.3717	5.4272	5.8670
Italy	2.1251	2.1642	1.2318
Mexico	0.4651	0.9126	1.1436
Peru	1.1298	1.6646	1.3369
Portugal	4.1972	5.6778	6.1158

Absenteeism rate = (no. of days lost through absenteeism/no. of days worked) x 100

Note: Absenteeism information is reported only for countries with activity in 2017 and with more than 150 direct FTE employees, since such information cannot be obtained directly and reliably in countries with inferior structures. The information given above accounts for 97.39 % of the total workforce.

ROAD SAFETY

In 2017, all divisions carried out actions to promote road safety and reduce accidents, encompassing not only accidents relating to vehicle traffic (on missions), but any type of cases that may occur when going to and from work (on route).

Training and awareness-raising initiatives were key tools in this effort. In 2017, road safety awareness-raising campaigns continued, carried out on the company's intranet with the monthly publication of a video giving advice and recommendations on safe driving. It should be noted that the employee and outsourcer bus service continues to run in the Madrid (Spain) Divisions Centre, which ensures a representative reduction in private transport.

“DRIVE SAFE, WORK SAFE” DAY

As part of the World Day for Safety and Health at Work, employees of the Madrid (Spain) head office were offered four simulator models whereby they could try out risk situations at the wheel, to show just how important it is to behave safely on the road. During sessions, trainers and road safety experts from RACE offered employees recommendations on safe driving techniques, as well as advice on how to keep the vehicle in the best possible condition at all times.

TABLE 18.

Evolution of on route accidents

(with and without work leave)

BUSINESS LINES	2014	2015	2016	2017
Energy	12	8	5	13
Infrastructure(*)	114	79	178	158
Other businesses (**)	4	3	10	2
Corporate	3	4	4	6
TOTAL	133	94	197	179

* Including Construction, Concessions, Water, Services and Industrial.

** Includes Bestinver, Wineries, ACCIONA Inmobiliaria and Trasmediterranea.

TABLE 19.

Evolution of accidents on missions

BUSINESS LINES	2014	2015	2016	2017
Energy	1	1	3	4
Infrastructure(*)	18	31	100	15
Other businesses (**)	0	0	0	0
Corporate	1	0	0	0
TOTAL	20	32	103	19

* Including Construction, Concessions, Water, Services and Industrial.

** Includes Bestinver, Wineries, ACCIONA Inmobiliaria and Trasmediterranea.

IN 2017, THERE
WAS A 9%
REDUCTION
IN ON ROUTE
ACCIDENTS
AND AN 85%
REDUCTION IN
ON MISSION
ACCIDENTS

HEALTH AND PREVENTION

ACCIONA promotes the health of its employees through regular medical examinations and campaigns for prevention and early detection of illnesses. It also monitors workers who travel abroad, providing preventive medical information for the destination country and immunisation where necessary. Similarly, in recent years ACCIONA has been increasing its links with private healthcare providers, which offer very competitive conditions.

TABLE 20.

Evolution of occupational illnesses rates

(own employees)

BUSINESS LINES	2014	2015	2016	2017
Energy	0.273	0.261	0	0
Infrastructure(*)	0.046	0.019	0.057	0.068
Other businesses (**)	0	0	0	0
Corporate	0	0	0	0
TOTAL	0.057	0.037	0.052	0.061

OHS – OI: (no. of cases of occupational illness/hours worked) x 200,000.

* Includes Construction, Concessions, Engineering, Agua, Services and Industrial.

** Includes Bestinver, Wineries, ACCIONA Inmobiliaria, Logistics and Transport, and Trasmediterranea.

Certain activities have been identified in several divisions that may cause occupational illnesses due to exposure to biological risk, overexertion, noise, silicosis and asbestosis. In all these cases, the necessary preventive medical actions have been assessed and performed in order to minimise or eliminate the risk (training, awareness raising, protective equipment, etc.). All workers exposed to such types of risk are monitored regularly.

HEALTH AND WELL-BEING PLAN

As part of its responsibility towards its workers, ACCIONA has implemented company-level strategies that invite workers to adopt healthy habits and reduce the occurrence of illnesses linked to lack of exercise. Below are some of the actions carried out over recent years:

- Healthy menus: implementation of wellness menus in canteens at company sites, providing more nutritional information and checking daily menus to assess nutritional balance.
- A healthy, balanced diet: raising dietary awareness through campaigns promoting healthy and balanced eating habits, fostering the "Mediterranean diet".
- Sports: promotion of physical exercise through awareness campaigns and encouraging participation in events such as fun runs, etc. In addition, changing and showering facilities have also been provided in the centres.
- Emotional control: inclusion of new campaigns promoting awareness and participation with a view to developing mindfulness tools.
- Analysis and study of biochemical and anthropometric data: collaboration with epidemiologists from the Pro CNIC Foundation to set up and monitor the progress of the Health and Well-being Plan.
- Healthy habits: collaboration with the Spanish Association Against Cancer (AECC, as per its Spanish acronym) to promote habits that improve health.

The Health and Well-being Plan, which is being developed across the company's different divisions, primarily includes activities aimed at raising awareness of healthy life habits, informing about ergonomics in the workplace and promoting physical activity. All of the plan's actions and messages are made available in several languages, in both online (banners, posts on Interacciona, emails) and offline (paper, posters, signs, etc.) formats. The platform is used to ensure that the messages reach the workers and also use the "Suppliers Newsletter" to reach the sphere of influence.

IMPROVEMENTS IN OHS MANAGEMENT AND SYSTEMS INTEGRATION

One of ACCIONA's values is the continuous improvement of the health and safety management at work systems. This will facilitate consolidation of the system in all countries, improving its efficiency, leveraging good practices and maximising the use of the tools available in different parts of the world.

OHSAS 18001 CERTIFICATIONS

In its commitment to go beyond the legal minimum in occupational risk prevention and occupational health issues, ACCIONA has achieved OHSAS 18001 certification in most of its businesses. This certification is internationally acknowledged as the standard for occupational health and safety management systems. In 2017, the certifications achieved during previous years, were maintained.

TABLE 21.

Evolution of the ACCIONA business certified OHSAS 18001

(own employees)

	2014	2015	2016	2017
% of ACCIONA business certified OHSAS 18001	95.87	94.60	95.76	95.59

TABLE 22.

OHSAS 18001 certifications by business line

BUSINESS LINE	% CERTIFIED ACTIVITY
Energy	100.00
Infrastructure	98.89
Construction	100.00
Concessions	100.00
Water	88.28
Services	100.00
Industrial	100.00
Other businesses*	9.05**
Corporate	100.00

* Includes Bestinver, Bodegas, ACCIONA Inmobiliaria, Logistics and Transport, and Trasmediterranea.

** The percentage of certification without considering the 150 FTEs would be: 76 % in Wineries, 96.37 % in Bestinver, 0 % in Wineries, and 90 % in Trasmediterranea.

ACCIONA
HAS SET ITSELF
THE TARGET
OF REDUCING
THE FREQUENCY
RATE
BY 15%
IN 2020
COMPARED
TO 2015

HEALTH AND SAFETY TARGETS AS PART OF EMPLOYEE PERFORMANCE EVALUATIONS

One of the established performance evaluation criteria among ACCIONA's different divisions is compliance with the OHS targets defined in the SMP 2020. Specifically, the occupational health and safety target set for the group is to reduce the accident frequency rate by 5 % compared to 2017. Achieving this, together with other goals related to people management, accounts for a percentage of employees' variable remuneration. To achieve this overall target by the year 2020, the divisions establish annual objectives, which are set at the start of the year and reviewed on a monthly basis. These have a direct impact on the bonuses earned by all employees.

WORKER PARTICIPATION

The 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 participation in occupational risk prevention efforts. Work centres also receive visits and are informed about accidents, safety inspections, workers' complaints, risk assessments and other activities of the Prevention Department. The percentage of employees represented by formal health and safety committees exceeds 99 %.

Some of the divisions have email accounts or suggestions boxes where workers can communicate their doubts, suggestions and concerns on health and safety.

Personnel from collaborating firms 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

Training plays a key role in the management of employees in all of the company's divisions. For this reason all of the divisions incorporate training and awareness-raising programmes in their annual plan as well as occupational risk prevention and safety training requirements. ACCIONA also has internal communication mechanisms that are key to preventing accidents and preserving the health and safety of employees. The most widely used communication tools are the Interacciona Intranet, newsletters, email, suggestion boxes, communications through signs or via payroll and specific actions in the work centres.

TABLE 23.

OHS training 2017

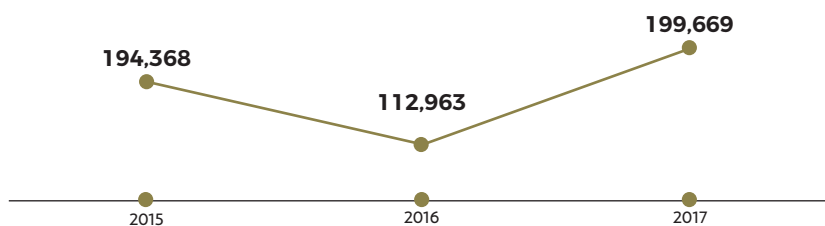
(Corporate University)

	Nº. OF HOURS	Nº. OF EMPLOYEES	Nº. OF OHS HOURS PER EMPLOYEE/YEAR
Energy	26,423	1,631	16.20
Infrastructure*	170,774	33,710	5.07
Other businesses**	2,472	2,062	1.20
TOTAL	199,669	37,403	5.34

(*) Includes Construction, Agua, Services and Engineering.

(**) Includes Corporación ACCIONA S. A., Wineries, and Trasmediterranea.

FIGURE 7

Evolution of the total number of training hours on OHS**EXTENSION OF THE PREVENTION COMMITMENT TO THE SUPPLY CHAIN**

One of ACCIONA's goals is to extend its culture and commitment in relation to health and safety to its entire supply chain. In this regard, the company tracks accident rates in the supply chains of its divisions. In general, there is full participation from contractors or subcontractors and suppliers in almost all prevention 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.).

Some of the initiatives relating to occupational health and safety regarding suppliers in 2017 are:

- Dissemination of health and safety information to the supply chain through the publication of newsletters and safety alerts.
- Regular business activity coordination meetings.
- Publication of business activity coordination compliance reports with economic repercussions for suppliers in cases of non-compliance.
- Preventive training in specific emergency protocols.

TABLE 24

Evolution of accident indicators for contractors

	SEVERITY RATE ¹				FREQUENCY RATE ²			
	2014	2015	2016	2017	2014	2015	2016	2017
Energy	30.5	55	46.7	3.6	1.8	1.6	1.9	1.1
Infrastructure	54.9	19.7	29.5	19.2	2.7	1.7	1.9	0.9
Other businesses (*)	125.3	0	0	0	2.2	0	0	0
Corporate	5.2	0	5.8	0	0.9	0	0.4	0
TOTAL	50.4	23.4	31.2	18.1	2.5	1.7	1.9	0.9

(1) OHS - SR: (no. of days lost due to work accident/hours worked) x 200,000.

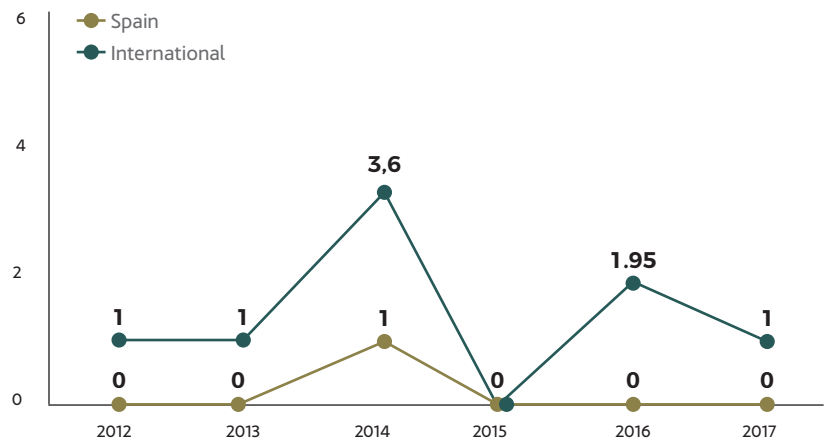
(2) OHS - FR: (no. of accidents with loss of work/hours worked) x 200,000.

* Includes Bestinver, Grupo Bodegas Palacio 1894, ACCIONA Inmobiliaria, Logistics and Transport and Trasmediterranea.

FIGURE 8

Evolution of fatal accidents involving temporary JV (% participation) and contractor workers

(Spain and international)



In 2017, the fatal accident happened in Ecuador (Infrastructure)

SUPPLY CHAIN TRAINING AND COMMUNICATION

The Emergency Plan defined by ACCIONA in its work centres establishes occupational health and safety prevention actions involving both company employees and contractor and supplier personnel. Specifically, it involves theoretical and practical emergency and first-aid training actions.

The company provides OHS training and informational materials through its supplier communication channel. Not only does this improve the health and safety of the supply chain, but it also facilitates responses to self-assessment questionnaires, specifically those on safe and healthy workplaces, labour legislation, documented occupational risk management, etc.

Similarly, the company continues to disseminate good practices through the publication of four bilingual (Spanish and English) editions of the Quarterly OHS Bulletin for suppliers of all its divisions. In 2017, which saw the publication of the 22nd edition, the Bulletin was sent to more than 50,000 supplier email addresses (more than 18,000 single-source) and more than 3,000 ACCIONA employees. The Bulletin's international circulation, as well as the number of people receiving OHS tips, experiences and lessons learned, increases year by year. In 2017, suppliers were notified of various health and safety improvement plans related to their certification processes²⁴ in order to help them correct, prevent and/or mitigate their exposure to risk and improve their incidence rates.

THE EMERGENCY
PLAN HELPS
PREVENT
OCCUPATIONAL
RISKS
THROUGH BOTH
THEORETICAL
AND PRACTICAL
TRAINING

(24) See the Value Chain chapter for more information about the supplier certification process.