

08.2

Communities



Our aim is to improve the life quality of the communities in which the company operates.

Abengoa encourages **development in communities where it is present**, supporting and investing in education and culture, protecting the environment and promoting respect for human rights from its scope of influence.

Through the Focus-Abengoa Foundation, the organization guides its strategic lines towards value generation within the geographic locations of its operations. The goals of activities undertaken by the foundation, 30 years from its creation, is to better the living conditions **of the most underprivileged through social development, education, local engagement, scientific and cultural research and information** on the heritage of the foundation, from human and technology perspective.

Hospital de Los Venerables: Focus-Abengoa Foundation headquarters.



Contributions to the society

Through the Focus-Abengoa Foundation, Abengoa fundamentally works in four areas: social, cultural and educational development and research, and in employee welfare. In all, **Abengoa has invested 10 M€** as follows:

Area of activity M€	M€
Social development	3.4
Culture	2.7
Employee welfare	2.2
Education and research	1.6
Total	10.0

Percentages of community welfare investments in 2012¹.



In addition, the economic value that Abengoa distributed increases with the payment of taxes, with the social security costs and with voluntary contributions to social, cultural, educational and research projects, for employees or in relation to the environment.

The taxes make up a significant share of the economic contribution that Abengoa makes to the society. This indicator is variable and depends on the various applicable laws and on the progress of the incomes and profit².

Social development

The **Focus-Abengoa Foundation** has worked **towards equating the economic, social and cultural** development in countries where the organization is present. This is why it engages in series of programs and initiatives in the various geographical locations in which it operates.

In 2012 the company assigned 3.4 M€ to social development, out of which 2.6 M€ came from Spain, 0.3 M€ from Brazil, 0.2 M€ from Peru and 0.1 M€ from Argentina and Chile, among others.

PE&C: Persons, Education and Communities, Committed to development

The PE&C (**Persons, Education and Communities Committed to Development**) is a social **development programme based on education**, and is one of the pillars of Abengoa's social actions. Since it started in Argentina, the program has become the sign of the identity of the company's social undertakings, thus extending its scope of cooperation into Peru, Brazil, India, Mexico and Chile, rendering assistance to the most underprivileged groups: **children, women, the elderly, the disabled, and families living in situations of poverty and social isolation**.

The PE&C **cooperates** with **local exemplary institutions and NGOs** in supporting the most vulnerable social groups while involving its employees in the achievement of the various programs. These local organizations, with first hand knowledge of the needs and socio-cultural identities of said groups, work with teachers, cooks, health officers and volunteers to implement actions that support the social and economic progress of these communities.

The PE&C first started operating in **Argentina**, in: Quimili, Monte Quemado and Alderetes. Four years later, it entered **Peru**. In 2010 it also entered **Brazil**, in orphanages in Rio de Janeiro and Aracaju-Sergipe.

The PE&C has benefited more than 7,000 people since its creation

Note 1: Please see the list of activities that were executed in appendix C.

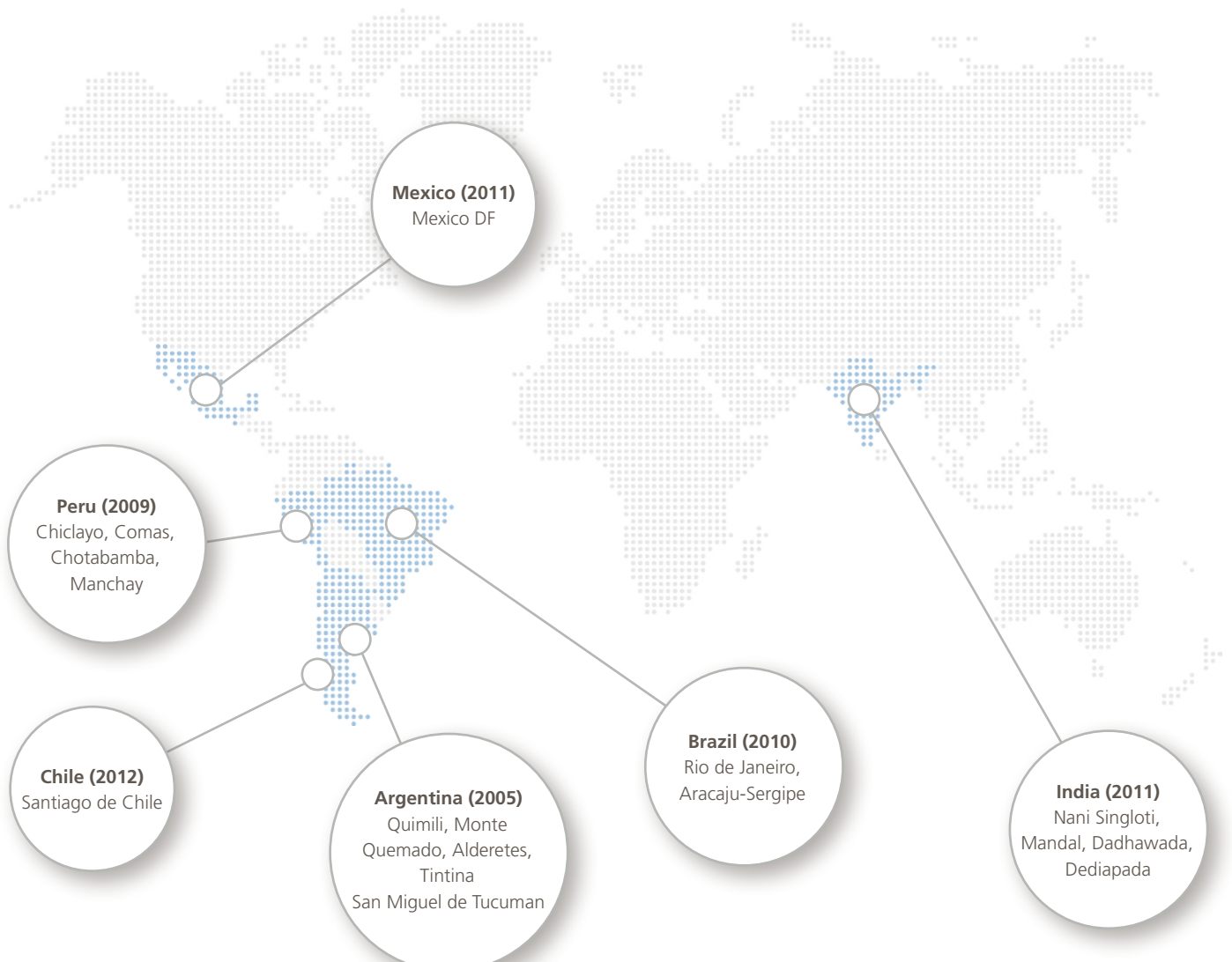
Note 2: The list of taxes paid in 2012 broken down by country is in appendix A.

In 2011 the program entered **India** and **Mexico**. Last year the PE&C was introduced into **Chile**, starting its operations at the Hogar de Rebeca Ergas for women who are victims of abuses and their children. Studies are also underway to implement the program in the town of Torreblanca, Seville (Spain).

As a result of the various collaborations that Abengoa establishes in those countries, some **children in India, between the ages of three and six** from various villages are prepared for primary education. These children have the opportunity to learn Gujarati (the official language of the State), Mathematics and Writing. **Women** are also taught Personal Hygiene, Care and Nutrition to ensure healthy pregnancy and child growth.

In Brazil, assistance is provided to a large number of **girls and adolescent** victims of problematic family homes, abandonment and domestic violence, and to youths at social risks, who come around for social, educational and recreational activities. In Chile, also, assistance is provided to **women** in at the Hogar Rebeca Ergas, which works towards the protection of domestic violence victims and **their children**, by training and preparing them for the job market.

In Peru, Mexico and Argentina, Abengoa also tries to develop the personality, talent and creativity of the **elderly**, the disabled, women and children through educational, training and sports workshops. Help is also given to poorer families to improve their situation through education, home improvement and assistance. Abengoa **intends to continue** widening the **reaches of the PE&C** to open new horizons to the underprivileged. The program is expected to reach Spain in 2013, first stopping at Torreblanca, in Seville, to start work on the education and training of adolescents living in complex family and social environments.



The PE&C social program boasts of continuous **control and follow-up**. Each of its head offices is assigned a local coordinator who assesses the evolution and progress of each of the beneficiaries of the program and is in constant dialogue with the NGOs in charge of the project. Likewise, the PE&C has six national coordinators, one per country and a programs director who is in charge of the coordination, assessment and the general development of the project. The Corporate Social Responsibility Management regularly visits the various head offices of the program for an in situ verification of the development of the various projects and to obtain first hand knowledge of the opinions and evaluations of the PE&C employees, volunteers and beneficiaries.

In 2011, Abengoa obtained a tool based on the SROI (Social Return on Investment) methodology which permits the measurements of investments made and the efficiency of programs and initiatives set in motion. In 2012 this tool was used to evaluate the PE&C head office in Argentina and it will be used to evaluate the head offices in Brazil and Peru in 2013.

Volunteer programs

During the year Abengoa commissioned a **global volunteer program** based on the PE&C with a model for employees in Spain.

The program was commissioned with dual objectives: to make the organization employees active participants of the PE&C and; to create volunteer collaborators who may provide their capabilities, illusions and time towards improving the life quality and well-being of the beneficiaries.

There are three modalities of volunteers in the program:

- **Financial donation:** this entails the contribution of monetary amounts to any of the PE&C projects that, depending on one choice or another, would be used for the procurement of foods, school material and toys for children, etc.
- **Time donation:** entails providing remote collaboration capabilities for all kinds of works that do not necessarily require physical presence for implementation. The management and execution of such works are done through the company's Intranet which contains the details of the projects.
- **Solidarity holidays:** Abengoa employees may volunteer at some PE&C head office locations during leave. This initiative will permit them to know more of the company's social projects.

In addition to this initiative, the company organizes an annual **Corporate Volunteers Calendar (CVC)** implemented at all the head offices of the PE&C, Argentina, Brazil, Chile, Mexico, Peru and, from 2012 onwards, in India the latest of the head offices to join the project.

This calendar consists of key dates for various volunteer activities scheduled to take place in the organization such that employees in each of the countries where the program is under-way may participate in it.

Participation in CVC activities may be physically present, remote or through monetary or other means of donation. The assistance provided through this volunteer program is channelled through NGOs working with the organization in its PE&C.

An example is the **"Tu proyecto cuenta"** initiative which had its first edition in 2012 in Argentina. This initiative affords all the employees the opportunity to submit a plan of educational and social activities, and then execute them in the various head offices of the PE&C social development program in the country: Monte Quemado, Tintina, Quimili and Alderetes. Thus, the selected volunteers have been able to visit the various centres to offer training in workshops that they themselves organize.

Two volunteers of Abengoa "Tu proyecto cuenta" program together with students of a Technical Drawing class in Argentina.



The aim of the PE&C is to grow together with the communities in which we are present

The two projects selected by the employees themselves consisted of the creation of a workshop for preparing mosaics and trencadis (mosaics done using ceramic fragments joined with mortar), and the opening of a Decoupage (manual decoration technique in which coloured paper or material is glued onto various objects like wood, ceramics, metals, candles, soaps and glass, among others) training workshop, jewellery and technical drawing.

Sharing the skills and knowledge of the volunteers with various beneficiaries of the program and, this way, growing together, is the objective of the PE&C volunteer programs.

In 2012 Abengoa employees gave over 2,000 hours of their time to volunteer actions in person.

Peru's School of Power line Technicians

In 2011, Abengoa commissioned a **Power-line Technician School in Peru** to impart training in high voltage tower assembly and montage to inexperienced persons from within the communities of the country where the organization is present.

This initial edition had a total of **50 persons** in the Montage and Assembly module. They were trained for two months in both the theory as well as the practical aspect at the Senati Technical Institute and then given the opportunity to **join the staff** and work for one year, practising what they had learned. This means that all participants of the program would be able to work in the various projects that the company is executing in the southern Peru area.

Abengoa has already started with the **second edition** of the program, now in another city, Abancay, aimed at the **personal and professional development** of the youths of **Apurimac region** who can acquire the knowledge and practical training necessary to become Power-line Technicians. Like in the first edition, the academic guidance of the students is cared for by the professionals of the National Department of Training in Industrial Work (Servicio Nacional de Adiestramiento en Trabajo Industrial).

This time, however, the educational aspect of the program is **imparted in-house** to ensure that the students take maximum advantage of the program during the apprenticeship period. Abengoa is paying for the lodging and maintenance expenses.

Like in the Power-line Technician school in Peru, at the end of the course, **the students will be granted the opportunity to participate in ongoing Abengoa Peru projects in the region to apply what they may have learned.**

The initial edition of the program involved more than **300 hours of theory and practical training** dedicate to, among others subjects, Blueprint Reading, Storage, Tower Transporting, Profile Classification, etc. In addition, the **best five students of the class** were given scholarships to help them **continue their career as Power-line Technicians.**

Impact on the local community

Abengoa making every effort to ensure that the impact of its activities in the area does not negatively alter either the society or the surroundings.

The diversity and global presence of the company makes it possible for it to come in contact and co-exist with indigenous people, observing and respecting their rights. In 2012 there are no records of any reports in the Abengoa reporting and information system on any incidents in relation to the violation of the rights of the indigenous.

Some of the projects of the company generating public benefits and their impacts are described below:

Description of project that generates Public Benefit	Actual and Expected Positive Impacts	Region
Mojave Solar, a 280 MW parabolic trough plant under construction.	Development of the local industry, creation of direct and indirect employment, supply of clean energy and CO ₂ emission reduction.	USA
Solana, a 280 MW parabolic trough plant with storage in Arizona under construction.	Development of the local industry, creation of direct and indirect employment, supply of clean energy and CO ₂ emission reduction.	USA
Kaxu Solar, a 100 MW parabolic trough plant with storage under construction.	Development of the local industry, creation of direct and indirect employment, supply of clean energy and CO ₂ emission reduction.	South Africa
Khi Solar One, a 50 MW solar power tower with storage under construction.	Development of the local industry, creation of direct and indirect employment, supply of clean energy and CO ₂ emission reduction.	South Africa

Description of project that generates Public Benefit	Actual and Expected Positive Impacts	Region
Commissioning of sea water desalinating plant in Qingdao.	It will supply a population of 500,000 people.	China
Development of a supply system.	It will supply 175,000 people.	Turkey
Design, supply, civil engineering, montage and start-up of the 400/132/13.8 kV Industrial Substation Area in Riyadh. The substation is the GIS bunkered type.	Improvement of the electricity network in Saudi Arabia.	Saudi Arabia
Works for the hydroelectricity exploitation of the regulated contributions for the Itoiz Dam, at the Canal de Navarra origin.	The emission of over 12,000 tons of CO ₂ will be prevented per annum.	Spain
Conceptualization, development, design and construction of an Electricity Transmission Line within Cotaruse area, including the works and complementary services and accessories to the main object.	Generation of direct and indirect employment.	Peru
Construction of sea water desalination plant.	It will supply 750,000 people.	Algeria
Design, supply, civil engineering, montage and start-up of the 400/110/13.8 kV Industrial Substation Area in Jeddah North West. The substation is the GIS bunkered type.	Improvement of electricity supply.	Saudi Arabia
Conceptualization, development, design and construction of an Electricity Transmission Line within Chilca Marcona - Montalvo area, including the works and complementary services and accessories to the main object.	Generation of direct and indirect employment.	Peru
Construction of a cultural Centre.	Undertaking of various cultural and artistic activities for promotion to the public in general at a low cost or for free.	Mexico
Design of Final Engineering, Material and Equipments supply, Civil engineering, Electro-mechanic Works, Final Tests and Commissioning of the SIEPAC Transmission Line.	Connection of the Guatemala-Honduras-El Salvador-Nicaragua-Costa Rica-Panama electricity networks. Improvement of electricity services in the region.	Various countries
Verification of trace, design, supply, montage and tests on two 132 kV overhead lines.	Improvement of electricity supply in Abu Dhabi.	United Arab Emirates
Construction of Transmission line.	Generation of direct and indirect employment.	Peru
Sea water desalination plant.	Supply of potable water to more than 500,000 people resident in Teshie, Nungua and Tema, thus improving the life quality of its residents, creation of some 400 direct or indirect job posts.	Ghana
Sea water desalination plant.	The plant will generate 100,000 m ³ /day of potable water from sea water to supply and meet the needs of half a million people Contributing to solve the serious problem of the scarcity of potable water.	China
Water desalination plant.	It will supply the water need of more than 225,000 residents.	Algeria

The absence of the appropriate preventive measures in certain industrial processes could be risky for the areas in which said industries are located. Abengoa makes every effort to analyse the possible negative impacts that may derive from its activities and when any is detected, preventive measures are sought to either avert or to rectify said negative impact.

An example of such is:

Activity with actual or potential negative impact	Action taken to prevent or mitigate the negative impact	Region
A 500 Kv double circuit transmission line construction, Oriximina-silves-Lechuga.	Environmental education program: the main purpose of this program is to develop the practice of environmental education in towns through which transmission lines pass, informing the local communities on, especially, the scope of the project, teaching them new ideas and sustainable habits, bearing in mind the goals of group participation and respecting the social, cultural, political and biological diversity, depending on their production activities and the environment in which they live, with the aim of improving the quality of life and work.	Brazil
	Road safety and urban mobility program: implies guidelines and procedures for executing new projects as harmoniously and as organized as can be possible, causing minimum disturbance to the users of the road in question, to pedestrians, to residents and to the environment.	Brazil
	Social communications program: this program is aimed at creating and maintaining communication channels necessary to sustain the good relationship between Manaus Transmissora de Energia S.A. and the various social actors involved in its introduction, in a manner that information circulates appropriately to avoid interferences in the communication and to guarantee the quality of actions planned in other environmental programs.	Brazil
Usage of dangerous substances that could bear impact on the environment.	The environmental regulation is strictly followed and health and safety programs are undertaken.	Germany
Circulation of vehicles with waste.	The vehicles are sprayed to avoid the effects of the particulate matter in the towns.	Peru

Employee welfare area

Abengoa considers its employees as the main engine of the company. Therefore, the organization lays special emphasis on motivating and ensuring suitable conditions for the correct performance of their work through continuous training and the promotion of professional and personal progress.

Welfare assistance and scholarships

Focus-Abengoa Foundation makes study grants and assistance available to the employees. These grants are for the working staff as well as their spouses, children and orphans who, at the time of receiving the grants, can show proof of said condition.

In 2012 the company allocated 15,000 € to grants and assistance.

Study completion awards

Below is a list of awards and grants in 2012 according to education level and prize amount:

Compulsory Secondary Education Award: Four awards of 600 € each.

Secondary school diploma awards: Five awards of 600 € each.

Middle level and Upper level Training Circle awards: Three awards of 600 € each.

University graduation awards: Eight awards of 800 € each.

Professional enhancement awards: 20 awards of 600 € each⁽³⁾.

Purse for furthering studies overseas: An award of 1,200 €.

Assistance for foreign language summer courses overseas: Three awards of 900€ each.

Assistance for Research for scientific work: An award of 1,200 €.

Vuela Program for children of Abengoa employees

The Vuela Program was conceived four years ago with the aim of giving the children of company employees the chance to obtain first-hand knowledge of the company where their parents work, to gain their first practical professional experience in a leading company in sustainability and to discover a different country and culture.

In 2012 there were 14 beneficiaries of the program, from Europe, Latin America and North America, who enjoyed their professional experience in the only edition that took place from March 2012 to March 2013.

Note 3: The meeting of judges has not yet been held. Therefore, while prizes are still to be awarded, anticipated are those indicated.

Education and research areas

Promoting research is paramount to the organization, such that all through the year it triggers several programs geared towards encouraging debate and knowledge in this scope:

School of Energy and Climate Change

The School of Energy and Climate Change is becoming a space for researching and holding debates on themes relating to the technological and economic factors that **encourage the exploitation of clean sources of energy compatible with a model of sustainable energy**.

On 16th, 17th and 18th April 2012, the School held its VIII edition under the title, "Renewable Energies. Competitiveness. Employment", attended by 40 university students and an array of the most renown speakers.

Speaker of the 2012
School of Energy and
Climate Change.



World Biofuels

In May 2012 the eleventh edition of the **World Biofuels 2012 Conference**, which has become a meeting place of reference for experts and professionals of the biofuel industry, was held.

For two days the attendants analysed the **changes and advancements** that the sector is experiencing, mainly in the US and Europe, and the possible legal modifications required on the current markets.

De la Tierra al Sol Campus

The Focus Abengoa Foundation has opened the **Focus-Abengoa Campus**, located at the Casa Quemada estate, in Seville (Spain), to the public.

"De la Tierra al Sol. Historia de los paisajes del Guadimar" is within this campus, as it is a heritage project seeking ways to contribute to the historical-landscape, archaeological, technological and environmental education through the historical changes in the landscape and the wealth of the archaeological findings of the area.

This protected landscape was created by recovering the land affected by the toxic mine tailings that were released due to the holding dam collapsed at the Aznalcóllar mine in Seville in 1998.

The Focus-Abengoa Campus Show room.



Award for doctoral thesis

One of the goals of the Focus-Abengoa Foundation is to promote and develop the historical and cultural heritage of Seville and, for that reason, each year, there is an **award for the best doctoral thesis** on an artistic, historic, literary, scientific or technical theme relating to Seville.

In 2012 the thesis prize was awarded to Conception Rodriguez Moreno, for her work titled "The Palace of Pedro 1st in the Fortress of Seville. Study and Analysis" ("El Palacio de Pedro I en Los Lazars de Sevilla. Estudio y Análisis"). The award was worth 3,000 €.

Educational and cultural visits to the Focus-Abengoa Foundation organized by the volunteers

The Focus-Abengoa Foundation organizes **workshop-visits** and **guided tours** for both first and second cycle students as well as for the public in general.

In 2012 there were a total of 157 visits for 6,448 people divided into the following:

- Hospital de Los Venerables: Focus Abengoa Foundation headquarters, Seville (Spain).
- The permanent collection of the Centro Velázquez in Seville (Spain).
- The temporary exhibition of "Murillo y Justino de Neve", Seville (Spain).

The organization also offers guided and free tours to the foundation headquarters for the employees.

Cultural aspect, a way of sharing knowledge through our heritage

Permanent collection at the Centro Velázquez

The Centro Velázquez was created in 2007 following the acquisition of the painting, "Santa Rufina", by the Seville painter as an answer to the foundation's interest in sharing the early works of the artist's Seville era.

The permanent exhibition contains 15 pieces, some by Velázquez and others by various artists with whom the painter had an extensive relationship, like Francisco Pacheco or Zurbarán.

The Murillo and Justino de Neve exhibition: The Friendship Arts

The Murillo and Justino de Neve exhibition. The Friendship Arts (Murillo y Justino de Neve. El arte de la amistad) was jointly organized together with the **Prado National Museum** (Museo Nacional del Prado) in Madrid and the **Dulwich Picture Gallery in London**, which currently houses the exhibition, a journey through the most mature era of Murillo. This exhibition contains 16 later pieces, as a result of his relationship with Justino de Neve, canon of the Seville Cathedral and an important personal friend and sponsor of the artist.

In the context of the exhibition, the **Hospital de Los Venerables**, the foundation headquarters, became uniquely valuable on that occasion, holding the exhibition from 9th October 2012 to 20th January 2013, since it was precisely Justino de Neve who founded the institution in 1670. The four paintings of Murillo, then sheltered by the Hospital de Los Venerables, were done by the artist for and in Seville, but later subjected to cultural heritage plunder, and today, only one of such pieces is still in its original place.

The exhibition became an exceptional occasion for contemplating the **Inmaculada de Los Venerables** in the original place in which it was until 1813 and which was loaned by the foundation for the exhibition. There were 45,455 visits over the course of the three month plus exhibition period.

The impact of the exhibition in Seville was evaluated through the application of SROI methodology, yielding a ratio of 1.15 €; in other words, every euro invested by Abengoa in the exhibition generated 1.15 € in social value. Exhibition visitors found that the collection contributed to dissemination and appreciation of Sevillian culture, and also experienced improvement in their moods and spirits upon completing the visit. Also taken into consideration were recognition of the particular identity and the positive economic impact on local businesses.

Baroque School

During the year, the Focus-Abengoa Foundation and the **Menéndez Pelayo International University** jointly organized the IX edition of the Baroque School, which focused on Artistic Patronage in the Seville of Murillo, in honour of the Murillo and Justino de Neve exhibition. The Friendship Art.

On that occasion, this cycle of conferences, graced by the presence and participation of Baroque world experts, was directed by Gabriele Finaldi, Joint Director of Conservation and Research at the Museo del Prado and Curator of the show.

Inauguration of the 2012 Baroque School.



Educational program

In addition to the normal visits organized all-year-round at the foundation, in 2012, and within the framework of the Murillo exhibition, other activities, like visit-workshops and family visits, were organized. The latter were on Saturday mornings and entailed a walk through a selection of the temporary exhibition and other works from the Centro Velázquez, ending with a family activity at the artistic workshop.

Baroque Library

The Baroque Library is the result of more than three decades of initiatives undertaken by the Focus-Abengoa Foundation with **Baroque as the central theme** in its multiple artistic, heritage, literary, historic facets, etc., as the driving force.

Since 2011, the Library has been included into the **Collective Catalogue of Red Idea** (Network of Documentation Centres and Specialized Libraries of Andalusia) controlled by the Cultural Attaché of the Andalusia Autonomy.

The Library is currently organized into various backgrounds:

- General background
- Background on Seville
- Baroque Library of the Centro Velázquez
- Alfonso E. Pérez Sánchez Legacy Endowment

International painting Award

The first prize of **24,000 €** of the XXIX edition of the Painting Prize Award held in 2012 was awarded to **Juan Luis Jardí Baraja for his piece titled El Círculo**, while Silvia Cosío and Felipe Ortega-Regalado both received the consolation prize of **6,000 € each** for the pieces titled **Domesticación (Domestication) and Oda (Ode)** respectively.

Winner of the XXIX edition of the Painting Award.



The Baroque Library of the Focus-Abengoa Foundation.

The Alfonso E. Pérez Sánchez legacy to the Focus-Abengoa Foundation

The Focus-Abengoa Foundation has received the library, **photographic library and document archive legacy of Alfonso Emilio Pérez Sánchez** together with his arts collection. This was made possible by the donation made by his legal heirs, Francisco Rocha Nicolás and Benito Navarrete Prieto, in Seville, under an agreement signed on 16th May 2011 before the Notary Public in the City.

This marked the culmination of the dream of Focus-Abengoa, an institution to which Pérez Sánchez was extensively linked from the 90s onwards until the end of his life, a dream accomplished by the willingness of his heirs who consider the foundation as a suitable place for keeping the legacy together, without dividing them, and with the possibility of making them accessible to all those studying and researching into the history of arts.



The legacy probably constitutes the set of the **most important private library, photographic library and archive dedicated to the history of arts in Spain**, with a theme of singular nature geared towards the study of Spanish and Italian Baroque Drawings and Paintings.

The arts collection included summarizes the interests, likings and connoisseur qualities of Pérez Sánchez, while helping to clarify the personality of the once key director of the Museo Nacional del Prado (1983-1991), artistic adviser to the Focus-Abengoa Foundation, and who was considered one of the most important maestros of the History of Arts in Spain.

- **The library**, with its **29,700 units**, is one of the most important arts libraries created during the contemporary era in Spain, judging by the number and quality of the content.
- **The photographic Library** holds what is probably **the most complete privately owned** collection of photographs of Spanish paintings. It may therefore be considered a fundamental source of knowledge for research into the History of Arts, focused on Spanish and Italian Baroque paintings.
- **The archive of documents** are mostly directly linked with the photographic archive or library, and it contains all the **professional correspondence** during the period he served as director of the Museo del Prado, as well as his correspondence with important intellectuals and artists of the era.

The arts collection, created by Alfonso E. Pérez Sánchez, comprises of **235 pieces** of paintings, sculptures, drawings and recordings, and is an accurate reflection of his likings as well as his interests and researches in the scope of the history of Baroque paintings.