

A stylized world map is centered on the page. The map is composed of white, hand-drawn outlines of the continents, set against a background of textured, layered teal and brown colors, resembling a watercolor or marbled paper. The map shows the outlines of North America, South America, Europe, Africa, and Asia. A dark brown, rounded rectangular bar is positioned horizontally across the middle of the map, containing the word "Profile" in white text.

**Profile**

<b>Business units</b>	<b>7</b>
Solar	7
Bioenergy	7
Environmental Services	8
Information Technologies	8
Industrial Engineering and Construction	9
<b>Main Abengoa milestones in 2008</b>	<b>9</b>
<b>International presence</b>	<b>12</b>
<b>We stand by sustainable and responsible innovation</b>	<b>17</b>
<b>Our Policy on Corporate Social Responsibility</b>	<b>18</b>
Abengoa and Stakeholder Dialogue	22
<b>Abengoa and Transparency</b>	<b>24</b>
Transparency and good governance	24
Transparency and fighting corruption	26

Abengoa is a technology company specialized in applying innovative solutions for sustainability in the fields of infrastructure, the environment and energy, and in bringing long-term value to its shareholders through a management model based on encouraging entrepreneurship, social responsibility, transparency and rigor.

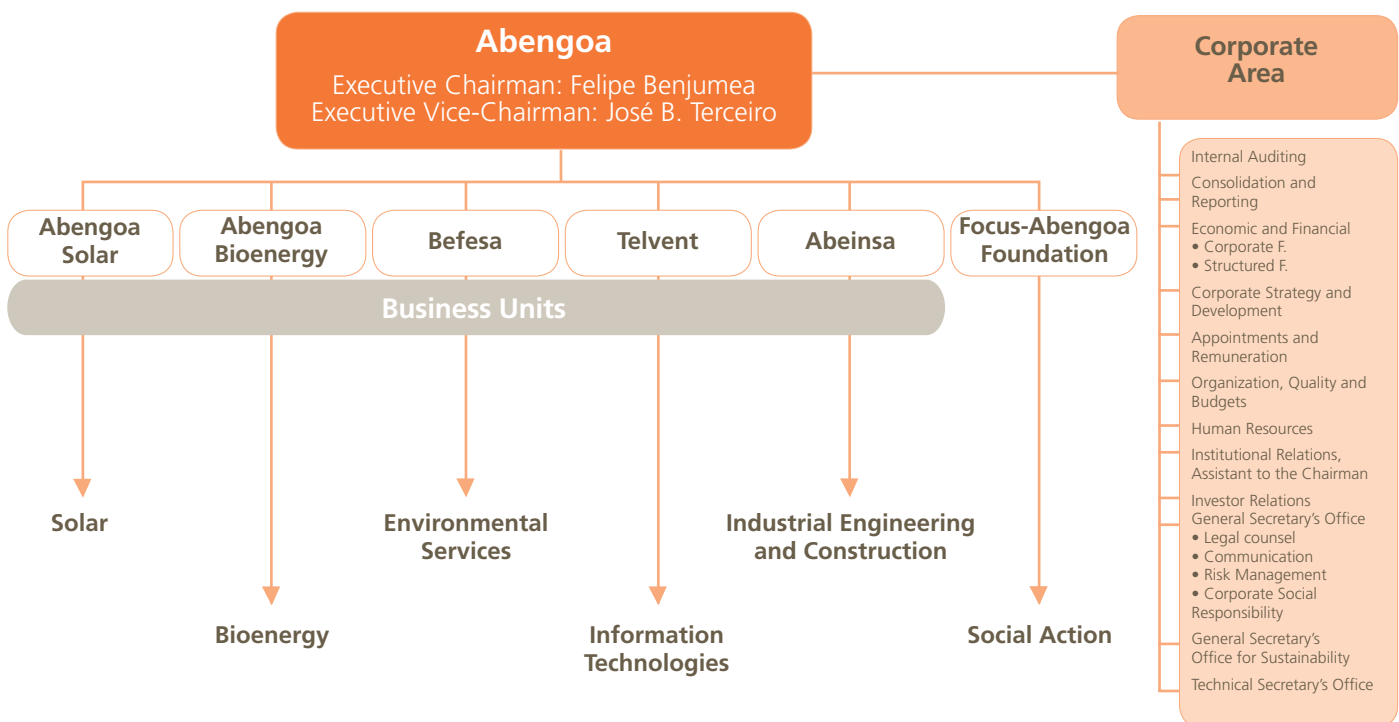
Abengoa focuses its growth on the creation of new technologies that contribute to sustainability by:

- generating energy from renewable resources;
- recycling industrial waste, and generating and managing water;
- creating environmentally-friendly infrastructures that eliminate emissions;
- developing information systems that aid in managing existing infrastructures more efficiently;
- promoting new avenues for development and innovation.

And to achieve this, Abengoa...

- invests in research, development and innovation (R&D&i);
- expands the technologies with the greatest potential;
- develops the necessary talent by attracting and retaining the best human resources;
- and dedicates human and economic resources to promoting social action policies that contribute to human and social progress through the Focus-Abengoa Foundation.

Abengoa has its headquarters in Seville (Spain) and is present, through its more than 570 subsidiaries, holding companies, facilities and offices, in over 70 countries around the world. It operates through its five business units: Solar, Bioenergy, Environmental Services, Information Technologies and Engineering.



## Business Units

### Solar

Abengoa Solar, parent company of the Solar business unit, develops and applies solar energy technologies for combating climate change and ensuring sustainability through the use of its own solar thermal and photovoltaic technologies.

Abengoa is committed to solar power as one of the major solutions to current energy demand, enabling us to satisfy global society's need for clean and efficient energy sources. Each year the sun casts down on the earth an amount of energy that far surpasses the energy needs of our planet, and, furthermore, proven commercial technologies are available today to harness this energy in an efficient way. Abengoa Solar's mission is to help meet an increasingly higher percentage of our society's energy needs through solar-based energy.

To this end, Abengoa Solar works with the two chief solar technologies in existence today: thermosolar and photovoltaics. Solar thermal technology captures the direct radiation from the sun to generate steam or hot air and drive a conventional turbine, or to use this energy directly in industrial processes. Photovoltaic technology, on the other hand, employs the sun's energy for direct electrical power generation, achieved by using materials based on the so-called photovoltaic effect.

### Bioenergy

The Bioenergy business unit operates through the Abengoa Bioenergy parent company and is dedicated to the production and development of biofuels for transportation (bioethanol and biodiesel, among others) that employ biomass (cereal, cellulosic biomass, and oleaginous seeds) as raw material. Biofuels are used for ETBE (a gasoline additive) production, or for direct blending with gasoline or diesel fuel. As renewable energy sources, biofuels help to lower CO<sub>2</sub> emissions and contribute to the security and diversification of the energy supply, while reducing our dependency on fossil fuels for transportation and helping to achieve compliance with the Kyoto Protocol.

Thus, Abengoa Bioenergy contributes to sustainability through the commercialization of combustible compounds obtained from renewable resources and by adopting environmentally-friendly technologies that enable a net reduction in polluting emissions for use in vehicles for both private and public transportation. Through continuous R&D investment, innovative technological solutions for integration into production processes, making production costs comparable to those of convention fuels of fossil origin possible, and favoring differentiation from the competition.



Environmental Services

Befesa, parent company of the Environmental Services business unit, is an international company specializing in comprehensive industrial waste management and water generation and management.

Befesa provides viable innovative solutions that make it an international point of reference in the sectors in which it operates, thereby contributing to a more sustainable world. Thus, Befesa recycles aluminum waste without generating new waste in the process; manages waste from the production of common steel and stainless steel, as well as waste from the galvanization process, recycling different metals, preventing dumping and minimizing new extractions from nature; designs and builds infrastructures for efficient, secure and environmentally-friendly waste management; manages, transports, treats and temporarily stores hazardous and non-hazardous industrial waste; generates water using sea water desalination technologies, reusing urban wastewater and modernizing irrigation systems for reducing consumption; protects rivers and coasts, treating urban and industrial wastewater; contributes to economic and social development, by making water drinkable and by supplying irrigation to the rural and agricultural environment.

Information Technologies

Telvent is the Information Technologies and Services company that works to create a sustainable and secure world through the development of high-added-value integrated systems and solutions in the Energy, Transportation, Agriculture, Environment and Public Administration sectors, as well as Global Services.

Telvent’s mission is to contribute to the efficient, secure and global management of the operating and business processes of the world’s leading companies. Telvent works day by day to be a global company made up of the very best professionals in each country. These people, through the use of the latest information technologies, together with their customers, help to overcome the formidable challenge of creating a sustainable and secure world for future generations. True to its commitment to sustainability and security, Telvent features a raft of solutions that enable progress toward sustainable and secure management focused on the different business areas that make up the company.





### Industrial Engineering and Construction

Abeinsa, parent company of the Industrial Engineering and Construction business unit, is an international company specialized in industrial engineering and construction, and conducts its business through six lines or divisions of activity: Energy, Installations, Telecommunications, Marketing and Auxiliary Manufacturing, Latin America and New Horizons. Abeinsa's growth is based on successful development of the integrated energy product, construction of biofuel and solar thermal plants, sustained growth in higher added-value infrastructure activities and a high degree of internationalization.

Abeinsa's commitment to sustainability is evident every time it enhances the efficiency of its processes and products and minimizes their environmental impact, and from the fact that it sits at the forefront of the industry in terms of technological development. Abeinsa delivers solutions in clean energies and combating climate change.

### Main Abengoa milestones in 2008

Abengoa Solar signs a contract to build what is to be the largest solar power plant in the world, in Arizona, United States.

Abengoa Bioenergy carries out the construction project, in Kansas, United States, for the first commercial-scale biomass-based ethanol production plant.

Befesa is awarded a contract to construct a desalinating plant in Tenes, Algeria, with a production capacity of 200,000 m<sup>3</sup> of water per day, enough to supply water to a population of 800,000 people.

Telvent purchases DTN, a U.S. information services provider.

Abeinsa builds the hybrid solar thermal power stations with SCC solar fields in Ain Beni Mathar, Morocco, with a combined capacity of 470 MW, and in Hassi R'mel, Algeria, with a 150-MW capacity.

**2008 Prizes and Awards**

**2008 Jaulín Prize** in defense of Nature, awarded by the town council of Jaulín (Zaragoza) to **Abengoa Solar** for its efforts in defense of Nature.

**Technological Development Prize** awarded to **Abengoa Solar** by the Eusa Business Forum for efforts in research and technological applications for employing solar energy as an avenue for sustainability.

**Environment Prize** for best business initiative in the **Climate Change and Renewable Energies** category, awarded by the law firm of Garrigues, Expansion business newspaper and CISS Consulting.

Recognition of **Abengoa Solar** for its **contribution to the economic development of the city of Lakewood** (Colorado).

Prize for **Abengoa Bioenergy Corporation**, an award given by the St. Louis Chamber of Commerce (U.S.) to the **top 50 companies**.

**American Petrochemical Agreement** of the Year, awarded to **Abengoa Bioenergy** by PFI Magazine for "Project Maple Finance".

**Befesa Water and Zeroemissions** were **Highly Commended at the 2008 Global Water Awards**, in the "Best Environmental Contribution in 2008" category for the MDL project involving lowering electrical power consumption at the Chennai (India) desalination plant.

**Befesa Water** was Highly Commended at the 2008 **Global Water Awards** in the "Best Desalination Project in 2007" category, for its desalinating plant in Tlemcen Hounaine (Algeria).

**12th Prince Felipe Prize for Business Excellence** awarded to **Telvent** by the Ministry of Industry, Tourism and Commerce for its efforts in the Information Society and Information and Telecommunications Technologies.

**Nomination of Telvent for the 12th Prince Felipe Prize for Business Excellence** in the Internationalization category by the Ministry of Industry, Tourism and Commerce.

**Prize for the best Technological Innovation in Healthcare** prize, awarded to **Telvent** by the Council for Innovation, Science and Enterprise of the Regional Government of Andalusia.

**Telvent** named **Best CIT Company in 2008**, by the Council for Innovation, Science and Enterprise of the Regional Government of Andalusia.

"**2008 Frost & Sullivan World Company of the Year**" Prize, awarded to **Telvent** for the development of the SCADA application in gas and fuel pipelines.

## 2008 Prizes and Awards

**Madrid Excelente Seal**, awarded to **Telvent** by the Madrid Foundation for Excellence.

**IMEX-Fortis** "Revelation of the Year in the International Framework" Prize awarded to **Abener**.

**2008 Solar Prize** awarded to **Abener** by the European Association of Renewable Energies, Eurosolar, in the unique contribution to developing renewable energies category, for the Solúcar Platform construction project.

Recognition of **Abengoa Chile** by the Contractor Committee of the Chilean Chamber of Construction, in the Four Stars category, for **excellence in Occupational Risk Prevention indicators**.

**2008 Competitive Business Prize**, awarded to **Abengoa Chile** by C.CH.C Mutual Insurance, in recognition of the highest levels of compliance with the Occupational Risk Control Program.

Award for **Teyma Abengoa** in the "Community Integration" category, in the seventh edition of the **Solidary Entrepreneur Prize** of the "Ecumenical Social Forum".

**Prize for Business Strategy** awarded to the **Abengoa** group in the Ejecutivos magazine 2007 4th Andalusian Executive Awards.

**2008 Adam Smith Prize** awarded to **Abengoa** by Treasury Today for best practice, innovation and financial risk management.

**Prize in the Sustainability category** awarded to **Abengoa** at the 2nd Annual Province Awards by the El Correo de Andalucía newspaper.

**DIPLOOS Prize** awarded to **Abengoa** for its organization and management of the system implemented and as a result of its good preventive practices, awarded by the Accident Prevention Association (APA).

Correo de Andalucía Seville Diputation **Major Company Prize** awarded to **Abengoa** for the contribution of the Sanlúcar la Mayor solar platform to sustainability.

**2007 Trofeo Prize for security** awarded to **Abengoa** for excellence in occupational risk prevention management, in the first edition of the awards instituted by the Andalusian Regional Government through the Employment Council and its General Occupational Health and Safety Department granted by the Accident Prevention Association (APA).



**International Presence**

Abengoa, through its five business units, is present in more than 70 countries on five continents.

**America**

Puerto Rico, Peru, Mexico, Brazil, Argentina, Uruguay, Chile, Bolivia, Cuba, Ecuador, the Dominican Republic, Costa Rica, Venezuela, Guatemala, Colombia, Nicaragua, the British Virgin Islands, Panama.

**USA y Canadá**

**Europe**

Spain, the United Kingdom, France, Germany, Sweden, Italy, Austria, Belgium, Turkey, Ireland, Portugal, Switzerland, Romania, Iceland, Luxembourg, Greece, Czech Republic, Holland, Denmark, Norway, Poland, Yugoslavia, Slovakia, Hungary, Georgia.

**Africa**

Morocco, Algeria, Qatar, Ghana, Angola, South Africa, Namibia, Libya, Mozambique, Egypt, Tunisia, Cameroon, Nigeria.

**Asia**

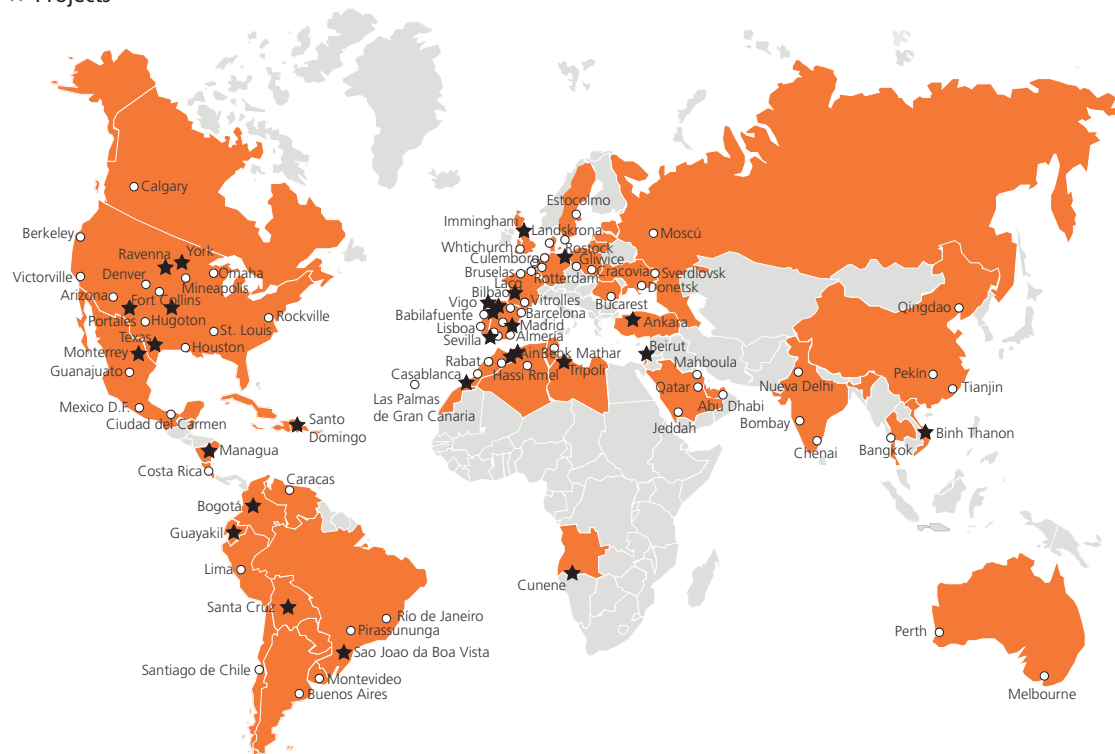
Indonesia, Thailand, India, Bahrain, Malaysia, Israel, China, Iran, Vietnam, United Arab Emirates, Taiwan, Oman, Lebanon, Russia, Japan, Singapore, Saudi Arabia, Jordan, Kuwait, South Korea, Pakistan.

**Oceania**

Australia.

**Prominent Offices and Projects (\*)**

- Offices
- ★ Projects



(\*) The countries identified show where Abengoa has operations by December 31, 2008; but Abengoa's presence in them does not necessarily reflect the scope presented in this report.

### New office openings in 2008 by Business Unit

#### Solar

Abengoa Solar. Madrid (Spain) <sup>(1)</sup>  
 Abengoa Solar. Mérida, Badajoz (Spain)  
 Abengoa Solar. Sanlúcar la Mayor, Seville (Spain)  
 Abengoa Solar. Phoenix, AZ (United States)  
 Abengoa Solar. Berkeley, CA (United States)

#### Environmental Services

Aluminum Waste Recycling. Alcasa, Barcelona (Spain)  
 Industrial Waste Management. Tracel, Jaén (Spain)  
 Industrial Waste Management. Lirsa, Tarragona (Spain)  
 Water. Micronet Porous Fiber. Bilbao (Spain)  
 Water. Befesa Infrastructure India. Chennai (India) <sup>(2)</sup>  
 Water. NRS Consulting Engineers. Harlingem, Austin and Dallas, Texas (United States)  
 Water. Water Build. Harlingem (Texas, United States)  
 Befesa Environment corporate headquarters. Erandio, Biscay (Spain)  
 Northern Environmental Solutions. Antofagasta (Chile)

#### Information Technologies

Telvent Saudi Arabia, Co. Ltd - Jeddah (Saudi Arabia)  
 DTN Holding Company - Minneapolis (United States)  
 DTN Holding Company Omaha (United States)  
 Telvent UK - London (United Kingdom)

#### Bioenergy

Abengoa Bioenergy San Roque. San Roque. Cádiz (Spain)  
 Abengoa Bioenergy Trading Brazil. São Paulo (Brazil)  
 Abengoa Bioenergy Corporation. Chesterfield, MO (United States) <sup>(3)</sup>  
 Abengoa Bioenergy Netherlands. Europoort, Rotterdam (Holland) <sup>(4)</sup>  
 Abengoa Bioenergy of Indiana. Mount Vernon, IN (United States) <sup>(5)</sup>  
 Abengoa Bioenergy of Illinois. Granite City, IL (United States) <sup>(6)</sup>

#### Industrial Engineering and Construction

Abener. Abener Ghenova Engineering. Seville (Spain)  
 Abener. Solar Power Plant. Hydra (Algeria)  
 ZeroEmissions. Responsible European Policies. Brussels (Belgium)  
 ZeroEmissions. Brazil Division. Rio de Janeiro (Brazil)  
 ZeroEmissions. China Division. Beijing (China)  
 ZeroEmissions. India Division. Mumbai (India)  
 ZeroEmissions. Morocco Division. Rabat (Morocco)  
 ZeroEmissions. Russian Division. Moscow (Russia)  
 Inabensa. Installations 2. Levante Regional Offices. Paterna (Valencia) <sup>(7)</sup>  
 Abencor Supplies. Catalonia Regional Offices. Barcelona  
 Nicsa. Nicsa Industrial Supplies. Texas (United States) <sup>(8)</sup>  
 Teyma. Teyma Spain. Montevideo (Uruguay)  
 ATN. Lima (Peru)

(1) Relocated  
 (2) Relocated  
 (3) New location  
 (4) Temporary construction company established during execution of plant works  
 (5) Temporary construction company established during execution of plant works  
 (6) Temporary construction company established during execution of plant works  
 (7) New location  
 (8) New location

The evolution in Abengoa's international business in 2008 and 2007 was as follows:

Activity Abroad

Geografic Areas	2008		2007	
	M€	%	M€	%
US	348.3	11.2	325.8	12.3
Latin America	787.8	25.3	561.3	21.1
Europe (excluding Spain)	499.2	16.1	520.8	19.6
Africa	313.3	10.0	161.9	6.1
Asia	90.2	2.8	78.3	2.9
Spain	1,075.8	34.6	1007.7	38.0
<b>Consolidated Total</b>	<b>3,114.5</b>	<b>100</b>	<b>2,655.8</b>	<b>100</b>

Main Figures

Economic - Financial Data M (M €)	2008	% Variation (08-07)	2007 <sup>(1)</sup>	1998 <sup>(1)</sup>	% CAGR (98-08) <sup>(2)</sup>
<b>Profit and Loss Account</b>					
Sales	3,114.5	17.3	2,655.8	601	17.9
Gross Cash Flows <sup>(3)</sup>	545.3	39.3	391.5	59.3	24.8
EBITDA <sup>(4)</sup>	459.3	42.2	322.9	59.3	22.7
Net Profit	140.4	16.6	120.4	19.9	21.6
<b>Balance Sheet</b>					
Total Assets	9,794.6	20.8	8,110.2	984.6	25.8
Equity	627.5	(21.3)	797.5	184.5	13.0
Net Debt (Cash) ex Project Finance	486.4	-	285.2	(52.9)	-
<b>Significant Variables</b>					
Margin (% EBITDA/Sales)	14.7	-	12.2	9.9	-
Return on Equity (ROE) <sup>(5)</sup>	26.4	-	17.0	10.8	-
<b>Data per Share</b>					
Earning per Share (€)	1.55	16.6	1.33	0.22	21.6
Dividend per Share (€)	0.18	5.9	0.17	0.07	9.9

<sup>(1)</sup> Pro forma information for making consistent comparisons with 2008, in which Telvent appears as a discontinued activity.  
<sup>(2)</sup> CAGR: Compound Annual Growth Rate.  
<sup>(3)</sup> Earnings before interest, tax, depreciation and amortization, adjusted by the works flows done for own fixed assets.  
<sup>(4)</sup> Earnings before interest, tax, depreciation and amortization.  
<sup>(5)</sup> Net Earnings / Shareholders' funds.

With the goal of improving the comparability and understanding of the financial information shown in this report, the figures corresponding to the balance sheets and the income statement of the years 2008 and 2007 are presented excluding the Information Technologies business unit, as stated in Note 14 (Non Current Assets and Liabilities held for sale) of the Consolidated Financial Statements of Abengoa.

## Business Units, Geographies and Types of Activities

Evolution 1998 - 2008		4 business units		Engineering Company	
Business Units	Sales %	2008 Gross Cash Flows <sup>(2)</sup> %	Ventas %	1998 <sup>(1)</sup> Gross Cash Flows <sup>(2)</sup> %	
Solar	2.1	7.4	-	-	
Bioenergy	26.7	20.5	-	-	
Environmental Services	28.0	28.9	9.3	5.1	
Industrial Engineering and Construction	43.2	43.2	90.7	94.9	
<b>Consolidated Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	
Geography	%	%	%	%	
United States	11.2	6.7	-	-	
Latin America	25.3	33.9	44.6	27.6	
Europe (excluding Spain)	16.1	18.8	3.1	4.2	
Europe (excluding Spain)	10.0	5.3	0.8	1.7	
Asia	2.8	0.7	2.7	4.9	
Spain	34.6	34.6	48.8	61.6	
<b>Consolidated Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	
Types of Activities	%	%	%	%	
Concession and Recurrent Businesses	15.5	48.5	4.7	1.8	
Businesses Involving Risk in Terms of pPrice of Raw Materials	39.1	27.4	-	-	
Rest of Engineering Businesses	45.4	24.1	95.3	98.2	
<b>Consolidated Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	

<sup>(1)</sup> Pro forma information for making consistent comparisons with 2008, in which Telvent appears as a discontinued activity.

<sup>(2)</sup> Gross Cash Flows: Earnings before interest, tax, depreciation and amortization, adjusted by the works flows done for own fixed assets.

## Basic economic data:

M€	2007	2008
Total Assets	8,110.2	9,794.6
Market Capitalisation	2,187.6	1,067.5
Total Equity	797.5	627.5
Net Debt (*)	285.2	486.4
Non-Recourse Financing	1,672.2	2,132.7

(\*) A minus sign means net cash position.

In terms of Abengoa’s shareholding structure, Grupo Inversión Corporativa holds the majority stake (56.04%), with the rest being free float capital share.

Shareholding	% Structure/Share Capital
Inversión Corporativa S.A.	50.0%
Finarpisa, S.A. (*)	6.0%
Free Float	44.0%

(\*) Grupo Inversión Corporativa

Sales by countries representing at least 5% of Abengoa’s total sales are shown in the table below:

Sales by countries		
Country (%)	2007	2008
Spain	38.04%	34.64%
Brazil	10.33%	15.65%
US	12.27%	11.18%
France	9.17%	5.99%
Morocco	2.16%	4.86%

Costs generated in these countries are listed as follows:

Costs generated		
Country (%)	2007	2008
Spain	38.82%	34.46%
Brazil	6.95%	11.53%
US	12.06%	11.42%
France	8.44%	6.02%
Morocco	2.36%	5.06%

## We stand by sustainable and responsible innovation

In recent years, climate change has become one of the major concerns of our global society. Together with the effects that climate change will cause all over the world, and the tremendous impact that this will have on current socio-economic systems, it is also significant that few people deny the reality of these consequences, or the role of humankind in causing the problem in the first place, or our crucial role in combating the effects.

It is within the current framework that our commitment to sustainability takes on paramount importance, as the conduct and policies of companies and institutions, together with the responsible conduct of citizens, need to be geared towards sustainability in order to achieve a sustainable future for everyone.

Abengoa follows a business model based on sustainability, around which the company's activities and strategies revolve. Thus, through the activity of its business units, Abengoa promotes the use of clean renewable energies and efficient resource management. Therefore the company's vision, mission and values reflect a deep commitment to economic and social progress, while helping to preserve the environment and foster respect for basic rights. It is impossible, then, for the company to conceive a business reality that does not encourage environmentally-friendly behavior as a way of combating climate crisis, which will in turn enable us to lay the genuine foundations for future development for everyone.

Abengoa believes that in a market economy context the innovative company is an effective and necessary instrument for helping society to progress towards sustainability.

Research, technological development and innovation are necessary sources of solutions for sustainable development, the chief objective at Abengoa. Their implementation has been fundamental in making the company a leader in the generation of new technologies, processes and skills focused on providing environmentally-friendly and innovative solutions capable of generating long-term value and affording us numerous competitive edges. Technological innovation is undoubtedly a basic factor in the evolution toward a sustainable world with high standards of well-being for all people and nations. Experts agree that approximately 80% of an economy's long-term growth will be brought about by technological achievements.

Abengoa understands that the process of innovation is a dynamic process that responds to a constantly evolving society, and that it therefore takes place as a whole by utilizing all available resources in a society of knowledge, science and technology. Abengoa, as a major company, has adopted the so-called "innovation ecosystem", thereby encouraging collaboration with universities, governmental agencies, public research institutes, technological centers and other companies. This is the only way for the company to be in the right position to generate the required knowledge and to provide answers and solutions in concert with new challenges. This system of innovation includes demonstration projects, research facilities and development in different countries, as well as external collaboration agreements.

Through this business model, Abengoa focuses its activity on:

- customer service;
- the human and professional development of its employees;
- creation of long-term value for its shareholders;
- growth of the societies in which it operates;
- turning the world into a better and more sustainable place for future generations.

To fulfill its objectives, Abengoa invests in research, development and innovation, raises global awareness of the technologies with the greatest potential, and attracts and develops the necessary talent.

Abengoa seeks to maximize the benefits it obtains for its stakeholders, for the communities in which it is present and for society as a whole. This involves striking a balance with maximum benefits for everyone, through a commitment to sustainability, while ensuring compliance with prevailing legislation with the utmost integrity and transparency. The search for this equilibrium is nothing short of the driving force behind the company.

### **Our Policy on Corporate Social Responsibility**

Businesses today play a crucial role in sustainability by employing their intellectual and creative resources and human talent to resolve some of the most important social and environmental issues facing humanity, and by making sure that the impact generated by their activity is positive for society and for the environment, through ethical and transparent conduct that contributes to sustainability and the well-being of the community. It is indispensable that this conduct take into account the expectations of stakeholders (customers, suppliers, employees, shareholders, governments, NGOs, etc.), abide by the law, be consistent with international standards of conduct, and be integrated into the entire organization and put into practice in company relationships with other organizations. This conduct is what is commonly referred to as corporate social responsibility (CSR), corporate responsibility or business responsibility.

In recent years, corporate social responsibility has become increasingly more relevant among businesses and their stakeholders, to the point of becoming one of the aspects that most influences corporate performance. More than ever, business performance in the realms of society and the environment has become, in addition to financial performance, a key factor in measuring future performance and assuring operational continuity. Corporate social responsibility means understanding that company results improve only to the extent to which the companies are able to build relationships based on trust with their stakeholders. Therefore, it is essential not only to identify and assimilate the environmental, social and economic effects of the company's activity, but also to analyze the impression held regarding these effects by company stakeholders so that, through the integration of these expectations into company strategy, any decision made takes into account the interests of stakeholders. This represents the transition from an individualistic company to one that takes into consideration the environment to which it is committed, to which it must respond, and with which it generates a long-term relationship of trust.

Corporate social responsibility, understood, therefore, as the integration into company strategy of stakeholder expectations, compliance with law, and consistency with international standards of behavior, is one of the underpinnings of Abengoa culture.

This corporate responsibility has, therefore:

- a legal dimension: strict observance of prevailing legislation in each and every one of the company's actions;
- an economic dimension: generation of sustained value;
- a human dimension: absolute respect for and protection of human rights;
- a social dimension: supporting the development of the societies in which Abengoa is present;
- an environmental dimension: respect for and protection of the environment.

Each and every one of the activities undertaken by the company is carried out in strict accordance with its model of sustainable development; a model that attempts to strike a balance with maximum benefits for everyone, while

complying with applicable legislation with the utmost integrity and transparency. Thus, corporate social responsibility is part of Abengoa's business strategy and practice. Furthermore, to clearly manifest this commitment to sustainability, the Company supports all kinds of initiatives involving the protection of rights.

**Corporate social responsibility is one of the underpinnings of Abengoa's present and future strategy**

For Abengoa, corporate social responsibility must be perfectly aligned with company strategy and form part of it. Therefore, CSR strategy must be developed systematically and in a manner that proves consistent with the company's mission, enabling it to be fully integrated into the core of the company's decision-making, into global strategy and into management processes and business activities.

Adopting a strategic approach for promoting CSR has numerous benefits: improvement in risk anticipation and management, more appropriate management of image, attracting and retaining talent, greater competitiveness and market positioning, enhanced operational efficiency and cost reduction, improved relations along the supplier chain, a better relationship with the community, access to more sources of funding, and improved relations with regulatory bodies, among others.

In 2008, the company established a Master Plan for Corporate Social Responsibility, to be implemented in 2009, that involves all company areas and which will be integrated into the five business units, adapting CSR strategy to the social reality of the different communities in which Abengoa conducts its business. Essentially, this master plan encompasses strategic actions that will enable Abengoa to develop its different capabilities in an environment of innovation and sustainability, while staying one step ahead of the new business challenges associated with sustainability.

Abengoa also implemented a Reporting System in 2008, which will be an effective means of providing the Abengoa management team with reliable consolidated annual information for the entire group concerning the relevant quantitative indicators in the field of corporate social responsibility. The team can then manage the data accordingly and include it in the CSR report. In order for the information to be reliable, there must be systematic consistency in the consolidated data, which must be traceable or reconstructible, accurate and thorough in identifying and considering the data sources. For this reason, the Reporting System also features effective internal control mechanisms that aid in preventing, detecting and correcting significant errors in the reported data.

Furthermore, Abengoa will develop a System of Environmental Sustainability Indicators in 2009, which will help to improve company business management, enabling the company to quantify and compare the sustainability of its activities and to establish goals for future improvement.

The combination of the two initiatives has led to the inclusion of Abengoa on the FTSE4GoodIBEX sustainability index, a Spanish indicator of socially responsible investments, and to company participation, since 2008, in the Carbon Disclosure Project, the purpose of which is to reflect worldwide quantification and disclosure of greenhouse gas (GHG) emissions and information on strategies for dealing with the risks and opportunities associated with climate change.

### Abengoa values

Abengoa's model of corporate social responsibility is also based on a set of values that currently form the structure of its ethical code and make up part of its business character. Through all of its channels, the company



promotes awareness and application of these values, establishing control and review mechanisms to ensure that they are observed and updated accordingly. The most predominant values are expressly outlined below:

**Integrity.** Honesty in professional conduct is one of Abengoa's defining features and is mirrored in the actions of its personnel, both inside and outside the company. This proven integrity translates into credibility with customers, suppliers, shareholders, the communities we operate in and society at large. It also creates value on an individual and company-wide scale.

**Legality:** Observance of the law is not only an external requirement and, therefore, an obligation for the organization and its employees. The law also provides security when we act and reduces business risks.

**Professional rigor.** The concept of professionalism at Abengoa is closely linked to the will to serve when carrying out work, and entails full involvement in the business project in question. All corporate actions must adhere to the notion of professional responsibility, following the principles established in the Common Management Systems (compulsory rules)

**Confidentiality.** Abengoa expects people belonging to its organization to follow criteria of discretion and prudence in their communications and relationships with third parties, the aim being to safeguard the information held by the Company.

**Quality.** Abengoa is committed to quality in all of its actions, both internal and external. Far from being an exclusive task for the management or a specific group of people, quality governs the daily activity of all members of the organization. Abengoa sets specific standards of quality, which stem from its knowledge, common sense, rigor, sense of order and responsibility in conducting its activities.

### Abengoa participates in numerous corporate social responsibility initiatives

In 2002, Abengoa signed the United Nations' Business Leadership Global Compact, the aim of which is to achieve voluntary adherence by the business community to the notion of social responsibility by implementing ten principles based on human, labor, environmental and anti-corruption rights.

In 2007, Abengoa signed the "Caring for Climate" platform, a further United Nations initiative. As a result, the company has initiated a system for reporting greenhouse gas (GHG) emissions, thereby enabling it to quantify its greenhouse gas emissions, trace all of its supplies and certify the products and services it offers.

## The 10 principles of the Global Compact

**Principle 1.** Companies must support and respect internationally proclaimed basic human rights within their area of influence..

**Principle 2.** Companies must make sure that they are never complicit in human rights abuse.

**Principle 3.** Companies must support the freedom of association and effectively recognize the right to collective bargaining.

**Principle 4.** Companies must support the elimination of all forms of forced and compulsory labor.

**Principle 5.** Companies must support the abolition of child labor.

**Principle 6.** Companies must support the elimination of discriminatory practices in employment and occupation.

**Principle 7.** Companies must support a precautionary approach to environmental challenges.

**Principle 8.** Companies must undertake initiatives to promote environmental responsibility.

**Principle 9.** Companies must encourage the development and diffusion of environmentally-friendly technologies.

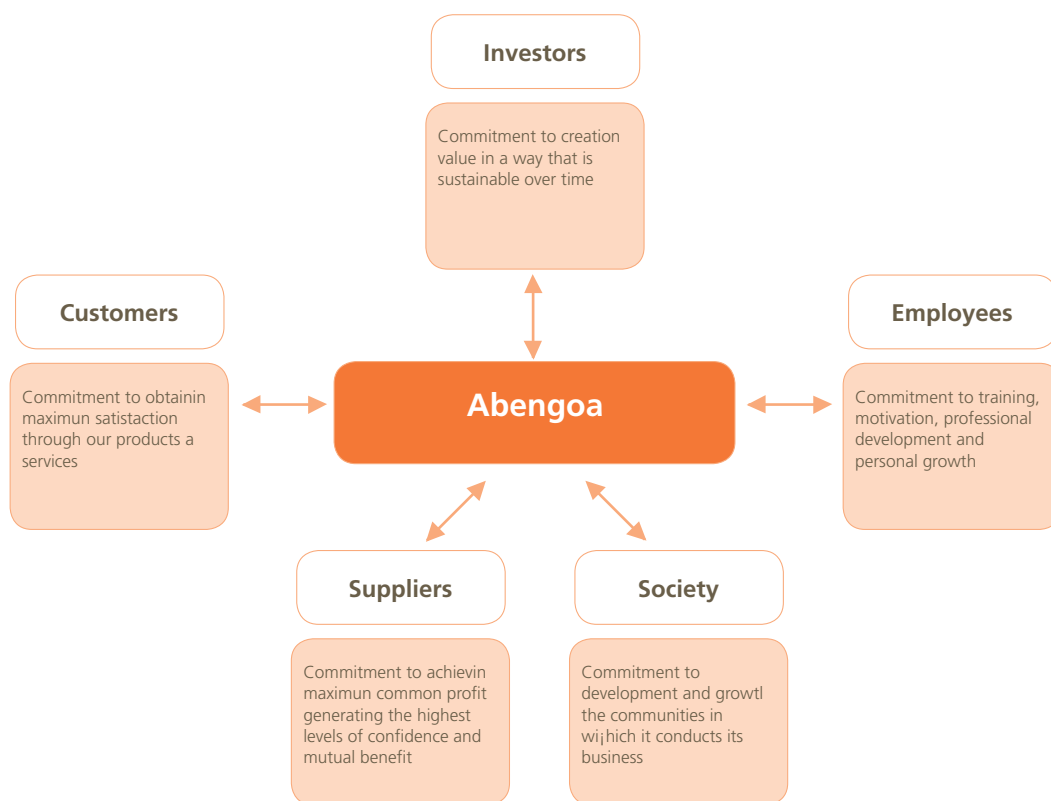
**Principle 10.** Companies must work against corruption in all of its forms, including extortion and bribery.

### Abengoa and Stakeholder Dialogue

Abengoa is fully aware of the importance of all of its stakeholders for its business and growth. Therefore, in addition to providing them with transparent and truthful information on all of its activities on an ongoing basis, the company seeks to promote dialogue with all of them through the different communication channels that adapt to the particular characteristics of each stakeholder, while developing new channels for addressing what is meant to be a dynamic and enriching process for both parties.

Dialogue, understood as a process of listening and communication, is key to achieving the integration of stakeholder expectations into company strategy.

Abengoa's main stakeholder groups are our employees, our customers, our suppliers, investors -given that Abengoa is listed on the stock market-, and society in general.



Abengoa’s commitment to each and every one is the product of the constant, straightforward and direct dialogue that the company has promoted and ensured for many years now. In order to facilitate and foment a process with a stable balance, Abengoa employs a wide range of communication and listening channels, which are aligned with the needs and expectations of each of the aforementioned stakeholder groups.

Stakeholders	Dialogue channels From the company to stakeholders	Dialogue channels From the stakeholders to the company
Shareholders	<ul style="list-style-type: none"> <li>Corporate and business unit website</li> <li>Information on relevant facts</li> <li>Investor Relations Department</li> <li>Public presentations (road shows)</li> <li>Meetings with analysts and investors</li> <li>Analyst and Investor Day</li> <li>General Shareholders’ Meeting</li> <li>Quarterly reports</li> <li>Quarterly presentation of results via conference call</li> <li>Post-Conference Call Feedback Analysis</li> <li>Annual Report</li> <li>Press releases</li> </ul>	<ul style="list-style-type: none"> <li>Investor Relations Department</li> <li>Shareholder’s mailbox</li> <li>Satisfaction studies</li> <li>Meetings with analysts and investors</li> <li>Analyst and Investor Day</li> <li>General Shareholders’ Meeting</li> <li>Quarterly presentation of financial results via conference call</li> <li>Post-Conference Call Feedback Analysis</li> <li>Visit by investors headquarters/customers</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Corporate and business unit website</li> <li>Corporate intranet. Employee Portal</li> <li>Employee self-service</li> <li>Welcome manual</li> <li>Human Resource Interlocutor</li> <li>Committee on Health and Safety</li> <li>Business Committee</li> <li>Committee on Equal Treatment and Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Employee portal. Suggestion box</li> <li>Employee self-service</li> <li>Surveys on work satisfaction and climate</li> <li>Computer tool: TSR for troubleshooting</li> <li>Computer tool: IA for improvement actions</li> <li>Campus Abengoa</li> <li>360° Executive Feedback Program</li> <li>Satisfaction and work environment surveys</li> <li>IT tool: IRP for problem-solving</li> <li>IT tool: AM for improvement actions</li> <li>Social assistance for staff</li> <li>Human Research Interlocutor</li> <li>Health and Safety Committee</li> <li>Claims channel</li> <li>Committee on Equal Treatment and Opportunities</li> <li>Works Council</li> <li>Open Houses</li> </ul>
Customers	<ul style="list-style-type: none"> <li>Corporate and business unit website</li> <li>Working days with clients - Focus groups</li> <li>Security Management System Tool</li> <li>Advertising and marketing</li> <li>Trade fairs, forums and conferences</li> <li>Periodic visits to customers</li> <li>Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Working days with clients - Focus groups</li> <li>Satisfaction surveys</li> <li>Working days with clients</li> <li>Focus groups</li> <li>Product training sessions</li> <li>IT tool: IRP for problem-solving</li> <li>IT tool: AM for improvement actions</li> <li>Security Management System Tool</li> <li>Customer’s mailbox</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Corporate website and business units</li> <li>Structured procedure for measuring supplier efficiency</li> <li>Security Management System Tool</li> <li>Regular visits to suppliers</li> <li>Annual Report</li> </ul>	<ul style="list-style-type: none"> <li>Satisfaction surveys</li> <li>Structured procedure for receiving information and the supplier’s opinion</li> <li>IT tool: TSR for troubleshooting</li> <li>IT tool: IA for improvement actions</li> <li>Security Management System Tool</li> <li>IT tool: IRP for problem-solving</li> <li>IT tool: AM for improvement actions</li> <li>Supplier’s mailbox</li> </ul>
Society	<ul style="list-style-type: none"> <li>Corporate and business unit website</li> <li>Annual Report</li> <li>Communications Department</li> <li>Department of Corporate Social Responsibility</li> <li>Focus-Abengoa Foundation</li> <li>Meetings with NGOs, the media and educational institutions</li> <li>Meetings with NGOs, the media and educational institutions</li> <li>Open Houses</li> <li>Trade fairs, forums and conferences</li> <li>Corporate Blog: Blog. Abengoa.es and Blog.abengoa.com</li> </ul>	<ul style="list-style-type: none"> <li>Communications Department</li> <li>Department of Corporate Social Responsibility</li> <li>Meetings with NGOs, the media and educational institutions</li> <li>Open Houses</li> <li>Trade fairs, forums and conferences</li> <li>Corporate and business unit website communication mailbox</li> <li>Corporate Blog: Blog.abengoa.es and Blog.abengoa.com</li> </ul>

The most important of these are listed in the table below:

For Abengoa, the dialogue channels included in the table form the ideal instrument to ensure mutual information exchange with stakeholders. Many of the dialogue channels are directly managed by the departments and persons in charge of maintaining ongoing relations with the group in question. However, the ultimate aim is that the opinions, suggestions, considerations and complaints collected on a daily basis by Abengoa’s interlocutors influence company strategy.

This information is analyzed at meetings of Abengoa’s strategy committee, which are held every six months, and which, as far as possible, ensure that these contributions are taken on board, in accordance with the ten-year strategic plan.

The feedback that Abengoa generates vis à vis its stakeholders culminates in the communication of company strategy to all of them and, naturally, has a bearing on the company’s relations with them.

Above all, the stable dialogue channels that Abengoa promotes with its stakeholders seek to define a cross-cutting improvement model aligned with the expectations of each stakeholder group and with the company’s vision and mission.

Through these channels and communication tools, the company becomes aware of the stakeholders’ main concerns, enabling improvements to be made to potential system dysfunctions by the departments involved. Each department, in accordance with its links with affected stakeholders, establishes action plans to respond to the requests received.

Thus, Abengoa maintains fluid communication with all of the stakeholders involved in each project and action so that all have a sense of belonging, each time they are informed in advance, which has a beneficial effect on everyone.

Calling informational meetings and exchanging opinions regarding different company actions enables the sectors involved to approach projects as their own, since their benefits are reflected not only in company results, but, essentially, in improvements of all kind that have a positive impact on the specific country in which each initiative is undertaken.

In addition, Abengoa participates in many scientific, technological and cultural events held in the areas, cities or regions where it conducts its business; bearing in mind that, in general terms, any activity that may be considered as lobbying is not handled directly by Abengoa, but rather through the support of the different professional associations that are available in each one of the activity sectors of the Abengoa business units.

**Abengoa and Transparency**

As a group made up of over 570 companies, with a presence in more than 70 countries and over 21,000 employees, Abengoa upholds a firm commitment to transparency in management and good governance, in its relationships with stakeholders, and as the key to establishing successful business relationships.

**Transparency and good governance**

The application of good governance practices contributing to increase the transparency of information published

by the company generates added value for the latter in its communications with third parties, minimizes risks and maximizes profits.

New information and communication technologies are transforming the channels and models for communication between listed companies and their stakeholders. Abengoa is committed to fluid communication with all of its interest groups and employs these channels as part of its commitment to transparency and good management practices.

Each company must adopt the measures required to identify its own risks and control them. For these purposes, Abengoa employs internal control systems which contribute to effective, efficient and transparent execution of the company's activities and processes.

Moreover, Abengoa has implemented Common Management Systems permitting its collaborators to work in an organized, coordinated and coherent manner, and facilitating identification of both potential risks and of the control activities necessary to mitigate them. All procedures geared toward business risk identification and elimination are executed by means of this system, forming a shared Abengoa business management culture, which must be complied with throughout the organization. To this end, all members are fully aware of the systems and are engaged in the process of continuously updating them.

At Abengoa, it is held that an effective internal control system must ensure that all relevant financial information is trustworthy and available to senior managers. Thus, we believe that the model developed by the Sarbanes-Oxley Act, establishing increased control procedures for financial information, completes our Common Management Systems, the main purpose of which is the control and mitigation of business risks.

In accordance with the philosophy of the Institute of Internal Auditors and of its Spanish branch (Instituto de Auditores Internos), the overriding aim of this structure is to provide Abengoa Management and each of its business units with a line of "control" information, additional to and in tandem with normal hierarchical lines; with criteria for clarity and transparency; and with the means to safeguard confidential information involved.

Those in charge of each of the regulations included in the Common Management Systems must verify and certify compliance with said procedures. Certifications are issued and submitted to the Audit Committee in January of the following year, when the Annual Accounts are being prepared and audited and the Annual Report is being written.

This common structure ensures that the following objectives may be attained and certified:

- In regard to the companies, projects and activities, to foresee potential audit risks such as fraud, asset bankruptcies, operational inefficiencies and, generally speaking, risks that could affect optimal business operation.
- To control the application and promote the development of appropriate and effective management standards and procedures, in accordance with the corporate Common Management Systems.
- To create value for Abengoa, promoting synergy-building and the implementation of optimal management practices.
- To coordinate the criteria and approaches for work undertaken with the external auditors, and seek to optimize efficiency and profitability in both duties.
- To ensure the security and reliability of financial information, checking and verifying the proper operation of the control mechanisms in place for this purpose.
- To guarantee that information disseminated to the market is truthful, complete and full, ensuring reporting transparency in all distribution channels and types of information.

Abengoa's information channels show no record in 2008 of any significant <sup>(9)</sup> fine or non-monetary sanction due to non-compliance with laws and regulations.

### Transparency and fighting corruption

During the past fiscal year the decision was made to include within Abengoa's Professional Code of Conduct an express declaration on the company's adherence to the United Nations Convention against Corruption, as approved by the UN General Assembly in 2003.

The aim of the aforementioned text is to promote and reinforce measures to prevent and combat corruption more effectively and efficiently; to promote, facilitate and support international cooperation and technical assistance to prevent and combat corruption, including asset recuperation; to promote integrity, the obligation to report, and effective management of public issues and assets.

In addition to the provisions of this Code of Conduct and other Abengoa policies, employees working with any governmental entity in any country have an obligation to know, understand and abide by the laws and regulations that apply to the conduct of business with government entities. If a government agency, whether national, state or local, has adopted a more stringent policy than Abengoa's policy regarding gifts and gratuities, Abengoa's employees and representatives must comply with that more stringent policy. Specifically, the U.S. Foreign Corrupt Practices Act (FCPA) makes it a crime for companies as well as their officers, directors, employees, and agents, to pay, promise, offer or authorize the payment of anything of value to a foreign official, foreign political party, officials of foreign political parties, candidates for foreign political office or officials of public international organizations for the purpose of obtaining or retaining business.

Similar laws have been, or are being, adopted by other countries. Payments of this nature are strictly against Abengoa's policy even if the refusal to make them may cause Abengoa to lose a business opportunity. The FCPA also requires covered companies to maintain accurate books, records and accounts and to devise a system of internal accounting controls sufficient to provide reasonable assurance that, among other things, Abengoa's books and records fairly reflect, in reasonable detail, transactions and dispositions of its assets. Abengoa will not give or encourage anyone else to give inducements of any kind to any government employee, or to any supplier under government or nongovernmental contracts or subcontracts, in order to gain any business advantage or contract.

The honesty, integrity and sound judgment of Abengoa employees, officers and directors is essential to Abengoa's reputation and success. This Code of Conduct governs the actions and working relationships of Abengoa's employees, officers and directors with current and potential customers, fellow employees, competitors, government bodies, the media, and anyone else with whom Abengoa has contact. These relationships are essential to the continued success of Abengoa and each of its subsidiaries.

Abengoa's Code of Conduct requires the highest standards for honest and ethical conduct, including proper and ethical procedures for dealing with actual or apparent conflicts of interest between personal and professional relationships; full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed or submitted by Abengoa with governmental agencies or in other public communications made by Abengoa; compliance with applicable laws, rules and regulations; addresses potential or apparent conflicts of interest and provides guidance for employees, officers and directors to communicate those conflicts to Abengoa; addresses misuse or misapplication of Abengoa's property and business opportunities; requires the highest level of

<sup>(9)</sup> In mutual agreement with the auditors of the Abengoa Financial Statements, we have defined as "relevant material" or "significant" any contingency that exceeds 500,000€.

confidentiality and fair dealing within Abengoa and outside Abengoa; and requires prompt internal reporting of violations of this Code of Conduct and proper reporting of any illegal behavior.

The company executes all its donations and sponsorships through the Focus-Abengoa Foundation, with a firm commitment to their execution in accordance with the laws in force.

In many industries and countries, gifts and entertainment are common practices used to strengthen business relationships. Throughout the world, Abengoa's position is clear. No gifts, favors, or entertainment should be accepted or provided if it will obligate or appear to obligate the person who receives it. Receiving or giving gifts of cash or cash equivalents is never allowed. Abengoa employees may accept or give gifts, favors, and entertainment only if they meet all of the following criteria: they are not against the law or the policy of the other party; they are consistent with customary business practices in the country or industry; they are reasonably related to business relationships; they are consistent with any existing business guidelines; they cannot be construed as a bribe, payoff, or improper influence; and if they do not violate Abengoa's business values or ethics in any other manner. All of the aforementioned is overseen by the Internal Audit department.

Over the course of this past year, the Internal Audit Department issued a total of 552 audit reports, focusing on issues including the results of risk reviews and analyses in relation to risks of corruption in companies that were judged to be material, and 51 legal audits were conducted, which, while they offer neither analysis nor specific risk control systems, complement the auditing reports so as to be able to detect situations that potentially may be deemed corrupt.

No specific training courses relating to the company's anti-corruption policies and procedures took place during the period, but training courses were given on its Common Management Systems in which the specific procedures for managing corruption-related risks and the establishment of anti-corruption policies in companies were addressed.

There is a computer application based on these Common Management Systems that can be consulted at any time by all users, enabling them to acquire further knowledge on the organization's anti-corruption policies and procedures.

Abengoa's Professional Code of Conduct can also be found on the internal website (intranet), to which all employees have access, and on the company's external website. All changes that are made to said code are immediately communicated throughout the organization.

Abengoa's information channels show no record in 2008 of any corruption-related incidents at Abengoa.