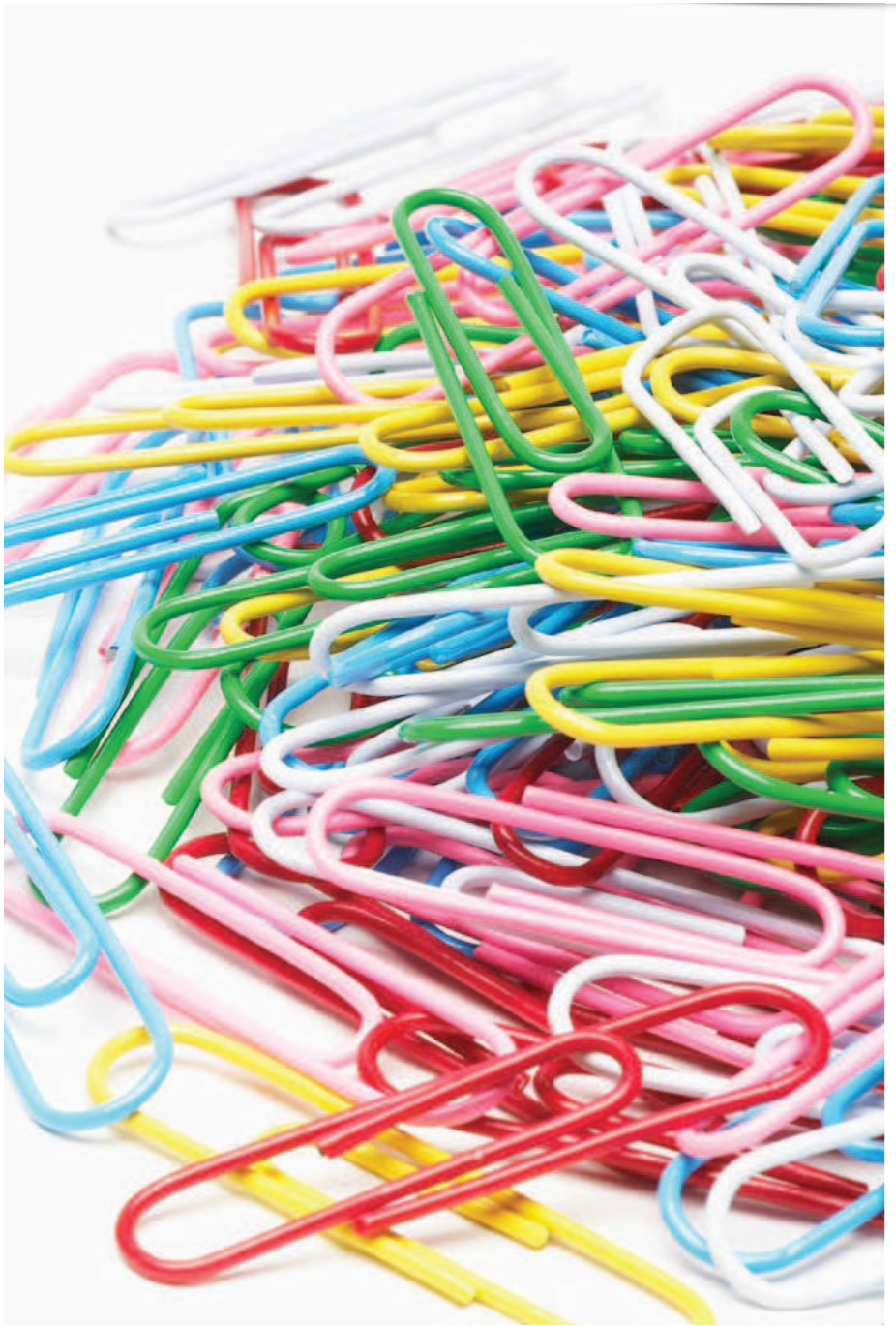
# 09
# Appendices



*G4-EC1, ID1, ID2, ID3, ID4*

# Appendix A
## Economic dimension

### Taxes paid to public administrative bodies by country

| Country (€'000) | 2014 | 2013 |
|---|---|---|
| Spain | 93,592.6 | 71,264.0 |
| Peru | 30,392.3 | 8,252.4 |
| Mexico | 26,566.8 | (9,562.3) |
| Brazil | 25,377.2 | 16,115.0 |
| United States | 23,667.1 | 45,847.8 |
| Uruguay | 17,277.1 | 14,415.3 |
| Chile | 15,686.9 | 11,975.3 |
| France | 14,697.4 | 9,453.7 |
| Poland | 4,339.8 | 26,271.7 |
| India | 3,228.2 | 2,616.4 |
| Algeria | 3,062.6 | 2,366.2 |
| Argentina | 2,299.1 | 4,578.4 |
| Israel | 2,048.9 | 1,506.5 |
| Morocco | 1,421.8 | 4,700.8 |
| Colombia | 1,374.9 | 35.0 |
| Netherlands | (12,788.7) | (9,536.8) |
| South Africa | (17,280.1) | (34,736.3) |
| Resto | 2,463.7 | 3,039.1 |
| | **237,427.5** | **168,602.2** |

Of all taxes paid in 2014, 48.99% related to personal income tax for employees withheld by group companies and paid to the tax authorities. A total of 37.19% related to other taxes, charges and levies.

### R&D and innovation

| | 2014 | 2013 | 2012 |
|---|---|---|---|
| Investment in R&D and innovation (€M) | 597.8 | 426 | 85.7 |
| Number of R&D and innovation-dedicated employees | 822 | 781 | 737 |
| Patents granted and applied for | 312 | 261 | 200 |
| R&D and innovation investment effort (%) (Investment in R&D/ Revenues)*100 | 8.1 | 5.8 | 1.35 |

*G4- EC9*

## Purchasing from local suppliers by country

| Country | % purchases from local suppliers 2014 | % purchases from local suppliers 2013 | % purchases from local suppliers 2012 |
|---|---|---|---|
| Algeria | 32 | 28 | 37 |
| Argentina | 98 | 80 | 88 |
| Australia | 79 | 83 | 87 |
| Belgium | 61 | – | – |
| Brazil | 95 | 97 | 72 |
| Chile | 31 | 83 | 94 |
| China | 96 | 88 | 86 |
| Colombia | 84 | 100 | 99 |
| Costa Rica | 20 | 31 | 99 |
| Cyprus | 0 | 100 | 100 |
| France | 85 | 88 | 56 |
| Germany | 100 | 97 | 99 |
| Ghana | 40 | 26 | – |
| Greece | 100 | 100 | 100 |
| India | 65 | 9 | 22 |
| Israel | 51 | 98 | 100 |
| Italy | 100 | 100 | 100 |
| Japan | 94 | – | – |
| Kenya | 64 | 0 | – |
| Luxembourg | 100 | 0 | – |
| Mexico | 59 | 85 | 73 |

| Country | % purchases from local suppliers 2014 | % purchases from local suppliers 2013 | % purchases from local suppliers 2012 |
|---|---|---|---|
| Morocco | 69 | 57 | 45 |
| Nepal | 2 | 31 | – |
| Netherlands | 82 | 74 | 70 |
| Nicaragua | 100 | 3 | 59 |
| Oman | 12 | 68 | – |
| Peru | 93 | 83 | 95 |
| Poland | 55 | 25 | 15 |
| Saudi Arabia | 61 | 40 | 90 |
| Singapore | 100 | – | – |
| South Africa | 67 | 30 | 87 |
| South Korea | 100 | – | – |
| Spain | 81 | 78 | 82 |
| Sri Lanka | 100 | – | – |
| Switzerland | 10 | – | – |
| Turkey | 4 | 1 | 100 |
| UAE | 83 | 56 | 58 |
| Ukraine | 10 | 0 | – |
| United Kingdom | 99 | 100 | 100 |
| Uruguay | 79 | 79 | 82 |
| US | 78 | 86 | 91 |

G4-EN4

# Appendix B
# Environmental dimension

## Indirect consumption of energy

**Indirect consumption of energy based on primary sources (GJ)**

| | | 2014 | 2013 | 2012 |
|---|---|---|---|---|
| Renewable primary sources | Hydroelectricity | 405,377 | 411,230 | 343,350 |
| | Wind | 295,094 | 292,041 | 202,462 |
| | Biomass | 277,960 | 284,429 | 169,112 |
| | Photovoltaic | 44,188 | 43,292 | 27,148 |
| | Thermosolar | 7,601 | 7,434 | 341 |
| | Geothermal | 6,004 | 6,177 | 5,622 |
| | Tidal Energy | 175 | 177 | 169 |
| Non-renewable primary sources | Coal | 3,629,205 | 3,723,228 | 3,135,980 |
| | Nuclear | 2,269,845 | 2,274,715 | 1,922,191 |
| | Gas | 1,909,983 | 1,942,555 | 1,835,860 |
| | Fuel Oil | 287,420 | 284,852 | 330,911 |
| | Waste | 17,868 | 19,067 | 16,493 |

G4-10

# Appendix C
## Social dimension

### Percentage change in number of employees by region

| Percentage change in number of employees by region | 2014 | 2013 | 2012 |
|---|---|---|---|
| Spain | 2.72 | (1.92) | 3.36 |
| Europe | 20.45 | 7.23 | 10.08 |
| US | 18.58 | 27.24 | 19.90 |
| Latin America | (9.11) | 0.47 | 31.78 |
| Africa | (6.71) | 106.49 | (10.79) |
| Asia | 54.04 | 27.80 | 52.53 |
| Oceania | (55.56) | 157.14 | 133.33 |

### Number of Abengoa employees by country in 2014

| Country | Number of employees |
|---|---|
| Spain | 6,871 |
| Brazil | 4,558 |
| Peru | 3,892 |
| US | 1,800 |
| Uruguay | 1,689 |
| Mexico | 1,461 |
| Chile | 1,226 |
| India | 739 |
| Poland | 280 |
| Argentina | 230 |
| South Africa | 226 |
| Morocco | 215 |
| Algeria | 189 |
| Colombia | 163 |
| Israel | 152 |
| France | 108 |
| China | 104 |
| Holland | 89 |
| Costa Rica | 88 |
| Saudi Arabia | 66 |
| United Arab Emirates | 47 |
| United Kingdom | 18 |
| Turkey | 17 |
| Ukraine | 16 |
| Ghana | 12 |
| Kenya | 11 |
| Singapore | 9 |
| Australia | 8 |
| Oman | 7 |
| Germany | 4 |
| Guatemala | 3 |
| Denmark | 2 |
| Italy | 2 |
| Nicaragua | 2 |
| Korea | 1 |
| Kuwait | 1 |

*G4-10, G4-EC6*

## Abengoa workforce gender distribution by region

| | | Men | | | Women | | | Total | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Category** | **Group** | **2014** | **2013** | **2012** | **2014** | **2013** | **2012** | **2014** | **2013** | **2012** |
| Location | Spain | 5,105 | 4,950 | 5,184 | 1,766 | 1,739 | 1,636 | 6,871 | 6,689 | 6820 |
| | Europe | 381 | 310 | 281 | 155 | 135 | 134 | 536 | 445 | 415 |
| | US | 1,472 | 1,148 | 892 | 328 | 370 | 301 | 1,800 | 1,518 | 1193 |
| | Latin America | 11,719 | 13,199 | 13,340 | 1,593 | 1,448 | 1,239 | 13,312 | 14,647 | 14579 |
| | Africa | 546 | 629 | 290 | 107 | 71 | 49 | 653 | 700 | 339 |
| | Asia | 1,007 | 618 | 494 | 119 | 113 | 78 | 1,126 | 731 | 572 |
| | Oceania | 7 | 13 | 4 | 1 | 5 | 3 | 8 | 18 | 7 |

## Locally-based managers vs. total managers by region

| | 2014 | | | 2013 | | | 2012 | | |
|---|---|---|---|---|---|---|---|---|---|
| **Region** | **Total managers** | **Locally-based managers** | **% of locally-based managers** | **Total managers** | **Locally-based managers** | **% of locally-based managers** | **Total managers** | **Locally-based managers** | **% of locally-based managers** |
| Africa | 8 | 6 | 75.00 | 11 | 11 | 100.00 | 7 | 6 | 85.71 |
| Asia-Pacific | 14 | 12 | 85.71 | 20 | 17 | 85.00 | 15 | 12 | 80.00 |
| Spain | 321 | 303 | 94.39 | 360 | 333 | 92.50 | 357 | 317 | 88.80 |
| Latin America | 138 | 115 | 83.33 | 107 | 89 | 83.18 | 146 | 113 | 77.40 |
| US | 69 | 50 | 72.46 | 69 | 48 | 69.57 | 55 | 37 | 67.27 |
| Rest of Europe | 18 | 17 | 94.44 | 14 | 12 | 85.71 | 16 | 16 | 100.00 |

*G4-LA1, G4-LA6*

## Critical staff turnover by region and change

| Region | 2014 | 2013 (%) | 2012 (%) |
|---|---|---|---|
| Spain | 1.13 % | 0.63 | 0.64 |
| Europe | 0.51 % | 0.24 | 0.6 |
| US | 1.22 % | 1.32 | 0.97 |
| Latin America | 0.45 % | 0.82 | 0.37 |
| Africa | 0.74 % | 0.82 | 0.5 |
| Asia-Pacific | 0.89 % | 0 | 0 |

## Staff contracting by region

| Region | 2014 |
|---|---|
| Spain | 10.81 % |
| Europe | 9.64 % |
| US | 24.84 % |
| Latin America | 16.63 % |
| Africa | 35.03 % |
| Asia-Pacific | 20.93 % |

## Absenteeism by region

| Region | Total absenteeism 2014 (%) | Total absenteeism 2013 (%) | Total absenteeism 2012 (%) |
|---|---|---|---|
| Africa | 1.62 | 2.70 | 1.44 |
| Asia-Pacific | 5.30 | 2.30 | 2.95 |
| Spain | 2.26 | 2.05 | 2.03 |
| Europe | 2.97 | 2.76 | 3.12 |
| Latin America | 2.15 | 2.86 | 2.55 |
| US | 3.52 | 4.44 | 3.12 |

## Abengoa communication channels with its social partners

**From Abengoa to suppliers:**

- Corporate website.
- Structured process for measuring supplier efficiency.
- Tool from the security management system.
- Periodic visits paid to suppliers.
- Annual report.
- Social networks.

**From suppliers to Abengoa:**

- Satisfaction surveys.
- Structured process for receiving information and opinions from suppliers.
- Abengoa Easy Management (AEM) computer application to manage company decision-making and action plans.
- Tool from the security management system.
- Stakeholder mailbox.
- External whistleblower channel.
- Opinion poll from the Annual Report.
- Interviews.
- CSR mailbox.
- Social networks.

**From Abengoa to society:**

- Corporate website.
- Annual report.
- Website of the Focus-Abengoa Foundation.
- Press releases.
- Corporate Social Responsibility Department.
- Meetings with NGOs and educational institutions.
- Open days.
- Trade shows, forums and conferences.
- Corporate blog.
- Social networks.

**From society to Abengoa:**

- Press releases.
- Communication Department.
- Corporate Social Responsibility Department.
- Meetings with NGOs, the press and educational institutions.
- Open days.
- Trade shows, forums and conferences.
- Stakeholder mailbox.
- Corporate blog.
- CSR mailbox.
- External whistleblower channel.
- Opinion poll from the Annual Report.
- Opinion poll.
- Interviews.
- Social networks.

**From Abengoa to the local community:**

- Corporate website.
- Annual report.
- Website of the Focus-Abengoa Foundation.
- Press releases.
- Corporate Social Responsibility Department.
- Meetings with NGOs and educational institutions.
- Open days.
- Trade shows, forums and conferences.
- Corporate blog.
- Social networks.

**From the local community to Abengoa:**

- Communication Department.
- Corporate Social Responsibility Department.
- Meetings with NGOs and educational institutions.
- Open days.
- Trade shows, forums and conferences.
- Corporate blog.
- CSR mailbox.
- Assessment of beneficiaries of social programs and initiatives.
- External whistleblower channel.
- Opinion poll from the Annual Report.
- Interviews.
- Stakeholder mailbox.
- Social networks.

**From Abengoa to clients:**

- Corporate website.
- Focus groups with customers.
- Tool from the security management system.
- Publicity and marketing.
- Trade shows, forums and conferences.
- Periodic visits paid to customers.
- Annual report.
- Social networks.

**From clients to Abengoa:**

- Focus groups with customers.
- Satisfaction surveys.
- IT troubleshooting application.
- Abengoa Easy Management (AEM) computer application to manage company decision-making and action plans.
- Various tools from the security management system.
- Stakeholder mailbox.
- CSR mailbox.
- Training sessions on products.
- External whistleblower channel.
- Opinion poll from the Annual Report.
- Interviews.
- Social networks.

*G4-DMA, G4-4*

## Products and services offered by the company in 2014

| | | Sector | | | | | |
|---|---|---|---|---|---|---|---|
| | | Energy | | | | Environment | Other |
| Areas of activity | Renewables. | Conventional power generation. | Transmission & distribution. | Energy storage systems. | Bioenergy. | Water. | |
| | Engineering and construction. | Solar thermal plants (power tower, parabolic trough, photovoltaic and integrated solar-gas). | Combined cycles. | AC [3] and DC [3] power transmission lines. | Electricity and heat storage systems. | First- and second-generation biofuel production plants, and waste to biofuel (W2B). | Desalination plants. | Rail electrification. |
| | | Wind farms. | Cogeneration plants. | Electrical substations. | | | Water treatment and reuse plants. | Telecommunications, electrical and mechanical installations, industrial plants, custom buildings, marketing and auxiliary production. |
| | | Hydro power plants. | Other thermal power plants. | | | | Water transportation and distribution (pipelines, aqueducts, etc.). | |
| | Infrastructure under concession. | Power generation at solar thermal plants (power tower, parabolic trough and photovoltaic, integrated solar-gas). | Electrical power generation at cogeneration plants (heat + steam). | [2] O&M of large-scale AC [3] and DC [3] power transmission systems (transmission lines and substations). | Management of electricity and heat storage systems. | | Production of drinking water and water for industrial use through seawater and brackish water desalination. | Custom buildings (hospitals, jails, cultural centers, courthouses). |
| | | Power generation at wind farms. | | | | | Management of hydro resources in drainage basins. | |
| | | Power generation at hydro power plants. | | | | | Treatment, purification and regeneration of industrial and municipal wastewater. | |
| | | | | | | | Water purification fit for human consumption. | |

| | | Sector | | |
|---|---|---|---|---|
| | | Energy | Environment | Other |
| | Industrial production | Marketing and sale of components for solar plants, O&M [2] equipment and industrial applications | Production of biofuels and bioproducts from: biomass (grains and vegetable oils, among others) and cellulosic biomass. | Production of sugar by grinding sugar cane. |
| | | Solar energy-based industrial applications | Production of DGS for animal feeds. | |

| Technology | Licensing [1] of proprietary technology to third parties |
|---|---|

(1) Licensing means the technology in question continues to be owned by the company but a third party is granted the right to use it under specific terms and conditions.
(2) Operation and maintenance.
(3) Alternating current and direct current.

## Product and service labeling

| Products | | | Description | Information required |
|---|---|---|---|---|
| Technological equipment | | | | EC Declaration of Conformity and EC labeling. [1] |
| Biofuel production | Products based on labeling | Bioethanol | European product | Information on product safety and quality specifications, as well as degree of sustainability of both product and the raw materials used to make it.<br>Safety sheet and consignment note. [2]<br>Sustainability declaration. [3] |
| | | DDGS | Product shipped bulk | Information on the shipper and head of sales, authorized manufacturer registration number, technical name of the product, GMO declaration (genetically modified organism), product content of protein, fat, fiber and humidity (as a percentage) and batch traceability. Guaranteed quality systems for the processes used to manufacture the product. |
| | | Sugar | Product produced at bioethanol plants in Brazil | Laboratory analysis showing compliance with contractually agreed specifications: polarization, color, humidity and cash, as well as the invoice showing the volume transported and its cost. |

(1) For products shipped by Abengoa within the European Union.
(2) Container identification is carried out in accordance with the ADR (European Agreement Concerning the International Carriage of Dangerous Goods by Road), or the RID, in the case of rail carriage.
(3) The sustainability declaration states the origin of the raw materials, as well as greenhouse gas savings values and the traceability systems used from raw material through to bioethanol, among others aspects.

*G4-SO2*

## Negative impacts detected and measures taken in response in 2014

| Project | Asset type | Country | Activity with real or potential negative impact | Action carried out to prevent or mitigate the negative impact | Affected parties |
|---|---|---|---|---|---|
| Nacozari - Hermosillo 5 | Power transmission line. | Mexico | Ecological impact of exploring forest areas during the power line construction phase. | Program to rescue flora and fauna during construction. After carefully monitoring all the species previously identified, the survival rate stands at over 70 %. | Flora and fauna of the area where the line is constructed. |
| Porto Velho - Araraquara | Power transmission line. | Brazil | Ecological impact of exploring forest areas during the power line construction phase. | Use of new, more sustainable techniques to help protect the environment in forested areas. By modernizing and applying these techniques, which include the use of native forest species, Abengoa's business has become considerably more sustainable. | Flora and fauna of the area where the line is constructed. |
| Solaben 1,3,4 and 6 | Solar thermal plant featuring parabolic trough technology. | Spain | Visual impact due to the chromatic distortion between the plant equipment and the natural environment. | Visual impact reduced through reforestation actions: plant screen set up and trees planted between the ridge and the enclosure. The work was completed in 2014 and maintenance work is ongoing (pruning, watering, etc.). If it proves necessary, areas in which the planting was not successful will be repopulated in 2015. | Local community. |
| Solana | Solar thermal plant featuring parabolic trough technology. | United States | Visibility reduced on the road adjacent to the site due to the dust generated from the plant life having been cleared from the land. | The company plans to acquire a water truck to spray the ground and prevent the dust from rising. This action is part of a control plan implemented to comply with air quality control regulations. The plan has been approved by the Department of Air Quality Control for Maricopa County. | Community neighboring the plant and local traffic. |
| | | | Reflected light from certain mirrors. The reflection is visible from the closest road when the mirrors are pointed east at dawn. | It was decided to keep the problem mirrors at a different position until 11:00 am, by which time the sun is sufficiently high in the sky to prevent any dazzling. | |
| Solacor | Solar thermal plant featuring parabolic trough technology. | Spain | Access to the platform crosses a 600-meter stretch of the highway service road and this road is commonly used by the local community as a walking area. Due to the increased traffic, the risk of people getting run over is higher and the road surface will deteriorate more quickly. | Actions undertaken by the local government (access and signposting improved). | Local residents. |
| Palmatir | Wind technology. | Uruguay | Visual impact of the Palmatir wind farm. | Visit paid to the rural school lying close to the site to explain to students important aspects relating to the construction and installation of the wind turbines in the areas close to the school and the benefits of wind power. | College close to the site. |

| | | | | | |
|---|---|---|---|---|---|
| M05-ATE XVII Transmissora de Energia S/A  | Power transmission line. | Brazil | Opening of the service road and right of way over the private properties expropriated to build the transmission line. | The developer has conducted an environmental study in relation to the affected forest areas (flora and fauna); provided compensation to the owners of the expropriated properties; requested and will continue to request authorization to access the expropriated properties; and will regularly report to the local community and residents of the site access roads on the work being carried out. | Rural communities<br>Quilombo communities |
| M05-ATE XVII Transmissora de Energia S/A  | Power transmission line. | Brazil | Productive area of the affected properties (including the local community and private owners) reduced due to the expropriation of their land. | Information shared with the affected communities and owners on the activities that can be carried out on the land subject to the right of way through a social communication program. Actions also undertaken to raise local awareness of the project and the compensation that may be paid for the properties affected by the service roads and right of way. | Rural communities<br>Quilombo communities |
| M05-ATE XVII Transmissora de Energia S/A  | Power transmission line. | Brazil | Expropriation of land used for production and improvement work (private owners), as well as places of historical, cultural, archaeological, speleological and paleontological interest. | Actions undertaken to raise awareness of the project and of the compensation payable for the expropriated land (by analyzing the productive and improvement areas expropriated in each property); alternative routes for the transmission line also analyzed to avoid having to expropriate areas of historical, cultural, archaeological, speleological and paleontological interest. In addition to raising awareness, dialog is maintained with residents through the social communication program. | Rural communities<br>Quilombo communities |
| M05-ATE XVII Transmissora de Energia S/A  | Power transmission line. | Brazil | Vehicle traffic (equipment and project partners). | The developer shall provide training for drivers, set up signposts and speed checks for site vehicles, and also offer training on occupational risk prevention for its own personnel and subcontractors. The developer will also inform the communities located along the access routes of the safety measures in place and of how they can contact the developer. | Rural communities<br>Quilombo communities |
| M06-ATE XVI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Vehicle traffic (equipment and project partners). | The developer shall provide training for drivers, set up signposts and speed checks for site vehicles, and also offer training on occupational risk prevention for its own personnel and subcontractors. The developer will also inform the communities located along the access routes of the safety measures in place and of how they can contact the developer. | Comunidades rurales<br>Comunidades Quilombolas<br>Projetos de asentamiento rural |
| M06-ATE XVI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Productive area of the affected properties (including the local community and private owners) reduced due to the expropriation of their land. | Information shared with the affected communities and owners on the activities that can be carried out on the land subject to the right of way through a social communication program. Actions also undertaken to raise local awareness of the project and the compensation that may be paid for the properties affected by the service roads and right of way. | Rural communities<br>Quilombo communities<br>Rural settlement projects |

| | | | | | |
|---|---|---|---|---|---|
| M06-ATE XVI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Expropriation of land used for production and improvement work (private owners), as well as places of historical, cultural, archaeological, speleological and paleontological interest. | Actions undertaken to raise awareness of the project and of the compensation payable for the expropriated land (by analyzing the productive and improvement areas expropriated in each property); alternative routes for the transmission line also analyzed to avoid having to expropriate areas of historical, cultural, archaeological, speleological and paleontological interest. In addition to raising awareness, dialog is maintained with residents through the social communication program. | Rural communities<br>Quilombo communities<br>Rural settlement projects |
| M06-ATE XVI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Increase in the local population due to the arrival of workers. | The developer must roll out measures to provide compensation and correct the situation, such as the Municipal Infrastructure Support Program and the Malaria and Health Program. It shall also ensure that the area has basic health and prevention services in place. | Rural communities<br>Quilombo communities<br>Rural settlement projects |
| M06-ATE XVI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Opening of the service road and right of way over the private properties expropriated to build the transmission line. | The developer has conducted an environmental study in relation to the affected forest areas (flora and fauna); provided compensation to the owners of the expropriated properties; requested and will continue to request authorization to access the expropriated properties; and will regularly report to the local community and residents of the site access roads on the work being carried out. | Rural communities<br>Quilombo communities<br>Rural settlement projects |
| M06-ATE XVI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Risk of false expectations and interference in the daily lives of the surrounding communities and of the affected municipalities. | The developer shall use the two channels of communication included in the social communication program to report and liaise with the local communities and residents when necessary, and provide important information so as not to generate false expectations, confusion, or a general lack of information. A communication channel will also be made available to defend their rights. | Rural communities<br>Quilombo communities<br>Rural settlement projects |
| M08-ATE XIX Transmissora de Energia S.A  | Power transmission line. | Brazil | Expropriation of land used for production and improvement work (private owners), as well as places of historical, cultural, archaeological, speleological and paleontological interest. | Actions undertaken to raise awareness of the project and of the compensation payable for the expropriated land (by analyzing the productive and improvement areas expropriated in each property); alternative routes for the transmission line also analyzed to avoid having to expropriate areas of historical, cultural, archaeological, speleological and paleontological interest. In addition to raising awareness, dialog is maintained with residents through the social communication program. | Rural communities.<br>Quilombo communities.<br>Indigenous land. |
| M08-ATE XIX Transmissora de Energia S.A  | Power transmission line. | Brazil | Service area and right of way set up on the private land taken over by the transmission line. | The developer has conducted an environmental study in relation to the affected forest areas (flora and fauna); provided compensation to the owners of the expropriated properties; requested and will continue to request authorization to access the expropriated properties; and will regularly report to the local community and residents of the site access roads on the work being carried out. | Rural communities.<br>Quilombo communities.<br>Indigenous land. |

| | | | | | |
|---|---|---|---|---|---|
| M53-ATE XX Transmissora de Energia S.A  | Power transmission line. | Brazil | Expropriation of land used for production and improvement work (private owners), as well as places of historical, cultural, archaeological, speleological and paleontological interest. | Actions undertaken to raise awareness of the project and of the compensation payable for the expropriated land (by analyzing the productive and improvement areas expropriated in each property); alternative routes for the transmission line also analyzed to avoid having to expropriate areas of historical, cultural, archaeological, speleological and paleontological interest. In addition to raising awareness, dialog is maintained with residents through the social communication program. | Rural communities.<br>Districts.<br>Municipal urban area. |
| M53-ATE XX Transmissora de Energia S.A  | Power transmission line. | Brazil | Opening of the service road and right of way over the private properties expropriated to build the transmission line. | The developer has conducted an environmental study in relation to the affected forest areas (flora and fauna); provided compensation to the owners of the expropriated properties; requested and will continue to request authorization to access the expropriated properties; and will regularly report to the local community and residents of the site access roads on the work being carried out. | Rural communities.<br>Districts.<br>Municipal urban area. |
| M53-ATE XX Transmissora de Energia S.A  | Power transmission line. | Brazil | Vehicle traffic (equipment and project partners). | The developer shall provide training for drivers, set up signposts and speed checks for site vehicles, and also offer training on occupational risk prevention for its own personnel and subcontractors. The developer will also inform the communities located along the access routes of the safety measures in place and of how they can contact the developer. | Rural communities.<br>Districts.<br>Municipal urban area. |
| M53-ATE XX Transmissora de Energia S.A  | Power transmission line. | Brazil | Opening and increased use of the main and neighboring roads providing access to the transmission towers and the work sites. | The opening and maintenance of the access routes to the towers must be signposted and communicated to the communities and the neighboring population before the work gets under way. While the work is being carried out, the access routes must also be signposted with warning signs of the work on the roads, among other measures. Access to the routes under construction must be prohibited and warning signs erected. Speed checks for construction vehicles will also be set up and training provided on occupational risk prevention. | Rural communities.<br>Districts.<br>Municipal urban area. |
| M54-ATE XXI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Expropriation of land used for production and improvement work (private owners), as well as places of historical, cultural, archaeological, speleological and paleontological interest. | Actions undertaken to raise awareness of the project and of the compensation payable for the expropriated land (by analyzing the productive and improvement areas expropriated in each property); alternative routes for the transmission line also analyzed to avoid having to expropriate areas of historical, cultural, archaeological, speleological and paleontological interest. In addition to raising awareness, dialog is maintained with residents through the social communication program. | Rural communities |
| M54-ATE XXI Transmissora de Energia S.A.4  | Power transmission line. | Brazil | Vehicle traffic (equipment and project partners). | The developer shall provide training for drivers, set up signposts and speed checks for site vehicles, and also offer training on occupational risk prevention for its own personnel and subcontractors. The developer will also inform the communities located along the access routes of the safety measures in place and of how they can contact the developer. | Rural communities |

| | | | | | |
|---|---|---|---|---|---|
| M54-ATE XXI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Operation and maintenance of the service area and right of way for the transmission line and substation. | The developer must provide information on the maintenance services and allow owners access to the expropriated properties. The neighboring communities must also be warned in advance.<br>The local population of the neighboring communities must be given guidance and information on the associated risks and prohibited activities; on the functioning of the transmission line and on the need to carry out maintenance on the service roads and right of way for the transmission line and substations. A toll-free contact number must also be provided. | Rural communities |
| M54-ATE XXI Transmissora de Energia S.A.  | Power transmission line. | Brazil | Opening and increased use of the main and neighboring roads providing access to the transmission towers and the work sites. | The opening and maintenance of the access routes to the towers must be signposted and communicated to the communities and the neighboring population before the work gets under way. While the work is being carried out, the access routes must also be signposted with warning signs of the work on the roads, among other measures. Access to the routes under construction must be prohibited and warning signs erected. Speed checks for construction vehicles will also be set up and training provided on occupational risk prevention. | Rural communities |
| Abent 3T  | Combined cycle plant | Mexico | Land use changed from agricultural to industrial. | Commitment proyect 2017.<br>Reforestation plan.<br>Clearing of forest and plant species present before the work got under way. Three trees then planted for every one cut down.<br>The area to be reforested lies to the north of the site and spans 1.49 ha. | Rural communities |

# Appendix D
# Green Bond

## Fund allocation indicators (Table 1)

| | |
|---|---|
| **Funds obtained from the issuance of the Green Bond by Abengoa Greenfield, S.A.** (1) | **496.1** |

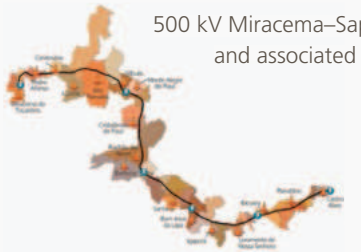
**Use of funds as of December 31, 2014**

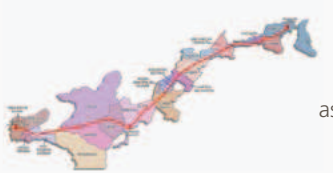
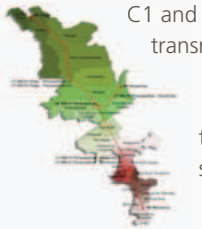
| Asset type | Asset category | Companies receiving funds (4) | Total amount of funds allocated in €M (2) |
|---|---|---|---|
| Power transmission | Electric transmission lines | ATE XVI Transmissora de Energía S.A. | 200.1 |
| Power transmission | Electric transmission lines | ATE XVII Transmissora de Energía S.A. | 62.6 |
| Power transmission | Electric transmission lines | ATE XIX Transmissora de Energía S.A. | 70.9 |
| Power transmission | Electric transmission lines | ATE XX Transmissora de Energía S.A. | 49 |
| Power transmission | Electric transmission lines | ATE XXI Transmissora de Energía S.A. | 8.5 |
| Power transmission | Electric transmission lines | ATE XXIV Transmissora de Energía S.A. | 5 |
| | | **Subtotal allocated to power transmission** | **396.1** |
| Energy efficiency | Cogeneration plant | Abent 3T, S. de R.L. de C.V. | 100 |
| | | **Subtotal allocated to energy efficiency** | **100** |
| | | **Total Green Bond funds allocated** (3) | **496.1** |
| **Percentage of Green Bond funds used in selected projects** | | | **100 %** |

(1) Abengoa Greenfield, S.A. receives net proceeds from bond issuance (USD 296.9 M and EUR 262.3 M) on September 30, 2014.
(2) These projects meet the "Eligible Green Projects" conditions pursuant to the terms under the "Use-of-proceeds" section of the Green Bond issuance memorandum and in accordance with the eligibility criteria approved by Vigeo (European agency dedicated to performance assessment). This entity issued a favorable second opinion with respect to the evaluation of sustainable performance, which is available for consultation on the Abengoa website.
(3) Date of allocation: September 30, 2014 (date on which Abengoa, S.A. uses green bond funds to finance, partially or wholly, eligible green projects meeting the environmental, social and corporate governance (ESG) criteria established by Abengoa and Vigeo, as defined in the Preliminary Offering Memorandum dated September 22, 2014 until the long-term financing funds associated with these projects are obtained).
(4) Project companies: (concession companies which own and hold title to a single project) that have received Green Bond funds.

## List of projects and environmental and social impact indicators (Table 2)

Proceeds from the green bond issued on September 30 have served to finance the seven projects described below. All of these projects meet the aforementioned eligibility criteria which are published in detail on the Abengoa website.

| Project title | Description |
|---|---|
| **ATE XVI**<br>  <br>500 kV Miracema–Sapeaçu transmission line and associated substations. | With a length of 1,860 km, this transmission line located in Brazil goes through a total of 47 municipalities in the states of Tocantins, Maranhão, Piauí and Bahía.<br>The source of the power transported by the line is hydroelectric. (1)<br>In 2014, the transmission line generated 16 direct jobs (100 % are Brazilian employees, 19 % of whom are locally-based (2)). Eighty (80) employees were also subcontracted (94 % Brazilian employees, 23 % of whom are locally-based).<br>Commercial operation is scheduled to begin in February 2016. |
| **ATE XVII**<br>  <br>500 kV Milagres II–Açu III transmission line and associated substations. | With a length of 280 km, this transmission line located in Brazil goes through a total of 18 municipalities in the states of Rio Grande do Norte, Paraíba and Ceará.<br>The source of the energy the line transports is wind power.<br>In 2014, the line generated 4 direct jobs (100 % Brazilian employees, 20 % of whom are locally-based). Sixty-five (65) employees were also subcontracted (98 % Brazilian employees, 37 % of whom are locally-based).<br>Commercial operation is scheduled to begin in February 2016. |
| **ATE XIX**<br>  <br>500 kV São João do Piauí–Milagres II–Luiz Gonzaga transmission line and associated substations. | With a length of 630 km, this transmission line located in Brazil goes through a total of 23 municipalities in the states of de Ceará, Piauí and Pernambuco.<br>The source of the energy the line transports is wind power.<br>There was no direct job creation in connection with the line in 2014; however, 21 employees were subcontracted. (96 % are Brazilian, among whom 67 % are locally-based.)<br>Commercial operation is scheduled to begin in August 2016. |

| Project title | Description |
|---|---|
| **ATE XX**<br>  <br>500 kV Presidente Dutra–Teresina II–Sobral III transmission line and associated substations. | With a length of 540 km, this transmission line located in Brazil goes through a total of 22 municipalities in the states of Maranhão, Piauí and Ceará.<br>The source of the energy the line transports is wind power.<br>There was no direct job creation in connection with the line in 2014; however, 23 employees were subcontracted. (96 % are Brazilian, among whom 30 % are locally-based.)<br>Commercial operation is scheduled to begin in August 2016. |
| **ATE XXI**<br>  <br>C1 and C2 500 kV Xingu–Parauapebas transmission line; 500 kV Parauapebas–Itacaiúnas transmission line; C1 and C2 500 kV Parauapebas–Miracema transmission line and associated substations. | With a length of 1,760 km, this transmission line located in Brazil goes through a total of 22 municipalities in the states of Pará and Tocantins.<br>The source of the energy the line transports is hydroelectric.<br>In 2014, there were no direct jobs created in connection with the line; 30 employees were subcontracted, however (93 % of whom are Brazilian).<br>Commercial operation is scheduled to begin in October 2016. |
| **ATE XXIV**<br>  <br>C2 230 kV Integradora Sossego – Xinguara transmission line and the 500 kV Integradora Sossego – Parauapebas transmission line and associated substations. | With a length of 140 km, this transmission line located in Brazil goes through a total of 5 municipalities in the state of Pará.<br>The source of the energy the line transports is hydroelectric.<br>In 2014, there were no direct or subcontractor jobs created in connection with the transmission line.<br>Commercial operation is scheduled to begin in August 2017. |
| **Efficient cogeneration station**<br>  <br> | Located in the municipality of Centro, 38 km from the city of Villahermosa (state of Tabasco, Mexico), this power station has a net power generating capacity of up to 220 MW. The facility will help prevent the emission of 295,000 t of $CO_{2eq}$ and have the capability to deliver power to over 271,628 households. In 2014, the plant generated 35 direct jobs. (100 % of these employees are Mexican and, among them, 3 % are from the state of Tabasco.)<br>Commercial operation is scheduled to begin in January 2017. |

(1) World Energy Outlook 2014 (EA).
(2) Belonging to one of the states through which the transmission line runs.

## Responsible management indicators (Table 3)

| Domain | Indicators – green bond-financed projects | ATE XVI | ATE XVII | ATE XIX | ATE XX | ATE XXI | ATE XXIV | Abent3T |
|---|---|---|---|---|---|---|---|---|
| Medioambiente | $CO_{2eq}$ emissions (Scopes1, 2 and 3) (1)(2) | Direct emissions: 37 t. Indirect emissions: 2,326.36 t. | Direct emissions: 18.73 t. Indirect emissions: 5,804.95 t. | Direct emissions: 0 t. Indirect emissions: 582.6 t. | Direct emissions: 0 t. Indirect emissions: 521.34 t. | Direct emissions: 0 t. Indirect emissions: 1,078.68 t. | Direct emissions: 0 t. Indirect emissions: 0.65 t. | **Project**: Direct emissions: 11.21 t. Indirect emissions: 108.71 t. **Subcontractors**: Direct emissions: 352.7 t. Indirect emissions: 35,308.07 t. |
| | Total water consumption and recycled water consumption. | 608.5 $m^3$ | No data has been generated. | No data has been generated | No data has been generated | No data has been generated | No data has been generated | **Subcontractors**: 2,021.76 $m^3$. |
| | Total energy consumption and renewable energy consumption | Biofuel: 0.03518 TJ. Petroleum derivatives: 0.45524 TJ Electricity: 5,211.37 kWh | Biofuel: 0.0158 TJ. Petroleum derivatives: 0.23532 TJ. | No data has been generated | No data has been generated | No data has been generated | No data has been generated | **Project**: Petroleum derivatives: 0.14953 TJ **Subcontractors**: Electricity: 4.08 TJ |
| | Total amount of materials used and recycled materials used. | No data has been generated | Ferrous metal materials: 581.31 t | No data has been generated | No data has been generated | No data has been generated | No data has been generated | **Subcontractors**: 123,834.65 t of materials |
| | Waste generated and recycled | 0.88565 t allocated to recycling. Waste, oil change filter and vehicle oil change. | No data has been generated | No data has been generated | No data has been generated | No data has been generated | No data has been generated | **Subcontractors**: 520.97 t of waste |

(1) Direct emissions: Scope 1. Emissions from sources that are either owned or controlled by the company.
(2) Indirect emissions: Scopes 2 and 3. Including emissions resulting from the electricity purchased and used by the company and other emissions that are the consequence of company activities but which are produced by sources that are neither owned nor controlled by the company.

| Domain | Indicators – green bond-financed projects | ATE XVI | ATE XVII | ATE XIX | ATE XX | ATE XXI | ATE XXIV | Abent3T |
|---|---|---|---|---|---|---|---|---|
| Social | Mitigation of actual or foreseen impacts | (3) | (3) | (3) | (3) | (3) | No data has been generated | (3) |
| | Investment in community involvement and project list | There is no community investment assigned to the project; however the PE&C social development program (4) has been in place in Brazil since 2010 and has headquarters in Rio de Janeiro and Aracaju. | | | | | | Preliminary diagnostics for PE&C implementation in the communities of the project's area of influence have been conducted € 4,335. |
| | Accidents and rate of frequency | 0 | 0 | Without employees | Without employees | Without employees | Without employees | **0 employees**<br>**8 subcontractors** |
| | Number of hours of training in human rights. (5) | **Employees:** 1,1<br>**Subcontractors:** 22.33 | **Employees:** 0<br>**Subcontractors:** 18.14 | Without employees<br>**Subcontractors:** 5.86 | Without employees<br>**Subcontractors:** 6.42 | Without employees<br>**Subcontractors:** 8.37 | Without direct employees or subcontractors | **Employees:** 40.77<br>**Subcontractors:** 97.4 |
| | Grievances involving human rights | Without any incidents, 0 grievances | Without any incidents, 0 grievances | Without employees | Without employees | Without employees | Without employees | Without any incidents, 0 grievances. |

(3) See Appendix C- indicator SO2.
(4) Abengoa's social development program. Further information can be found in the chapter titled "Connecting with the social environment" and on the Abengoa website.
(5) In relation to subcontractor hours, an estimation was made based on the average number of training hours per subcontracted worker.

| Domain | Indicators -green bond-financed projects | ATE XVI | ATE XVII | ATE XIX | ATE XX | ATE XXI | ATE XXIV | Abent3T |
|---|---|---|---|---|---|---|---|---|
| Business ethics and value creation | Business ethics and value creation.<br>Purchases from local suppliers. | 100 % | 100 % | 100 % | 100 % | 100 % | Unavailable | 27 % |
| | SROI analysis of social projects. | SROI (Social Return on Investment) analysis conducted in 2014 on the PE&C Brazil program headquarters (Rio de Janeiro and Aracajú), with a score of 1.11. | | | | | | SROI (Social Return on Investment) analysis conducted in 2014 on the PE&C Mexico program (headquartered in Mexico City), with a score of 0.52 (6). |
| | Customer satisfaction level. | The degree of project progress makes it infeasible to report significant data. | | | | | | The degree of project progress makes it infeasible to report significant data. |
| | Suppliers screened with respect to environmental criteria and in terms of impact on society. | Analyses of suppliers posing risk were not conducted in 2014 for the selected projects, but rather in the matrix. Over the course of the year, Abengoa Brazil performed 1,568 supplier analyses, which included environmental, social, labor- and human rights-related criteria, taking 100 % of the suppliers with orders set up to date into account. Analysis resulted in the identification of 4 high-risk suppliers, 3 of which were addressed by the committee due to the fact that they represent global accounts and one of them underwent a remote audit. No significant negative environmental impacts were detected. | | | | | | Analyses of suppliers posing risk were not conducted in 2014 for the selected projects, but rather in the matrix. Over the course of the year, Abengoa Mexico performed 97 supplier analyses, which included environmental, social, labor- and human rights-related criteria, taking 100 % of the suppliers with orders set up as of the date of carrying out the analysis into account. Analysis resulted in the identification of 49 high-risk suppliers, 4 of which were audited. No significant negative environmental impacts were found. |
| | $CO_{2eq}$ emissions associated with goods and services provided (Scope 3). | 2,312.23 t | 5,796.14 t | 578.82 t | 517.08 t | 1,073.45 t | There are no emissions to date related to goods and services provided. | **Project**: 43.33 t<br>**Subcontractor**: 35,256.77 t |
| | Number of incidents of non-compliance with the code of conduct and % of cases resolved. | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

(6) SROI assessment will not be performed for the new PE&C headquarters in Tabasco until a year of development has been reached to thereby obtain the degree of maturity needed to undergo evaluation.

| Domain | Indicators – green bond-financed projects | ATE XVI | ATE XVII | ATE XIX | ATE XX | ATE XXI | ATE XXIV | Abent3T |
|---|---|---|---|---|---|---|---|---|
| Project governance | Number of issues with a high risk of non-compliance and negative third-party perception. (7) | 0 issues with a high objective risk of non-compliance / 2 issues with a high risk of negative third-party perception. | 0 issues with a high objective risk of non-compliance / 5 issues with a high risk of negative third-party perception. | 0 issues with a high objective risk of non-compliance / 2 issues with a high risk of negative third-party perception. | 0 issues with a high objective risk of non-compliance / 2 issues with a high risk of negative third-party perception. | 0 issues with a high objective risk of non-compliance / 2 issues with a high risk of negative third-party perception. | Unavailable. | 0 issues with a high objective risk of non-compliance / 2 issues with a high risk of negative third-party perception. |
| | Number of sustainability training hours. (8) | **Employees:** 1.1 **Subcontractors:** 46.57 | **Employees:** 16 **Subcontractors:** 37.84 | No direct employees. **Subcontractors:** 12.23 | No direct employees. **Subcontractors:** 13.39 | No direct employees. **Subcontractors:** 17.46 | No employees. | **Employees:** 124.73 **Subcontractors:** 4,833.05 |
| | Number of incidents and % of cases resolved (project control). | 0 resolved / 25 % in progress | 0 resolved / 0 % in progress | 0 resolved / 0 % in progress | 0 resolved / 16 % in progress | 0 resolved / 0 % in progress | Unavailable. | 23 resolved / 18 % in progress |

(7) Results obtained through the installation-related CSR risk analysis conducted in the latter part of 2014.
(8) In regard to subcontractor hours, an estimation was made based on the average number of training hours per subcontracted worker.

# Green Bond Criteria

## Green projects eligibility criteria

Green project eligibility criteria include, on the one hand, the "Eligible green project categories" (specified under the "Use-of-proceeds requirements" section of the Second Party Opinion on Sustainability of Abengoa's "Sustainable Green Bond" issued by Vigeo on September 1, 2014, available on the Abengoa website) and, on the other, the "Environmental, social and governance criteria for green projects" (specified in the "ESG Criteria" section of the Second Party Opinion on Sustainability of Abengoa's "Sustainable Green Bond" issued by Vigeo on September 1, 2014, available on the Abengoa website).

## Protocols and Guidelines for obtaining and monitoring green bond-financed project indicators

### Fund allocation indicators

**Project list**: list of projects financed used green bond proceeds.

**Allocated amounts (in euros)**: amount obtained by Abengoa Greenfield, S.A. (Issuer of the green bond) and lent permanently to Abengoa, S.A. (Parent Guarantor of the green bond), and which Abengoa, S.A. has used to finance, partially or wholly, eligible green projects meeting the environmental, social and corporate governance (ESG) criteria established by Abengoa and Vigeo, as defined under the Preliminary Offering Memorandum dated September 22, 2014 until the long-term financing funds associated with these projects have been obtained.

**Allocation date**: date upon which Abengoa, S.A. uses green bond funds to partially or wholly finance eligible green projects meeting the environmental, social and corporate governance (ESG) criteria established by Abengoa and Vigeo, as defined under the Preliminary Offering Memorandum dated September 22, 2014 until the long-term financing funds associated with these projects have been obtained.

### Environmental and social impact indicators

#### Contribution to the fight against climate change

**$CO_2$ emissions avoided (t $CO_{2eq}$)**: greenhouse gas emissions prevented from being released into the atmosphere by the project, establishing for this purpose a comparison between the calculation or estimation (depending on the degree of maturity of the project) of greenhouse gas emissions associated with the project and the energy mix of equivalent technologies in the country of project location.

#### Contribution to energy transition

**Installed capacity, renewable energy source and technology**: installed project capacity in MW, in accordance with the project's technical specifications, and identification of the project's renewable energy source and technology.

**Kilometers of electric transmission lines and substations**: length in kilometers of electric transmission lines and line substations according to the technical features of the project.

#### Access to services

**Households supplied with clean energy**: the number of homes powered as the result of the supply of clean energy generated by the project. The calculation is made by taking average annual consumption per household in the geographical location of the project, with household being understood according to the definition established by the country where the project is located, and the average annual production total of the installation, in accordance with the technical characteristics of the project.

#### Local economic development

**Local jobs generated**: the total number of direct local jobs generated during project construction and during project operation. The percentage of locally-hired employees is reported for project execution with respect to the total number of employees hired. Taken into account are two tiers of local employees: those of national origin of the country where the project is being executed, and within this category, residents of origin in territorial and administrative areas where the project is executed and which have sub-state entity, formally defined for the territorial structure of a state.

### Responsible management indicators

#### Environmental dimension

**$CO_2$ ($tCO_{2eq}$) emissions**: total direct (Scope 1) and indirect (Scope 2 and 3 emissions are to be taken into account, including emissions linked to supplier goods and services) emissions released into the atmosphere as the result of installation activity. Direct emissions come from sources that are either owned or controlled by the company. Indirect emissions include emissions generated by the electricity acquired and consumed by the project, as well as other emissions that are the consequence of company activities but which occur in sources that are neither owned nor controlled by the company.

**Total water consumption and consumption of recycled water ($m^3$)**: total amount of water consumed by the project, differentiating recycled water consumed from the rest.

**Total energy consumption and renewable energy consumption (TJ)**: energy (primary, electric and thermal) consumed by the project, differentiating between renewable and non-renewable energy.

**Total consumption of materials and use of recycled materials (t)**: consumption by the project of raw materials, differentiating recycled materials used from other materials.

**Waste generated and recycled (t)**: waste generated by the project, differentiating waste that goes on to recycling.

### Social dimension

**Mitigation of actual or foreseen impacts**: potential or actual negative impacts on local communities as the result of project activity, prevention and mitigation measures implemented, and the body affected by said impact.

**Investment in social engagement and project list**: total investment made in the social engagement actions or activities carried out by the project which are voluntary, non-profit and focused on social or environmental benefit and whose benefits are not restricted to a specific social group. This figure includes:

- Donations, non-commercial sponsorships and investment funds in the community where beneficiaries are external to the company.
- Operating expenses of permanent social engagement programs or installations.

**Accidents and frequency rate**: total number of accidents occurring in the project that affect company employees and subcontracted workers and the frequency at which accidents caused by or resulting from work performed occur.

The rate of frequency is the number of accidents occurring for every one million hours worked.

**Hours of training in human rights**: total number of training hours provided by the company to company employees and subcontracted workers on policies and procedures related to aspects of human rights that are relevant to their activities. Included are courses conducted on the company's Code of Conduct.

**Human rights-related claims and complaints resolved**: total number of complaints or claims relating to human rights resolved over the total number of claims and complaints in relation to human rights filed * 100.

### Dimension of business ethics and value creation

**Purchases from local suppliers**: total amount of products and services purchased from locally-based suppliers divided by the sum total of expenditure on procurement of products and services * 100.

A local supplier is understood to be a supplier who has a fixed business base in the country in question, is considered a resident of the same for tax purposes and generates invoices using a tax identification number issued by said country.

**SROI assessment of social projects**: analyses based on SROI (Social Return on Investment) methodology for gauging the social impact of an investment, enabling computation of the value of outcomes, whether or not these have economic value. The method helps measure the ability to create value of an investment in social engagement programs. The ultimate aim of such analysis is to measure the effectiveness of the PE&C social development programs being carried out to promote social equality.

Referenced:

- The PE&C project in the country of project location included under the GB.
- Social return on investment.

**Customer satisfaction level**: weighted average with respect to revenues of the customer satisfaction value of each project * 100

**Suppliers screened following environmental and society impact criteria**: total number of project supplier analyses performed in the area of human rights, labor practices and environmental impact divided and the number of high-risk suppliers identified. Excluded are in-house suppliers within the Abengoa organization.

**$CO_2$ emissions associated with supplier goods and services (t $CO_{2eq}$)**: total quantity of greenhouse gas emissions generated by project suppliers that are linked to the goods and services supplied.

**Number of incidents of non-compliance with the code of conduct and cases resolved**: number of incidents of non-compliance with the company Code of Conduct detected, occurring in the project and reported through the internal auditing and control channels, and the percentage of cases resolved.

### Corporate governance dimension

**Number of issues with high non-compliance and third-party perception risk**: number of critical risks (categorized as high risk) detected in the CSR risk analysis performed annually on material Abengoa installations in relation to risks involving non-compliance and/or negative third-party perception.

The assessment is conducted by a personnel committee whose members include the head project manager.

**Hours of training in sustainability**: total number of hours of sustainability training provided by the company to company employees and subcontracted personnel .

**Number of incidents and cases resolved (project control)**: the number of incidents detected and resolved, occurring in the project and reported through the Abengoa Easy Management project management tool, which gathers all of the information on incidents, cases of non-conformity, actions, initiatives and data recorded in connection with the project, as well as the percentage of cases of resolved incidents.

# Appendix E

## Independent Panel of Expert on Sustainable Development

**Concluding Report**

**of the Independent Panel of Experts on Sustainable Development**

Introduction

The IPESD ("the Panel") was appointed in September 2014, with one new member, Alvaro Fernandez-Villaverde, who is also a member of Abengoa's International Advisory Council, replacing Charles Donovan, who has given valuable input to the Panel's work over the last three years.

The terms of appointment of the Panel describe its role as follows:

• **Independent opinion -** To provide an external and independent viewpoint on Abengoa's CSR

reporting from the perspective of the Panel member's individual expertise.

• **Challenge performance -** To provide Abengoa with feedback and challenge on its performance

regarding CSR issues.

• **Advise on reporting improvements -** To advise on improvements in the clarity, consistency

and structure of the Abengoa CSR report, providing feedback to Abengoa through the question

process and through an internal letter of recommendations to management.

• **Advise on materiality -** To evaluate Abengoa's process of determining which issues are most

significant for inclusion in the CSR report. Obtain insight into Abengoa's own process of ensuring

that a wide range of stakeholder views has been taken into account.

• **Provide insight -** To provide Abengoa with insight on the latest CSR developments around the

world, identifying leading CSR practices (regarding reporting and wider) that could be of interest

to Abengoa.

• **Drive value from processes –** To advise Abengoa on how to achieve the maximum value from

the process of reporting in general, and the process of the Panel's review.

While the review of Abengoa's Corporate Social Responsibility Report ("CSRR") for 2013 remains an important focus, the company is calling on the Panel for greater input this year on its views relating to sustainability strategy and objectives. Accordingly the Panel has raised five strategically important issues for discussion with Abengoa and these are placed within the CSRR 2014 with appropriate comments from the company, rather than as a separate section of the Report. This report from the Panel serves to provide context to the issues raised which cover:

- the materiality assessment process (page 7),
- social and environmental performance (page 86 y 96),
- target setting (page 38),

- the reporting framework for the CSRR (page 7) and
- the compliance function (page 63).

The Panel's work comprised:

- A reading of the CSRR 2013 and comparisons with prior year reporting
- The formulation of five key issues for submission to Abengoa prior to our visit to the company
- On the occasion of a visit to the company's Madrid offices in October 2014, an in-person discussion of sustainability strategies and reporting issues with key officers of the company
- Completion of this formal report and the provision of advice to management on sustainability and reporting issues.

As in previous years the Panel does not review the accuracy of the data included in the CSRR, assurance of this data continues to be provided by the company's external auditors and other assurance agencies.

Observations arising from the review in 2014

The Panel believes that Abengoa continues to improve its CSRRs with information which is relevant to its stakeholders. This progress underlines the company's commitment to a sustainable business model and to a wide variety of sustainable activities. The Panel is particularly pleased to acknowledge that recommendations from its previous reviews have been taken up in the CSRR 2013, for instance in relation to the CSR strategic plan 2020 and in the description of energy reduction efforts. The company has now implemented a significant level of integrated management systems for driving and capturing valuable data relating to environmental performance, employee statistics, supply chain and governance issues. We have been impressed by the company's commitment to technical innovation of great significance for reduced GHG emissions, water usage and waste reduction.

Given this strong performance the Panel believes that further major improvements can be achieved in the following areas:

- The CSR strategy should be informed by a few clearly understood aspirational goals. They should include the commitments to action which in Abengoa's view will make the greatest contribution to sustainability. We would look for specific percentages of performance improvement over stated timeframes in eg GHG emissions reductions, water usage, renewable energy generated for own use, etc. These should tie into the company's big sustainability challenges: climate change, energy efficiency and renewable energy growth.
- The annual analysis of material issues based on internal and external stakeholder input should be seen as modifying the above big issues within a shorter timeframe, but there is likely to be significant continuity over time. The most material issues should then be used as the key reporting themes in the CSRR, explaining how they contribute to the company's sustainable performance. This would allow for a tighter focus to the CSRR and enable much information to be referred to in websites rather than being repeated in the Report itself.
- Abengoa may wish to consider a more formal process of stakeholder dialogue, in addition to the exchange of ideas which is the basis of the Panel's work. Such a formal process should ensure that stakeholders selected are those which are significant for Abengoa's business or are themselves directly impacted by the company's activities. Their input should reflect all of Abengoa's key lines of business as well as its geographic presence.
- It is important in the CSRR to report the impacts achieved resulting from the many excellent activities described. We look forward to observing how Abengoa becomes accountable for the achievement of targets and outcomes.
- The compliance function is new to Abengoa. Good progress has been made in establishing the programme of this department. We encourage a full report on its activities in future CSRRs or on a website, including more precisely the areas subject to review, such as human rights and anti-corruption, and the extent to which all lines of business and geographies are covered.

In conclusion we are grateful to the management of Abengoa for their openness in providing information to the Panel and readiness to hear our views and respond to our recommendations.

**Signed by the President of the Panel**

December 22, 2014

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# Contact

This report is available on the www.abengoa.com and annualreport.abengoa.com websites.

Your opinion really matters to us because it helps us keep doing things better each year. Therefore, should you have any comments regarding Abengoa's CSRR13 or Corporate Social Responsibility policy at Abengoa, we would appreciate your addressing them to:

## Corporate Social Responsibility

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## Investor Relations

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You can also let us know your opinion by taking the survey on the CSRR that is available to you in the browsable version (annualreport.abengoa.com) of this report.

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