



03. Management of capitals

03.3 Human capital

Targets for 2018	<ul style="list-style-type: none"> > Keep accidents with special severity at 0. > Reduce the frequency rate with sick leave by 5 %. > Conduct feedback surveys for employees. > Promote the Abengoa Interns Programme aligned with the business. > Manage the 2017 evaluation process.
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Abengoa continues to evolve, not without effort, in the recovery process through its activity, based on the feasibility plan on which the restructuring process established in 2016 is based. The main purpose of this plan is to make Abengoa a more efficient, **flexible organisation capable of competing successfully** in the market and thus **regaining the company's value**. This has required the taking of complicated and demanding decisions that have entailed a huge effort on the part of all employees of the organisation.

This process has led to **significant disinvestments that** have been carried out during 2017 and that **have inevitably involved personnel changes** to allow the company to **adapt to the new reality** and to approach a new future from a solid and consolidated base.

It is worth highlighting the **effort made to try to reach agreements** and make the restructuring processes as least traumatic as possible. Thus, the number of dismissals has been lower than initially proposed and attempts have been made to foster alternative measures.

Moreover, there were a series of **milestones in 2017 that marked the future of Abengoa**, including the most important one, the **agreement** reached with the Canadian company **Algonquin Power & Utilities Corporation** for the sale of 25% of Atlantica Yield and the

creation of the new company **Abengoa-Algonquin Global Energy Solutions (AAGES)** as a vehicle for new development opportunities.

Therefore, in this context of recovery, it is essential to preserve the skills and human talent necessary to relaunch the activity and return to its leadership position in this new stage.

During 2017 the company **improved its turnover rates thanks to, among others, the retention plans and the increase in the portfolio of projects** and therefore the professional opportunities that these have generated in different areas of specialisation and technical disciplines.

For Abengoa the most important capital of its organization is the people. Accordingly, following this period of restructuring, the organisation must **focus its efforts on retaining and motivating the company's talent**. For this reason, Abengoa launched an action plan that would allow it to recover the confidence and motivation of its employees, to be able to put the organisation back at its previous level of competitiveness.

Our team in figures

At the end of the year, Abengoa had **12,468 people**, almost 22 % less than the previous year, although the percentage of decrease in 2015 compared to 2016 was 5 % lower. *102-7*

The distribution of workforce by gender and professional category is as follows: *102-8, 405-1*

Professional category	Males			Females		
	2017	2016	2015	2017	2016	2015
Executives	242	328	464	27	38	56
Managers	753	945	1,379	168	266	393
Engineers and graduates	1,349	1,740	2,649	508	753	1,188
Assistants and professionals	1,335	1,413	1,742	479	630	960
Operators	7,182	9,175	12,032	396	605	748
Interns	17	44	185	12	42	124
Total	10,878	13,645	18,451	1,590	2,334	3,469

22.5 % of the workforce is in Spain, while 77.5 % is abroad.

Below, the number of people at the end of the 2017 financial year is indicated by geographical area and the distribution over the total number of employees:

Geographical area	2017		2016	
	Workers	% over the total	Workers	% over the total
United States	328	3	357	2
Latin America	8,075	65	10,002	63
Europe	260	2	307	2
Spain	2,811	22	3,903	24
Africa	655	5	846	5
Asia	339	3	564	4
Total	12,468		15,979	



Based on the type of contract, the workforce distribution was as follows: *102-8, 405-1*

Contract type	Males			Females			Total		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
Indefinite	6,218	7,328	8,561	1,097	1,373	1,570	7,315	8,701	10,131
Temporary	4,643	6,273	9,705	481	919	1,775	5,124	7,192	11,480
Interns	17	44	185	12	42	124	29	86	309
Total	10,878	13,645	18,451	1,590	2,334	3,469	12,468	15,979	21,920

The number of employees at the end of the year with a disability greater than or equal to 33 % in Spain was 48 people. In order to comply with the Law on Social Integration of the Disabled (LISMI) required under legislation, the company has introduced alternative procedures such as the request for exceptionality to cover legal requirements by resorting to recognised centres of special employment, such as for the cleaning service, or reception staff.

The distribution of the workforce by age groups and gender over the past three years is shown below: *102-8, 405-1*

Age ranges	Males			Females			Total		
	2017	2016	2015	2017	2016	2015	2017	2016	2015
20 – 30	2,212	3,176	5,358	315	547	1,107	2,527	3,726	6,465
31 – 40	3,994	5,027	6,547	732	1,129	1,597	4,276	6,156	8,144
41 – 50	2,768	3,262	4,007	385	478	543	3,153	3,740	4,550
51 – 60	1,384	1,640	1,975	122	149	191	1,506	1,789	2,166
> 60	520	540	564	36	31	31	556	571	595
Total	10,878	13,645	18,451	1,590	2,334	3,469	12,468	15,982	21,920

Age ranges	Males			Females		
	2017 (%)	2016 (%)	2015 (%)	2017 (%)	2016 (%)	2015 (%)
20 – 30	20.33	23.28	29.04	19.81	23.44	31.91
31 – 40	36.72	36.84	35.48	46.05	48.37	46.04
41 – 50	25.45	23.90	21.72	24.21	20.48	15.65
51 – 60	12.72	12.02	10.70	7.67	6.38	5.51
> 60	4.78	3.96	3.06	2.26	1.33	0.89
Total						

Abengoa and Algonquin Power & Utilities Corporation signed a **strategic agreement** in November 2017 in which they committed to the sale of 25 % of the capital of Atlantica Yield and to the incorporation of a new company whose objective would be international development and the construction of energy and water infrastructures: Abengoa-Algonquin Global Energy Solutions (AAGES).

The creation of AAGES will therefore mean **new business opportunities**, given that Abengoa will **have exclusive rights** to develop the Engineering, Construction and O&M of all the projects carried out by AAGES, as well as a preferential right for the EPC of the other projects developed by Algonquin Power & Utilities (APUC).

Moreover, this partnership makes it possible to speed up the construction and sale of concessional assets from Abengoa to Atlantica Yield, currently under the ROFO (Right Of First Offer) agreements, which will be another step in the divestment plan.

In 2017 the chairman of Abengoa Peru, Ignacio Baena, signed a commitment for equality promoted by the Peruvian Chamber of Commerce.

The Commitments for Equality represent the first initiative of this kind at a national level that starts from the private sector. As such, it positions companies that adopt these commitments as agents for change. At the same time, it recognises those who through the implementation and promotion of their gender equality practices contribute to the elimination of discrimination and violence against women.

By subscribing to these principles, Abengoa in Peru reaffirms its commitment to equal opportunities through good practices such as promoting gender equality by banning any discriminatory practice; increasing the presence of women in leadership positions; eliminating gender biases within of the company; promoting labour conciliation policies; zero tolerance policy against any form of violence at work; ensuring equal pay; encouraging partners to develop practices aimed at achieving gender equality in their institutions; sharing best practices; promoting a non-sexist advertising communication that reduces gender stereotypes and fosters the change of sociocultural patterns, etc.

Equal opportunities

Abengoa's commitment to **effective equal opportunities** is reflected in the Company's Internal Rules and in its management systems.

The company **promotes and fosters equality** between women and men by applying this principle **in all its human resources management policies**, such as: recruitment, selection, training, performance measurement, promotion, remuneration, working conditions, reconciliation of family and working life, reporting and prevention of harassment, as well as the rejection of all forms of direct or indirect discrimination on the grounds of gender.

Based on the United Nations Global Compact and included in the Occupational Social Responsibility (OSR) policy, the commitment to equality and non-discrimination on grounds of gender is implemented in the **Equality Framework Plan**, which is structured according to a series of measures that aim, on the one hand, to guarantee equal treatment and opportunities between women and men in Abengoa, and on the other hand, to avoid any possible situation that implies or could represent direct or indirect discrimination on the basis of gender.

The presence of women in managerial and executive positions during 2017 was as follows:

% of women in executive posts and middle management	2017	2016	2015
Female executives and managers	195	304	449
(%)	16.38	19.27	19.58
Total of executives and middle management	1,190	1,577	2,292

Attracting and retaining talent

Abengoa considers the evaluation and measurement of the performance of its employees as key, as well as the results and potential of its teams so that employees receive the necessary feedback for their development and career plan.

To do this, the company **has introduced a skills management model** that guarantees that our professionals are aligned with each position, mission and responsibility.

The process has covered the evaluation of **3,000 employees** in Africa, Asia/Oceania, Spain, Europe, Latin America and North America.

Abengoa is aware that the **competitive advantage lies in the team** and much of the success of this new stage will be due to the quality and good work of the managers, middle management and executives. That is why the company identifies potential executives through the executive development programme, ensuring we have a team ready to comply with our strategic plan.

The company carries out **comprehensive technical and management** training for the engineering and staff profiles and also has professional itineraries in accordance with each of these profiles, as well as their participation in international projects committed to mobility and cross-cutting development within the organisation.

Management Incentive Plan (MIP)

Through the MIP or long-term incentive plan, the company defined a four-year incentive plan (2017-2020) that serves as a retention and motivation element for people considered critical within the organisation, and who are essential for the future of the organisation, as well as in achieving strategic objectives.

404-2, 404-3

The importance that Abengoa attaches to talent means it pays particular attention to the rotation indicators. In 2017, voluntary rotation was 8.69 %, versus 18.22 % in 2016. 401-1

Voluntary rotation		2017	2016	2015
Gender (%)	Male	8.37	18.84	9.8
	Female	9.60	16.65	9.75
Age (%)	20 – 30	2.37	25.07	12.52
	31 – 40	4.97	20.55	10.09
	41 – 50	8.14	13.47	7.65
	51 – 60	9.49	6.97	6.11
	> 60	2.86	6.14	4.09

The index of voluntary rotation by geography was as follows:

Geography	Rotation (%)
Africa	4.01
Asia/Oceania	25.78
Spain	7.93
Europe (excluding Spain)	12.50
Latin America	8.48
North America	4.02

Training

Abengoa is aware of the role of training as a tool for **improving the skills** of its employees, which in turn **constitutes a lever to strengthen the company's competitiveness**. Despite the limitation of resources in 2017, Abengoa has continued to manage its training by giving priority to Health and Safety and the indispensable training.

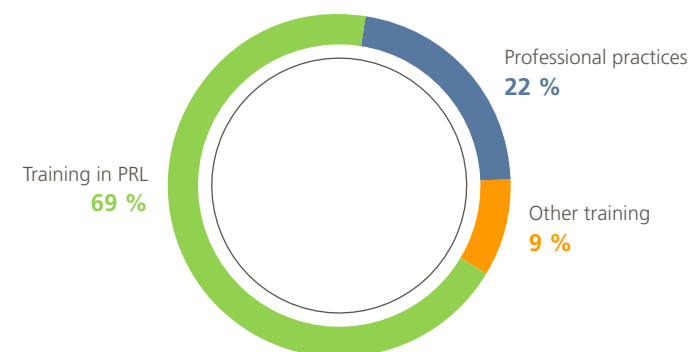
In 2017, 256,584 training hours were given to a total of 12,439 employees, 62 % less than in 2016, and a training ratio by hours with regard to the average number of employees of 20.6.

Likewise, the professional internship hours amounted to 73,557, for a total of 62 interns. 404-1

Training	2017	2016	2015
Training hours	256,584	98,733	1,454,798
Professional practices	73,557	155,925	773,772
Change in the training hours ⁽¹⁾ (%)	62	(53)	

⁽¹⁾ Excluding professional practices

Distribution of training hours by category in 2017 is as follows: 404-1



Abengoa began with the **recovery of the internship programme**, which aims to help complete the training of future professionals through the implementation of training practices in different societies and geographies.

To this end, the programme proposes a **model of training** that allows the intern, duly supervised and monitored, to develop and expand knowledge and skills during their internship period, forming part of professional teams.

The year closed with several participants in Mexico, Peru, Chile, Argentina, Brazil, Algeria and South Africa.

Protection of Human Rights

To ensure protection of the rights of its employees, said employees fall within the scope of supra-business employment regulations, regardless of the nature of their activities or the countries where they are performed. In addition to the legal protection of each country, the regulatory coverage takes on special importance thanks to the collective bargaining agreements in the sector, the territorial ones or the company's own agreements signed with its workers, the unitary representatives or unions, as appropriate, as well as internal regulations that protect and guarantee employees' rights. *102-41, 403-4*

The undertakings arising from adherence to the **United Nations Global Compact** acquired more than 10 years ago, as well as Abengoa's **code of conduct**, inspire the company's own **Occupational Social Responsibility policy**, which establishes a **management system** of social responsibility **in accordance with the SA8000 model**.

Diversity and equal treatment and equal opportunities

Abengoa considers diversity and equal opportunities as value-generating elements that allow it to approach a multicultural society in continuous change. In this regard, its **commitment to non-discrimination** is a **crosscutting policy** throughout the entire organisational structure and represents a key principle, expressly set out in the organisation's different policies (recruitment, selection, training, performance evaluation, promotion, remuneration, working conditions, reconciliation, prevention of harassment, etc.).

For the purpose of ensuring these values, in 2008 Abengoa created its **Framework Equality Plan** and the **Equal Opportunity and Treatment Office**, the purpose of which is to seek gender equality throughout the organisation, driving, developing and managing both this plan as well as associated ones.

Within the framework of this plan, an Equality Commission was created, tasked with the global follow-up of issues related to equal opportunities among men and women throughout the company.

Due to the company's complex situation of restructuring, during 2017 there were no meetings of the Commission. However, the activity is expected to recommence during 2018.

Furthermore, the company has a **protocol for reporting harassment at work**, created to address any situation that may be considered discriminatory or abuse of any kind.

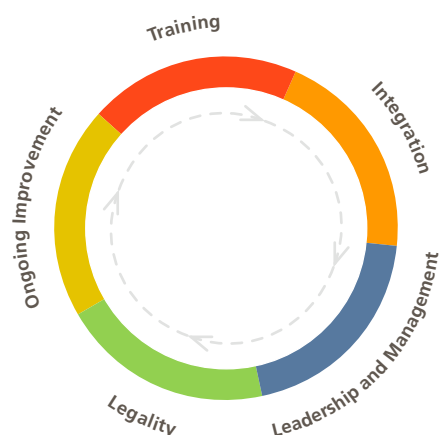
Flexibility of remuneration *201-3, 401-2*

For Abengoa, it is essential to achieve a **climate of pleasant work and reconciliation** based on a solid, transparent, sincere and two-way relationship with its employees. Thus, it furnishes staff members with different social benefits that promote work and personal reconciliation, such as the following:

- › Life and accident **insurance**.
- › **Food and beverage services** at the work centres with the highest number of employees.
- › **Flexible compensation** for employees of Abengoa companies in Spain (medical insurance, transport card, restaurant ticket, nursery cheques... and training).
- › **Gym** equipped with the necessary equipment for physical exercise and spaces for group activities, at the company's headquarters, Campus Palmas Altas, in Seville.
- › **Nursery service and breastfeeding room** at Campus Palmas Altas.
- › **Medical service** to improve health coverage of employees at Campus Palmas Altas.
- › **La Antilla summer residence** in Huelva (Spain), for all current and former employees, in the summer months.
- › **Flexitime at work centres**.
- › **Free transportation service** at Campus Palmas Altas.

Occupational health and safety

At Abengoa, first and foremost are the people and, therefore, our **commitment to the health and safety of every person that forms part of the company is the highest**. The company's main objective is to reduce its accident rate to zero and, for this, it is governed by the principles that make up the Health and Safety Policy:



Abengoa has the motto "You First", which translates into:

- › Improving health and safety conditions in the workplaces, including subcontracted activity.
- › Reduction and elimination of levels of occupational accidents.
- › The integration of Health and Safety in the daily performance of the company.

In 2017 there were no fatal accidents at the sites, projects and facilities: **403-2**

Fatal accidents	2017	2016	2015
Own	0	1	2
Subcontractor	0	0	3

Abengoa also pays special attention to the improvement of the accident rate, which at the end of 2017 showed a significant improvement with regard to the previous year.

Own personnel	OFR ⁽¹⁾	FRSL ⁽²⁾	SR ⁽³⁾	LTI ⁽⁴⁾
2017	13.3	6.6	0.12	173
2016	14.2	8.8	0.23	286
2015	11.8	6.6	0.13	336

Subcontracted personnel	OFR ⁽¹⁾	FRSL ⁽²⁾	SR ⁽³⁾	LTI ⁽⁴⁾
2017	3.1	1.6	0.02	27
2016	7.768	5.4	0.08	86
2015	6.5	3.5	0.07	70

Global	OFR ⁽¹⁾	FRSL ⁽²⁾	SR ⁽³⁾	LTI ⁽⁴⁾
2017	9.3	4.6	0.08	200
2016	12	7.6	0.18	372
2015	10.2	5.7	0.11	406

⁽¹⁾ Overall Frequency Rate (OFR)

⁽²⁾ Lost time injury frequency rate (LTIFR)

⁽³⁾ Severity Rate (SR)

⁽⁴⁾ Lost Time Injury (LTI)

As a result of the great work and commitment shown by all the parties involved at the company, from senior management to site personnel, the following important milestones in this matter can be highlighted:

- › **7 M hours worked without accidents** with sick leave in the WAS project (Saudi Arabia) and the Morelos Centre (Mexico).
- › **One year without accidents with sick leave** in Mojave (USA), A3T (Mexico) and Dead Sea Works (Israel).
- › **1,000 days without accidents with sick leave** at the plants of Écija (Spain), Extremadura (Spain) and Ain Beni Mathar (Morocco).

On 25 October, Abengoa celebrated its **first Health and Safety day in all geographies** where the company is present, to mark the celebration of the European Occupational Health and Safety Week. The aim of this event, spearheaded by the chairman, was to foster preventive awareness in this issue, recognising employees and suppliers for the good practices demonstrated in occupational safety during their professional endeavours.

In addition, every month the company continues to hold its **Health and Safety committees** directly with **the chairman** and the main OHS executives, the purpose of which is to monitor and warn about all aspects related to the area, such as the implementation of the necessary Health and Safety measures in each work position and the analysis of accident rates, as well as the follow-up of the goals set for each of the subjects dealt with. **403-1**



Hosting of the first Health and Safety day at Campus Palmas Altas, Seville.

In 2017, **Abengoa adhered to the Luxembourg Declaration as a healthy workplace** within the European Network Workplace Health Promotion (ENWHP). This fact once again reveals the organisation's commitment to integrating the basic principles of the workplace health promotion and good management of the health of its workers.

