

Independent Verification Report of the GHG Inventory



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INDEPENDENT REVIEW REPORT ON THE PROCESS OF PREPARATION OF THE GREENHOUSE GAS EMISSIONS INVENTORY

To the Management Committee of Abengoa, S.A.:

Scope of our work

We have examined the application of and compliance with Internal Standard NOC-05/003 in the preparation of the greenhouse gas (GHG) emissions inventory (*Inventario GEI Sociedades Abengoa 2008*, date 30 January 2009) of Abengoa S.A. and its Group companies (hereon, Abengoa), for the year beginning 1 January 2008 and ending 31 December 2008 and the adaptation of the contents of this Internal Standard to the provisions under ISO 14064-1 (*Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*) in reference to *Principles* (section 3), *GHG inventory design and development* (section 4) and *Quantification of direct and indirect emissions*, including those related to acquired goods and services (section 5.1 and Annex B).

Internal Standard NOC-05/003 (described in 2008 Corporate Social Responsibility Report, Annex D) sets down the procedures and specifications for the preparation and calculation of the emissions inventory of the Abengoa companies. The scope of NOC-05/003 affects the following business segments: production, construction and maintenance, offices, factories and warehouses and transport, and all GHG gases included in the Kyoto Protocol (carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulfur hexafluoride). NOC-05/003 also includes the direct and indirect emissions, relating to scopes 1, 2 and 3 indicated in the *"Greenhouse Gas Protocol, A corporate accounting and reporting standard"* prepared by the *World Business Council for Sustainable Development* and the *World Resources Institute*.

The preparation and the updating of NOC-05/003 is the responsibility of the Management of Abengoa, which is also responsible for defining, implementing, adapting and maintaining the management systems and internal control from which the information is obtained for the performance of the GHG emissions inventory, as well as the processes and basis for its preparation.

Our responsibility is to issue an independent report on whether NOC-05/003 has been applied appropriately. Our report is based on the procedures used in our examination to verify the following:

- Whether the criteria for the preparation of the GHG emissions inventory set down in the Internal Standard (NOC-05/003) have been applied appropriately and consistently by Abengoa and its five business groups (Solar, Bio-energy, Engineering and Industrial Construction, Information Technologies and Environmental Services).
- Whether NOC-05/003, approved by the Management of Abengoa and applied to all its activities and companies, has been prepared in accordance with the provisions of ISO 14064-1 in respect of *Principles* (section 3), *GHG inventory design and development* (section 4) and *Quantification of direct and indirect emissions*, including those related to acquired goods and services (section 5.1 and Annex B).
- Whether the process of preparation of the GHG inventory has been carried out by Abengoa in accordance with the procedures, calculation systems and quality indicators set down in NOC-05/003.

The review of the source data feeding the records or systems on which the information used for the performance of the GHG emissions inventory is obtained, does not form part of the scope of our work.

Criteria for performance of our review

We have carried out our review work in accordance with ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the *International Auditing and Assurance Standard Board (IAASB) of the International Federation of Accountants (IFAC)*, and provides a reasonable level of assurance under this Standard. Furthermore, the directives set down in ISO 14064-3 (*Specification with guidance for the validation and verification of greenhouse gas assertions*) have been taken into consideration.

Our examination has consisted of meetings with Management, and the different units of Abengoa and its Group Companies, who have participated in the implementation of NOC-05/003 and the preparation of the 2008 GHG emissions inventory. Our examination also includes the application of certain analytical procedures and review tests, which, in general, are described below:

- Interviews with personnel of Abengoa and its Group Companies in order to learn about the NOC-05/003 implementation process as well as to obtain the information required for our external review.
- Analysis of the processes for compiling and validating the 2008 GHG emissions inventory data of Abengoa.
- Analysis of Abengoa's compliance with NOC-05/003 and with the provisions set down in ISO 14064-1 in respect of *Principles* (section 3), *GHG inventory design and development* (section 4) and *Quantification of direct and indirect emissions*, including those related to acquired goods and services (section 5.1. and Annex B).
- Verification by analytical review and substantive testing based on a selected sample of the adequacy of the application of the provisions of NOC-05/003 by Abengoa and its Group

Companies as a whole, in respect of the procedures, calculation systems and quality indicators.

- The review of the compilation systems and internal control in relation to the preparation of Abengoa's GHG emissions inventory.
- Visit to various facilities and companies of Abengoa selected in Spain, France, Mexico and the USA in order to evaluate the correct application of NOC-05/003 by these companies.

Independence


We have performed our work in accordance with the independence standards required by the Code of Ethics of the *International Federation of Accountants* (IFAC).

Conclusion

As a result of our review we conclude that:

- The criteria for the preparation of the GHG emissions inventory set down in the Internal Standard (NOC-05/003) have been applied appropriately and consistently by Abengoa and its five business groups as a whole (Solar, Bio-energy, Engineering and Industrial Construction, Information Technologies and Environmental Services).
- NOC-05/003, approved by the Management of Abengoa and applicable to all its activities and companies, has been prepared in accordance with the provisions of ISO 14064-1 in respect of *Principles* (section 3), *GHG inventory design and development* (section 4) and *Quantification of direct and indirect emissions*, including those related to acquired goods and services (section 5.1. and Annex B).
- The process of preparation of the GHG emissions inventory (*Inventario GEI Sociedades Abengoa 2008*, date 30 January 2009) of Abengoa for the year beginning 1 January 2008 and ending 31 December 2008, has been carried out in accordance with the procedures, calculation systems and quality indicators set down in NOC-05/003.

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Guillermo Massó
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23 February 2009