

04. Commitment to stakeholders and creation of shared value

4.6

Social and relational value



€1.3 M
social investment



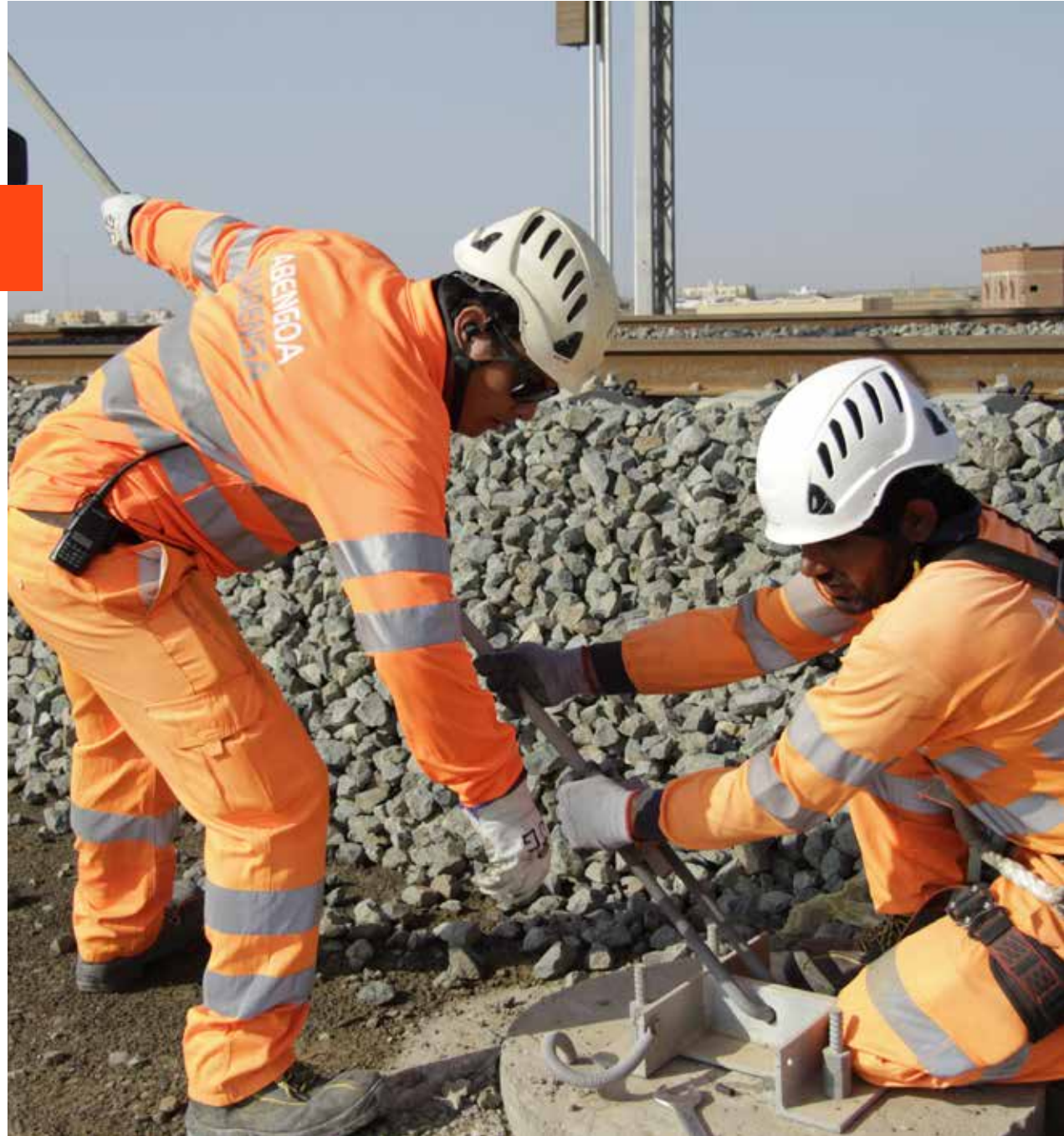
25
years working on social
and cultural development



52
homes under construction
for donation to the
community



+7,000
beneficiaries of social
action programmes



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Goals set forth in the 2019-2023 SCSR



In an increasingly global and connected world, the manner in which a company interacts with its environment can produce financial benefits or costs, in addition to causing positive or negative impacts for the agents with which it interacts. Companies need to maintain **stable and beneficial relations** with the economic and social actors to which they relate, and managing the impacts that their activity generates in the environment is critical in order to keep their **“social license to operate”**¹.


Abengoa, as a global company that operates in 26 countries with a total of 14,025 employees, is aware that it has a high impact on society and vice versa. For this reason it assumes its responsibility as an agent of change in order to **contribute to the progress and development of the communities** where it operates. *102-4, 102-8*

In this regard, Abengoa **applies its experience** and offers solutions to society and communities **addressing water, energy and infrastructure needs**.


The increase in the perception of companies’ impact on their environment, coupled with companies’ potential to influence their supply chain and clients’ ability to intervene in corporate decisions, mean that **corporate strategy and performance** should be considered from **the perspective of the connection with the social environment**.

For this reason, Abengoa, in its CSR policy, establishes its **commitment to the contribution to progress and defines specific objectives and actions in the Strategic Plan** that allow the economic, social and cultural development of communities to be considered. In addition, it works daily to prevent and mitigate any possible negative impact that may arise from its projects, through preventive and corrective measures adapted to each situation.


Due to its current financial situation and with the purpose of complying with the company’s feasibility plan, each Abengoa company has carried out an assessment of their capacity to finance the social projects in development in each of the regions. For this reason, during 2019 activities and projects were performed in Peru, Uruguay, Argentina and South Africa, with the help of its subsidiaries and the collaboration of its employees.



Access to drinking water, thanks to desalination, reuse and construction of hydraulic infrastructures in regions where there is a shortage of this resource.



Electric power generation and conventional energy from renewable sources.



Engineering and construction of infrastructures for the transmission and distribution of energy, guaranteeing access to electricity in isolated areas.

¹ The acceptance of a project (corporate or non-profit) is referred to as “social license to operate” by a community. This license is linked to local perceptions of the company and, therefore, to transparency, honesty, respect, ethics and the mitigation of potential negative impacts by the company.

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Mechanisms for the protection of human rights

Abengoa, as established in its CSR policy, is committed to ensuring the protection of human rights in all the activities performed by the company and its supply chain.

For this reason, it bases its activity on sustainable growth based on **respect for human rights**, throughout its sphere of influence.

To comply with this principle, the company integrates in all its businesses the principles governing the Universal Declaration of Human Rights of the United Nations, norm SA8000 and the guidelines of the OECD in each activity regardless of the locations where it develops its activity. [102-12](#), [406-1](#), [407-1](#), [408-1](#), [409-1](#), [413-2](#)

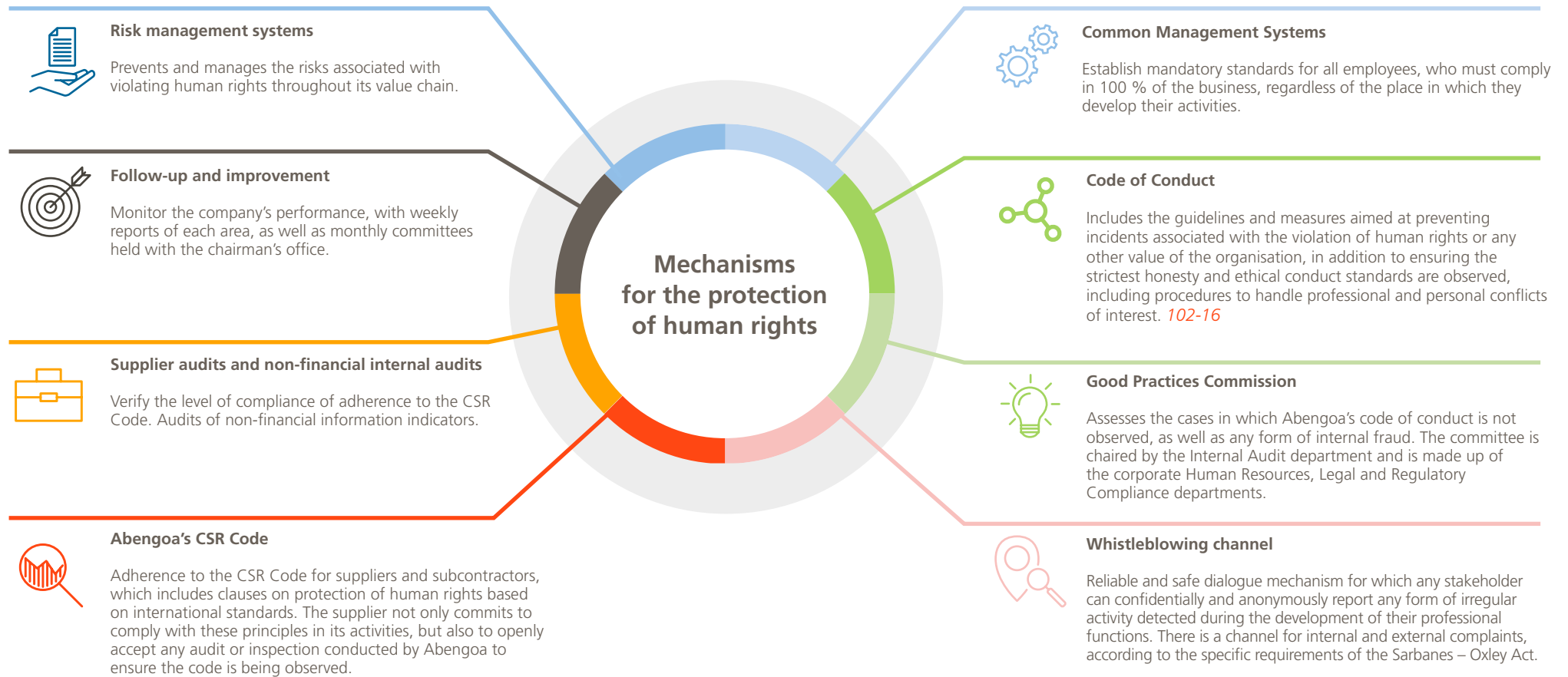
It also supports the ten principles that govern the United Nations Global Compact and integrates them into its corporate strategy through objectives and concrete actions within the SCSR.

	Principles	Contribution
	<p>1 Companies must foster and respect the protection of fundamental human rights, recognised internationally, within their sphere of influence.</p>	<p>Chapter 3.1 Commitment to sustainability</p>
	<p>2 Companies must ensure that they are not complicit in human rights violations.</p>	<p>Chapter 3.1 Commitment to sustainability</p>
	<p>3 Companies must foster freedom of association and the effective recognition of the right to collective bargaining.</p>	<p>Chapter 4.3 Human value</p>
	<p>4 Companies must foster the elimination of every form of forced or coerced labour.</p>	<p>Chapter 3.1 Commitment to sustainability</p>
	<p>5 Companies must foster the elimination of child labour.</p>	<p>Chapter 3.1 Commitment to sustainability Chapter 4.3. Human value</p>
	<p>6 Companies must foster the elimination of discrimination in employment and occupation.</p>	<p>Chapter 4.3. Human value</p>
	<p>7 Companies must maintain a preventive approach that protects the environment.</p>	
	<p>8 Companies must foster initiatives that promote a greater environmental responsibility.</p>	<p>Chapter 4.6. Environmental value</p>
	<p>9 Companies must foster the development and dissemination of environmentally friendly technologies.</p>	
	<p>10 Companies must work against corruption in all its forms, including extortion and bribery.</p>	<p>Chapter 3.3 transparency and compliance</p>

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Abengoa is still committed to observing the principles and fundamental rights of all workers as part of its **Commitment to the Declaration of the International Labour Organisation**, to respect and promote workers' principles and rights, the right to freedom of association and freedom to become a member of trade unions, and the effective recognition of the right to participate in collective bargaining agreements, elimination of forced or mandatory labour, abolishment of child labour and the elimination of discrimination in relation to employment and occupation. *102-12*

In order to comply with the level of demand required in its commitment to the prevention, protection and control of any possible human rights violations, Abengoa has the following mechanisms: *102-17, 410-1*



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A positive impact on local communities

Abengoa considers that **working with the local communities** in which it operates and investing in their development and growth allows it to reap benefits that go beyond economic returns and are linked to local perceptions of the company and, therefore, to **transparency, honesty, respect, ethics** and the **mitigation** of possible **negative impacts** by the company. This intangible is something which companies must focus on above all, since obtaining it, and most importantly maintaining it, is extremely difficult.

Abengoa articulates its social action through two lines of action:

- **Social development, education and research.** Abengoa works with the communities in which it is present, investing in their development and contributing to economic and social progress. Currently, the company's social projects are managed directly through the group companies operating in local communities.
- **Promotion of art and culture.** Abengoa contributes to social and cultural development through the Fundación Focus (Focus Foundation), which has been working for more than 25 years to promote social and cultural development in the communities in which Abengoa operates, especially in Seville (Spain), where the company's headquarters are located.

Social development, education and research

Social projects were rolled out in the following regions in 2019:

Peru

This year marks a decade since **“Voluntades, se buscan”** (seeking for sponsors) started, a **child sponsorship programme** established in two Abengoa subsidiaries in Peru: Abengoa Peru and Omega Peru.

The employees of these subsidiaries are the sponsors of this programme, who are well aware of the cause and make **economic contributions intended to award** grants to fund school supplies, uniforms and mobility for vulnerable children at the Hermanas Josefinas de la Caridad nursery, located in the settlement ‘Barrio 9 de octubre’ in Chiclayo.

The process requires the employee to complete an application and pay a minimum monthly contribution, which is discounted from the employee's salary every month. Thus, all sponsors receive a monthly report with the costs incurred and the progress of each of the grantees.

Through this programme, Abengoa has helped students in vulnerable situations to receive a quality education, from the first stages to secondary education, all of whom have achieved good results.



Mia Gonzales Alamo (two years old). Sponsored student from the parish educational institution Madre Caterina Coramina Agusti.



Juan alonso, grant recipient, next to his teacher.



Christmas celebration in the parish educational institution Madre Caterina Coramina Agusti.

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Uruguay

The Abengoa subsidiaries in Uruguay have performed several social action initiatives in 2019, among which stand out:

- **Recruitment of personnel deprived of their freedom** to work in the Punta de Rieles prison, so they can learn work habits and can see new alternatives for the future. The work they perform is related to maintenance, cleaning and food distribution services.
- **Recruitment of vulnerable personnel** coming from different organisations and government programmes, with little formal education and difficulty to access the labour market. The initiative is oriented to cleaning and sanitation work, with the possibility to be incorporated as permanent staff.
- **Campaign for the donation of winter clothing to the Centre for the Promotion of Human Dignity** (CEPRODIH), a non-profit civil association which purpose is to assist the more vulnerable families, especially women with children in a high-risk social situation, unemployment or domestic violence, among others. In addition, donations have been made to a rural school of Capilla de Ferruco.
- **Sponsorship of the 5th Congress on Advances in Concrete Design**, organised by the Faculty of Engineering of the University of the Republic, and a new edition of the Labour Exchange Day, with the participation of Human Resources and Labour Relations representatives of various companies and authorities of the Ministry of Labour and Social Security.

- **Refurbishment work** of the road in the Sanctuary of the Grotto of Lourdes, filling and levelling the yard of school No. 258 Juan Bautista Crosa of Pinerolo in the Peñarol district.
- **Contribution of a digger** with operator to support the Emergency Committee with floods in Paysandu.
- **Raffle conducted** by employees to **provide a wheelchair** for a student at the special school No. 192 of Las Piedras in the context of the Reciclaje solidario (Charity Recycling) campaign by the company Cutcsa.
- Donation of a slide to the Capilla de Ferruco rural school.



Argentina

Teyma Abengoa, the main subsidiary of Abengoa in Argentina, has always contributed to social welfare in rural areas, working with communities in its area of influence. Among the actions performed, the following stand out:

- **Educational, sports, nutritional, job training and hygiene programmes** aimed at children, adolescents, persons with disabilities and families living in poverty. This initiative has been performed for the last 20 years in collaboration with the Congregation of the Hermanas de la Compañía de la Cruz, located in the cities of Monte Quemado, Quimili, Alderetes and Tintina.
- **Recruitment of staff and of services to aboriginal communities** in the Altiplano works. In addition, support is provided to the schools of the area which are in the most precarious situation.
- **Collaboration with the recycling programme** of the Garrahan Pediatric Hospital foundation.



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South Africa

In 2019, Abengoa has continued with the **economic, social and business development programmes** in communities near the Khi Solar One and Xina Solar One projects, complying with the requirements of the Department of Energy of South Africa, which establishes an investment of 1.1 % of the revenue in socio-economic and entrepreneurial development programmes that contribute to increasing wealth in a sustainable manner.

The budget established for both programs amounted to approximately R20 million, equivalent to €1.3 million, and the activities developed have focused on the areas shown below.

Assistance to disadvantaged groups:

- **Support for three soup kitchens**, one operating on a daily basis all year round and the other two operating during the winter months, with a capacity of around 150 users, in the Soverby, Mctaggartskamp and Currieskamp communities.
- **Assistance and support for elementary school children during non-school hours** organising extracurricular activities and lunches with a total of more than 600 beneficiaries.
- **Social welfare programme through the Housing project**, which consists of the construction of 52 homes in Pella Pofadder and Onseepkans, which will be donated to people in need to improve their living conditions.

Education and personal development:

- Holding **digital literacy courses for the young and unemployed** of Khai Ma, in collaboration with the Val University of Technology. The attendees were taught basic computer, Internet and mobile application skills.
- **Economic funding contribution for six schools** in the communities close to Khi Solar One and support for hiring support teachers for educational work and extracurricular activities, with the aim of meeting educational needs in the most deprived regions.
- **Promoting the professional development of students through the award of scholarships** with the aim of providing the necessary professional skills to join the operations and maintenance team of an industrial facility in the future. This initiative is covered in Abengoa's SEED programme (Socio Economic and Enterprise Development) in South Africa, which provides social benefits to the Kalksloot, Mctaggartskamp, Blaauwskop, Bloemsmond, Currieskamp and Soverby communities.
- **Awarding of scholarships for young students** with the aim of enhancing their knowledge and experience so they can act as tools to break the cycle of poverty, ignorance and inequality.
- **Training and advice for headteachers** of the main schools in the communities surrounding Xina Solar One, with the aim of enhancing their skills and thereby contributing to improving the management of educational centres.
- **Organising and providing extracurricular activities** in the Pofadder, Pella, Witbank and Onseepkans communities. Cultural activities, teaching games, classes and sports activities were carried out with the aim of improving local young people's skills and behaviour.



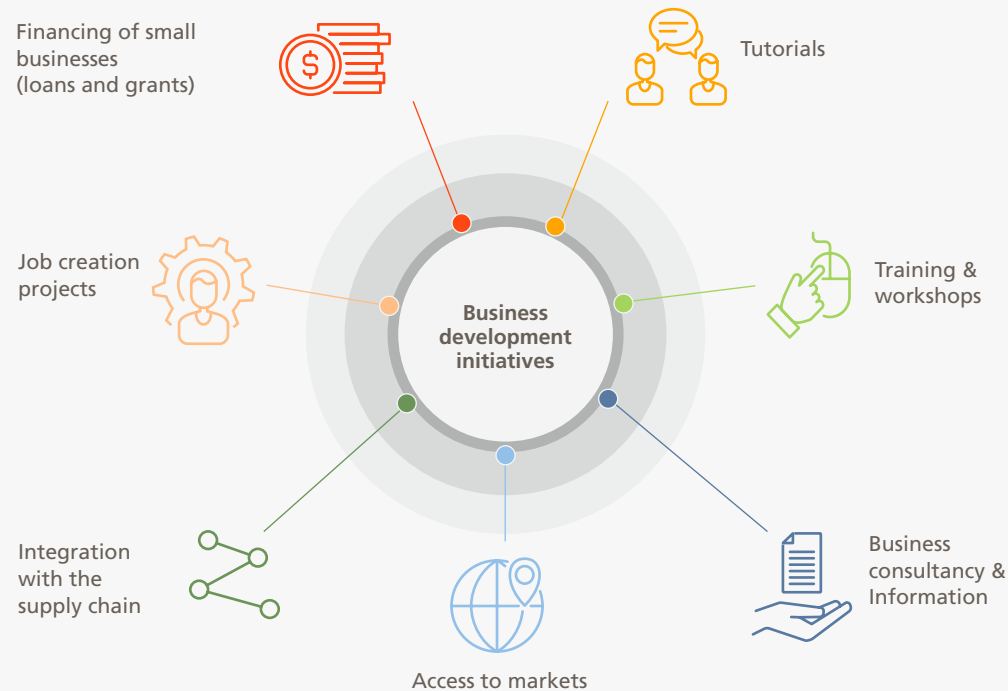
Cecil Mothlanke, an intern who now works as a plant coordinator at Khi Solar One.



Mitzico September, internal administrator working in the SEED programme.

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Additionally, the South African subsidiaries have designed an implementation plan for 2020 and 2021 called **Business Development Entrepreneurial Development Programme (EDP)**, whose objectives focus on promoting small and medium-sized enterprises in the communities surrounding the plants, facilitating access to funding, training and empowering their managers through tutorials and providing advice to improve their access to the labour market through networking. The programme's initiatives are the following:



Promotion of art and culture

The Seville Cultural Fund Foundation (Focus) was established by Abengoa almost 40 years ago, being recognized as a private cultural foundation, for promotion and funding with the aim of preserving and promoting art and cultural heritage.

Currently, the Foundation's scope of action focuses on the preservation and dissemination of the artistic heritage of Hospital de los Venerables and its collections, as well as on generating revenues from cultural and educational tourism.

During 2019 the following actions have been performed:

- On 1 April 2019 **the Summit of the World Travel & Tourism Council (WTTC)** was held at the Hospital de los Venerables, connecting Seville's artistic heritage with worldwide cultural tourism. High level government representatives, members of the WTTC and media held an inaugural work meeting in which public and private sectors met to share their knowledge and experiences to promote tourism.
- On 28 September 2019, **Picasso's work 'Maternidad'** was inaugurated at the Velázquez Centre. This was a unique event demonstrating that the visual character of Picasso's work was also marked by traits and qualities of the painters he studied in his youth at the Prado Museum. The painting, property of the Almine Foundation and Bernard Ruiz-Picasso for Art FABA, has been exhibited for four months in the place of honour of Santa Rufina at the Velázquez Centre. This temporary assignment is in exchange for Focus Foundation's loan to the Málaga Picasso Museum of Velázquez's Immaculate Conception to participate in the exhibition 'Picasso's South, Andalusian References' (2018-2019), a starting point for the collaboration of two cultural institutions that from Málaga and Seville have exhibited, for the first time and together, their most universal masters: Velázquez and Picasso. The presentation ceremony of the guest work to

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the media also coincided with the new opening hours for the monument, which since 28 September has opened its doors every day, therefore constituting a strategic cultural action for the Focus Foundation. The action has been possible thanks to the collaboration and funding of the Picasso Museum in Málaga, the Cajazol Foundation, the Obra Social La Caixa, ABC of Seville and the cultural company ArtiSplendore.

- **The book of Lady Louisa ‘Tenison Castille and Andalusia’** (1853), belonging to the Focus Foundation’s Baroque Library , **was sent to the Museum of Andalusian Autonomy** in Coria del Río (Seville) for the exhibition ‘Travel Memories. History of the Souvenir in Andalusia’, which was held between 12 October 2019 and ended on 29 March 2020.
- **The Martínez Montañés’ sculptures ‘San Juan Bautista’ and the ‘Immaculate Conception’**, property of the Archbishopric of Seville and deposited on a temporary basis in the Velázquez Centre, **were loaned to the Seville Museum**

of Fine Arts for the exhibition ‘Montañés, Master of Masters’ from 29 November 2019 until 15 March 2020.

- **‘The portrait of Martínez Montañés’**, of Francisco Varela, property of the Municipal Government of Seville and deposited in the Velázquez Centre temporarily, has also **been loaned to the Seville Museum of Fine Arts** for the exhibition “Montañés, Master of Masters” .
- **The work ‘NSEO ’ by Juan Suarez**, belonging to the Focus Foundation’s Contemporary Art collection, **has been loaned on a temporary basis to the Andalusian Centre for Contemporary Art (CAAC)** in Seville for the “Juan Suárez” exhibition, which was held from 1 September 2019 until 28 February 2020.
- The **International Premium-Luxury Trade Show “Emotions Travel Community”** Seville 2019, which took place on 10 November at the Hospital de los Venerables.

Activity funding

Since its inception, Abengoa contributed, as the only patron, a financial donation that financed all social activities of the Focus Foundation. However, due to the restructuring process, Abengoa has been reducing its contributions and the Foundation has sought other forms of financing that would allow it to generate income and continue contributing to the conservation of the Hospital de los Venerables and its collections.

During this fiscal year, the activities have been financed through the following means:

74.2 %

Proceeds from cultural visits and selling products at the store

18.7 %

Donations

7.1 %

Collaboration agreements



Tourism summit.

During 2019, Abengoa has made a contribution of €50,000 to the Foundation, intended for the fulfilment of the foundation’s purposes in conformity with its bylaws.