

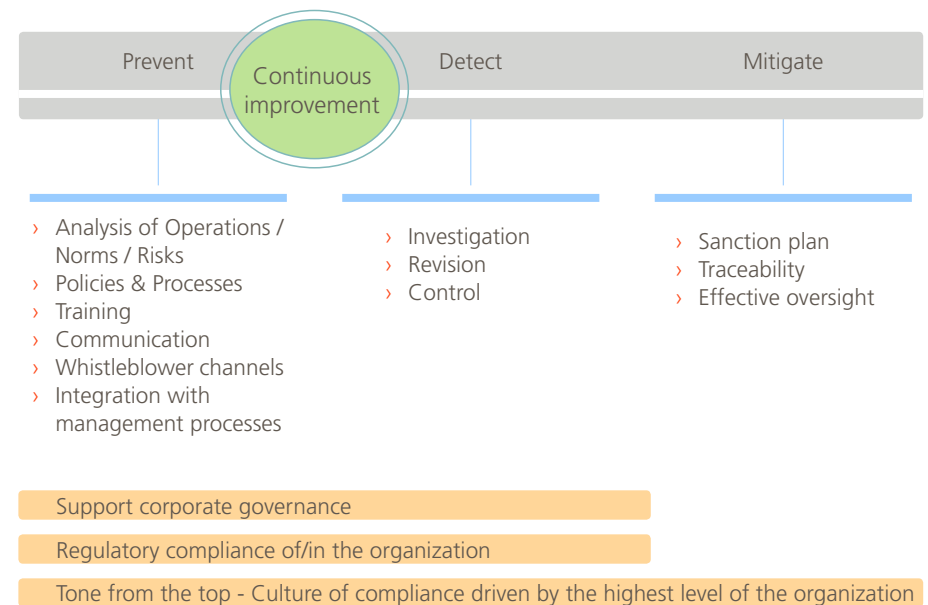
Regulatory compliance



In 2013, Abengoa implemented the **Corporate Compliance Program (CCP)** with the aim of preventing, detecting, and sanctioning any conduct that might result in company or employee liability. This includes the self-regulatory programs voluntarily put in place by the company to adapt to legal requirements, to underscore its commitment to ethical practices, and to prevent and detect unlawful conduct.

The CCP is led by the Corporate Compliance Officer (CCO), who reports to the chief executive officer and the executive chairman, and also reports relevant issues in this area on a monthly basis to the Board of Directors. The CCO also attends Fiscal, Consolidation, Strategic Development and Corporate Social Responsibility committee meetings, which are held monthly.

Key aspects of the Compliance Program



Geographical and functional scope

The program defines the main actions involving detection, prevention, surveillance and control that are subsequently carried out by the **Internal Compliance Unit**, which is headed by the CCO, in accordance with the control processes implemented by Abengoa to prevent and control the occurrence of unlawful conduct.

The CCP applies to all Abengoa companies in every country in which the company operates and all company activity. It also applies to company employees, including mid-level managers, senior management and third parties acting directly and expressly on behalf of Abengoa or its directors. All of these individuals must uphold the standards and regulations undertaken by the company when violation could result in financial or administrative sanctions, criminal or civil liability, or otherwise tarnish the company's reputation.

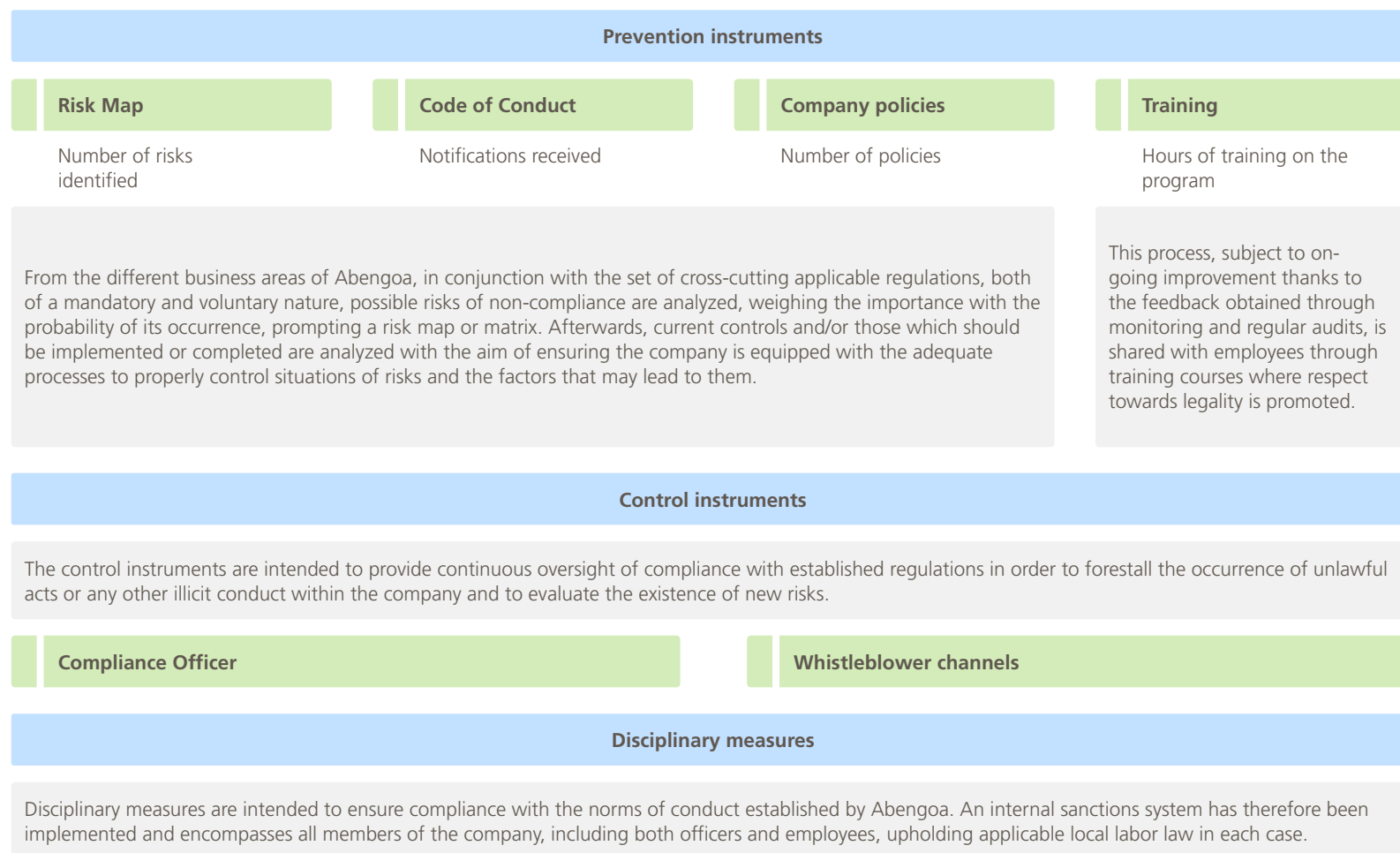
The scope of the program is gradually being extended to include suppliers and collaborators.

The CCP was developed based on the model proposed by the **Open Compliance and Ethics Group (OCEG)** as a means of attaining excellence in managing key processes involved in corporate governance, risk management and compliance.

The program is the product of Abengoa's commitment to adhering to conduct characterized by integrity and professionalism in the three areas of CSR (economic, social and environmental) across company lines of business. It is inspired by the ethics- and responsibility-related criteria covered under the professional code of conduct, which has been updated and expanded over the years to reflect new regulatory developments in relation to good governance and good practices in each core area of CSR.

Key instruments of the Corporate Compliance Program (PCC)

The CCP is carried out using prevention and control instruments, as well as disciplinary measures, in accordance with applicable local law and legislation.



Activities carried out under the program framework

In 2015 Abengoa developed and implemented **“Prevention of Conflict Minerals”** programs (a requirement of US SOX legislation), as well as the **“Prevention of Money Laundering”** and **“Funding of Terrorism Activities”**, both of which are applied voluntarily group-wide.

The purpose of the Conflict Minerals Program is to control the origin and application of minerals at Abengoa operation sites and to explain program obligations to which all companies are subject under Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. This law bans any commercialized products containing “conflict minerals”; namely, minerals and metals whose origin is the Democratic Republic of Congo or its bordering countries. In cases where minerals originate in this country or where their origin cannot be determined, in accordance with prevailing legislation, commercialization of these products requires that origin and chain of custody undergo due diligence in order to ensure that purchase or sale of these minerals does not benefit any armed group. The scope of application includes all group companies with manufacturing capacity that incorporate these minerals into their chain, either directly or indirectly, for use in products that are subsequently distributed to third parties.

In relation to the **Anti-Money Laundering Program**, Abengoa **has voluntarily undertaken** the principles and obligations established under applicable regulations concerning the prevention of money laundering and funding of terrorist activities.

The two programs are of **mandatory compliance for all company employees**. Both oversight and control of their due application falls, without any exceptions, to management and directors.

Abengoa’s Norms of Obligatory Compliance (NOC), which apply to 100 % of the company’s employees, outline due diligence processes, limits and requirements with respect to receiving gifts and gratuities and agency and intermediation contract conditions, all of which must be known and upheld at all times by all company employees. **In 2015** Abengoa performed a **comprehensive analysis of the main types of conduct where failure to comply could result in risks for the company and/or for employees**.

Additionally, as a result of the modification of Spain’s Penal Code via Organic Law 1/2015, the “Specific Program for Matters Involving Prevention of Criminal Activity” was developed and implemented.

For the first time, a criminal law establishes the duty of a company’s directors to adopt and execute effective models for surveillance and control aimed at preventing crimes committed by its employees in conducting business activities and to their benefit.

Proper functioning of the “Specific Program for Matters Involving Prevention of Criminal Activity” contributes to reinforcing the company’s culture of compliance:

- › **Adopting suitable measures for surveillance**, control and execution in order to prevent the occurrence of infringements by the Board of Directors.
- › **Overseeing the operations of and compliance with the prevention model** by entrusting it to a company body responsible for overseeing program application that must have sufficient independence and autonomous powers of initiative and control.
- › **Ensuring a robust model** so that committing a crime must necessarily entail a violation of the model, not simply taking advantage of potential legal vacuums.
- › **Making sure** that there is **no neglect or relinquishment of surveillance and control functions** by the body holding powers of control.

The prevention model that has been adopted meets these requirements:

- › **Identifies activities** within the scope of which crimes could occur that must be prevented.
- › **Establishes protocols** that specify the training process for making and executing decisions.
- › **Availability of suitable financial resource management models** in order to forestall the occurrence of infringements that must be prevented.
- › **Sets out training and information regarding potential risks and infringements** for the body tasked with watching over the operation and observance of the prevention model.
- › Establishes a **disciplinary system that imposes appropriate sanctions** in the event of failure to comply with the measures established under the model.