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Independent Review Report on the Design Effective  
Application of the Risk Management System

Annual Report 2011

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**Independent Review  
Report on the  
Design Effective  
Application of the Risk  
Management System**



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**INDEPENDENT REVIEW OF THE DESIGN AND EFFECTIVE APPLICATION OF THE RISK MANAGEMENT SYSTEM**

To the Board of Directors of Abengoa, S.A.:

**Scope**

We have verified with reasonable assurance the design and effective application of the risk management system of Abengoa, S.A. and subsidiaries (hereinafter "Abengoa"), in terms of the criteria established in ISO-31000 - "*Risk Management Principles and Guidelines*," to evaluate whether it was in keeping with the standard during 2011.

The General Management Systems (hereinafter "NOC") set out the procedures and specifications for applying Abengoa's risk management system. The NOC affect all the Company's business segments in addition to all the companies owned by Abengoa. The preparation, updating, implementation, and maintenance of the NOC, as well as the identification and assessment of the risks that affect Abengoa is the responsibility of the Company's management.

Our responsibility is to issue an independent report as to whether the design and effective application of Abengoa's risk management system conforms to the principles established in ISO 31000 on "*Risk Management Principles and Guidelines*," based on the procedures used in our review of the NOC's design and application.

**Review criteria**

We have performed our review according to the guidelines of ISAE 3000 (the International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information) issued by the International Auditing and Assurance Standard Board (IASSB) of the International Federation of Accountants (IFAC), providing reasonable assurance in accordance with said standard, with the scope described in the above section.

**Applied procedures**

Our review work consisted of reviewing the NOC themselves, application processes and procedures, in addition to making inquiries of corporate management, as well as the management of the various Abengoa Business Groups participating in the Company's risk management system, as described below:

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- We interviewed key personnel and persons in charge of the design and effective application of the NOC to review and analyze the status of general management systems during 2011.
- We reviewed the IT systems and processes through which Abengoa develops its Risk Management System to evaluate the integrity of the information processed by the system, as well as overall system security and access control.
- We checked a random sample of the supporting documentation substantiating effective application of both the risk management system and the various procedures as per NOC specifications.

**Independence**

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

**Conclusion**

As a result of our review during 2011 of the design and effective application of the NOC and the described processes and procedures which make up the Abengoa risk management system, we conclude that:

- For the risks managed using Abengoa's risk management system approved by Management and applied to the various activities and companies through the NOC, the design and effective application of said management system are in conformity with the principles established in ISO 31000, "Risk Management Principles and Guidelines."
- At December 31, 2011, the design and effective application of said system enables the Company to suitably respond to the aforementioned business risks as established by ISO 31000, "Risk Management Principles and Guidelines."

ERNST & YOUNG, S. L.

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José Díaz Morales  
Partner  
Date: 23/02/12