



01

Annual
Report
2020

Integrated Report

ABENGOA

Innovative technology
solutions for sustainability

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01

Letter to
shareholders

01. Letter to shareholders

The Insolvency Administration of Abengoa, S.A. has prepared the 2020 Integrated Report with the aim of setting out the extent to which the organisation's strategy, governance, performance and prospects, in the context of its external environment, contribute to the creation of long-term value.

2020 has been a particularly complex year, beset by the global pandemic caused by COVID-19 which is affecting our society. In our case, like many other companies, Abengoa has had to take measures in all its work centres and ongoing projects, in order to protect the health and safety of all its employees and of all those who, in a way or another, are related to our company. All of this in compliance with the standards and recommendations of the health authorities of each country and the World Health Organization.



From the very beginning, a committee was created exclusively for the adoption of mandatory measures in each country to guarantee the protection of employees and third parties, as well as to ensure protected working environments, and to carry out timely monitoring of the different measures and recommendations in the different health settings, the working environment, aspects related to national and international mobility and so on. The committee has coordinated all the necessary actions in this context, whether they were specific contingency plans for those projects which, due to their essential nature, were required to continue operating; or specific measures for the work centres once workers had to resume working from their offices, as allowed by the situation in the different countries in which Abengoa operates.

On the other hand, and despite the situation, the company continued to make great strides from a business point of view. Specifically, the company won important new awards, including entering into an agreement with Navantia as the main technologist and supplier of the AIP systems for the S80 submarines, which will allow batteries to be recharged during immersion so that the submersibles will be able to operate for up to three weeks without surfacing, significantly improving the submersible operating time. With this agreement, Abengoa opens a broader market in the maritime sector, which has an imminent need to reduce emissions and in which, of course, hydrogen and fuel cells play a very important role.

Other new awards were the Francisco Pizarro (189 MW), Puertollano (100 MW) and Barcience (50 MW) photovoltaic plants that Abengoa is building for Iberdrola in Cáceres, Ciudad Real and Toledo, respectively.

Likewise, and among other awards, Abengoa won the contract for the engineering, supply and construction of the Jubail 3A plant in Saudi Arabia, which will have a capacity of 600,000 m³/day.

In fact, this desalination plant will be the second largest in the country, behind Rabigh 3 IWP, whose construction is likewise carried out by Abengoa and which in January of this year exceeded 85 % of the project's progress.

Likewise, engineering and construction work continued at the Taweelah desalination plants in the United Arab Emirates, with a capacity of 909,000 m³/day; from Agadir in Morocco, of 275,000 m³/day, in which work on the irrigation network associated with this large construction has already begun; Sousse in Tunisia, 50,000 m³/day, and Salalah in Oman, 114,000 m³/day, which, at the beginning of this year, was successfully entering the operational phase.

Work likewise continued at the Cerro Dominador solar thermal plant in Chile, which, in 2020, reached two major milestones: hoisting of its receiver to a height of 250 m and the process of melting a total of 46,000 tons of salts from the Atacama Desert.

At the world's largest solar complex, Al Maktoum Solar Park, Abengoa completed the first solar field of the three parabolic trough plants it has been awarded in this project, while construction work continued on the first plant that will produce biofuels for transportation from municipal solid waste in the United States, as well as the construction of the world's largest hybrid solar gas plant, Waad Al-Shamal, in Saudi Arabia.

On the other hand, in Health and Safety, 2020 closed with a reduction of 0.36 points in the Low Frequency Index (IFCB) with respect to the closing value of the previous year (2.48 vs 2.84), which represents an improvement and a new drive to continue working on prevention and awareness. In this context, the company has celebrated six years without downtime accidents in different projects for which it is responsible for operation and maintenance, such as the solar platforms in Écija and Extremadura (Spain) and the Ain Beni Mathar hybrid solar gas plant (Morocco). Likewise, the company has completed two years without downtime accidents at the Kaxu, Khi and Xina Solar One plants in South Africa, as well as at the El Carpio solar platform (Spain).

All this commitment to health and safety has been reflected in the achievement of various prizes and awards. Specifically, Abengoa in Chile has been included in the roll of honour of the Chilean Chamber of Construction thanks to the excellence of its accident rate indicators, while it has also been recognized in the field of road safety; in South Africa, Abengoa has been recognised at the FEM (The Federated Employers Mutual Assurance Company) Annual Health and Safety Awards; and it

01. Letter to shareholders

has been awarded, thanks to its Health Plan, at the V edition of the Innovation and Health Awards of the insurance company Mutua Universal in Spain.

On the other hand, I would like to highlight that in 2020 have continued working on all the actions allowing us to progress and comply with the objectives set in the Strategic Sustainability Plan. This plan defines Abengoa's framework of action and guidelines through a set of actions enabling us to integrate stakeholder expectations into the company's strategy and to respond to different challenges of our times.

Likewise, the company resumed the participation in the climate change questionnaire of the Carbon Disclosure Project (CDP), the world's leading organization in this field, in which it obtained a B rating in the general ranking and an A- rating in the Supplier Engagement Rating (SER), which measures the degree to which organizations engage their suppliers in the fight against climate change. This rating positions the company among the world leaders in climate action.

In the area of the company's governing bodies, in December there was a change in the Board of Directors of Abengoa SA, following the holding of an Extraordinary General Shareholders' Meeting and by means of which a new Board was appointed, formed by Margarida Aleida S. de la Riva Smith as Director and Juan Pablo López-Bravo Velasco as Executive Chairman, following the resignation of Jordi Sarrias Prats, who submitted his resignation in anticipation of possible conflicts of interest. Mario Pestaña Sartorius was appointed Non-director Secretary.

On May 19, the vacancy on the Board due to the resignation of Jordi Sarrias Prats was filled by co-opting Cristina Vidal Otero, with the category of Independent Director, at the same time that Margarida Aleida S. de la Riva Smith tendered her resignation.

At its meeting on October 1, 2021, the Board adopted a series of decisions involving a broad renovation of the composition of Abengoa's Board, so that Clemente Fernández González and José Alfonso Murat Moreno were appointed as Directors and Juan Pablo López-Bravo Velasco resigned from Abengoa's Board.

Abengoa's Board of Directors thus constituted adopted the decision to appoint Clemente Fernández González as Chairman

of the Board and Adolf Rousaud Viñas, as Non-Director Secretary. At the Ordinary General Meeting held on November 16, 2021, the appointment of two directors of Abengoa was ratified and the Director Cristina Vidal Otero was not ratified. The vacancy on the Board has been filled by co-opting Mr. José Joaquín Martínez Sieso.

The year 2020 was likewise marked by a financial restructuring proposal, arising from the evolution of the business and the revisions generated as a result of COVID-19, which included the need for new liquidity lines and guarantees. In this operation, the borrower of the new financing and guarantee lines would not be Abengoa SA, but Abengoa Abenewco 1, which is the parent company of all the group's operating companies.

Although the restructuring agreement was signed in August 2020, and the necessary majorities and consents were obtained for its approval, the existence of a condition precedent to its effectiveness led to successive extensions of the deadline for closing the transaction. Finally, given the failure of the condition precedent to materialise, in February 2021 it was not possible to obtain consent for a further extension of the deadline, which led to the automatic termination of the restructuring agreement, a fact that was communicated on 22 February 2021. This circumstance, together with the fact that Abengoa SA was in a situation of asset imbalance and that the aforementioned agreement was necessary to rebalance its assets, led the Board of Directors to decide to request the declaration of insolvency proceedings of Abengoa SA. The insolvency proceedings were declared effective on 26 February 2021, and Ernst & Young Abogados, S.L.P. was appointed insolvency administrator. By Order of 6 July 2021, the Commercial Court hearing the insolvency proceedings agreed to modify the insolvency administrator's system of action, attributing to him the powers of administration and disposal of the company's assets. This change of regime determines that the insolvency administrator is responsible for complying with the obligations relating to the preparation of documentation and financial information and its presentation and dissemination to the securities markets regulatory body.

In parallel, and as a sign of its willingness to achieve financial stability for the group of companies that make up Abengoa, this Board of Directors continues to work to obtain financing to

guarantee sustainability for Abengoa and its employees, who have demonstrated over the last few months to be an example of struggle and perseverance.

All this would be subject to the financial institutions linked to the restructuring operation providing new financing and new lines of guarantees. Likewise, at the same time, on March 17, a request for public support was made to the State Society for Industrial Participations (Sociedad Estatal de Participaciones Industriales, SEPI) for the amount of €249 million. It is in this context that an investment proposal has been received which, if it obtains the support and participation of financial creditors and suppliers and the favourable conclusion of the application for public support, will allow for an integrated viability solution.

At the closing of this report, the company is still working to obtain funding and, with it, a future opportunity for the company.

Finally, we would like to take this opportunity once again to thank all our stakeholders (employees, clients, shareholders, suppliers, creditors and so on) for all their trust, effort and support which is still ongoing towards this company.

To all of them, thank you very much.

Guillermo Ramos Gonzalez
Insolvency administrator

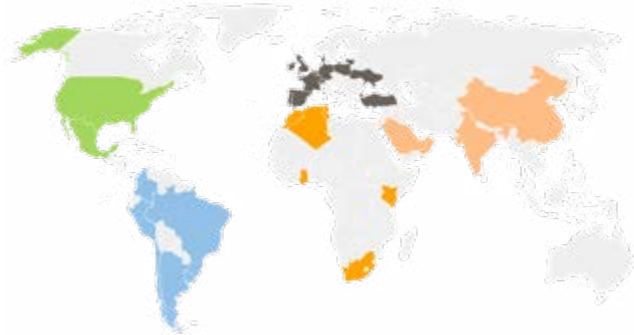


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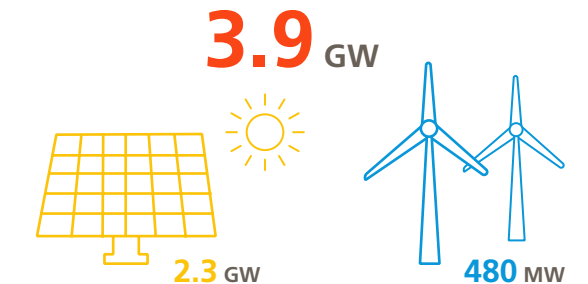
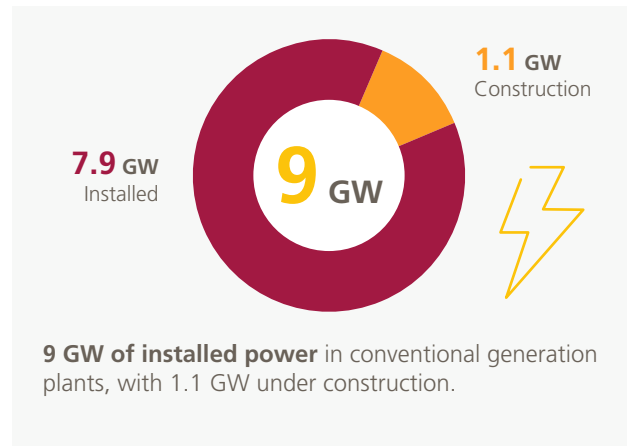
Abengoa, a
project for the
future

02. Abengoa, a project for the future

Main figures

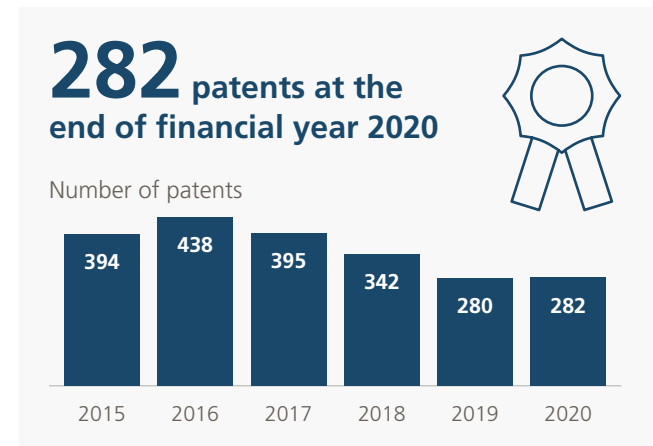
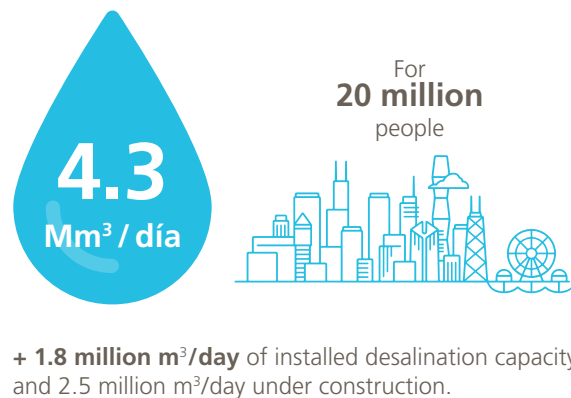
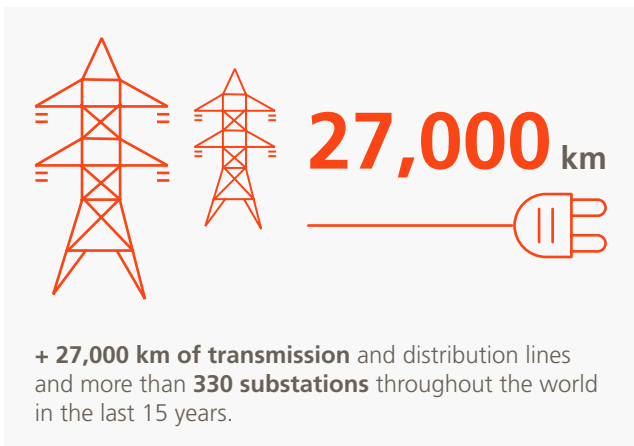


Global presence and leading position recognized in the main world rankings (ENR, GWI).



2.3 GW* built in solar energy, +1,100 MW under construction and **480 MW of wind power**.

*30 % of the installed capacity of solar thermal energy worldwide already in operation.




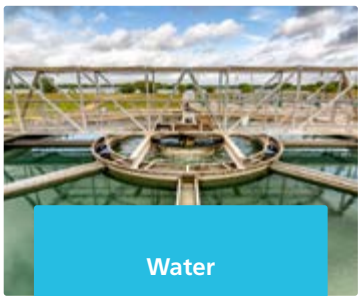

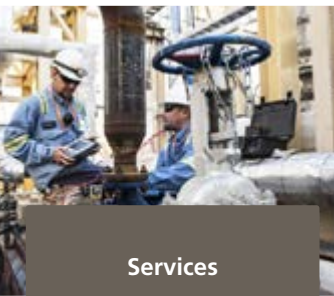
02. Abengoa, a project for the future

Abengoa is an international company applying technical innovative technology solutions for sustainable development in the infrastructures, energy and water industries. It has **unique capacities and know-how** in these industries and is an **experienced reference in the fields of engineering and construction**, as well as operation and maintenance services at an international level. This has been recognized for years by various industry publications such as ENR, Global Water Intelligence o CSP Today.

Abengoa's current business models **focused on engineering and construction** (E&C) although it does have some concession-type assets that are available for sale under the divestment plan.

Therefore, Abengoa focuses its activity on developing turnkey projects including engineering, supply and construction for third parties in four areas. Abengoa's core businesses are: energy, water, transmission and infrastructures and, finally, services,

maintaining its commitment to R&D as the driving force behind products and services differentiation.

 <p>Energy</p>	 <p>Water</p>	 <p>Transmission and Infrastructures</p>	 <p>Services</p>
<ul style="list-style-type: none"> ▶ Conventional and renewable electric power generation. ▶ In-house solar power technology, world leader in installed capacity. ▶ 9 GW of installed capacity of conventional energy. ▶ Experts in hybridisation of generation technologies to provide clean, manageable energy solutions. 	<ul style="list-style-type: none"> ▶ Leader in the international desalination market and a global reference in the construction of hydraulic infrastructures and treatment plants. ▶ Specialist in infrastructures for the full water cycle. ▶ Excellence in technical skills. ▶ 1.8 Mm³/day of installed desalination capacity and ▶ 2.2 Mm³/day of drinking water. 	<ul style="list-style-type: none"> ▶ Leader in the international market in transmission and distribution of infrastructures for the energy, industry, transport, environment, communications and railway industries. ▶ More than 27,000 km of transmission lines and more than 330 substations. ▶ 4,500 km electrified and more than 80 traction substations. 	<ul style="list-style-type: none"> ▶ Service providers for infrastructures in the transmission, water and renewable and conventional energy generation industries. ▶ Optimization of O&M (operation and maintenance), improvement of management and increased production. ▶ Average contract duration of 25 years.

02. Abengoa, a project for the future

Macroeconomic context

The health and economic crisis caused by COVID-19 has had a profound impact on the world economy which, in Spain, translates, among other effects, into a 11 % fall in GDP in 2020 and a growth perspective reduced to 4 % for 2021, postponing the expected date of economic recovery after 2022, in the most optimistic scenarios, accompanied by a significant increase in unemployment rates.

There is consensus among the economic authorities on the guidelines to be followed by the countries to mitigate the economic impacts of the pandemic and promote economic recovery, which are two-fold:

- maintaining minimum contagion rates;
- public-private cooperation with supranational and national aid to stimulate the economy.



Although the first reports pointed to minor impacts on the engineering and construction sector, the economic and health crisis has had much more severe effects than those expected in May 2020 on the global economy and, therefore, on the engineering and construction businesses in which Abengoa carries out its activity, which has deteriorated over the course of the year.

The main impacts on the industry are as follows:

- Practically all the governments of the countries in which Abengoa operates (Spain, Argentina, Peru, Chile, Brazil, Uruguay or Morocco) have taken measures that include confinement, restrictions and suspension of non-essential activities.
- In terms of business development, most of the tenders published by clients have been delayed as a result of the restrictions implemented in the countries of origin.
- Large projects in the construction of power plants and desalination plants have not been significantly affected, although some delay is expected in the supply chain, as part of the supply chain is located in countries such as India, China or Italy, where the measures to control the pandemic have resulted in the shutdown of some of the manufacturing plants for the equipment to be supplied in these projects.
- The operation and maintenance of the power generation and desalination plants have not been affected by COVID-19, as they are considered an essential service, having implemented protocols and business continuity plans to ensure steady production, always with the highest safety standards for employees.
- The uncertainty caused by the COVID-19 pandemic has affected the financial markets, limiting the company's access to them.

Projects in progress

Spain

Delay in awarded projects: works and facility maintenance contracts.

International

Stoppage of projects in the Middle East, Europe, Latin America and other regions due to delays in the supply chain or personnel restrictions to attend work sites.

Tenders and future contracts

Spain

Public tenders suspended during the State of Alarm. Abengoa was taking part in the bidding process for several projects (wastewater treatment plants and O&M contracts).

International

Several tenders in which Abengoa participated were delayed or indefinitely suspended: desalination plants in Saudi Arabia, Algeria and Qatar; wastewater treatment plants in Morocco and Angola, and a solar plant in Chile.

Other effects. Financial market

Limited access to financial markets.

02. Abengoa, a project for the future

Main financial figures 102-07, 201-1

During financial year 2019 and the first quarter of financial year 2020, the company continued to apply its business plan in the main financial aspects, managing to meet the budget for the year in the most relevant business variables: sales and Ebitda (Earnings Before Interest, Taxes, Depreciations and Amortizations).





Since the last half of 2019, Abengoa has been undergoing analysis to **strengthen its competitive position, capital structure and income statement**. Among the company's different options and plans was the possibility of incorporating an investment partner into Abengoa's share capital as the last phase of the restructuring process which began in 2015.

During the first quarter of financial year 2020, before the impact of the pandemic on the economy became evident, Abengoa secured contracts worth approximately €300 M to its portfolio, including the €184 M contract for the Jubail 3A reverse osmosis desalination plant. Despite the above mentioned decline in economic activity, Abengoa was awarded new projects worth approximately **€799 million during financial year 2020**, with the Middle East, South America and Spain playing a key role .

After taking into account new awards and the execution of projects for the period, the **project portfolio** as of December 31, 2020 amounted to **€1,202 million**.

Project awards

The main projects awarded are as follows:

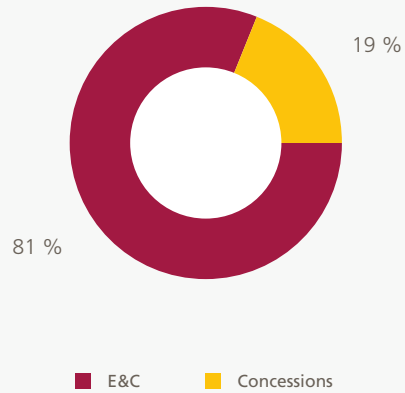
	<p>Jubail 3A Saudi Arabia</p>	<p>Construction of the second largest reverse osmosis desalination plant in Saudi Arabia with a capacity of 600,000 m³.</p>
	<p>New Tineo– Nueva Ancud Line Chile</p>	<p>Construction of a 500 kV transmission line, approximately 95 km long, and expansion of the existing Nueva Puerto Montt (Tineo) substation.</p>
	<p>ADIF catenary Spain</p>	<p>Lots 1 and 5 for rail catenary maintenance for ADIF in Spain.</p>
	<p>AIP Systems Spain</p>	<p>Technologist and main supplier of the AIP System of the S80 submarines.</p>

Sales at the end of the year amounted to €1,251 million, which is a reduction compared to 2019. Nonetheless, it represents almost 90 % of compliance with what was budgeted before the pandemic impact. The main reasons for the reduction in sales have been as follows:

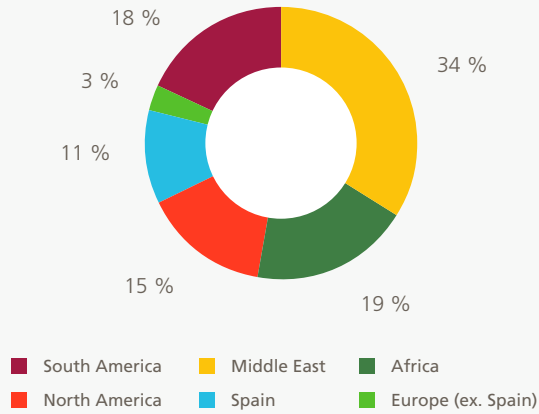
- Contracts not awarded in 2020 as a result of the downturn in economic activity.
- Slowdown in the execution rate of projects directly affected by the pandemic (closure of facilities, absence of workers) or indirectly affected (supply chain failures).

02. Abengoa, a project for the future

Sales by segment



Sales by geography



Main project in progress

- ▶ DEWA (UAE)
- ▶ Taweelah (Abu Dhabi)
- ▶ Agadir (Morocco)
- ▶ O&M Solar Plants (Spain)
- ▶ Rabigh (Saudi Arabia)
- ▶ Quebrada Blanca Sub-station (Chile)
- ▶ O&M Water Plants
- ▶ Dubai (UAE)

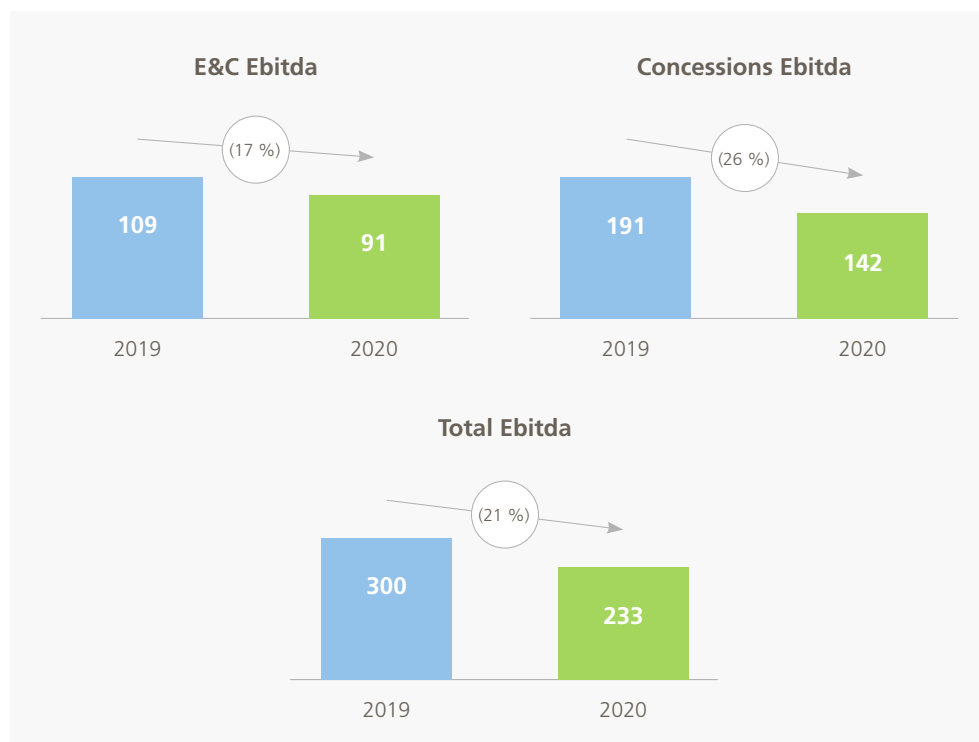


02. Abengoa, a project for the future

In terms of profitability, there has been a loss of margin due to the lack of sales volume and as a result of absorbing higher costs during the execution of projects, all generated by the direct and indirect effects of the above mentioned pandemic. This impact has been especially significant in projects in the Transmission and Infrastructure (T&I) and Energy areas.

On the other hand, the company has continued to make efforts to reduce general expenses, despite the fact that significant reductions had already been made in previous years. This fact, together with the closing of commercial agreements with clients and suppliers, has **maintained business profitability at levels similar to those of financial year 2019**.

Specifically, and regarding Ebitda, two effects can be highlighted. The Ebitda of the E&C activity has been affected by the above mentioned impact on the activity, but the Ebitda of the concessions business has experienced a greater reduction due to the sale of projects such as Manaus Hospital, the Tènès desalination plant or Punta Rieles.



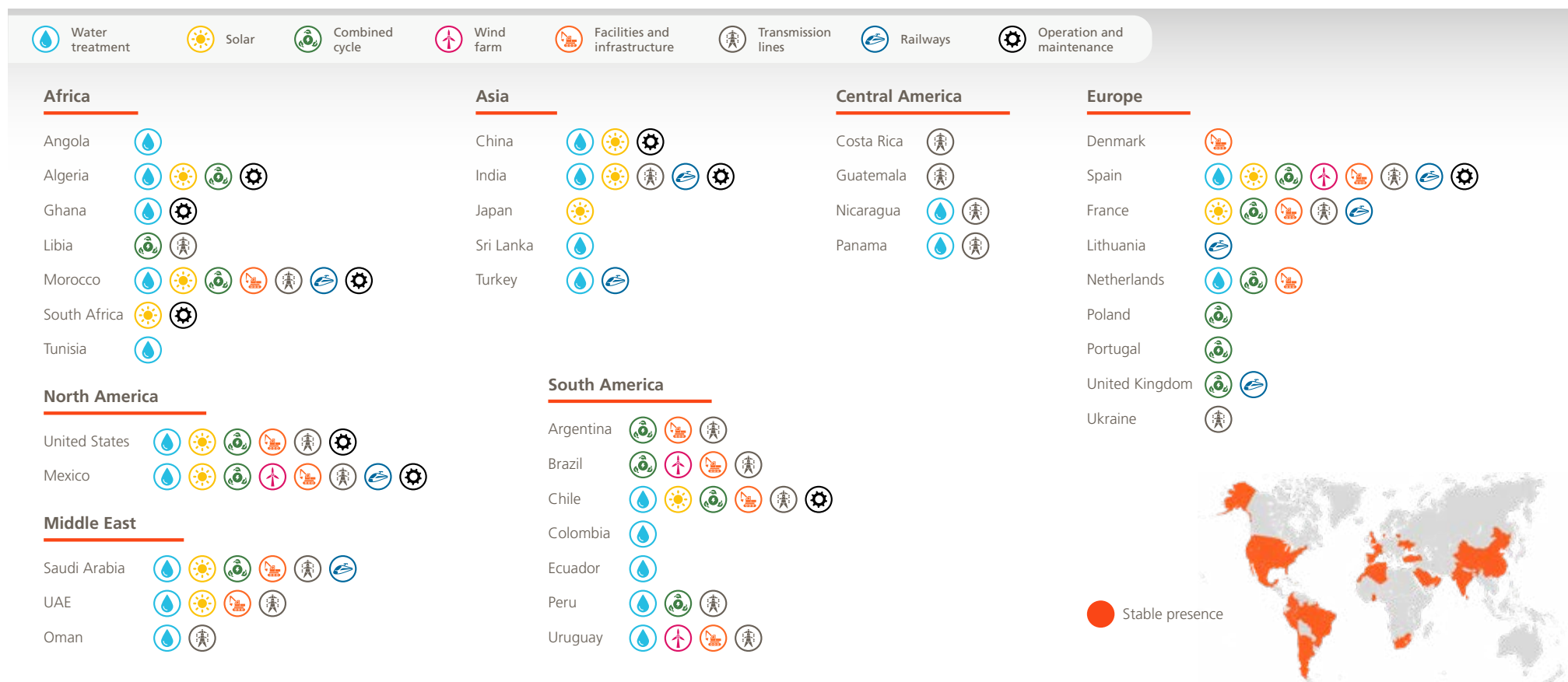
Below is a summary of the main financial figures for the last three years:

Item	2020	2019	2018
Income statement (€M)			
Sales	1,251	1,493	1,303
Ebitda	233	300	188
Operating margin	19 %	20 %	14 %
Net income	-134	-574	-1,498
Balance sheet			
Total assets	2,664	3,332	3,830
Equity	-4,914	-4,760	-4,251
Corporate net debt	3,960	4,023	4,096
Share information (€M)			
Share information (€/B/share)	0.006	0.009	0.0034
Capitalization (A+B shares) (€M)	133	194	82
Daily trading volume (€M)	1	2	1

02. Abengoa, a project for the future

Map of economic impact and contribution to progress ¹⁰²⁻⁶

North America	South America	Spain	Europe	Rest of the world
Sales (€k) 189,303	Sales (€k) 227,486	Sales (€k) 135,772	Sales (€k) 36,752	Sales (€k) 661,268
Employees 545	Employees 7,525	Employees 2,447	Employees 123	Employees 739
Local suppliers (%) 11.5	Local suppliers (%) 14	Local suppliers (%) 28.8	Local suppliers (%) 2.8	Local suppliers (%) 13.2
Local purchases (€k) 92,959	Local purchases (€k) 113,376	Local purchases (€k) 232,499	Local purchases (€k) 22,792	Local purchases (€k) 107,048
Taxes paid (€k) 5,054	Taxes paid (€k) 50,725	Taxes paid (€k) 33,635	Taxes paid (€k) 5,207	Taxes paid (€k) 35,956



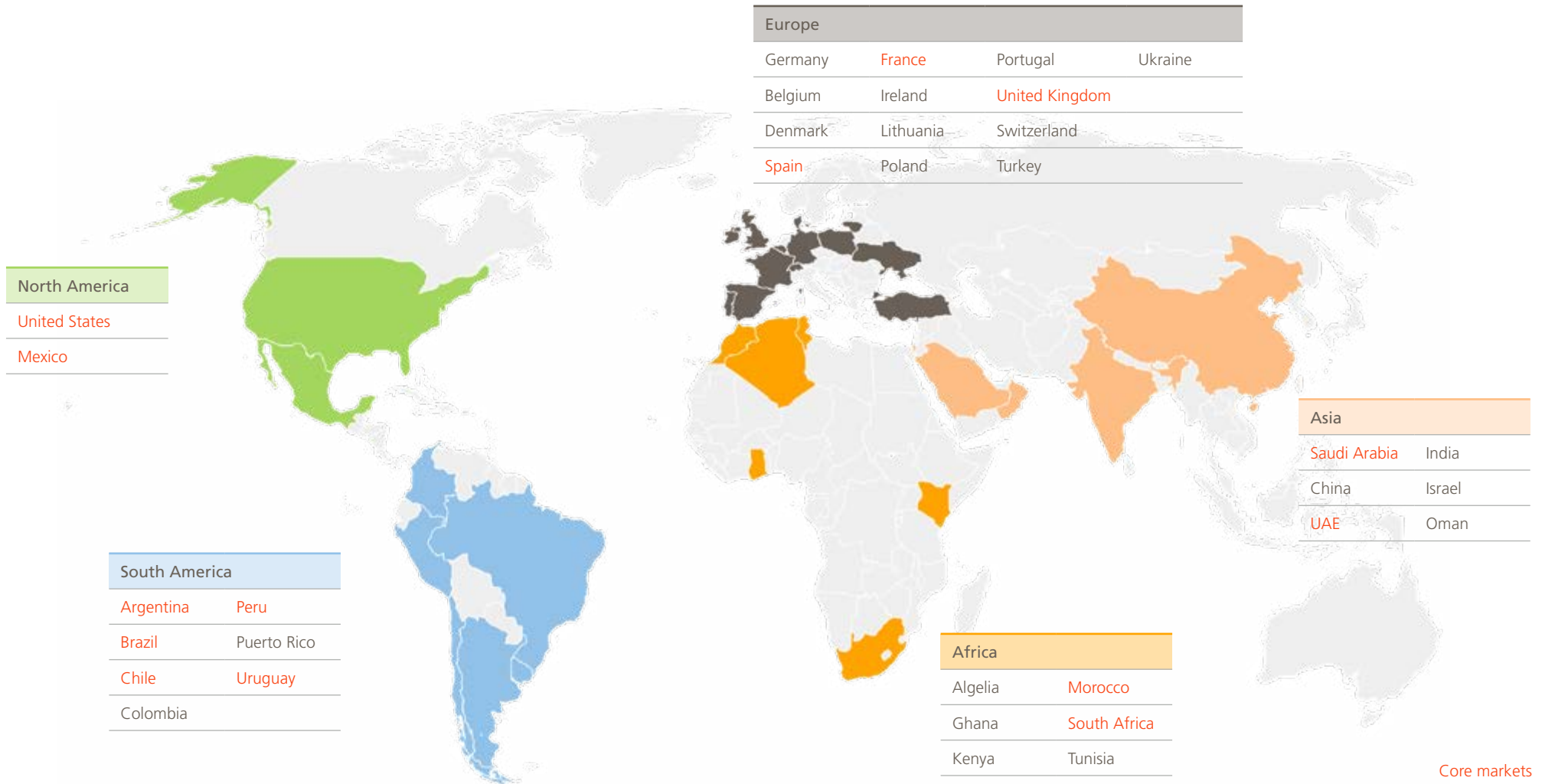
02. Abengoa, a project for the future

Presence in the world 102-3, 102-4, 102-6

Abengoa operates in **34 countries**, with **more than 11,300 employees** globally, with 2,447 in Spain.

Abengoa's geographic presence by region can be seen below, indicating in red the 14 countries which are considered core

markets for the business, defined as those in which Abengoa has recurring activity and a local structure.









Core markets

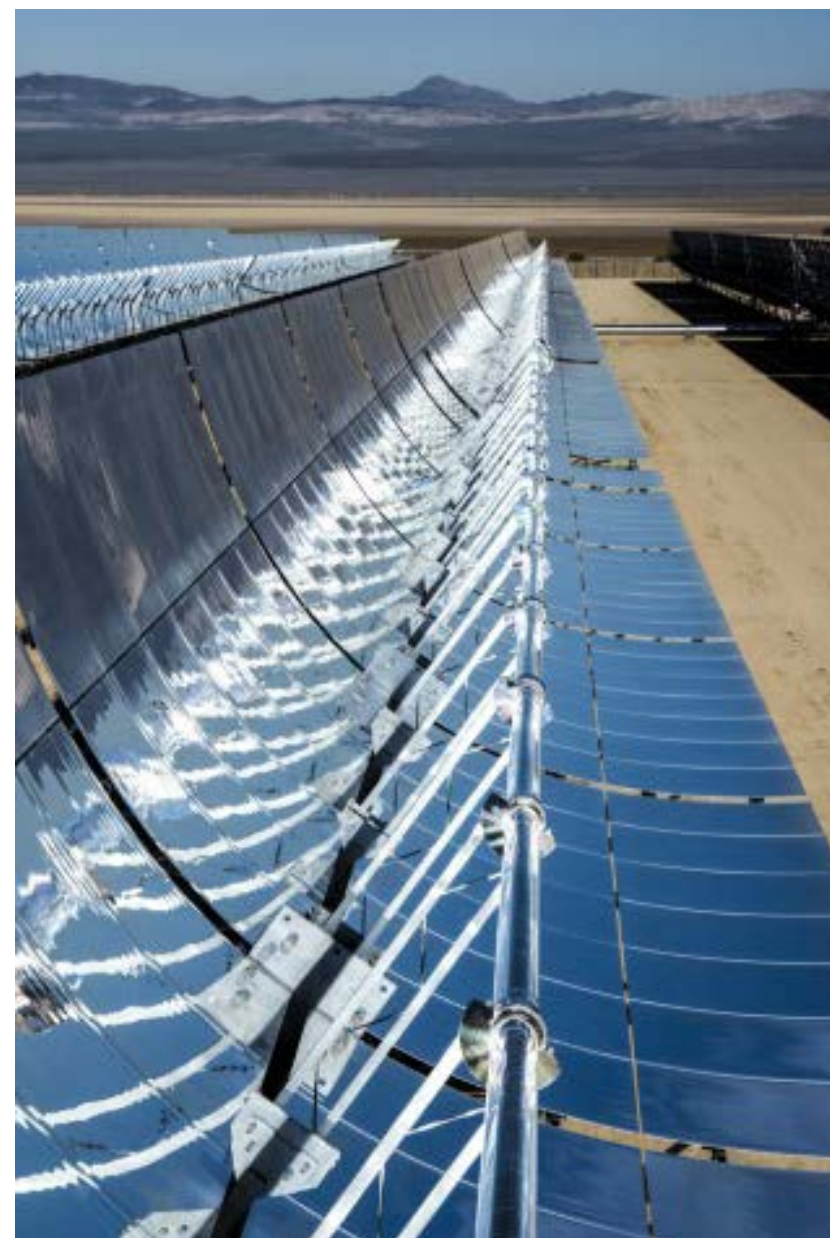
02. Abengoa, a project for the future

Sale of assets

The rotation of mature assets and the sale of non-strategic assets contributes to improving Abengoa's leverage and liquidity.

The status of the sale of the different assets subject to the asset rotation plan is as follows:

	Bioenergy USA	1G & 2G bioethanol	✓
	Bioenergy Europe	1G bioethanol	✓
	AB San Roque	Biodiesel	✓
	Bioenergy Brazil	1G bioethanol	In progress
	Khi	50 MW CSP – South Africa	In progress
	Xina	100 MW – South Africa	✓
	SPP1	150 MW hybrid CC+CSP en Algelia	In progress
	Accra	60,000 m ³ /day in Ghana	In progress
	Ténès	200,000 m ³ /day in Algelia	✓
	Chennai	100,000 m ³ /day in India	In progress
	SAWS	169,000 m ³ /day in United States	✓
	Agadir	275,000 m ³ /day in Morocco	In progress
	Brazil T&D	3,532 km of lines in operation in Brazil	✓
	Brazil T&D	6,218 km under construction	In progress
	Peru T&D	320 km transmission line	In progress
	Norte III	924 MW combined cycle in Mexico	✓
	A3T	220 MW cogeneration plant in Mexico	✓
	Manaus Hospital	300-bed hospital in Brazil	✓
	Real Estate	Various assets	In progress



02. Abengoa, a project for the future

Operation in sectors with high growth potential

Despite the very negative impact of the pandemic on the world economy, neither the underlying global trends nor the priorities of the main political-economic actors regarding the industries that will drive the global economy in the coming decades have changed. Water scarcity and decarbonization objectives in the energy industry will continue to promote the development of water production or reuse projects and low or zero emission power generation. These are the markets in which Abengoa has focused its activity.

Although the underlying trends have not changed, Abengoa's business opportunities have been affected in the short term by the uncertainty experienced since March 2020.

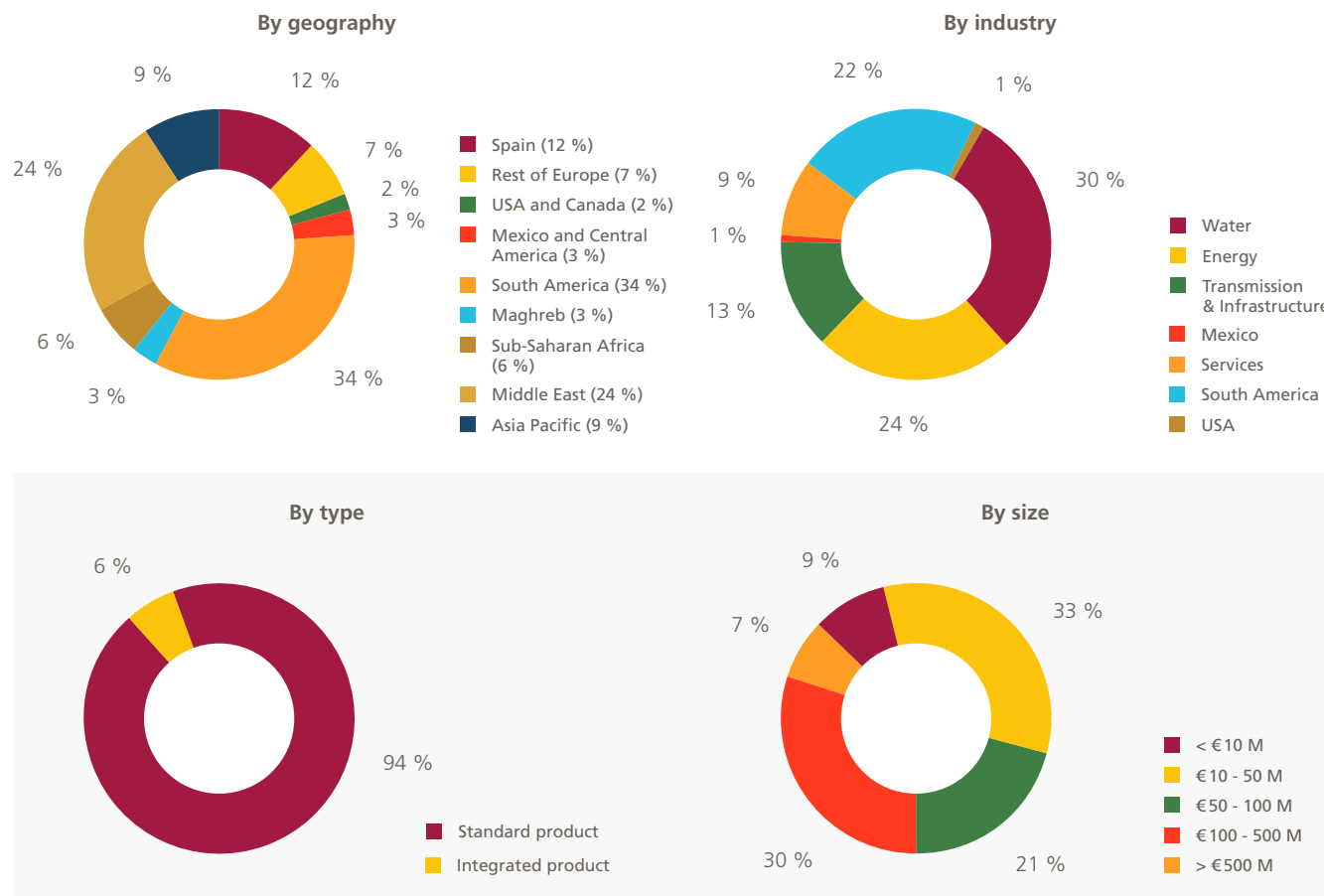
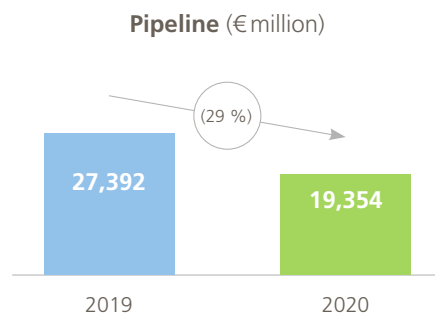
Specifically, commercial opportunities with a resolution date in the next twelve months (pipeline) have decreased by approximately 30 % compared to the end of 2019, with an impact mainly in the water, energy and transmission and infrastructure businesses.

This loss of business opportunities is mainly a result of:

- delays in bidding for projects, which in turn resulted from delays in government investment plans as a direct consequence of the COVID-19 crisis;
- delay in project financing, as a result of the impact of COVID-19 on the financial market; and

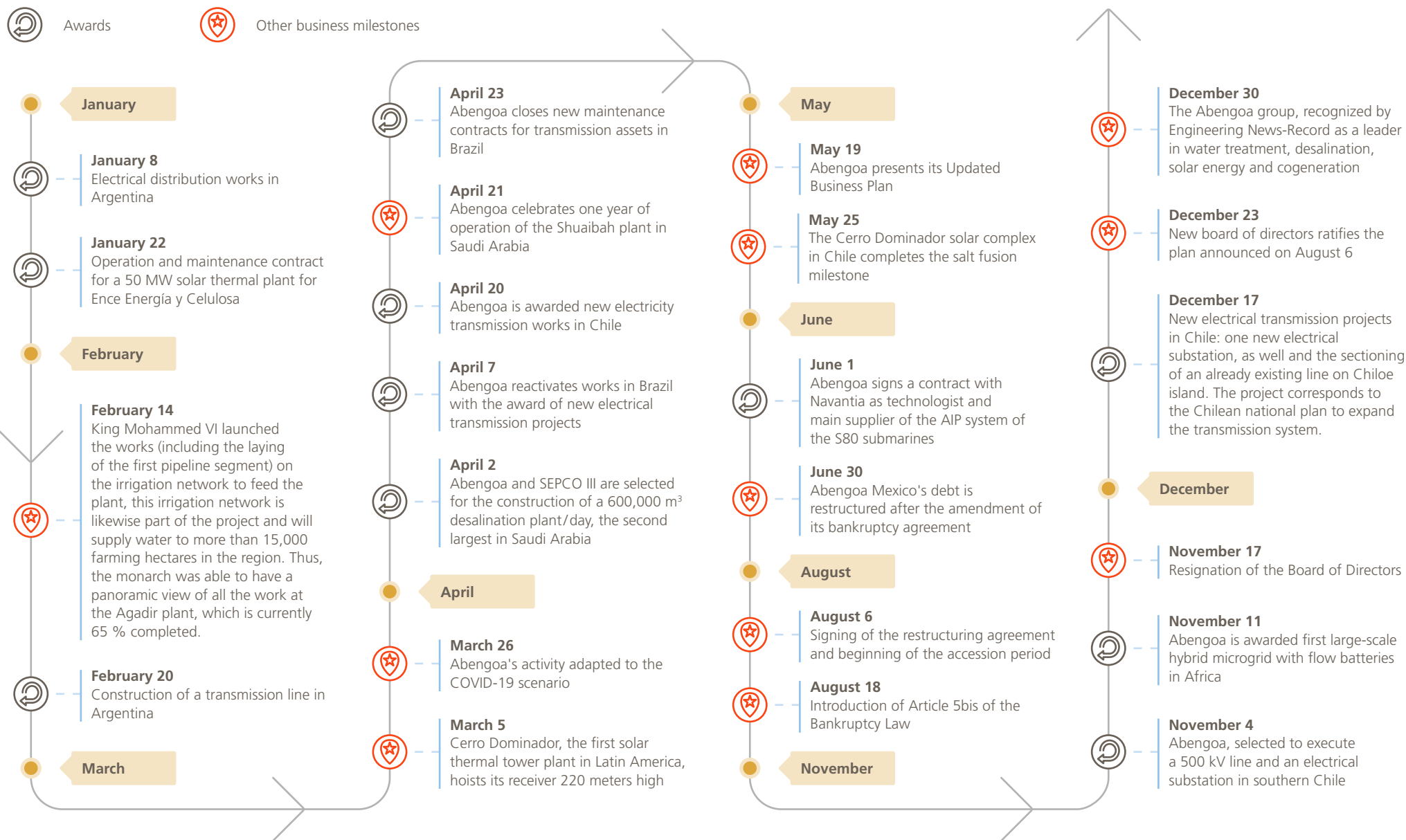
- reduction in the size of eligible projects. In financial year 2019, projects over 100 million euros represented 42 % of the pipeline, while in 2020 this percentage dropped by five points.

The following is a summary of the main features of the pipeline:



02. Abengoa, a project for the future

Major milestones of 2020



02. Abengoa, a project for the future

Revision of the business plan

On 11 March 2020 the World Health Organisation alerted to the public health emergency situation caused by the outbreak of Coronavirus (COVID-19) to international pandemics. The evolution of events, at domestic and international level, implied an unprecedented health crisis that had an impact on the macroeconomic environment and the performance of businesses. In 2020 the Company adopted a series of **measures to face the economic and social impact** caused by this situation that include, among other aspects, restriction to the mobility of people. In particular, in response to this situation, among other measures, the Spanish Government declared the state of alarm, by virtue of the Royal Decree 463/2020, of 14 March, and approved several urgent extraordinary measures to face the economic and social impact of COVID-19, by virtue of Royal Decree-Law 8/2020, of 17 March.

Due to the crisis caused by the COVID-19 pandemic and its effects and taking into consideration the evolution of the business in 2019, the Company revised the financial projections included in the Viability Plan published in 2019, presenting a new **Updated Business Plan (PNA, for its acronym in Spanish)**.

The company has been working since the end of March 2020 on a restructuring proposal that would make the group financially viable and stabilize the ongoing activity of its businesses and, in this regard, a restructuring agreement was signed on August 6, 2020. On February 22, 2021, the automatic termination of the above mentioned restructuring agreement was announced due to failing to obtain the corresponding necessary consents to approve the operation. Additionally, and as a consequence thereof, Abengoa, S.A. filed a petition for voluntary bankruptcy proceedings on February 22, 2021. This petition was admitted for processing and on February 26, 2021, the Commercial Court of Seville (3rd Section) issued an order declaring the voluntary bankruptcy of the Company, agreeing upon ordinary proceedings.

On the same date, the company reported to be working on an alternative solution. It initiated conversations and negotiations with public institutions and private entities that were essential in order to close the new financial operation guaranteeing the stability and future of the group of companies.

In this regard and subject to certain conditions, on November 24, 2021, Abenewco 1 was updated on the binding offer by TerraMar, the purpose of which was to adjust the previous offer to the result of the negotiation held with the main financial creditors of Abenewco 1.



02. Abengoa, a project for the future

The financial operation will be developed in alignment with the different parties involved, including:

- TerraMar investment for an amount of €200 million, divided between €140 million in a loan and €60 million in capital, entitling a 70 % of Abenewco 1's capital stock.
- €249 million SEPI financing.
- New line of guarantees of €300 million.
- Signing and implementation of a new restructuring agreement with the company's creditors.

The current update of TerraMar's offer will, in turn, result in the update of the request for temporary public support under the Solvency Support Fund for Strategic Companies for a total amount of €249 million submitted by Abenewco 1 to SEPI.

Additionally, Abengoa's rights as part of the financial restructuring plan of Abenewco 1 and its group of companies are in the negotiation phase, solely aimed to make a potential creditors' agreement feasible within the insolvency proceedings.

Impact of COVID-19 on the company's activity

As of the first quarter of the financial year, the company began to identify the potential effects of the health crisis on the markets where it operated, in an attempt to redirect the search for investment opportunities towards the markets suffering the least impact from the pandemic and with investors continuing with their investment plans.

The main impacts on Abenewco 1's business are as follows:

1) Collapse of business opportunities in core businesses

It has already been mentioned that the main corporate business indicator, the number of business opportunities or projects for tender with a resolution period of less than 12 months (pipeline), has plummeted during the 2020 financial year, from €27 billion at the end of 2019 to €19 billion at the end of 2020, which has meant a loss of business opportunities of 30 % compared to the previous year, mainly impacting the Water, Energy and Transmission and Infrastructure businesses.

In response to these adverse effects, the company has tried to draw up specific contingency plans by market and product that have partially mitigated the negative impacts on the business.

Regarding the energy market, the focus has been placed mainly on Europe, pending the support of European Funds and where governments are supporting companies to continue and boost their activity in all member countries.

In terms of the water market, Middle East remains the main emerging market, incorporating Europe, and specifically Spain, where it has actively continued with the tenders that were expected in the framework of compliance with the European directive regarding discharges and is expected to continue in the next two years with the support of the European Funds that will boost the country's economic recovery.



02. Abengoa, a project for the future

In terms of the transmission and infrastructure business, work has continued in Europe to invest in new projects, reinforced by the investment plans in railway infrastructure, although the rest of the products have been refocused on the domestic market, due to difficulties to develop international commercial activities, as well as protectionist policies in the different countries. This change in business strategy imposed by the COVID-19 measures has positioned the company in a market with much smaller products and lower execution margins.

2) 30 % drop in the number of contracts in 2020 of the Engineering and Construction business

Despite the contingency plans designed by Abengoa, the impact of COVID-19 resulted in a drop in investment in energy programs, the slowdown of private initiative bidding processes and the paralysis of the financial system in terms of investment, causing a significant reduction in contracting expectations and opportunities.

As a result, there was a 30 % drop in terms of contracting in 2020 compared to the previous year, in line with the drop in business opportunities mentioned in the previous paragraph. This reduction affected all the geographies in which Abengoa operates (Europe, South America, USA, Middle East, etc.) as well as all its products (solar energy, water, transmission and distribution, civil works construction, etc.).

During financial year 2020, the reference markets have remained inactive, expecting the recovery to begin in the second half of the financial year.

3) Reduction in the profitability (gross margin) of ongoing projects in the Engineering and Construction business

As a result of the direct impact of the health crisis on ongoing projects, there has been a reduction in the profitability of ongoing projects as from the first quarter of the financial year.

The impact of COVID-19 has led to higher costs due to the health and safety specific equipment required, in planning tasks due to mobility restrictions causing significant delays, incurring higher penalties for delays, in higher financial costs due to the

required increased guarantees and warranties for the delays incurred.

All these factors reduced the profitability of the developing projects (reduction of the gross margin) to the tune of € 84 million in 2020.

During the first quarter of financial year 2021, the projects have continued to incur additional costs as a result of COVID-19 and its direct effects on projects. The company has estimated this impact at approximately €31 million.

4) Losses incurred in financial year 2020 and the first quarter of financial year 2021 due to the execution of guarantees and certain risk of potential additional executions

In terms of the Engineering and Construction business, interest and premiums on guarantees, as well as their execution, are considered within the gross margin of the project, since they are required for the concession of the project in the bid phase and during the construction period, and remain in force until the end of the guarantee period. Therefore, they are not only a financial cost for the company, but should be considered when analysing the impact of COVID-19 on the Engineering and Construction business.

During the financial year 2020, the Fulcrum project guarantee has been executed for the amount of € 16 million and the company has recognized the corresponding losses.

Likewise, during financial year 2020 and the first quarter of financial year 2021, notices of execution of guarantees have been received for the amount of € 10 million, which have not yet materialized in effective executions. Nonetheless, the company has recorded this amount as a loss for the year, due to the increasing risk that they could be executed.

This has been the case of activities related to projects affected by COVID-19, with significant delays and significant additional costs not recognized by customers, where the lack of liquidity of the customer and the company, due to the closure of the financial markets during the COVID-19 crisis has resulted in the financing of projects through the banks issuing these guarantees.



02. Abengoa, a project for the future

COVID-19 crisis committee

Abengoa has created a specific COVID-19 management committee. This committee is responsible for exhaustively monitoring, leading and coordinating all the corporate's actions related to the health crisis generated by SARS_CoV2.

This committee, which monitors the impact of this pandemic on both the workforce and the business activity on a daily basis, has implemented measures such as the promotion of teleworking for almost 100 % of the office staff, the adaptation of all prevention and health and safety plans of the projects to be adjusted to the situation arising from the pandemic and thus allow business continuity, minimizing the contagion risk among the workforce.



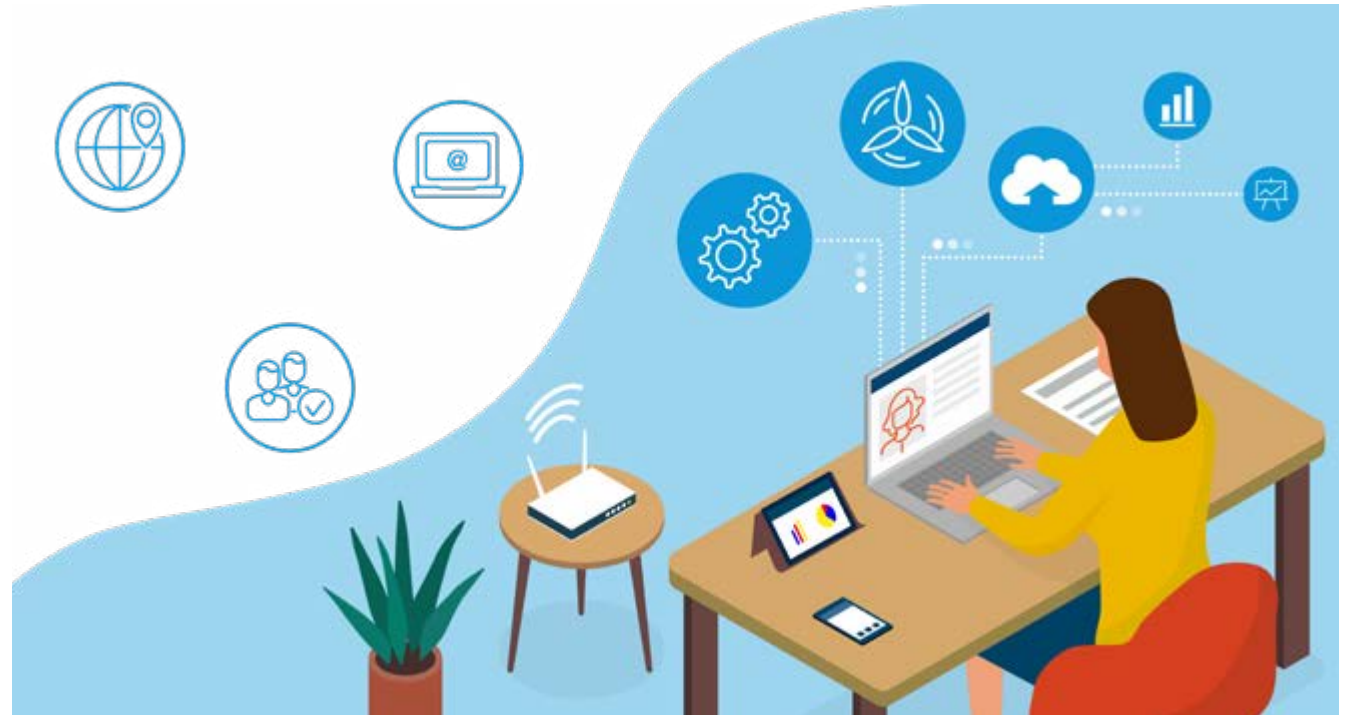
Digital transformation at Abengoa

The current digital evolution taking place in general in daily life and in particular in the industries in which Abengoa operates, makes it a key vector within the corporate strategy and sustainability. Digitization is therefore one of the main tools allowing the development of a sustainable model in which Abengoa is able to create technological models that promote collaboration, participation, mobility, automation and access to information in real time.

Digital transformation is understood at Abengoa as being the intensive use of technology in order to radically improve the performance and scope with respect to our stakeholders.

Abengoa is modeling, making use of and even pioneering innovative technologies, such as Cloud, AI, Big Data, Business Intelligence, Blockchain, IoT, RPA and Cybersecurity. Being innovative always requires special sensitivity in the use of those technologies: social responsibility, ethical use and strict regulatory compliance are undoubtedly the corporate credentials in the adoption and use thereof.

Although technology is one of the pillars of digital transformation, Abengoa likewise focuses on people as a fundamental pillar, on an innovative business culture and on targeted processes involving the entire company and its stakeholders.



02. Abengoa, a project for the future

Digitalisation processes at Abengoa are focused on the following vectors:

Employees: to promote the use of digital solutions to improve our employees' daily lives, allowing them access to advanced tools in which collaboration, communication, access to real time information and, therefore, decision-making becomes key.



Assets: the technological evolution of asset management tools is enabling continuous improvement in the corporate value chain processes, from innovation to O&M through design, engineering and construction.



Customers and suppliers: digital solutions allowing us to collaborate with customers and partners within any phase of our value chain. From business development to operation and maintenance through engineering, purchasing or construction.



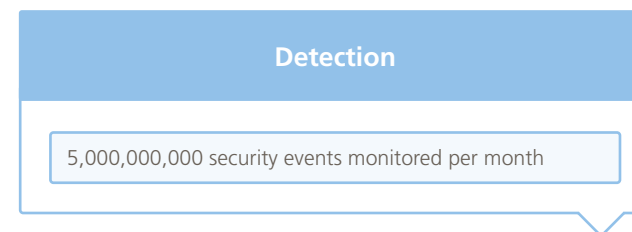
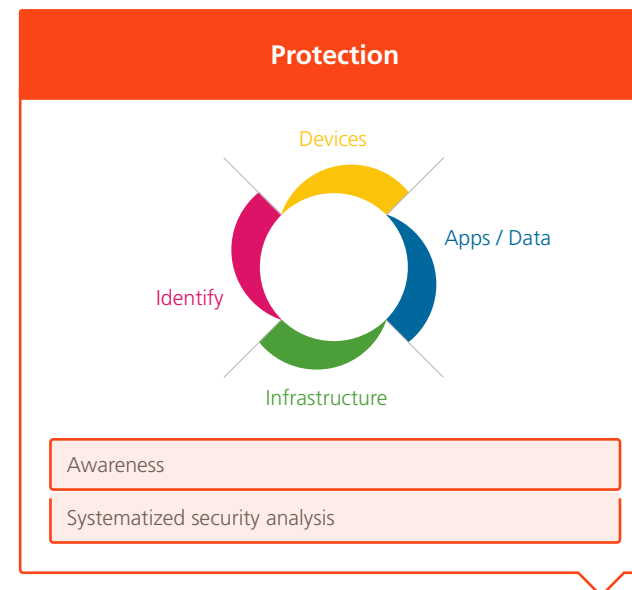
Processes: Abengoa's management culture by processes and activities means that the management model is a key focus of digitisation. The implementation of solutions allowing the corporate processes to be accelerated and automated, from request to completion, results in a tangible improvement in our delivery of value.



Platform: the architecture and digital platform on which Abengoa's technological services are supported enable us to promote our digitisation strategy, ensuring a responsible and sustainable approach to both resource use and environmental impact at all times.



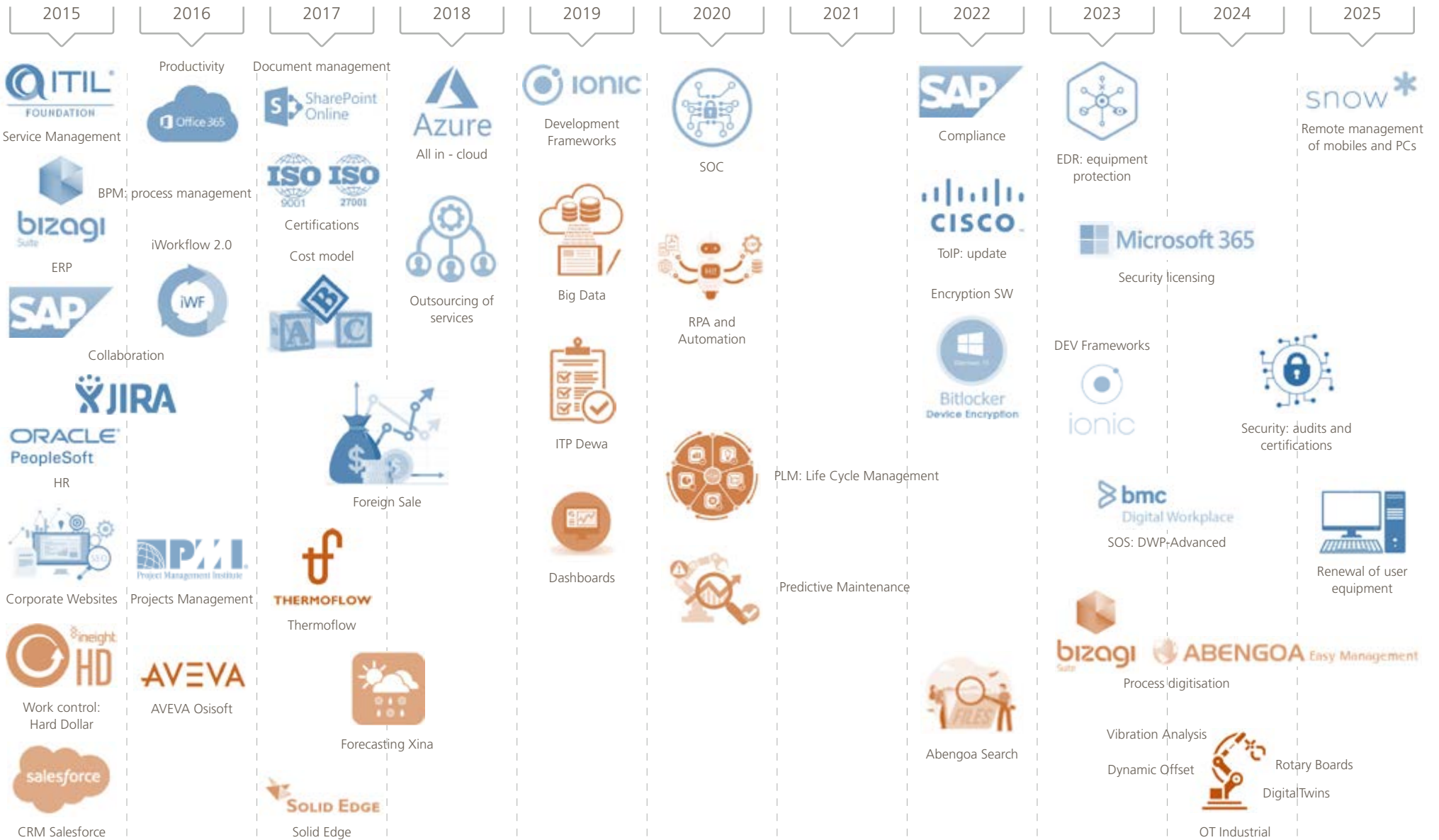
Cybersecurity: digital transformation poses a technological and social challenge with respect to information security. Abengoa, aware of the importance of information security, administers the policies, actions and objectives that ensure confidentiality, integrity and availability within its cyber security management (protection, detection and response).



02. Abengoa, a project for the future

A schedule of technological adaptation and digital investment is detailed below.

Technological adaptation Digital investment





03

Strategy and sustainable business model

03.1. Commitment to sustainable development

03.2. Risk management

03.3. Corporate governance

03.4. Transparency and fight against fraud

03.5. Ethics and regulatory compliance

03. Strategy and sustainable business model

03.1

Commitment to sustainable development



30

internal sustainability standards within the Common Management Systems



13

years requesting adherence to the Supplier Sustainability Code



11

years with Sustainability Management System (SMS)



5

years horizon Strategic Sustainability Plan



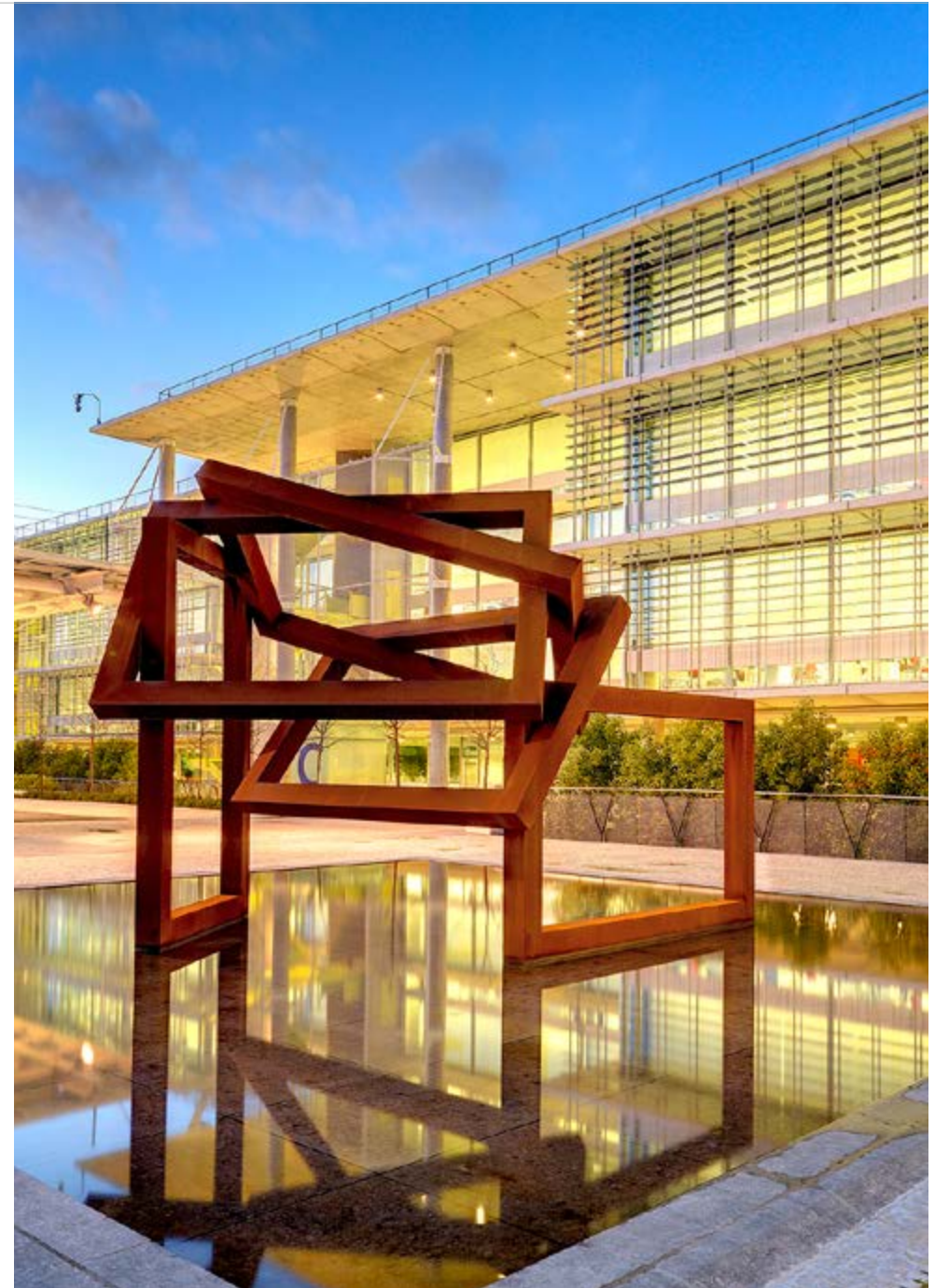
11

years IT tool consolidating all non-financial information



12

years conducting internal audits of non-financial information



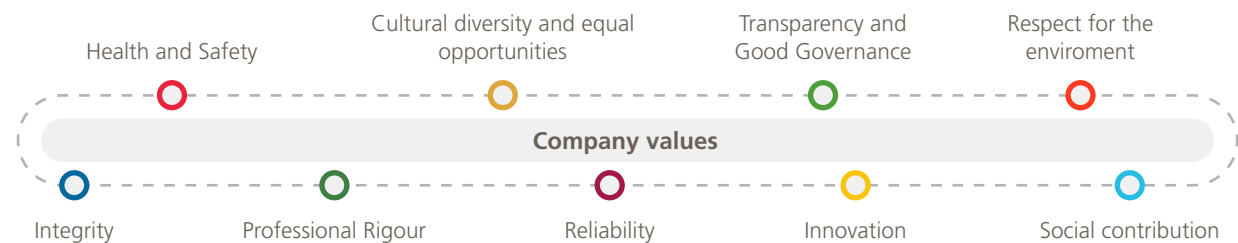
03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

For Abengoa, sustainability is a key value and the backbone of its strategy, as reflected in the development of a sustainable business model and a culture of corporate responsibility.



Mission, vision and values 102-16

The philosophy determining the mission, vision, values and hallmarks of the organization's identity is based on the solutions provided by Abengoa to its environment in order to achieve more sustainable development.



The firm commitment to these values by the entire company enables the generation of value and contribution to social welfare, as can be seen in each of the chapters of the Integrated Report.

03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

Sustainability Policy

Abengoa has implemented a sustainability policy that defines and establishes the management and control principles and guidelines to be followed by the entire group in terms of sustainable development.

This policy was unanimously approved in 2015 by the Board of Directors and is available on the [company website](#).

The Sustainability area reports directly to the Executive Chairman and periodically holds committees to follow up on all related issues.

The Audit Committee's functions include supervising compliance with the Sustainability policy, ensuring it is aimed at creating value, monitoring the objectives set out in the Strategic Sustainability Plan (PES, for its acronym in Spanish), supervising and evaluating the relationship processes with the different stakeholders, evaluating the corporate non-financial risks and supervising and approving the report of non-financial and diversity information in accordance with applicable regulations. *102-20*



Social dimension

To strengthen anti-corruption mechanisms and promote a **culture of ethics and integrity**.

To promote the use of reporting channels to detect conduct contrary to the values of the organisation.

To provide **transparent and truthful information** regarding its activity and impacts.

To **promote economic development in communities** through collaboration with local suppliers and employees.

To update the Global Risk Management System to ensure **excellence in management and decision-making**.

To drive technological development and constant innovation to promote **value creation and increased competitiveness**.

Social dimension

To guarantee Health and Safety (own staff / subcontractors): **zero accident objective**.

To ensure the protection of Human Rights: **company and supply chain**.

To promote gender diversity and equal opportunities: women in management positions, discrimination, inclusion of people with disabilities.

To promote the development of the company's own employees and subcontracted employees through **training**.

To promote social development of communities: **economic, cultural and social progress**.

To promote corporate volunteer actions: **social development**.

To drive CSR culture, promoting communication.

Environmental dimension

To efficiently manage impacts through **management systems**.

To protect the environment **beyond current legislation**.

Encourage the efficient use of resources and promote the acquisition and use of recycled or certified materials.

Proper waste management: reduction at source and promoting its revaluation.

To promote the fight against climate change: reduction of its effects and setting a domestic price for carbon.

To sensitize and raise awareness regarding **environmental protection** and sustainability.



03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

Strategic Sustainability Plan (SSP)

Abengoa has carried out a process of strategic reflection to be duly adapted to the major trends that are changing the world. As a result of this work, in February 2019, the Board of Directors approved the Strategic Sustainability Plan, hereinafter SSP, for financial years 2019-2023.

This plan sets forth the company's action framework and strategic lines, defining specific objectives and actions in accordance with the principles set out in the Sustainability policy and the **Sustainable Development Goals (SDGs)** that will address many current challenges, mitigating risks and

strengthening stakeholder confidence and showcasing corporate responsibility to be used by businesses as commercial leverage.

Preparing the Strategic Plan is a mature process involving all areas of the company and including the following stages:

01 Commitments acquired

Based on the previous PES, adapted to commitments made to the Sustainability policy and aligned with the SDGs

02 Mega trend analysis

Meetings with CODIR members to analyse trends

- Global megatrends. Thirty-year prospects.
- Climate change
 - Population growth
 - Natural resource stress
 - Technology
 - Urban growth

- Sustainability Trends:
- Non-financial Information Act
 - Equal Pay Act
 - Public Procurement Act
 - Spanish Circular Economy Strategy
 - Sustainability Indexes (DJSI, CDP, etc.)
- Business trends

03 Strategic lines design

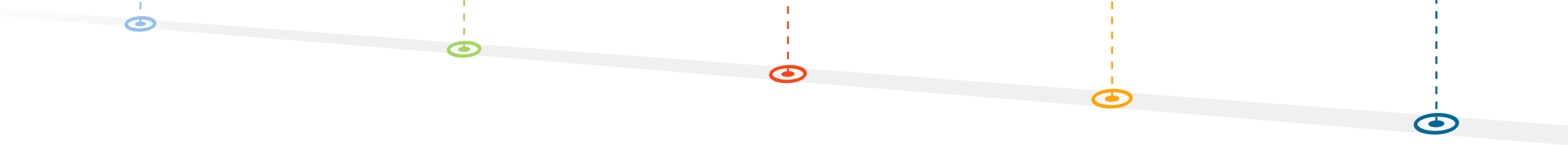
Definition of strategic lines according to the information analysed

04 Definition of responsibilities and objectives

Meeting with area managers to set goals and actions

05 Approval by the Board of Directors

Analysis of the degree of compliance with the objectives



03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

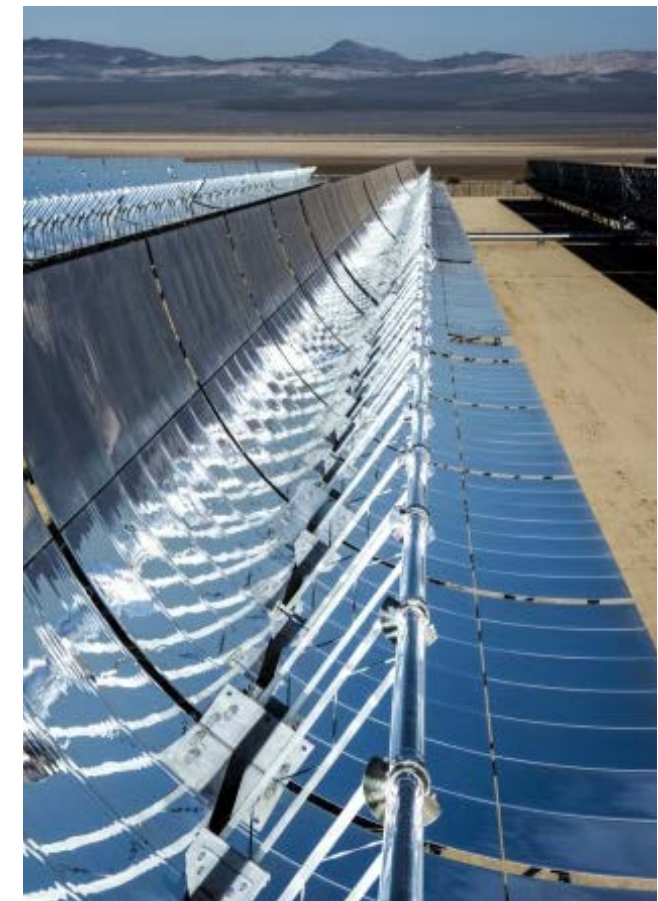
As a result of this process, the following lines of action and strategic lines were defined:

Axes of the SSP 2019-2023



Meetings are held every six months with the directors of the different areas to review the actions carried out during the period and evaluate the impact of the different strategic lines. Likewise, the progress and degree of progress in the objectives set in the Strategic Plan are monitored as stated at the beginning of each chapter of the Integrated Report.

This progress is likewise evident in the different chapters of this report, as an exercise in transparency and accountability to stakeholders.



03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

Contribution to the Sustainable Development Goals

The SDGs, included in the **2030 Agenda for Sustainable Development** and approved by the UN in 2015, represent the most ambitious programme in history to address the major economic, social and environmental issues faced by mankind

Abengoa, aware of the importance of the private sector involvement in overcoming these challenges, has incorporated the SDGs into its actions and business strategy, constituting the driving force of its SPS.

The organisation, as a company that applies innovative technological solutions for sustainable development in the infrastructure, energy and water industries, plays a key role to, through its businesses and business activity, have a greater contribution and ability to influence the following sustainable development goals:



For a more sustainable future



Ensuring availability of water and its sustainable management and sanitation for all

Abengoa offers products and services to manage the comprehensive water cycle, guaranteeing the availability of resources through an efficient approach.

4.3 million m³/day desalination capacity



1,100 km of hydraulic lines

Desalinated water for more than 20 million people



Ensuring access to affordable, secure, sustainable and modern energy for everyone

Renewable energy is one of the pillars of Abengoa's business, both in its own business -being a world leader in the development of thermoelectric, photovoltaic and hybrid technology plants with storage, as well as in the 'Biomass to Energy' sector- as well as in the way of doing business, promoting efficiency measures in all its activities.

9 GW of installed power of conventional generation, in simple or combined cycles



Construction of the largest plant capable of hybridising solar and gas energy in the world (Waad Al Shamal)

For a more thriving society

Make cities and human settlements inclusive, safe, resilient and sustainable



Abengoa provides solutions aimed at sustainable urbanisation, the supply of adequate basic services and safe transportation systems, focusing its business on clean energy generation and water management, the construction of energy transmission infrastructure and railway lines and traction substations, as well as unique buildings, such as hospitals or prisons.

70 years of experience in transmission and distribution lines, railway electrification, installations and infrastructures



330 electrical substations

+27,000 km of transmission and distribución lines

Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation



The organisation contributes to the growth and development of society through the construction, operation and maintenance of sustainable infrastructures with the environment and with society.

1.9 GW in developed, designed, built and/or operated solar thermal plants



480 MW of wind energy

500 MWp installed photovoltaic solar energy

1.1 GW de energía solar en construcción

03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

However, the company rolls out actions in the strategy lines and goals established in the SSP to move towards the achievement of all other sustainable development goals.

The company's compliance in the performance of the rest of the goals is shown below:

	<p>Abengoa contributes to reducing the poverty of the population through the local employment of the communities in which it is present, reinforcing the local network, as well as through social action that helps the most vulnerable groups.</p>
	<p>Abengoa considers the health and welfare of workers throughout the value chain to be a priority. Accordingly, through its policies and actions, it ensures safe working conditions as well as the necessary training for the performance of its activity.</p>
	<p>Through its social action programmes, the company carries out training actions for local communities.</p>
	<p>The company has mechanisms to ensure gender equality in any area of the company. To do this, in addition to having its own Equality Framework plan, the organisation has its own quarterly committees that involve the highest level of the organisation, for the purpose of correcting deviations that may occur in this matter. The SPS has set a strategic line of equality with multiple objectives to make progress in this area.</p>
	<p>The company fosters local employment in the communities in which it is present, promoting social inclusion through employment to local suppliers, reducing poverty and fostering local employability through education.</p>

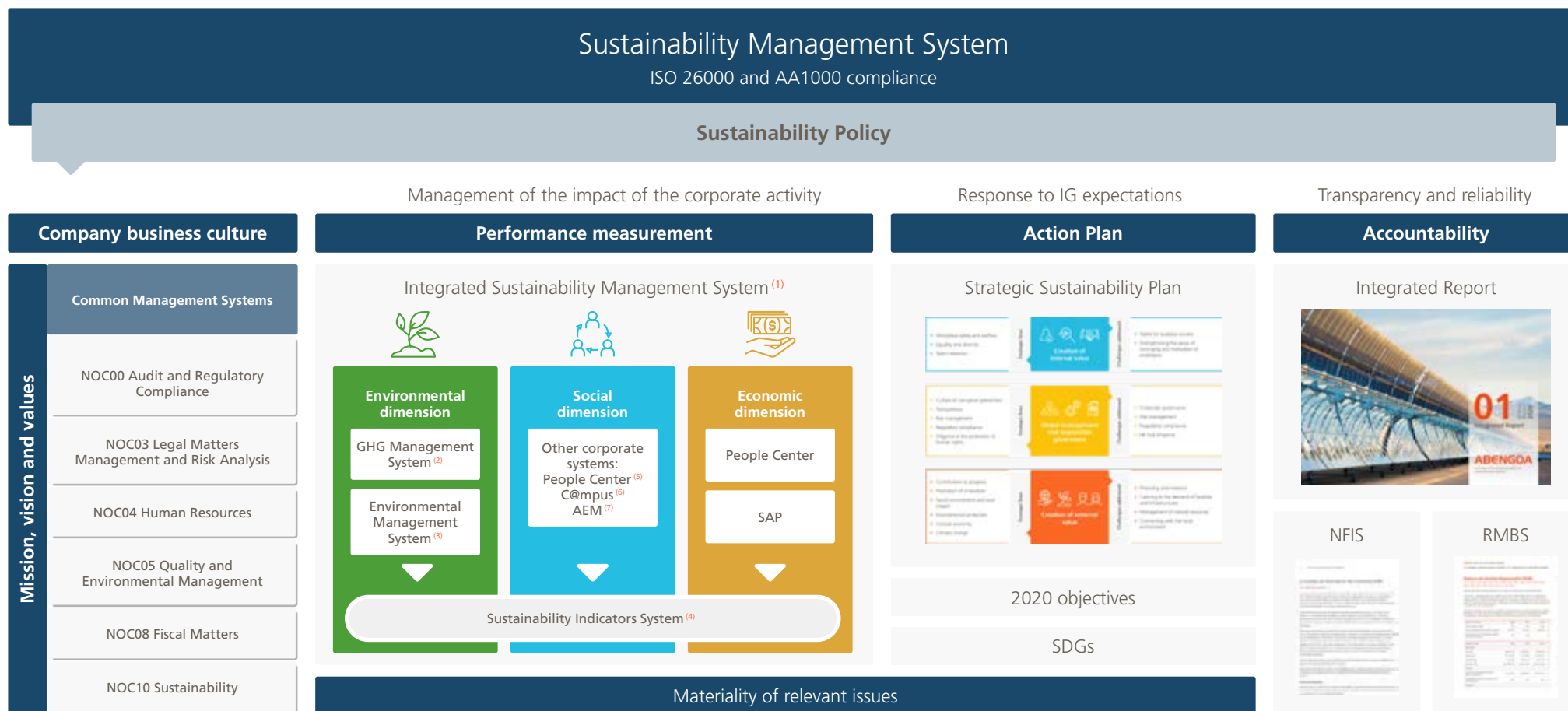
	<p>Contribution in communities where the company acts through education to ensure professional training in order to foster equal opportunities.</p>
	<p>Abengoa provides solutions for sustainable urbanisation, the provision of adequate basic services and safe transport systems, focusing its business on the generation of clean energy and water management, the construction of energy transmission infrastructure and railway lines and traction substations, as well as singular buildings, such as hospitals or prisons.</p>
	<p>In accordance with its environmental policy, Abengoa encourages the efficient use of natural resources and proper waste management, thus ensuring its commitment to the environment and aligning its activity towards a model of green growth. Abengoa focuses its activity on offering solutions aimed at mitigating emissions and energy efficiency throughout the supply chain.</p>
	<p>During the projects construction and operation, Abengoa promotes the use of techniques and equipment to contribute to the organic regeneration of the soil and consequently to the reduction of fire risk. Additionally, it provides for flora and fauna protection plans and restoration and damage repair initiatives, if necessary.</p>
	<p>Strengthening the company's code of ethics with the compliance area and consolidation of the whistleblowing channels through its internal and external channels.</p>

03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

Sustainability Management System

Since 2009, Abengoa has implemented a Sustainability Management System (SMS) mainly aimed to control non-financial information to prevent and mitigate risks and to promote responsible management seeking to prevent and minimise the negative impacts associated with the corporate activity, as well as to increase positive impacts.

This mature and efficient system facilitates the alignment and compliance with the current legislative requirements (Law 11/2018), regarding the need for companies to reach a level of reporting of non-financial information similar to the one already existing for the financial area, developing a model of internal control of non-financial information that guarantees the reliability of the information reported to the markets.



⁽¹⁾ Integrated Sustainability Management System: IT tool consolidating all non-financial information; ⁽²⁾ Greenhouse Gas (GHG) Management System: manages the GHG emissions associated with Abengoa's products and services; ⁽³⁾ Environmental Management System: manages the environmental impact of Abengoa's activity, at facilities level; ⁽⁴⁾ System of sustainability indicators: includes relevant indicators for the company in the three dimensions making up CSR environmental, social and economic; ⁽⁵⁾ People Centre: internal computer tool that manages all the information related to payroll and employee contracts; ⁽⁶⁾ C@mpus: internal computer tool used to manage Abengoa's training; ⁽⁷⁾ Abengoa Easy Management (AEM): internal computer tool containing information regarding health and safety and hours worked by employees.

03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

The system is based on the mission, vision and values and is based on corporate policies, as well as on the public commitments acquired throughout its history.

Abengoa has a **broad framework for action** including different good governance rules, policies and procedures committed to sustainable development and corporate responsibility. The **Common Management Systems** highlight the following sustainability standards or policies of mandatory compliance for all employees.

In order to measure the impact and manage and consolidate performance indicators, Abengoa has different computer tools to capture information from different areas (social, environmental and economic) which is uploaded through interfaces in the **Integrated Sustainability Management System (ISMS)**. This tool, which compiles the non-financial information of the entire organisation, provides a robust internal control system in terms of capture, validation and consolidation by different users to ensure the reliability of the information.

As an action plan to **provide responses to the needs and expectations of stakeholders**, Abengoa has defined various actions and objectives included in the strategic lines of the SPS 2019-2023.

As a result of this work, adequate and transparent accountability is carried out with stakeholders, through the **publication of the different non-financial information reports** (Statement of Non-Financial Information, Integrated Report and Responsible Management Balance Sheet) which are audited by an independent external party to ensure the reliability of the information. All these reports are available on the [company's website](#).

This **system has been designed in accordance with** international standard **ISO 26000:2010**, an international standard compiling performance guidelines for all types of organizations in areas related to social responsibility, the environment, human rights and consumer rights and in accordance with the **standard AA1000 (2018)** and the **principles of inclusiveness, relevance, responsiveness and impact**.



03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

Responsible Management Balance Sheet (RMBS)

102-7, 103-1, 103-2, 103-3, 201-1, 201-4, 302-1, 302-3, 303-1, 305-1, 305-2, 305-3, 305-4, 305-7, 306-2, 401-1, 403-2, 404-1, 413-1, ID1, ID2, ID3_4

Since 2011, Abengoa has had a Responsible Management Balance Sheet (RMBS) with the aim of compiling non-financial indicators related to sustainability which, due to their importance, are critical for the company and for its stakeholders. Due to their importance, the organisation implements a more exhaustive and continuous monitoring of this data, in order to ensure greater reliability in its management and communications.

The balance sheet is published on the company's website and is structured on the basis of the capitals-based scheme set out in the <IR> framework, published by the International Integrated Reporting Council (IIRC), to reflect the connectivity of financial and non-financial information.

Financial capital	2020	2019	2018	(1)
Revenue (M€)	1,253	1,493	1,303	✓
Payment to Public Administrations (€k)	130,577	155,457	138,223	✓
Significant financial aid received governments (€k)	166	268	-	✓

Natural capital	2020	2019	2018	(1)
Material				
Steel (Kg)	29,001,555	71,680,622	4,859,709	✓
Wood (Kg)	18,132,394	11,561,806	23,266,223	✓
Cement (Kg)	1,167,640	6,223,113	2,565,775	✓
Concrete (Kg)	443,585,526	630,025,264	102,361,584	✓

Natural capital	2020	2019	2018	(1)
Energy				
Energy consumption (GJ) (primary, electric and thermal) (2)	32,790,926	29,999,874	24,579,329	✓
Energy consumption intensity (GJ) / Sales (€k)	26.2	20.1	18.9	✓
Emissions				
Direct emissions (tCO _{2eq})	1,346,195	1,125,206	738,458	✓
Direct emissions from the biomass (tCO _{2eq})	1,082,979	1,211,686	1,331,008	✓
Indirect emissions (tCO _{2eq})	225,622	236,236	313,746	✓
GHG emissions intensity (tCO _{2eq}) / Sales (€k)	2.1	1.7	1.8	✓
Other atmospheric emissions:				
CO (t)	1,724	1,621	1,471	✓
NOx (t)	2,657	2,410	1,871	✓
SOx (t)	153	149	224	✓
PM (t)	1,631	1,644	1,909	✓
VOC (t)	128	122	114	✓
Water withdrawal				
Desalinated water produced (m ³)	116,471,390	119,954,889	133,079,325	✓
Seawater intake (m ³)	283,125,187	296,601,351	324,125,592	✓
Withdrawal withdrawn from other sources (m ³)	5,446,430	6,446,170	7,687,386	✓

03. Strategy and sustainable business model / 03.1. Commitment to sustainable development

Natural capital	2020	2019	2018	(1)
Waste				
Waste (t)	29,200	84,803	93,462	✓

Human capital	2020	2019	2018	(1)
Job creation (%)	(18.87)	4.28	7.88	✓
Total voluntary turnover (%) ⁽³⁾	6.03	5	7.69	✓

Female staff members				
In senior management positions (%)	10.89	11.94	11.52	✓
In middle management positions (%)	18.84	19.62	17.34	✓

Industrial accident rate				
Frequency rate ⁽⁴⁾	9.17	8.77	10.88	✓
Severity Rate ⁽⁴⁾	0.10	0.06	0.11	✓
No. of fatal accidents	1	1	–	✓
Occupational illnesses, per gender	–	–	–	✓

Training				
No. of hours of training, per employee	30.92	30.24	35.69	✓

Social and relationship capital	2020	2019	2018	(1)
Suppliers				
Purchases to local suppliers (%)	70.3	77.5	77.4	✓

Compliance	2020	2019	2018	(1)
Analyses conducted to meet FCPA compliance	349	400	446	

(1) KPIs audited by an independent external auditor.

(2) 3.52 % of the electricity used comes from renewable energy sources.

(3) Calculation of turnover excludes interns and operators.

(4) Rates refer to own employees and the number of accidents with and without sick leave are included.

03. Strategy and sustainable business model

03.2

Risk management



36

risks analysed on the universal risks map



185

action plans aimed at mitigating risks



108

management indicators



49

Business and Risk Executive Committee (CENER) sessions



37

risk plan reviews of projects in execution



37

recommendations to the Board in project approvals



03. Strategy and sustainable business model / 03.2. Risk management

Goals set forth in the SSP 2019-2023



To conduct the annual CSR risk analysis at the company's facilities to be included in Abengoa's risk map. 15 %

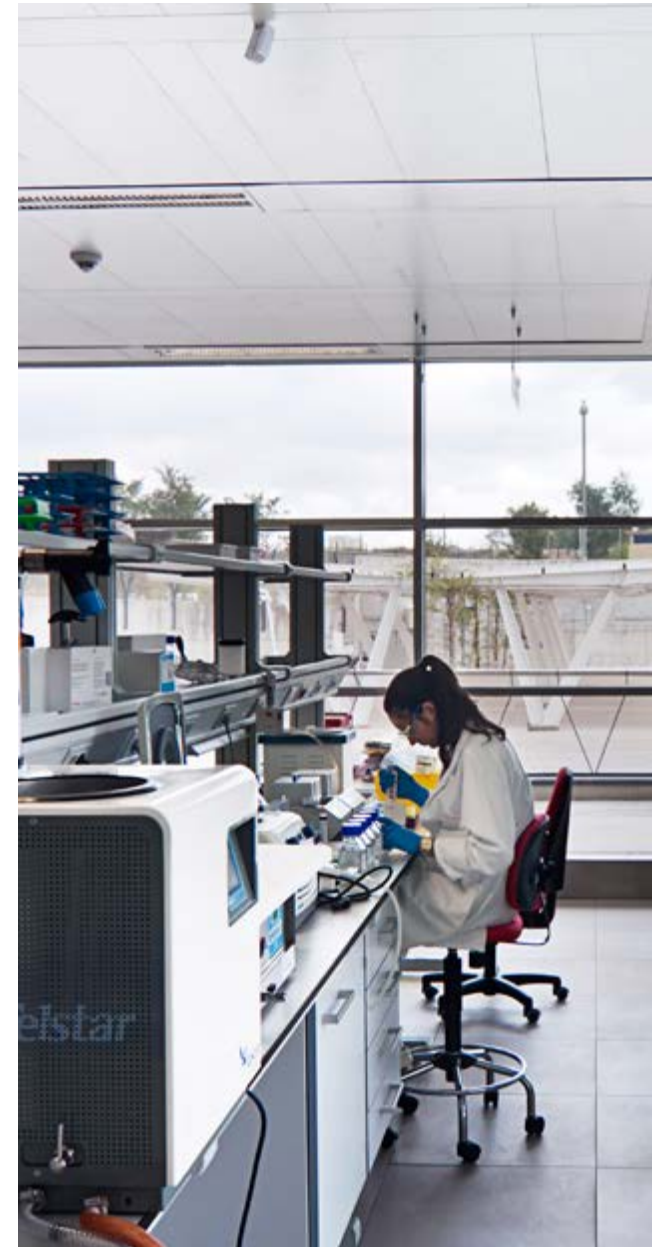
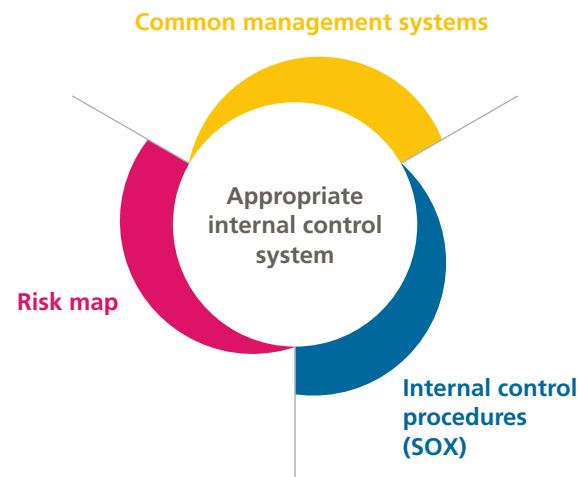
To identify, through the Risk Management System, the potential environmental changes in order to prepare and adapt the company to achieve its global business goals. 100 %

To strengthen Abengoa's Risk Management Systems regarding the identification and control of CSR aspects (social, environmental, ethical and reputational order). 50 %

To create value through Abengoa's Risk Management System as a source of competitive advantage and a tool guaranteeing excellence in the decision-making process. 100 %

The situation generated by the COVID-19 pandemic has had multiple implications in corporate risk management, which should adapt to new risk scenarios not previously contemplated. In order to cover these new scenarios and likewise to achieve the goals set forth in the corporate Strategic and Viability Plan, Abengoa has implemented a **Risk Management System** based on three fundamental pillars and defined by a comprehensive and dynamic approach which allows the company to control and identify risks, to create a common culture facilitating the achievement of the corresponding objectives and to have an operational and resilient capacity. *102-11*

Fundamental pillars of the Risk Management System



03. Strategy and sustainable business model / 03.2. Risk management

The objective of this system is to obtain a comprehensive risks approach which allows designing the appropriate responses based on a common culture of awareness among all employees

that risks should be duly managed at all levels, so that, at Abengoa, managing business is the equivalent to managing risks.

Risk policy

Abengoa's risk policy, approved by the Board of Directors, **sets forth the fundamental principles and guidelines** to design the corporate Risk Management System.

This policy is based on the premise that it should be fully integrated in planning and executing the corporate strategy, in defining business objectives and in the daily operational procedures, so that, in practice, the methodology involved in applying the above mentioned system implies risk identification and management in any activity carried out and as a basic criterion for decision-making.

The functions of the Risk Management Department at Abengoa cover three specific areas: business risk management, insurance management and special risk management.



01 Integration in the business

All management procedures identify the risks that may affect them and establish the criteria to mitigate them.

05 Dynamism

The system is subject to permanent review to ensure it keeps pace with the evolution of business at all times.



02 Specialisation

Each procedure is assigned to a specialist ("risk owner"), who is an expert in the area and trained to establish the protection measures.

03 Ongoing measures

Software to draw up risk maps in all categories, according to the probability and impact of the risks.

04 Annual external valid

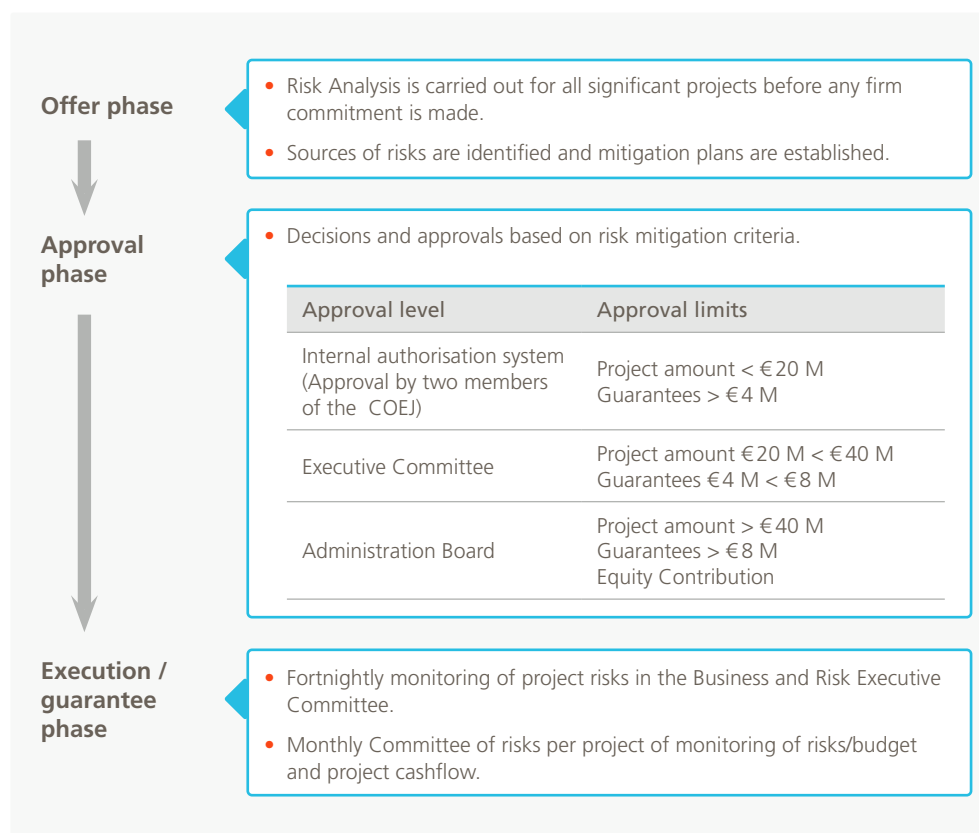
System based on ISO 31000, audited annually both at corporate level and at different business units.

03. Strategy and sustainable business model / 03.2. Risk management

Applicable methodology of the business Risk Management System

The risk management process at Abengoa is a **continuous cycle** based on five key phases: identification, evaluation, response, monitoring and reporting. In each of the phases, a **bidirectional, fluid and periodic communication** is essential, as well as permanent feedback in order to incorporate the necessary improvements.

This process is carried out for all projects at their different stages, from the identification of the business opportunity, through the bid preparation and submission, hiring, execution and warranty period, to the operation and maintenance stage with a **precautionary and predictive approach** which allows anticipating the most appropriate mitigating measures for each type of risk and in each phase. *102-11*



For each ongoing project, a risk management plan is established, with a several phases process, as established below:



Abengoa's risk map

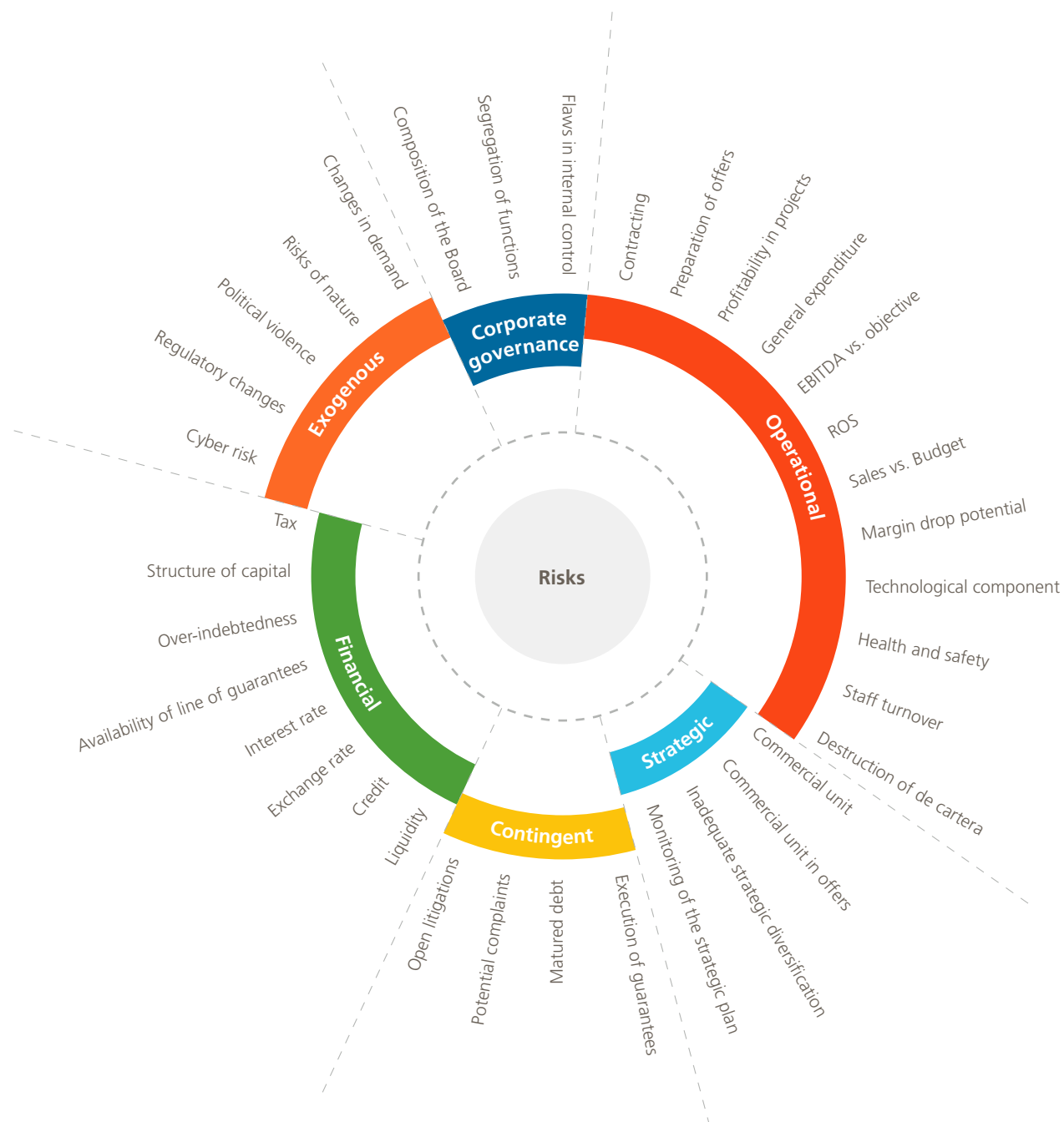
Abengoa has developed an internal Enterprise Risk Management (ERM) methodology, based on a series of impact and probability indicators, which **measures the level of importance of the main risks** affecting the company, in addition to providing **real-time risk maps**, to allow the design of efficient responses aligned with the business objectives.

During 2020, Abengoa reviewed the risk classification and the probability and impact indicators, in order to be adapted to a more predictive approach, replacing some KPIs with KRIs which allow an improved identification of the probability of occurrence of certain risks in advance, based on predictive indicators.

Likewise, a complete review of the indicators scope has been carried out, which allow **to measure the cyber risk probability and impact**, adapting the its assessment to the provisions set forth in ISO 27000. In particular, the probability is evaluated based on the INCIBE¹ risk classification and based on the degree of progress in three protection indicators (training, user protection solutions and infrastructure protection solutions) and the impact by average cost of attacks, according to studies carried out by Vodafone, INCIBE and other sources.

These values are compared with tolerance levels based on the overall percentage of company sales.

The risks analysed through this methodology are as follows:



¹ INCIBE- National Institute of Cybersecurity.

03. Strategy and sustainable business model / 03.2. Risk management

The importance of a risk department in crisis situations

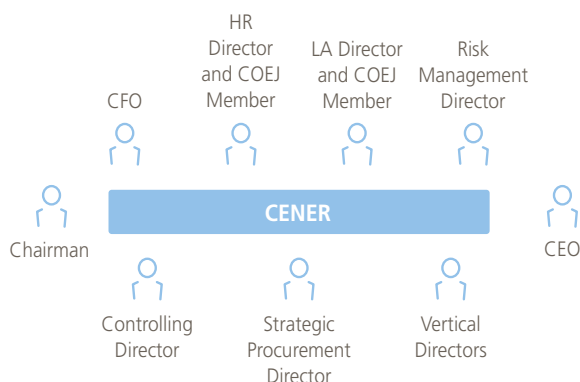
Abengoa's Risk Management has been directly involved in designing viability plans that have been managing to solve the complex restructuring processes in which the company has been immersed in recent times. This has been made possible by implementing a meticulous process to identify the risks that could affect both the company and the subsidiaries and projects, and by monitoring the risks on a daily basis. During the period, special emphasis has been placed on hedging risks which could have significantly impacted the restructuring process, as well as its viability plan.

Likewise, the exceptional situation experienced during 2020 with a global coronavirus health crisis and under a state of emergency in Spain has made the Risk Management be directly involved in both the health and safety of employees as part of the COVID Committee, and regarding the business development and evolution.

Relevant New Features during 2020 Financial Year

The main actions and developments in risk management are as follows:

- A new **Business and Risks Executive Committee (CENER)**, for its acronym in Spanish) has been set up, which is made up of:



In this collegiate decision-making body, the following matters are taken into account:

- › **Significant business offers and opportunities** which may be submitted for approval by the COEJ/Council after CENER's prior approval.
- › **Approval of margin modifications** at the project completion, associated orders and contracts with a variation amount exceeding € 100,000.
- › **Analysis of significant ongoing projects**, with the aim of analysing the associated risks and opportunities.
- › **Approval of new executive and operational procedures** of the organization.
- › **Approval of contractual modifications and relevant agreements** with clients, partners, etc.
- › **Review of business committees** regarding geographies and verticals.
- › **Review and approval of strategic matters**, such as vertical strategic plans, analysis of new products, organizational plans, etc.

During 2020, **25 face-to-face sessions and 24 extraordinary sessions** were held, **105 offers and 37 projects** were reviewed **four procedures** were approved and another **34 strategic issues** were reviewed.

- The **criteria** to establish which **minimum profitability** is required from projects for each type of activity depending on the risk country category in which it is developed. .
- The **coverage sub-limits** have been revised, as well as the incorporation of certain coverages to those already existing in the cyber-risk insurance policy, in order to enable the economic impact coverage in case of an attack on the corporate information systems and to allow the recovery of its operability as soon as possible.
- A **methodology** to determine the **maximum amount in guarantees** acceptable for a risk-based project based and a comparison of the level of guarantees determined with the expected profitability has been defined, establishing a ratio to ensure the availability of adequate guarantees to comply with the corporate strategic plan.
- A review system for the **partner viability analysis** has been implemented, which should be included to approve any business agreement at Abengoa. Prior to entering into an agreement, the financial, technical and reputational suitability is analysed, in order to mitigate the risks of the project's partner.
- The **risk management plans** have been **updated** for all projects, in order to pre-emptively allow possible events which may compromise the results of the projects, in terms of compliance with deadlines, costs or guaranteed benefits.
- The **risks of all projects** have been **analysed** as well as the relevant operations which have been determined by the Executive Committee, and/or Board of Directors.

03. Strategy and sustainable business model / 03.2. Risk management

Evolution of the Corporate Risks during 2020

The main risks faced by Abengoa in its operational activities during 2020 were as follows:

Risks	Description	Potential impact	Control measures and main actions
COVID-19 pandemic-related risks			
Suspension of ongoing projects due to COVID	In the various geographies in which Abengoa operates, there have been restrictions ordering the mandatory suspension of all non-essential activities for a specified period of time.	<ul style="list-style-type: none"> • Project delays. • Increases costs to alleviate planning deviations. • Decreased business earning. 	<ul style="list-style-type: none"> • Claims related to Change of Law and Force Majeure, negotiating the term recovery and economic extra costs as a result of COVID-19. • Planning review, adapting to new circumstances.
Delays in projects execution due to COVID-19	Even in countries where the restrictions did not imply downtimes, the delay in the supply chain has been noticeable. The impossibility of supervisors, operators, subcontractors, suppliers and highly qualified personnel to access the projects at relevant times.	<ul style="list-style-type: none"> • Increased costs to alleviate planning deviations. • Increased costs generated from safety, health and alternatives to execute the projects. • Decreased business earning. 	<ul style="list-style-type: none"> • Claims related to Change of Law and Force Majeure, negotiating the term recovery and economic extra costs as a result of COVID-19. • Substitutions and changes in projects in which the impact could be mitigated. • Planning review, adapting to new circumstances.
Cost deviations	As a result of this pandemic, increased prices of the components of the value chain have been registered, with a marked price increase recorded in supplies, transport of equipment and insurance premiums.	<ul style="list-style-type: none"> • Decreased business earning. • Increased costs to alleviate deviations. 	<ul style="list-style-type: none"> • Implementation of contractual and legal mechanisms to mitigate these changes. • Collection of information related thereto, to be applied to potential projects and offers to clients.
Risk to employees' health	Due to the spread of the pandemic, the health of the corporate employees may be affected, in turn affecting the development of corporate activities.	<ul style="list-style-type: none"> • Increased costs generated from safety, health and alternatives to execute the projects. • Reputational problems. • Possible lawsuits. • Breaking the stability of the work environment. 	<ul style="list-style-type: none"> • Review of prevention, health and safety plans to be adapted to this crisis, minimizing the risk of contagion between employees and providing all the available legal and contractual mechanisms. • Drafting of a business continuity plan, possibility of remote work and setting forth substitute roles and emergency checkpoints in essential activities that could not be interrupted (plans implemented prior to the World Health Organization (WHO) pandemic announcement). • Plans implemented prior to the date on which the World Health Organization -WHO- declared COVID a pandemic- Creation of a COVID-19 Crisis Committee to monitor the impact of the pandemic on its employees and activities on a daily basis and case by case. (Committee created prior to the date on which the WHO declared COVID-19 a pandemic).

03. Strategy and sustainable business model / 03.2. Risk management

Risks	Description	Potential impact	Control measures and main actions
Operational Risks			
Delays in project execution	The development of the engineering and construction activities involves delays, cost overruns and technical difficulties, added to the uncertainty of the long execution term, participation of third parties (supplies, subcontracts ...).	<ul style="list-style-type: none"> Increased costs to alleviate planning deviations. Decreased business earning. Penalties and claims for client damages. 	<ul style="list-style-type: none"> Management and monitoring of projects and contractual framework. Contingency plans established to rectify unforeseen deviations. Dialogue with the client through the established channels. Country risk analysis and monitoring of its economic, political and social evolution. Integrated management of various suppliers and subcontractors. Maintenance and review of the appropriate level of risk transfer.
Risk of breach of contractual obligations and guaranteed benefits	In some projects, the client's requirements involve a potentially more complex technological development or component. It may result in non-compliance with the deadline set for work completion.	<ul style="list-style-type: none"> Penalties and claims for client damages Execution of guarantees of faithful compliance. Decreased business earning. Deteriorated client relations. 	<ul style="list-style-type: none"> Management and monitoring of projects and contractual framework. Contingency plans established to rectify unforeseen deviations. Dialogue with the client through the established channels.
Risk related to the contracted portfolio or backlog	Some of the projects in the portfolio could be subject to some contingency, such as delays, delays by clients regarding financial closing or obtaining the necessary licenses to develop the projects, as well as possible unexpected cancellations.	<ul style="list-style-type: none"> Decreased business earnings. Deterioration of client relations. Loss of business opportunities. Deterioration of the financial situation. 	<ul style="list-style-type: none"> Adaptation of project management to the situation. Monitoring the portfolio and review of possible deviations. Adaptation of the business plan to possible changes.
Risk involved in choosing partners and lack of coordination	Given the complexity of the projects (usually ad hoc designed) carried out by Abengoa or, occasionally, in the interests of greater competitiveness and creation of value for the client, the participation of third parties is necessary. They carry out certain activities related to these projects, so there is a risk of potential claims between the parties, inappropriate choice of partner in terms of their viability and technical capacity, or lack of understanding.	<ul style="list-style-type: none"> Decreased business earnings. Deterioration of client relations. Operational costs arising from inefficiencies. Responsibility assumed with the client for the contracted works. Lawsuits and claims. 	<ul style="list-style-type: none"> Analysis of partner viability, including technical capabilities, analysis of financial statements and reputational analysis. Entering into a partner agreement to help establish responsibilities and mitigate possible risks.
Rotation risks in senior management and key employees	A large part of Abengoa's know-how is based on corporate human capital. The ability to retain and motivate top executives and key employees and to attract highly qualified employees will significantly affect the ability to successfully develop the business activities.	<ul style="list-style-type: none"> Loss of key business knowledge affecting performance. Information leakage harming corporate assets. Business deterioration. Loss of business opportunities. 	

03. Strategy and sustainable business model / 03.2. Risk management

Risks	Description	Potential impact	Control measures and main actions
Risk of changes in the energy sector	There is a potential decrease in government support to develop renewable energies, a key market for Abengoa. This fact, together with a gradual but significant reduction in rates, premiums and incentives for renewable energy cannot be ruled out. If this reduction occurs, market participants, including Abengoa, should reduce prices to continue being competitive against other alternatives.	<ul style="list-style-type: none"> • Decreased business earnings. • Loss of business opportunities. • Deterioration of the financial situation. 	<ul style="list-style-type: none"> • Review of the corporate business and strategic plan. • Continuous work on cost reduction and monitoring. • Innovation in products and systems adding value.
Risk of limitation in transfers to third parties	There are increased insurance market restrictions for the transfer of insurable risks, which limits coverage, capacities and limits that, otherwise, should be assumed by the organization.	<ul style="list-style-type: none"> • Increased project costs. • Decreased business earnings. • Modification of the corporate risk profile. 	<ul style="list-style-type: none"> • Study of the application of specific contingencies. • Transfer of risks to other chain components. • Study of new alternatives to mitigate these risks.
Geopolitical Risks			
Country risk and socio-economic risk	Any variation in the economic, political, security environment and social conditions in the different countries in which the organization operates can affect both economic performance matters and the security of personnel and assets abroad.	<ul style="list-style-type: none"> • Decreased business earning. • Lawsuits and claims. • Deterioration of client relations. • Increased costs. • Adverse impacts due to the situation in the country in which the activity takes place. 	<ul style="list-style-type: none"> • Methodology establishing a classification of countries based on the risk level. • Setting specific requirements for each level of risk / country. • Action and compliance plan according to the level resulting from the analysis carried out, with specific measures focused on risk limit and mitigation.
Market Risks			
Risks in exchange rates and interest fluctuations	The group's activities are mainly exposed to financial risks arising from exchange rate and interest rate fluctuations, the volatility thereof when carrying out their activities in different countries and working in different currencies.	<ul style="list-style-type: none"> • Decreased business earnings. • Deterioration of financial situation. 	<ul style="list-style-type: none"> • Establishment of strong currencies to the greatest possible extent. • Costs in projects minimizing risk / currency. • Transfer to financial entities. • Avoiding the accumulation of cash surpluses in other currencies. • Use of contractual mechanisms to mitigate impact.
Risk of price fluctuations in the electricity market	Despite Abengoa's divestment plan for its non-strategic assets such as certain power plants, some of the income from the operational and maintenance activities thereof partially relies on market prices for the sale of electricity, and part of the costs are affected by various factors such as the cost of raw materials.	<ul style="list-style-type: none"> • Decreased business earnings. • Increased project costs. 	<ul style="list-style-type: none"> • Internal analysis on price evolution. • Disconnection of O&M rates and prices. • Use of contractual mechanisms and to mitigate these variations.

03. Strategy and sustainable business model / 03.2. Risk management

Risks	Description	Potential impact	Control measures and main actions
Risk of fluctuations in the price of raw materials	The engineering and construction activity is mainly exposed to the evolution of materials such as steel, aluminium, copper or zinc, which influence the pricing of much of the equipment purchased by Abengoa from its suppliers. The cost of the natural gas or electricity price, which is usually consumed during the execution of projects, or in the operation of plants and assets operated by Abengoa, also affects the business.	<ul style="list-style-type: none"> • Decreased business earnings. • Increased project costs. • Deterioration of the business plan. • Modification of the project risk profile. • Changes in the value chain. 	<ul style="list-style-type: none"> • Use of contractual and legal mechanisms to mitigate these changes. • Internal analysis on price evolution. • Projects contingency based on the analysis carried out.
Financial restructuring-related risk			
Risk of delays to implement the restructuring plan	The availability of guarantee lines and the necessary liquidity to undertake some projects could be delayed. Additionally, the financial closing of developments under the project finance scheme may be affected.	<ul style="list-style-type: none"> • Decreased business earnings. • Deterioration of the financial situation. • Deterioration of the business plan. • Deterioration of client relationships. • Deterioration of relationships with suppliers and creditors. • Third parties' claims. 	<ul style="list-style-type: none"> • Temporary or specific alliances to develop projects. • Search for alternative schemes involving different distribution of risks and responsibilities. • Contract mechanisms providing certain security and continuity to the project in the worst scenarios.
Reputational risk	Such a lengthy financial restructuring process, as well as its media repercussion, generate certain uncertainty among the different stakeholders regarding the activity.	<ul style="list-style-type: none"> • Suspension or extension of some awards in which the company is well positioned. • Required guarantee levels higher than those required by the market. • Decreased business earning. • Deterioration of client relationships. • Deterioration of relations with stakeholders. 	<ul style="list-style-type: none"> • Alliances with technically and economically powerful groups. • Due compliance with contractual obligations. • More number of projects developed together with recurring partners and clients. • Adjustment of bid costs including information on ongoing projects.

03. Strategy and sustainable business model / 03.2. Risk management

Opportunity management

Since the financial restructuring closed in March 2017, the company has operated as a third-party contractor, focusing on known geographies with more recurring clients and on projects with greater size diversification. This fact has generated the following opportunities:

- **Projects with positive cashflow and not requiring cash contribution**, which helps to reduce and control the corporate leverage level.
- Abengoa's long experience and track record makes it possible to focus the business on known geographies, with greater legal certainty and a risk/country with a controlled level of geopolitical tension. This reduces the risk associated with **socio-political and legislative conditions** of an unknown geography.
- Focusing the activity on executing projects for third parties, with income determined according to contractual milestones, **reduces the dependence of cash flows on the evolution or modification of the regulation** set forth by governing bodies of non-traditional countries.
- Certain strategic agreements with developers and other construction companies have allowed focusing Abengoa's participation in **activities with a greater technological component and greater added value**, allowing increased profitability.
- An increase in raw materials, whilst posing a potential risk due to increased costs in some activities, may likewise result in **increased business opportunities in countries where GDP is closely linked to its fluctuation**, as could be the case in the Middle East, with crude oil prices, or in countries like Chile or Peru, with copper prices.

Integration of risk management into the organisation's strategy

Abengoa's risk management policy approach involves the total **integration of risk management objectives with the corporate strategy**.

The criteria supporting Abengoa's Strategic and Viability Plan have been the **determination of the activity and target markets**, based on the risk profile assumed by the organization, prioritizing known markets, recurring clients and anchor countries with a lower risk level, and an activity based on medium-sized third-party projects, not requiring any investment in capex, with a lower level of assumed risks and less exposure to regulatory risks, leveraging on Abengoa's own know-how and on potential partners covering scopes in local countries and in activities in which Abengoa has less experience.

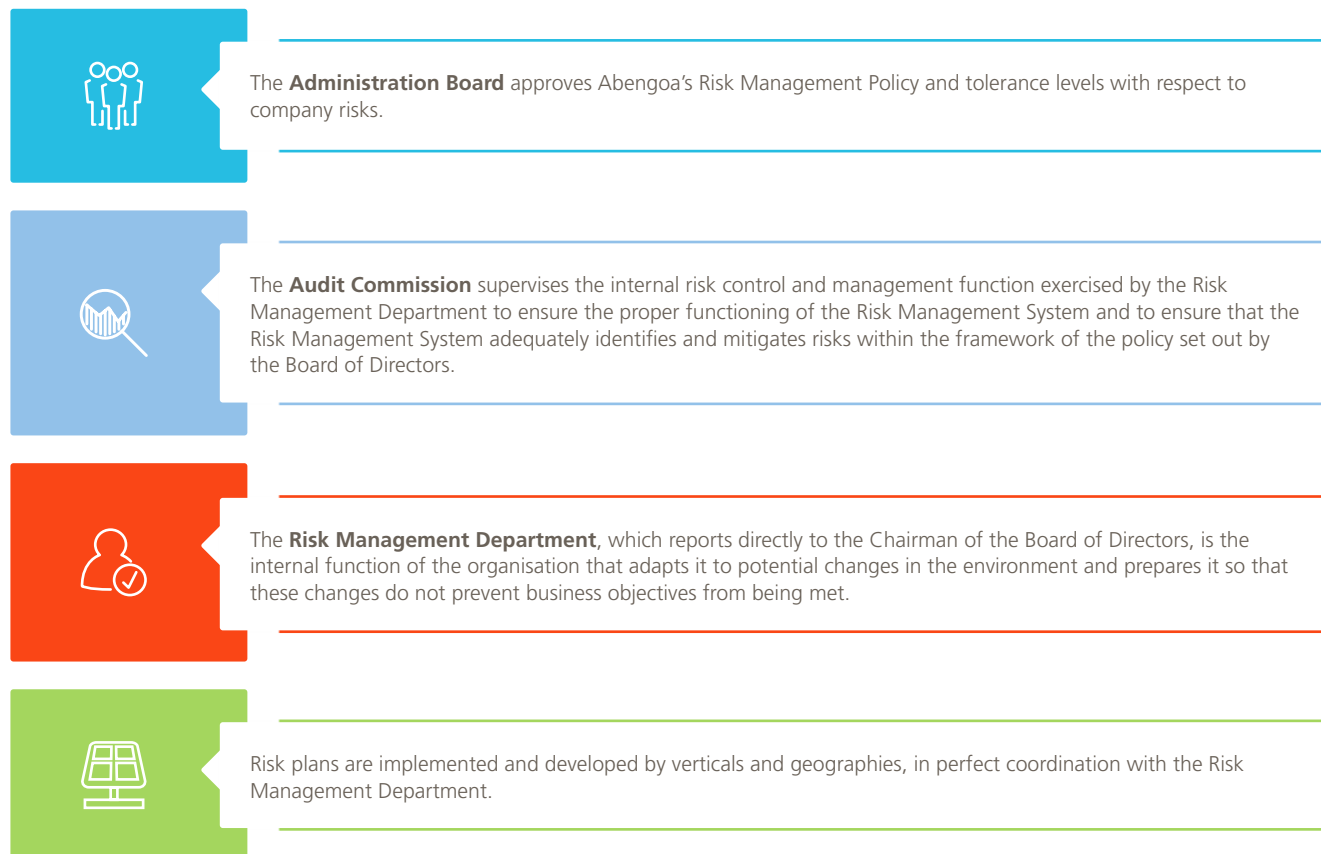
In turn, Abengoa's internal approval system implies that the strategic decisions made by senior management and the Board of Directors are supported by the conclusions of the various assessments of the risks to which the company is exposed.

In 2020, a further step has been taken in this integration, through the creation of the Executive and Risk Committee, in which the most relevant strategic decisions for Abengoa's business are made. In this committee, risk management plays an essential role since it is the department in charge of defining the agenda and determining the relevant matters to be discussed.



Due diligence of the highest governance body on risk management

Senior management is **fully committed** and involved in risk management.



The Risk Management Department **reports directly to the Chief Executive** of Abengoa's Board of Directors, a fact which allows monitoring the effectiveness of risk management procedures through a series of periodic fortnightly meetings between the Executive and the Risk Management Director. *102-30*

Likewise, the Risk Management Department holds **fortnightly risk meetings** with the CEO of the company.

The **Executive Business and Risk Meetings** are held every two months, with the participation of the rest of the members of the Executive Committee, the directors of the business verticals, and the Management Control and Corporate Procurement Department, apart from the Chairman. These committees make the main decisions regarding the approval of bids, modification of margins, monitoring of projects and approval of the new operating procedures.

On a monthly basis, **a meeting is held with the Executive Committee for each of the business units**, with the participation of the Risk Management Department. The purpose of these meetings is to identify and analyse the evolution of the main risks affecting each of these units, the assessment of whether the expected financial, environmental, social and health and safety results are being achieved or not, as well as the potential impacts on this unit and on Abengoa as a whole. *102-30, 102-31*

03. Strategy and sustainable business model

03.3

Corporate governance



100 %

independent external directors



22

Board of Directors meetings



33 %

female members of the Board of Directors



6

Audit Committee meetings



1

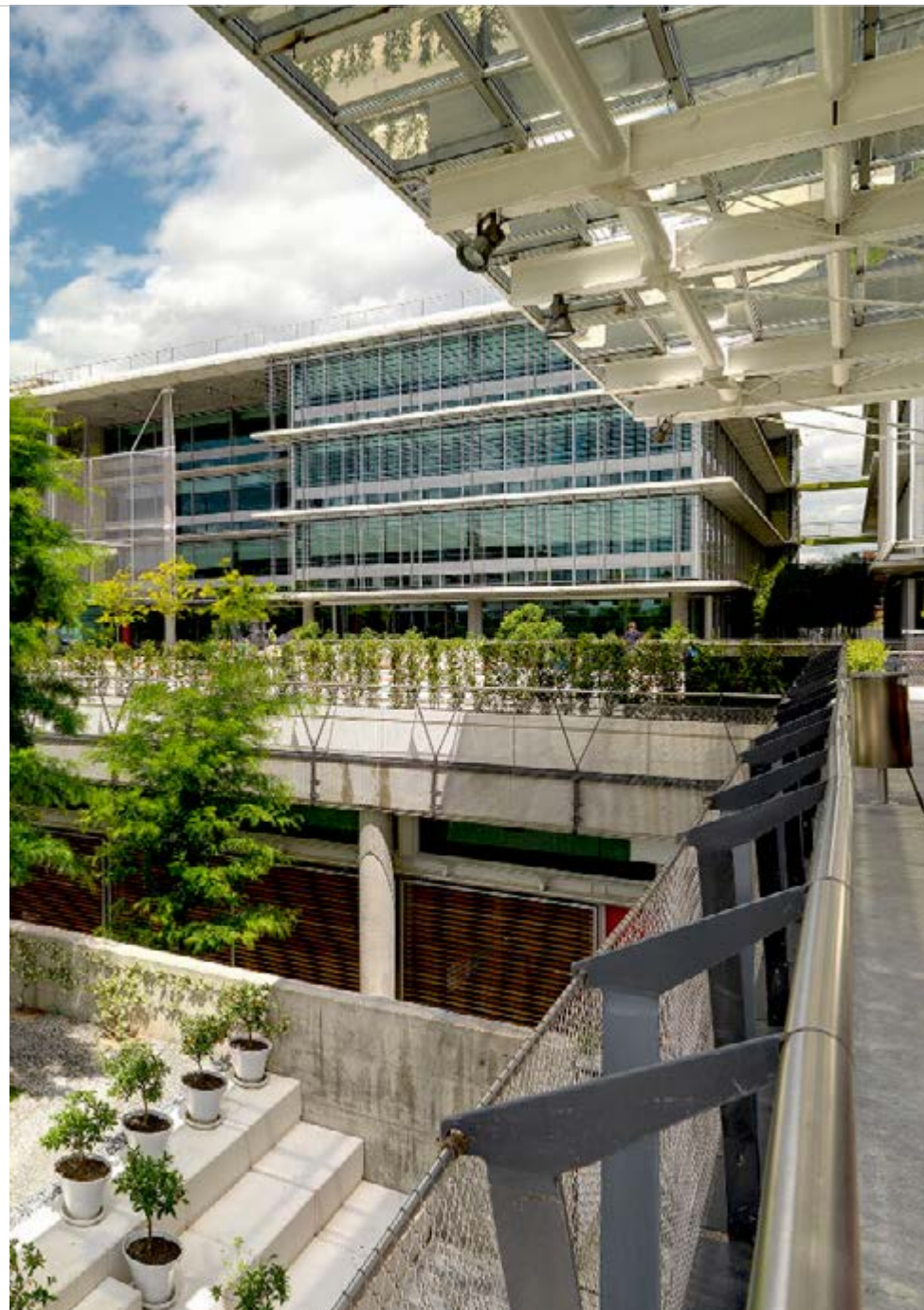
female president of the committee



8

meetings of the Committee of Appointments, Remuneration and Compliance

Data as of December 31, 2020.



03. Strategy and sustainable business model / 03.3. Corporate governance

Goals set forth in the SSP 2019-2023



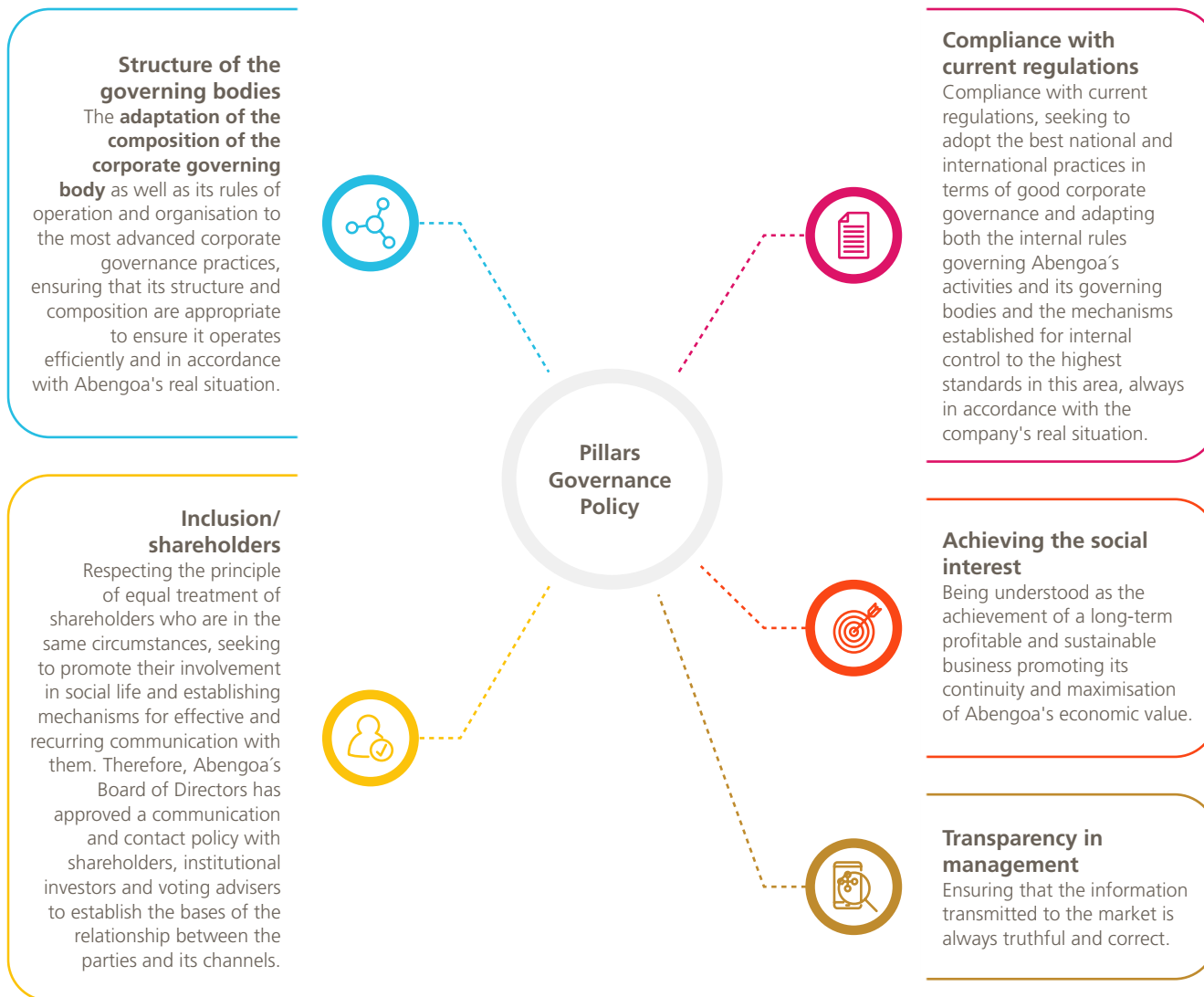
Ensuring that at least 30 % of the members of the Board of Directors are women by 2020. **100 %**

Having governing bodies that **guarantee an appropriate strategy**, which **generate trust in stakeholders** and which **disseminate a culture of integrity** is vital for a company such as Abengoa, especially after the financial restructuring processes that the company has undergone in recent years.

Therefore, its corporate governance is regulated by the **principles of efficiency and transparency** established according to the main existing recommendations and standards, such as the International Corporate Governance Network (ICGN) or the Unified Code of Good Governance of companies listed on the CNMV¹. These mechanisms will enable Abengoa to once again position itself as **one of the main players in the markets in which it operates**.

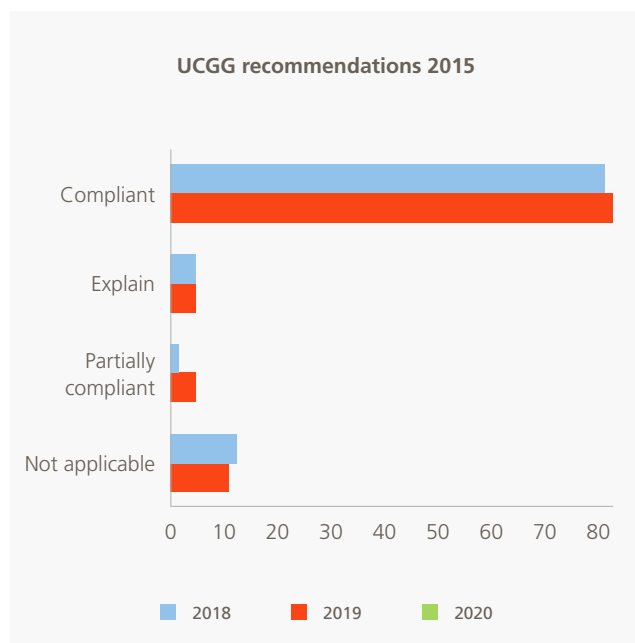
In this regard, in March 2016 the Abengoa Board of Directors approved a **corporate governance policy** based on five fundamental pillars:

¹ Unified Code for Good Governance of the Companies Listed in the National Securities Market Commission (CNMV): document that formulates the requirements for all listed companies, with the purpose of ensuring such companies abide by the obligation to provide information about the "degree to which the corporate governance recommendations are monitored or, if applicable, an explanation regarding the reasons for not observing these recommendations" in its Annual Corporate Governance Report.



03. Strategy and sustainable business model / 03.3. Corporate governance

Despite the difficult economic circumstances that the company has gone through in recent years, the Board of Directors has always sought to be at the forefront of corporate governance, as evidenced by the fact that in 2020 Abengoa reported **compliance with 53 of the 57 applicable recommendations of the Unified Code of Good Governance (UCGG)** of companies listed on the CNMV (53 recommendations complied with in 2019).



Therefore, guiding decision-making with these guidelines not only promotes proper management of Abengoa's operations, but also **improves its profitability and contributes to sustainable development** where the company carries out its activity.

Government bodies 405-1, 102-18

For the purpose of disclosing² its corporate governance performance to its stakeholders, Abengoa has published a Corporate Governance Report every year since 2009.

The highest governing body of the company is the **Board of Directors** which, due to the events of recent months, as well as the actions taken during the restructuring process currently in progress, has varied its composition on several occasions in accordance with the following evolution:

1. From the beginning of financial year 2020 until November 17, 2020, the Board of Directors, as in previous years, was made up of seven directors (six men and one woman), six were independent members and one, the Chairman of the Board, was an executive director. All of them were removed from their positions by resolution of the Extraordinary General Meeting held by the company on November 17, 2020, in response to the request of a group of shareholders holding 3.31 % of the corporate capital stock, in compliance with the provisions set forth in Articles 168 and 495 of the Capital Companies Act and 24 of the Articles of Association.

Board member	Category	Position	AC	ARC	Age	Seniority	Gender	Other board members in listed companies
Gonzalo Urquijo Fernández de Araoz	Executive	Executive chairman	NA	NA	58	4	M	Ferrovial, S.A. Gestamp Automoción, S.A.
Manuel Castro Aladro	Independent	Coordinating Board Member	Member of the Board	NA	52	4	M	NA
José Wahnon Levy	Independent	Member of the Board	Chairman	NA	67	4	M	Distribuidora Internacional de Alimentación S.A.
Pilar Cavero Mestre	Independent	Member of the Board	NA	Chairwoman	60	4	F	Merlin Properties S.A.
José Luis del Valle	Independent	Member of the Board	Member of the Board	NA	66	4	M	Lar España real estate Socimi S.A.
Ramón Sotomayor Jauregui	Independent	Member of the Board	NA	Member of the Board	55	4	M	NA
Josep Piqué Camps	Independent	Member of the Board	NA	Member of the Board	65	3	M	Atrys health, S.A. Alantra partners S.A. Amadeus Group IT S.A.

² For more information, see the 2020 Corporate Governance Report.

03. Strategy and sustainable business model / 03.3. Corporate governance

2. From that same date, the Board of Directors remained without a leader until December 22, 2020, the date on which, agreed upon by a new Extraordinary General Meeting, new members of the Board of Directors were appointed, these being three directors, (two men and one woman), all of them of an independent nature.

Director	Category	Position	AC	ARC	Gender	Other board members in listed companies
Juan Pablo López-Bravo Velasco	Independent	Chairman	Member of the Board	Member of the Board	M	NA
Margarida Aleida Santos de la Riva Smith	Independent	Member of the Board	Chairman	Member of the Board	F	NA
Jordi Sarriá Prats	Independent	Member of the Board	Member of the Board	Chairman	M	NA

3. On January 4, 2021, the director Jordi Sarria Prats resigned from his position alleging a conflict of interest between the corporate activity and one of the companies in which he is a director, leaving from that moment the Board of Directors with two directors , one man and one woman, both of an independent nature.

Director	Category	Position	AC	ARC	Gender	Other board members in listed companies
Juan Pablo López-Bravo Velasco	Independent	Chairman	Member of the Board	Member of the Board	M	NA
Margarida Aleida Santos de la Riva Smith	Independent	Member of the Board	Chairman	Member of the Board	F	NA

4. Subsequently, at the meeting of the Board of Directors held on May 19, 2021, a third independent director was appointed by co-opting to fill the vacancy mentioned in the previous paragraph,

leaving the Board with three directors: two female directors and one male director (who in turn is the Chairman), all of an independent nature. However, immediately afterwards, one of the female directors resigned, alleging incompatibility to perform her duties with due diligence due to her current professional development, leaving the Board of Directors once again comprising two independent directors, one man and one woman.

Director	Category	Position	AC	ARC	Gender	Other board members in listed companies
Juan Pablo López-Bravo Velasco	Independent	Chairman	Member of the Board	Member of the Board	M	NA
Cristina Vidal Otero	Independent	Member of the Board	Chairman	Member of the Board	F	NA

5. On October 1, 2021, the company's Board of Directors agreed to appoint Mr. Clemente Fernández González by co-opting, to cover the vacancy created by the resignation of Ms. Margarida Aleida S. de la Riva Smith. Subsequently, Mr. Juan Pablo López-Bravo resigned as Chairman and member of the Board of Directors, as well as to the rest of his positions in the Committees and, in order to fill said vacancy, the Board of Directors appointed Mr. José Alfonso Murat Moreno by co-opting.

On the same day, October 1, 2021, the Company held an Ordinary General Shareholders' Meeting after which the Board of Directors held another meeting to appoint, by co-opting, Ms. Cristina Vidal Otero as director, and Mr. Clemente Fernández González, as Chairman of the Board of Directors.

On November 16, 2021, the Ordinary General Shareholders' Meeting was held and the appointment of Ms. Cristina Vidal as Director was not ratified, leaving a vacancy in the board, which was filled by Mr. Jose Joaquín Martínez Sieso, who was appointed by co-opting on December 22, 2021, therefore leaving, from that moment and as of today, the Board of Directors with three male members.

Director	Category	Position	AC	ARC	Gender	Other board members in listed companies
Clemente Fernández González	Dominical	Chairman	Member of the Board	Member of the Board	M	NA

03. Strategy and sustainable business model / 03.3. Corporate governance

Director	Category	Position	AC	ARC	Gender	Other board members in listed companies
José Alfonso Murat Moreno	Independent	Member of the Board	Member of the Board	Chairman	M	NA
Cristina Vidal Otero	Independent	Member of the Board	Chairman	Member of the Board	F	NA

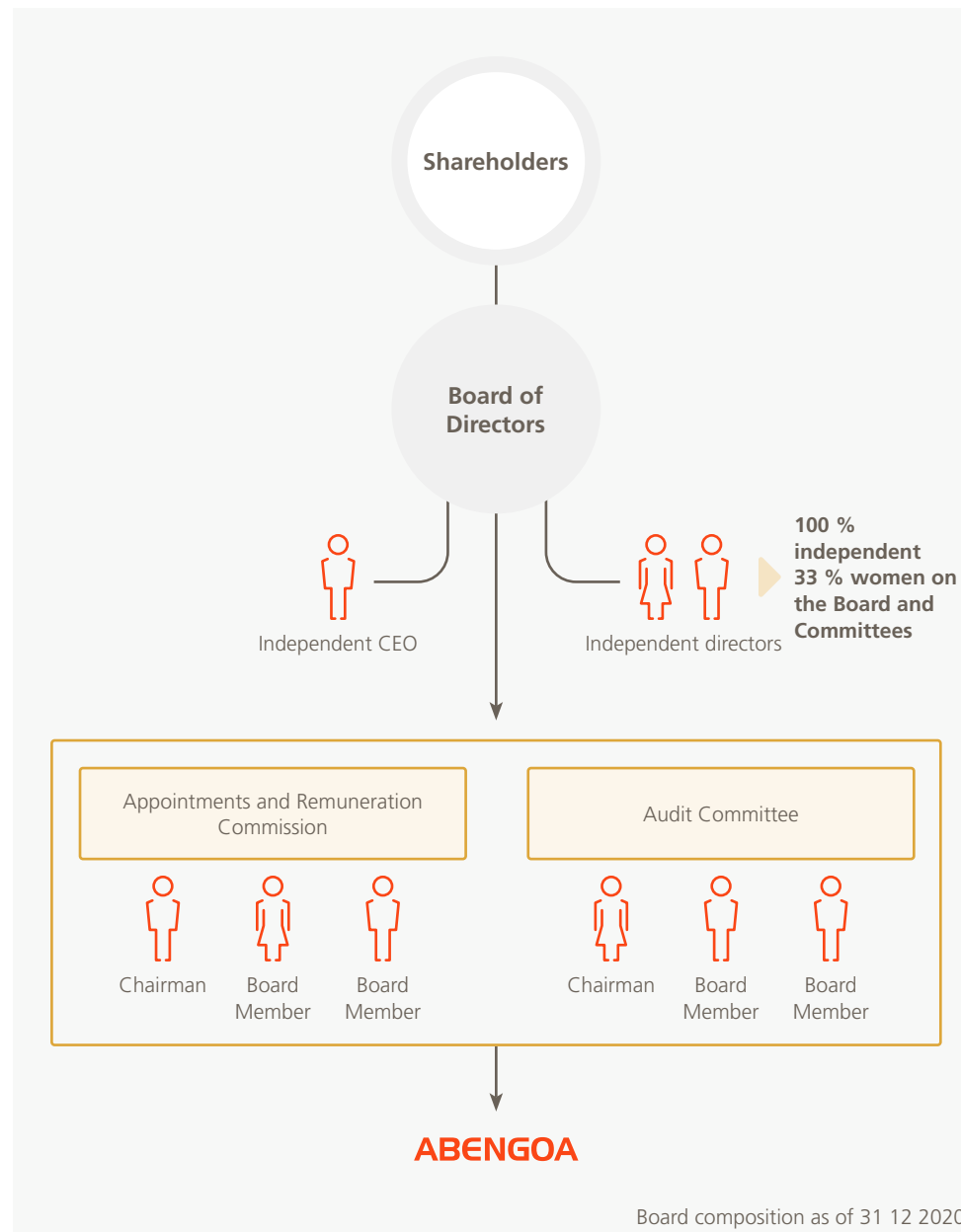
Insolvency Proceedings of the Company

6. Regardless of the changes in the composition of the Company's Board of Directors, on February 22, 2021, Abengoa, S.A., requested the corresponding Court of Seville to order the voluntary insolvency of the Company, based on the fact that the scenarios provided for in the bankruptcy legislation were met and considering that this measure was the most appropriate to safeguard the interests of the Company and all creditors. Thus, on February 26, 2021, the Commercial Court of Seville (3rd Section) ordered the administration proceedings, with the bankrupt company retaining the powers of administration and disposition of its assets, subject to the intervention of the insolvency administration, appointing, on March 26, 2021, Ernst & Young Abogados, SLP as the receivers in the insolvency proceedings of the company.

Subsequently, on June 22, 2021, the Receiver in the Insolvency Proceedings requested the suspension of the powers of administration and disposition of the assets of the insolvent company, pursuant to the provisions set forth in Articles 107 and 108 TRLC, a regime change that was agreed upon by the Court on July 6, 2021.

The CV of the current members of Abengoa's governing bodies is available on the company's website. [102-22](#), [102-23](#)

Although to date the powers of administration and disposition of the administration body over the assets are suspended in the framework of the current bankruptcy proceedings, the Board of Directors has the broadest powers to manage the corporate business pursuant to the regulations set forth by law and in the bylaws, likewise reviewing the work assigned to the different committees and commissions whose functions depend thereupon. Thus, it is the Board of Directors' responsibility to approve, among other matters, the **general policies and strategies** of the company and, in particular, the **strategic or business plan**, as well as the management objectives, **the investment and financing policy**, **the corporate social responsibility policy** and **the risk control and management policy**, the supervision of which, however, is the responsibility of the Audit Committee. [102-19](#), [102-26](#), [102-27](#), [102-31](#)



Board composition as of 31 12 2020

03. Strategy and sustainable business model / 03.3. Corporate governance

Social, economic and environmental matters are **periodically reviewed** by the Executive Committee, reporting such matters thereafter to the Board of Directors on a regular basis.

During financial year 2020, **the board held 22 meetings** to address a wide range of matters, both operational and strategic, including the following:

- **Monitoring** of the **financial restructuring process 9**.
- **Monitoring** and, if applicable, **approval of divestments**.
- **Monitoring** of **liquidity and guarantees**.
- **Review and**, if applicable, **approval of bids**.
- **Monitoring** of the different **business units**.
- **Health and Safety**.
- **Compliance**.

Likewise, the Board of Directors has followed up the **Strategic Sustainability Plan (SSP) 2019-2023**, approved by this body in **February 2019**.

The Sustainability management is responsible for presenting the Non-Financial Information Statement (EINF, for its acronym in Spanish) and the Integrated Report to the Executive Committee and the Board of Directors, showing the company's main activities and impacts, describing its strategy, its business model, objectives and challenges, and performance indicators, together with a Responsible Management Balance Sheet with the key indicators of non-financial results..

Likewise, senior management members responsible for non-financial information will hold regular meetings with the chairman and the Executive Committee to review and analyse all aspects associated with social, economic and environmental matters, which will be regularly reported to the Board of Directors. *102-20*

Composition of the corporate governance *102-18*

Notwithstanding the foregoing, the strengthening and efficiency in performing the board's functions require specialised committees, in accordance with good governance practices.

Therefore, Abengoa's Board of Directors is assisted by two committees: the **Audit Committee and the Appointments and Remuneration Committee**, which, taking into account the current structure of the Board of Directors and the current needs

of the company after the restructuring processes are considered sufficient.

However, in its efforts to adapt to the best practices in corporate governance, the company could assess in the future the need to create additional committees to facilitate the work of the Board of Directors, for example, in sustainability matters.



03. Strategy and sustainable business model / 03.3. Corporate governance

Audit Committee

The Audit Committee was created in 2002 and during financial year 2020 comprised the following members: a Chairman, José Wahnon Levy and two Board Members, José Luis del Valle Doblado and Manuel Castro Aladro, all of them of an independent nature. As they ceased to be directors on November 17, they consequently ceased to be members of said committee.

At the end of 2020, the committee was integrated by Ms. Margarida Aleida S. de la Riva Smith, who was Chairman; Jordi Sarrá Prats and Juan Pablo López-Bravo Velasco.

Since December 22, 2021, the commission has been integrated by three male members. The Chairman of the committee is Mr. José Joaquín Martínez Sieso, the other two members are directors. Mr. Clemente Fernández González (member of the Board) and Mr. José Alfonso Murat Moreno (secretary).

As an independent body, the commission **ensures that companies are responsible in their actions**, thus ensuring their **ethical behaviour**.

The [Regulations of the Audit Committee](#) describe the **functions and powers** of its members, including:

- Preparing and submitting **the corporate financial and non-financial information** to the Board of Directors..
- Reporting any **change in accounting criteria** and in **the on-balance sheet** and off- balance sheet risks.
- Supervising the internal **audit services**.
- Supervising the internal **risk control and management function**.
- Engaging with **external auditors** in order to receive information on matters that may jeopardize their independence and any other matter related to the accounts audit development process.
- Preparing an annual report regarding **the operations with related party operations**.

- To analyse and report in advance the operations of **structural and corporate** modifications to be carried out by the company.
- **To supervise compliance with the rules of corporate governance**, the internal regulations of conduct regarding the securities market and other internal codes of conduct and the **sustainability policy** including the following functions, among others:
 - > Supervision of the communication strategy and **shareholders and investors relations**.
 - > Periodic evaluation of the suitability of the company's corporate governance system, ensuring that it **promotes the social interest** and addresses the legitimate **interests of the other stakeholders**.
 - > **Supervision of the corporate social responsibility policy** established by the Board of Directors, ensuring that it is value-creation oriented.
 - > Monitoring of the **corporate social responsibility strategy and practices** and assessing the degree of compliance.

- > The supervision and evaluation of the **relationship processes with** the different **stakeholders**.
- > The evaluation of all matters related to the **company's non-financial** risks.
- > The coordination of the **reporting processes of non-financial and diversity information** in accordance with applicable regulations and international reference standards.

102-25, 102-26, 102-29, 102-30, 102-31

During 2020, the Audit Committee held six meetings to address a wide variety of matters, including:

- Analysis of **independence of the external auditor** of financial year 2019.
- **Review of non-audit-related work** carried out by the group auditor to assess its potential incompatibility in its role as accounts auditor.
- Information regarding the enforcement of the **new accounting standards implemented**.



03. Strategy and sustainable business model / 03.3. Corporate governance

- Submission by PwC, as external auditor, of the **results of the limited review** carried out on the **2020 interim financial statements**.
- **Supervision** of relations and **communications with regulatory bodies** (CNMV, etc.).
- Positive report to the Board regarding the **financial information for the first, second and third quarters** of 2020.
- Review of the **evaluation of the company's significant assets**.
- **Analysis of impacts due to significant changes in accounting regulations**.
- **Valuation and accounting impacts** of strategic operations.
- Submission and **approval of the Internal Audit Plan** 2020.

- **Monitoring of the 2020 Internal Audit Plan** and its degree of compliance.
- Submission and **monitoring of detected incidents of fraud**.
- Submission and approval of the 2020 Internal Audit Plan regarding **significant risks** on the Financial Statements (**EEFF**) identified.
- **Monitoring of the main risks of the projects** in execution.
- Monitoring and **approval of divestments of assets and businesses with a significant impact** on financial statements.
- Monitoring of **legal procedures which may potentially impact Financial Statements**.
- **Evaluation of the recoverability of assets** through the results obtained from the impairment tests.
- Information on **complaint channelling policy**.
- Monitoring and **evaluation of complaints received and the corresponding investigations** carried out, as well as the adoption of measures subject to the outcome of the investigations.
- **Monitoring of the Sustainability Policy and Strategic Plan** to ensure that they are value creation-oriented.
- Review and **approval of the non-financial information** published by the company to ensure its integrity and reliability.

Appointments and Remuneration Committee

The Appointments and Remuneration Committee was created in 2003 and, since as of December 22, 2021, the Committee is integrated by Mr. José Joaquín Martínez Sieso, Chairman, the other two members are Mr. Clemente Fernández González (Board member) and Mr. José Alfonso Murat Moreno (secretary).

The main duties of this committee are to **advise the Board of Directors** on matters of **regulatory compliance, appointments, re-elections and terminations, diversity and remuneration**, among others. This committee has been assisted by independent experts on several occasions, such as in 2016, when assisted by Spencer Stuart, who was responsible for

submitting the corresponding proposals and/or reports regarding the appointment of directors and senior managers to the Board of Directors, as well as regarding the remuneration policy that was subsequently proposed to the General Shareholders' Meeting for approval, for which it was likewise assisted by independent experts. [102-34](#), [102-35](#), [102-36](#)

Likewise, this committee verifies on an annual basis the conditions required to appoint a director and the nature or the type assigned thereto. It is the body responsible for selecting the profiles that best represent the needs of the different stakeholders from among professionals in different fields and of recognised national and international prestige. These professionals will be selected according to their merits and to cover open positions with professional profiles that are not associated with specific interests. All this in accordance with the provisions of the **director selection policy** approved by the Board on 30 March 2016.

In addition, as established in the director selection policy, the committee ensures that, when filling new vacancies, who are the most suitable candidates depending on the characteristics of Abengoa and the circumstances at all times is not the only aspect taken into account; in addition, the above mentioned selection procedures should not be biased by sex, religion, race, etc.

Another of the responsibilities of this Committee is to assess the performance of the Board of Directors and its executive directors, examining and organising the Chairman and CEO replacement process, reporting appointments and resignations of senior executives and on gender diversity matters. [102-24](#), [102-28](#)



03. Strategy and sustainable business model / 03.3. Corporate governance

The company takes a series of measures to include in the Board of Directors a number of women necessary to achieve a balanced presence between both sexes. The regulations of the Appointments and Remuneration Committee provide for that procedures should be created and ensure that, when new vacancies are filled, they comply with the following conditions:

- Selection procedures should not involve implicit biases which may hinder the selection of female directors.
- The company should deliberately seek and include, among potential candidates, women who meet the professional profile required.

Therefore, it is the duty of the Appointments and Remuneration Committee to report gender diversity issues to the Board of Directors, and to establish a representation goal for the underrepresented gender on the company's Board of Directors and develop guidelines on how to achieve this goal.

The Appointments and Remuneration Committee is likewise responsible for verifying compliance with the director selection policy. This policy provides for that, when making the selection, it shall be based on an analysis of the needs of the company and its group of companies and shall likewise take into account that the appointments shall promote diversity of knowledge, experiences and gender within the Board of Directors and that the number of female directors shall represent at least 30 % of the total number of members of the Board of Directors.

During 2020, the Appointments, Remuneration and Compliance Committee met eight times. The main duties were as follows:

- **Evaluation of the Board of Directors.**
- **Remuneration policy** for the period 2021-2023.
- Analysis of the **best practices for the performance of** the Board of Directors and its Committees.
- **Work Environment Report** at Abengoa.



- **Approval of the Annual Remuneration Report (ARR)** of the financial year 2019.
- Report on the **modification of the remuneration policy** for the period 2018-2020.
- **Remuneration policy for directors** of Abengoa **2018-2020**.
- Report on the remuneration policy for the period 2021-2023.
- **Remuneration policy for directors** of Abengoa **2021-2023**.
- Proposed cancellation of incentive plans.
- **Reporting** periodically on matters of **compliance**.
- Approval of the **Committee Activity Report** for the financial year 2019.
- Approval of the **proposal for the appointment of the candidates** to directors of Abengoa SA, Mr. Francisco Prada Gayoso, Mr. Joaquín García-Romanillos Valverde and Mr. Alejandro Sánchez-Pedreño Kennaird.

In 2020, the ratio between the annual salary of the highest paid person in the organisation and the average salary of the rest of the employees, including all geographies and types of contracts, was 26.82. [102-38](#), [102-39](#)

As there is no difference in the annual total compensation of the highest paid person in the organization between 2019 and 2020; the percentage increase ratio between that person and the median annual total compensation of all employees is 0. [102-39](#)

In the **Remuneration Report**³ details of the average remuneration of the directors can be found and including variable remuneration, expenses, fixed remuneration, short and long-term variable remuneration, remuneration for members of the Committee and Board of Directors, severance pay "other" items. Please refer to the Corporate Governance Report and Annual Remuneration Report for more information.

The average remuneration of senior management is described below:

Average salary 2020	Thousands of euros	
Management	225	
	Men	Women
Executive Committee	227	207

³ Included in Note 33.3 Remuneration and other benefits..

03. Strategy and sustainable business model / 03.3. Corporate governance

Abengoa's is governed by two governing bodies: the Executive Committee -COEJ- (senior management) and the Management Committee -CODIR- (managers of the main corporate and operating units.)

The average management remuneration received in the financial year 2020, including fixed salary, variable salary⁴ and in kind remuneration, amounts to €225 K, representing a 16 % reduction compared to 2019.

Broken down by gender, the average remuneration received by the management in 2020 amounts to €227 K for managers and €207 K for female managers, which represents a difference of 8.8 % in favor of the former⁵.

Shareholder relations. General Meetings

The **Regulations of the Board of Directors** set forth that the **principle of equal treatment** should be applied in its relations with shareholders with the same position and following the interests of the company and, consequently, the appropriate mechanisms should be created to know the proposals of the latter in terms of corporate management, the organization of informative meetings on the progress of the company and the opening of the necessary channels for a regular exchange of information with groups of shareholders⁶.

The company has an **Investor Relations Department**, whose main responsibility is to **lead and supervise communications with shareholders and investors**, and with a **shareholder service portal**, which can be accessed from the web and by telephone and through which shareholders can send their queries. [102-21](#), [102-33](#), [102-34](#)

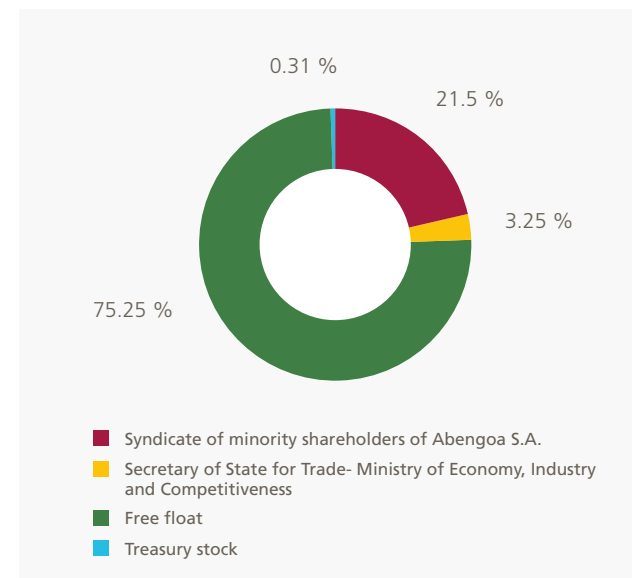
Likewise, the regulations also determine that in case the Chairman of the Board of Directors is an Executive Director, the Board of Directors, with the abstention of the executive directors, shall necessarily appoint a coordinating director from among the independent directors who, among other matters,

will be specially entitled to contact investors and shareholders, with the aim of learning about their points of view and concerns regarding corporate governance. During the financial year 2020 and up to the date of termination, this role was performed at Abengoa by the coordinating director, Mr. Castro Aladro, and is not currently being necessary given that the Chairman's status is not executive.

During last financial year **two extraordinary general shareholders' meetings** were held, on November 17, 2020 and December 22, 2020, with a **quorum of 28.363 % and 26.683 %** respectively, which is significant considering the company's fragmented shareholders structure, with no controlling shareholders.

At the General Meeting held on November 17, 2020, all the items on the agenda that were submitted to a vote were approved by the legally required majority, since the fifth item on the agenda could not be submitted to a vote due to a defect that could not be remedied.

In turn, at the General Shareholders' Meeting held on December 22, 2020, the agenda included five items, the first item was divided into four proposals, of which the last three included alternative proposals regarding the appointment of members of the Board of Directors. The five items were submitted to a vote and the first agreement proposals 1.1, 1.2 alternative, 1.3 alternative, 1.4 alternative for the appointment of new members of the Board of Directors were approved by the legally required majority and agreement five to delegate to the Board of Directors the interpretation and rectification of the agreements reached, the rest were rejected as the legally required majority was not reached.



When the General Meetings were called, all the documents and the legally required information are made available to the shareholders and the **Electronic Shareholders' Forum**, is activated, with the aim of facilitating communication between shareholders and allowing them to send:

- Additional proposals to the agenda published in the notice calling the general meeting.
- Requests to endorse said proposals.
- Initiatives to reach a sufficient percentage to exercise a minority right.
- Requests for voluntary representation.

Furthermore, since 2015, the company's bylaws provide that shareholders may exercise their **proxy and voting rights** through **remote** communication means including electronic means.

⁴ The outstanding 2018 variable received in 2020 is computed. No variable was established in 2019 or in 2020.

⁵ The difference is due to the variables of the year corresponding to 2018.

⁶ More information in the [Financial Contribution chapter](#).

03. Strategy and sustainable business model

03.4

Transparency and fight against fraud



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FCPA Analysis



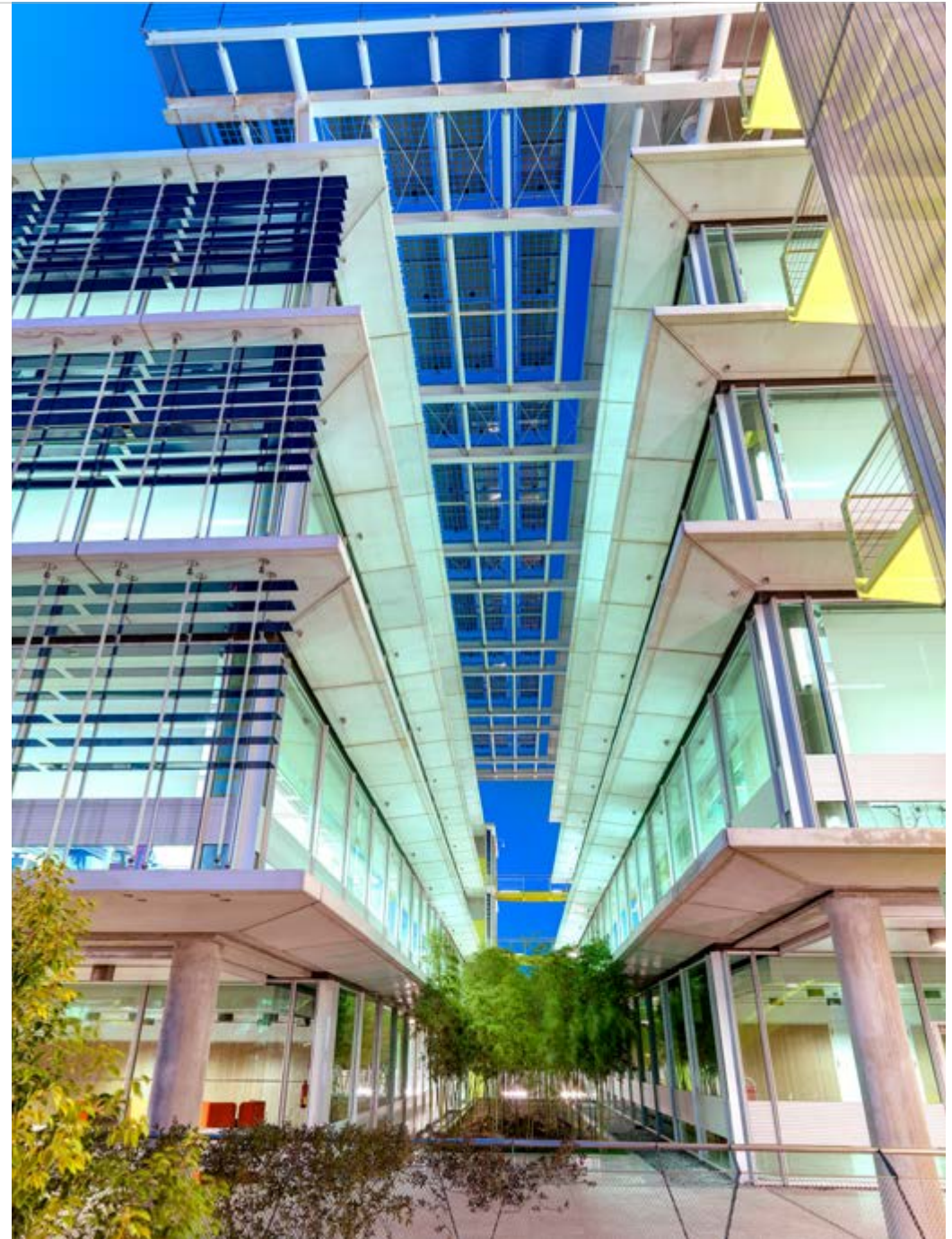
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communications made to the complaints channel



3

committee best practices sessions



03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Goals set forth in the SSP 2019-2023



To implement improvements aimed at maximising the efficiency of the fraud prevention system. **100 %**

To promote fraud, corruption, ethics and code of conduct-related training through the internal communication channels. **100 %**

To promote fiscal transparency and to continue working on two-way communication with stakeholders, with the aim of providing the most relevant information in the fiscal area. **83 %**

To establish procedures to ascertain Abengoa's perception among its most critical opinion leaders and stakeholders (dialogue panels). **15 %**

To increase presence and activity in social networks. **100 %**

During the 2020 financial year, Abengoa continued with its restructuring plan and both the Audit Committee and the Internal Audit Department have collaborated in this mission by exercising their functions always with the ultimate aim of duly informing and explaining to the Board of Directors the decisions to be taken and ensuring accuracy and reliability of the information reported.

Throughout the year, the efficiency of the internal control system has further improved, always maintaining a high level of demand, in accordance with COSO (Committee of Sponsoring Organizations of the Treadway Commission) standards.

In March 2020, when the Royal Decree declaring the COVID-19 State of Alarm was published by the Spanish Government, ordering the home lockdown of the entire population and whose economic consequences led the company to request a Furlough Scheme (ERTE, for its acronym in Spanish) affecting part of the workforce of different companies, an analysis was made of the possible impacts that this situation could have on the Internal Control system and whether it should be modified or reinforced in any of its processes, reaching the following conclusions:

- Taking into account that the company has had a remote access system to all its systems for some time, it was prepared to immediately adapt to teleworking.
- Each company's ERTE was followed up with Human Resources and with the Administration Department in order to maintain an adequate segregation of duties at all times.

Therefore, there was no need to adapt the internal control system, which proved to be sufficiently robust and comprehensive to address COVID-19 without requiring additional controls to be added to those already in place.

Moreover, the Internal Audit Department has collaborated with the Compliance Department to evaluate the Criminal Prevention System pursuant to the UNE 19601 requirements. Therefore, an evaluation of the degree of compliance with the internal controls of the criminal risk analysis matrix has been carried out, and taking into account that the Criminal Prevention System (SPP, for its acronym in Spanish) complies with the criminal prevention requirements included in the Criminal Prevention Policy and with UNE 19601.

The audit, carried out by Aenor as an entity accredited by the National Accreditation Body (ENAC, for its acronym in Spanish) for the UNE 19601:2017 certification supports the correct implementation in Abengoa of its criminal compliance and prevention management system, which is part of the company's common management systems.

Among other actions, Abengoa keeps an updated risk identification and control environment, its processes for early detection of alleged offenses and reporting to the authorities, and has underlined the independence and autonomy of the Compliance Department under the supervision of the Commission and the Board of Directors.



03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Anti-Corruption Law

Abengoa is subject to local and international anti-corruption legislation, in particular the U.S. Foreign Corrupt Practices Act (FCPA), which prohibits bribes and kickbacks to foreign government officials, as well as any action aimed to influence any act or decision resulting in an improper advantage not only in the United States, but also worldwide. This law is complementary to the internal control requirements set forth in Section 404 of the Sarbanes-Oxley Act.

Abengoa's common management systems are designed to monitor and ensure compliance with anti-corruption mechanisms by all corporate employees, officers and administrators.

One of the functions of the Internal Audit Department is to develop the annual fraud prevention, detection and regulatory compliance plans. The above mentioned plans cover the compliance risk with Abengoa's internal regulations on corruption.

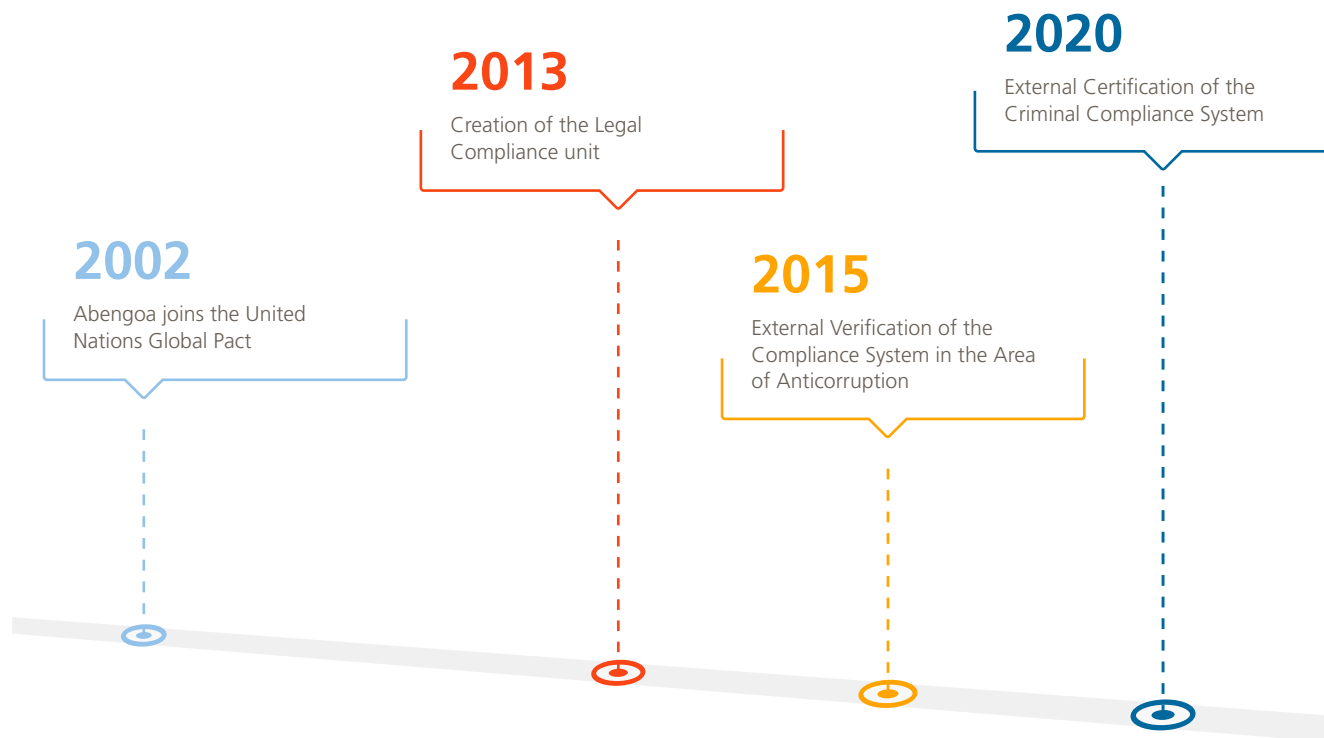
In 2020 Abengoa carried out 349 analyses in order to comply with the FCPA. [205-2](#)

During 2020, contributions were made to professional associations amounting to €125,234 and were made mainly to chambers of commerce or associations related to industry or construction. [102-13](#)

Moreover, throughout the year no contributions were identified by Abengoa to political parties and/or representatives, either financially or in kind, directly or indirectly. [415-1](#)

Anti-corruption compliance system [205-2, 415-1](#)

The fight against corruption is an inherent element of Abengoa's strategy, which has been stepped up over time.



In 2002, Abengoa was one of the first companies to join the UN Global Compact, an agreement by means of which signatory companies undertake to manage their operations according to ten principles based on universal declarations and conventions, which include the fight against corruption in all its forms, including extortion, fraud and bribery.

Effort has been increasing over the years. In 2013, the Regulatory Compliance unit was created within the General Secretariat. In 2014, this unit becomes self-governed, splitting from the General Secretariat and directly reporting to the Board of Directors. In February 2015, Abengoa became the first Spanish company to successfully pass an external audit of its Anti-Corruption Compliance System (SCMA, for its acronym in Spanish) and to publish the above mentioned results which, in the case of Abengoa, were included in the Summarized Report.

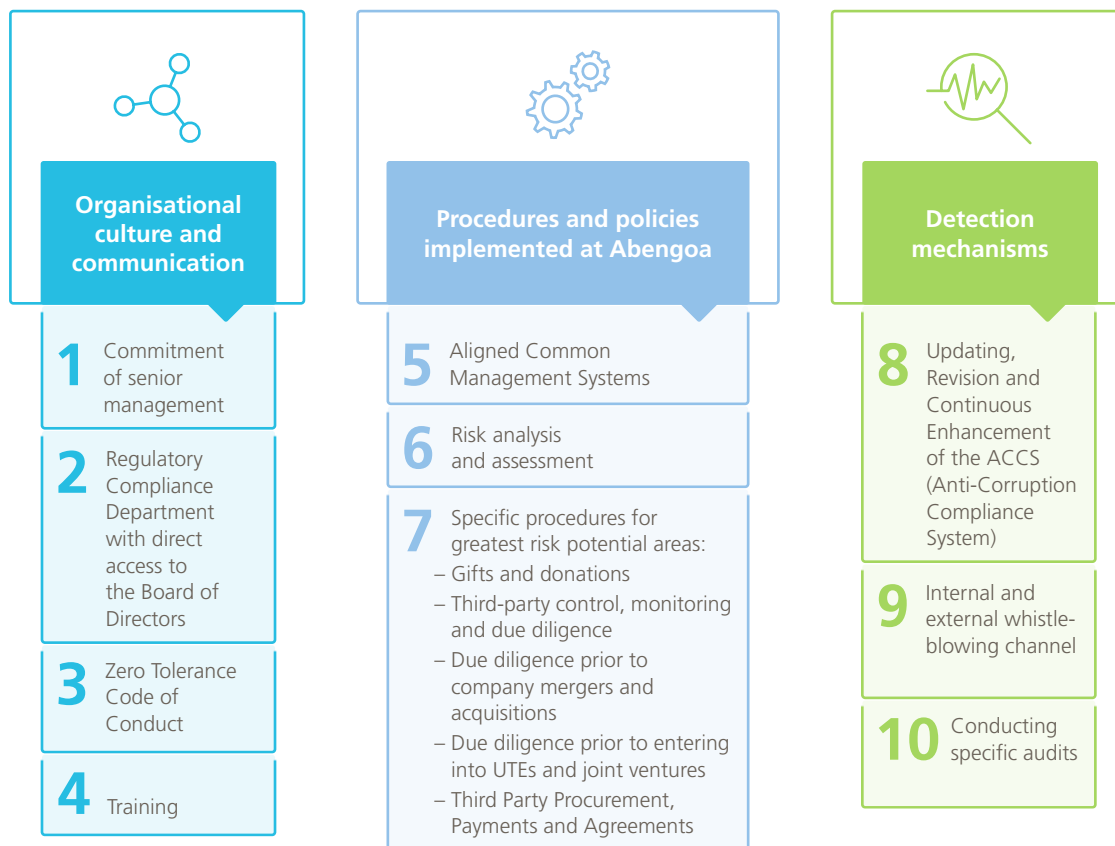
03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

SCMA is an initiative directly promoted by the corporate management and covering the entire workforce, including Abengoa's executives and directors and of all its controlled companies. A compliance system does not guarantee the non-commission of any irregular practices, but rather helps the prevention thereof and significantly increases the probability of identifying and mitigating any irregular practice.

Throughout 2020, the internal control design has continuously been updated and improved under the COSO framework,

preparing the general frameworks and guides on corporate risk management, internal control and fraud detection designed to improve corporate governance.

Additionally, fraud prevention and detection activities have been carried out in the organizations, aimed at reducing their impact. The Annual Audit Plan has a specific section on fraud and specific proof of fraud is included in the project review, internal control or financial audit work.



Criminal Compliance Management System Certification

In 2020 Abengoa was granted the 'UNE 19601: 2017 Criminal Compliance Management Systems' accredited certification from Aenor for its criminal compliance and prevention model in Spain in 2020.

The standard sets forth the requirements to implement a criminal prevention and compliance management system pursuant to the provisions set forth in the Spanish Criminal Code, including the review, supervision and continuous improvement thereof and the evaluation of the model's performance and its manager's performance.

The certification includes the perimeter of the following companies: Abenewco 1 S.A., Abengoa Energía S.A., Abengoa Agua S.A., Instalaciones Inabensa S.A., and Abengoa S.A.

The certification and the audit process certify that the management model to prevent criminal risks complies with the standard's requirements and contributes to generating confidence in a controlled environment.

The prevention system cornerstone is based on the training and constant updating of the corporate employees, administrators and senior management, in their evident willingness to act in accordance with the law and in the zero tolerance criteria regarding illegal practices, included in the code of conduct and open through the complaints channel available to employees and external third parties.

The purpose thereof is to consolidate in Abengoa a culture of compliance and respect for current legislation, with the aim of reducing criminal risk, prevent the commission of crimes within the legal entity and promote employees, management and administrators' training to comply beyond the letter of the standard.

The fact that this certification has been granted allows Abengoa to implement further control in the scope of due diligence procedures, both in internal processes, affecting personnel in particularly exposed positions, and in external processes, reinforcing collaboration with business partners, suppliers and customers, and increasing supervision in relation to financial and non-financial controls of its management system.

03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

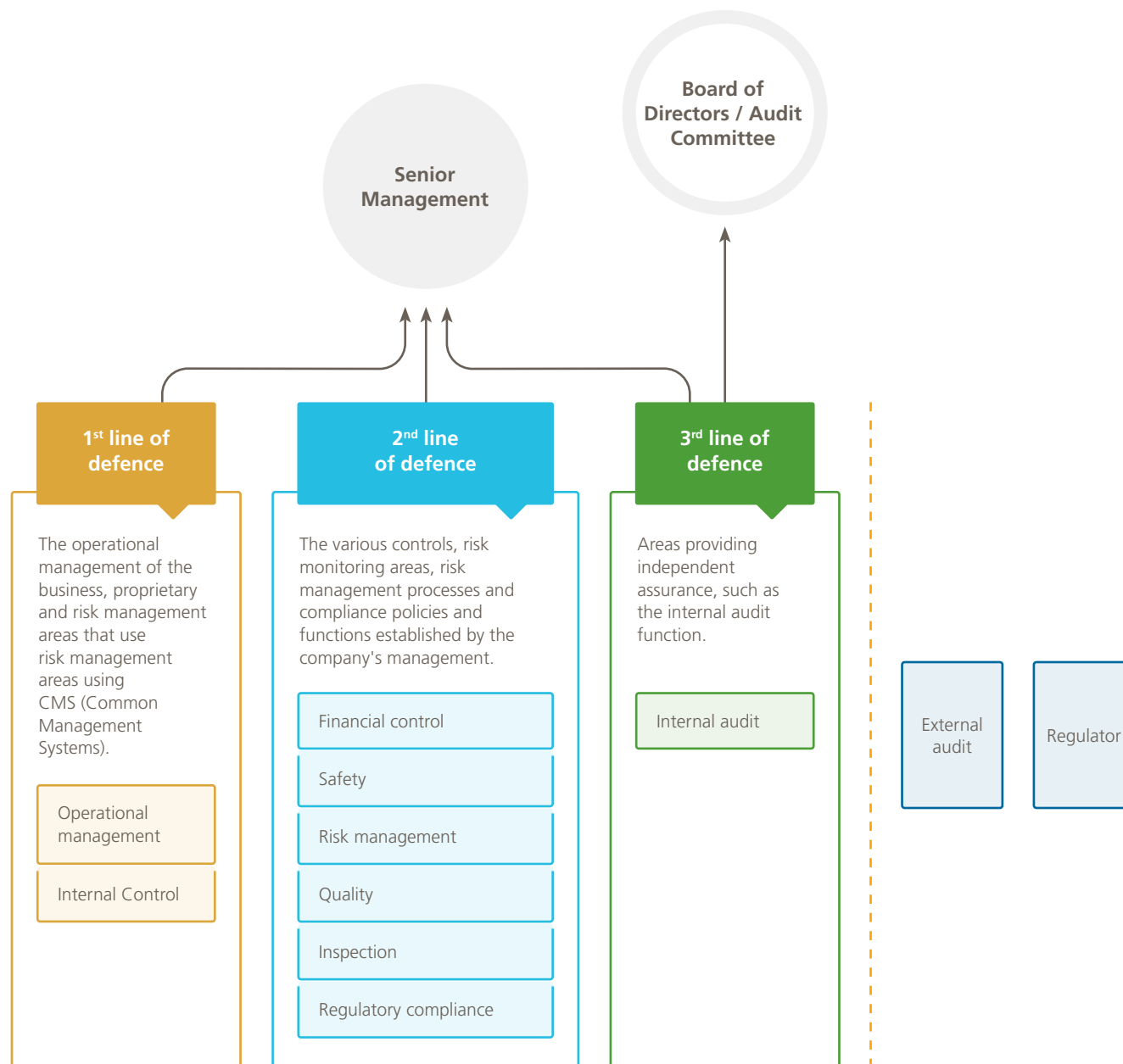
Internal Control System

As a framework for managing, identifying and mitigating risks to prepare financial information, Abengoa implemented its internal control system more than ten years ago. For this purpose, it relied on COSO methodology.

With a top-down, approach, internal control is promoted from the chairmanship, involving all employees from senior management in their responsibility to maintain an adequate internal control.

In order to monitor and to test the internal control performance, the Three Lines of Defence model, created by the European Confederation of Institutes of Internal Auditing (ECIIA), is used.

The Three Lines of Defence model differentiates three groups (or lines) involved in risk management:



03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Code of Conduct *102-16, 205-2*

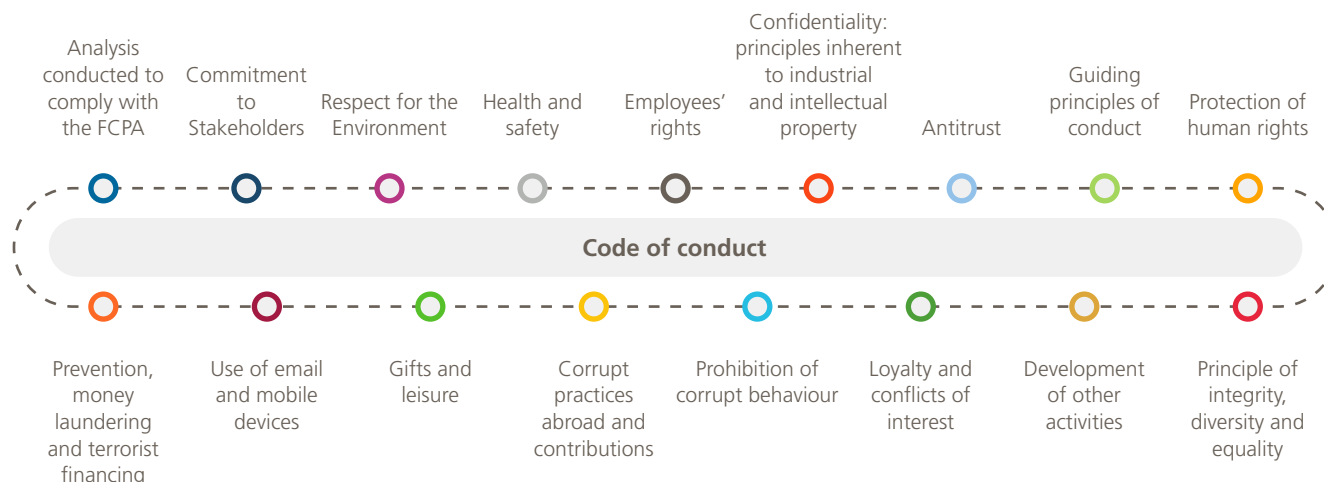
Abengoa has a code of ethics and professional conduct, approved by the Board of Directors and published on the corporate website and intranet, which sets out the ethical and responsible behaviour to be carried out in the development of business activities and business management, both by the management team and all professionals of Abengoa and its subsidiaries. The code of conduct includes guidelines and measures to prevent incidents related to the violation of human rights or of any other corporate value, as well as the requirement to comply with the highest standards of honesty and ethical conduct, including procedures to deal with professional and personal conflicts of interest.

Consolidating these values and principles of action is crucial to overcome the financial restructuring in which the company has been involved, in addition to completing several of the required complex related processes.

Abengoa's Code of Conduct:

- It requires the highest standards of honesty and ethical conduct.
- It sets requirements regarding communications to be submitted by the company to the Administration bodies or other communications to be submitted abroad. .
- It requires compliance with applicable laws, standards and regulations.
- It addresses real or possible conflicts of interest and provides guidelines for employees, executives and directors to report such conflicts to Abengoa
- It requires the highest possible level of confidentiality and fair treatment inside and outside Abengoa.
- It requires immediate internal reporting of non-compliance, as well as proper reporting of any illegal conduct.

Some of the values and principles of corporate culture included in the code of conduct are as follows:



Proper compliance with the code monitoring is a source of profitability and security source to carry out Abengoa's activities, since all standards ensure the trustworthiness and reliability of financial information.

Knowledge of the code of conduct by employees and other stakeholders linked to the company is essential for the practical application of its principles. In this regard, the document is available to the employees on Abengoa's intranet, as well as

on the company's website (www.abengoa.com) to facilitate its dissemination to the value chain and its stakeholders.

Likewise, taking into account that it is the responsibility of all employees to duly know and apply on a daily basis the standards of behaviour set forth by the code of conduct, it is annually emailed to all employees, and acknowledgement of receipt is crucial as a sign of receipt and understanding of the code.

03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Evolution in the commitment to transparency

Abengoa continues to move forward in its internal transformation process to continue aligning its strategy, optimizing the organizational structure, re-evaluating internal policies and compliance programs and ultimately transforming the organization's culture by ensuring a continuous and accurate information flow with stakeholders, while ensuring compliance with the law and respect for business ethics.

The organisation's commitment to transparency requires a joint and collective effort at Abengoa, essential to generate relevant and truthful information.

Therefore, Abengoa has implemented general policies (Entity Level Control) directly approved and managed by the Board of Directors stating the first level of defence (code of conduct, business rules, etc.); followed by specific procedures (POC) regarding each process and activity affecting the corporate financial information. And finally, it operates a third level of defence against risks consisting of an independent Internal Audit Department.

This ERM (Enterprise Risk Management) is complemented by other corporate governance bodies and committees, as well as a Compliance Officer who ensures regulatory compliance in the organisation.

Complaints channel 103-2

Abengoa operates two complaints channels as a fundamental tool of the corporate commitment to fight against corruption and against all those practices violating the willingly adopted laws or standards.

Undoubtedly, the channels have been consolidated as a widely useful tool to establish a reliable and secure dialogue between stakeholders and Abengoa management, addressing any possible irregularity, non-compliance or behaviour contrary to ethics, lawfulness and the rules governing the company.

Through the channels, all corporate stakeholders can confidentially and anonymously report all irregular behaviours detected while they carry out their professional activities.

Both channels have been operating since 2007 and have been established under the specific requirements of the Sarbanes - Oxley Act:

- Internal: available to all employees, who can report any type of complaint, grievance or claim.
- External: intended to enable third parties to report irregularities, fraudulent acts or behaviours contrary to Abengoa's Code of Conduct.

Each complaint is received by the Regulatory Compliance Manager and by the Internal Audit Manager. Once the investigation is concluded, all complaints are reported to the Audit Committee and to the Chairman of the Board of Directors of Abengoa, who formally conclude the investigations and/or determine the measures, where appropriate, to be adopted in relation to the complaints received.

In accordance with the channelling complaints policy, which defines the parameters and criteria to treat all the information received, full confidentiality is specifically guaranteed when accessing the tool, allowing the anonymous submission of information and the absence of reprisals for all bona fide complaints. The policy establishes that the response protocol shall start within a period of 48 hours after the complaint is received.

Likewise, apart from the complaints channels, any infringement can be reported directly to the Compliance Manager and/or Internal Audit Manager, as well as to supervisors, directors and duly authorized personnel.

Complaint Management

Once a complaint is received through the enabled channels, it is managed as follows:



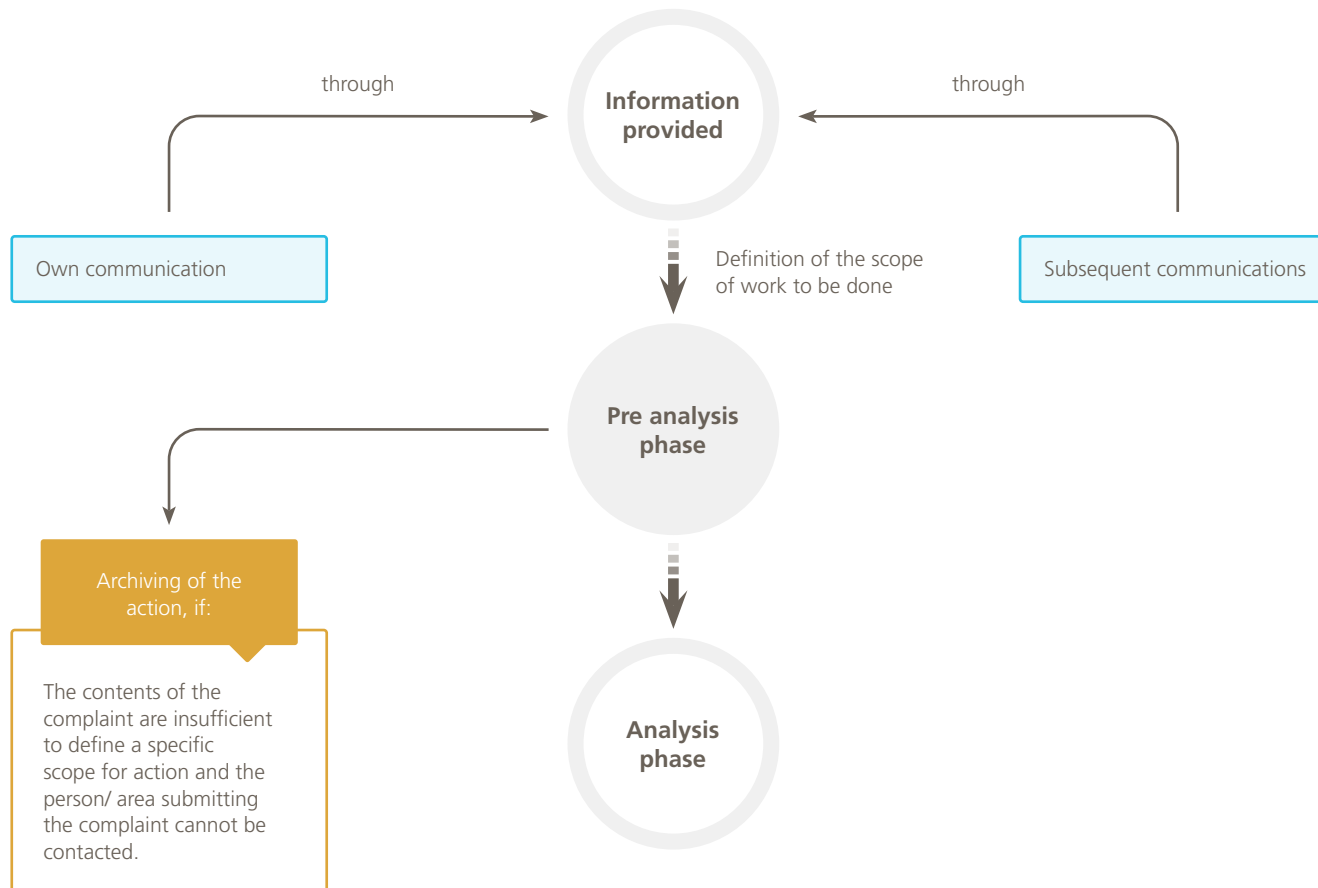
03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Flow of action based on the complaint received:

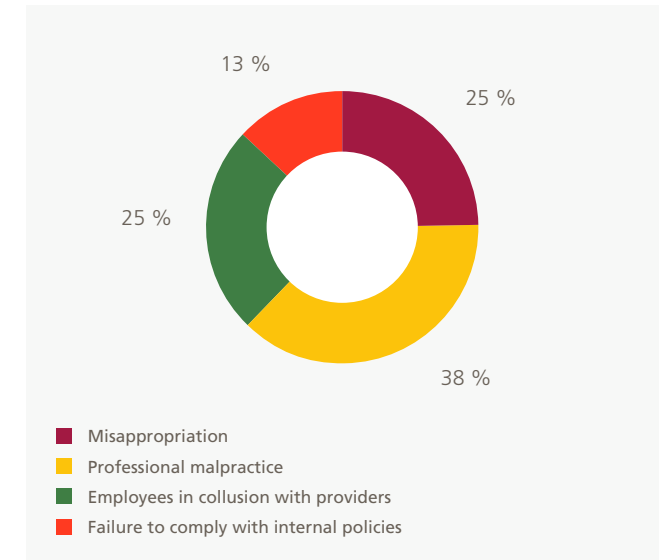
- When the report is received, it is assessed to confirm whether it falls within the scope of the complaints channel or not
- Once it is confirmed that the report falls within the scope of the channel, the procedure starts and a preliminary analysis is conducted. In case of a nominative report, the complainant is contacted in order to better understand the message and to be able to define more specifically and detailed the scope of the analysis procedures to be carried out.

- Based on the information provided both in the report and in subsequent communications with the complainant, the scope of work to be carried out is defined and the pre-analysis and analysis phases are carried out. The company has a maximum period of 48 hours to reply to the complainant.

Confidentiality or, if applicable, anonymity and objectivity are preserved throughout all analysis phases.



In 2020, seven reports were received, and the relevant proceedings were initiated in all cases. The following graph shows the classification of reported events:



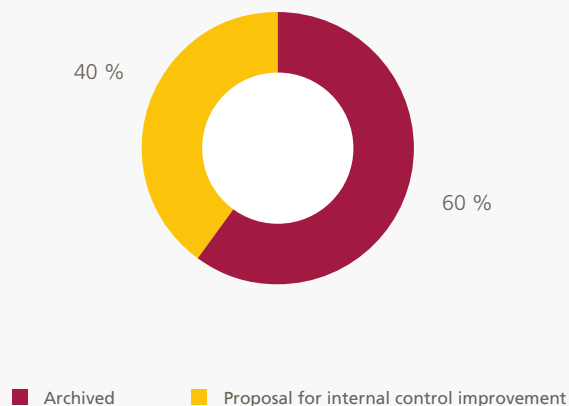
The geographical distribution of the complaints received in 2020 is as follows: 102-17

Percentage (%)	2020	2019	2018
Latin America	14	22	56
Africa	43	11	11
Europe	14	33	22
North America	-	-	-
Asia and the Middle East	29	33	11

03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Of the total actions subject matter of the channel, 60 % were filed. A filed complaint refers to all complaints received and analysed which concludes that no specific measures or improvements have been proposed or implemented.

Cases (complaints) resolved by type of resolution 205-3



Good Practices Committee

In 2020, the organization continued to promote the Good Practices Committee, created in 2017 at the request of the Audit Committee of the Board of Directors. In total, this committee held three meetings in 2020.

The above mentioned committee assesses the violations of Abengoa's code of conduct and/or potential cases of internal fraud (understood as a breach by a manager of mandatory policies and processes), in which such breaches have been a crucial process to commit or attempt to commit a crime or administrative offence, within the scope of their functions.

The Committee is chaired by the Internal Audit Department and is made up of the corporate Human Resources, Legal Advice and Regulatory Compliance Departments.



The Good Practices Committee is responsible to activate the contingency plan in case of any indication of human rights-related non-compliance received through any of the channels and procedures established by the company. The contingency plan phases are as follows:

- 01 Appointment of the instructor
- 02 Interviews and documentary analysis
- 03 Report drafting
- 04 Completion of the specific mandatory form
- 05 Closing of the file
- 06 Result of the instruction and actions
- 07 Follow-up

03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Areas for improvement and future challenges

The mechanisms guaranteeing adequate transparency, as well as the fight against corruption, always require continuous adaptation and improvement. In the case of Abengoa, greater efforts should be made to adapt to the new functional and corporate organization being built after the second financial restructuring.

Therefore, Abengoa is working on adaptation and rationalization programs of certain internal control systems, especially the system related to the Common Management Standards (NOC, for its acronym in Spanish) and the corresponding forms thereof, setting forth the requirements and internal approval circuits of the most relevant business decisions or those impacting the balance sheet, the income statement, or the reputational ones, as well as the POC processes of the Internal Control System regarding financial information.

During 2021, once restructuring was completed and with a more stable organizational structure, it is likewise expected to start reviewing the corporate governance elements, adapting those thus requiring it to the new resulting structure.

Similarly, in plans are in place to expedite a project to optimize and centralize the organizational structure management in ERP management (SAP). This process will help to optimise user profile management, work-flows control in the system and automation of the internal control model, in order to improve monitoring Abengoa's financial information.

Taxation



€ 130.6 M

tax contribution 2020



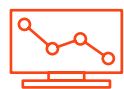
€ 577.6 M

tax contribution 2017-2020



26 %

taxes paid in Spain



10.5 %

of revenue for payment of taxes

Abengoa has a firm commitment to managing tax-related matters, using good practices and acting with a transparent approach, in compliance with the applicable tax regulations and obligations in each jurisdiction in which it operates.

In this way, Abengoa pays its taxes applying its principles of responsibility and efficiency, in order to avoid significant risks and potential future conflicts. [207-1](#)

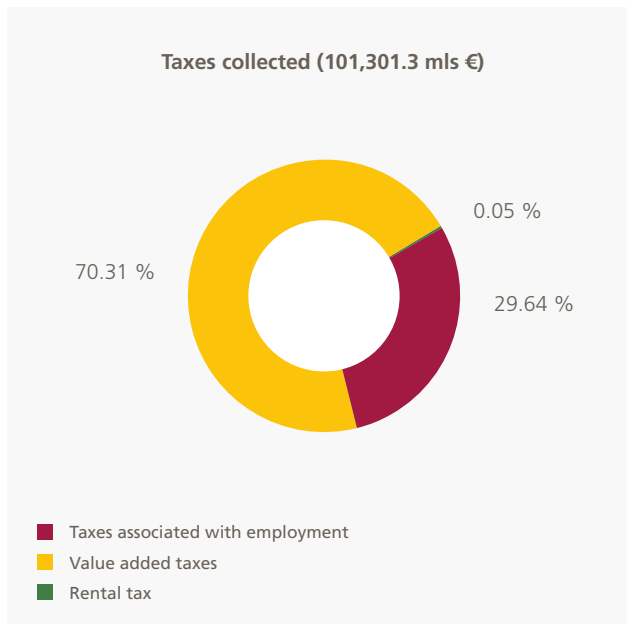
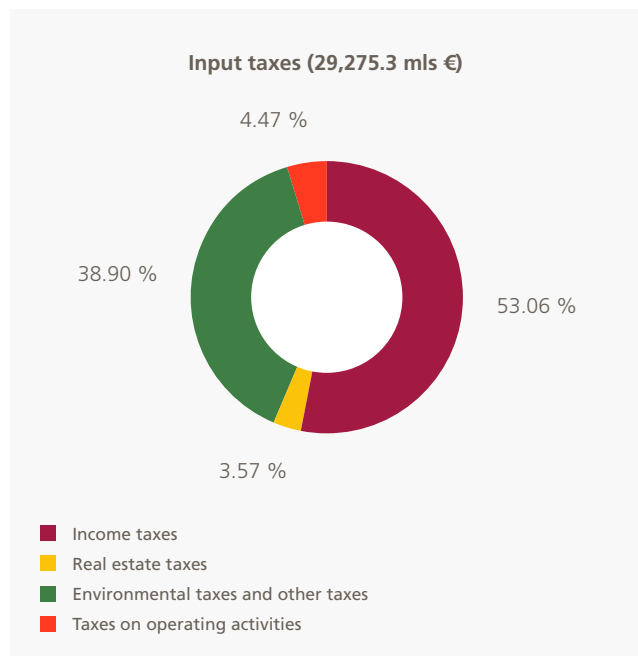
To estimate the total tax contribution Abengoa uses the methodology following the cash criterion, by means of which data referring to input taxes or taxes collected by the group are collected. Input taxes refer to any tax amount paid which implies a cost to the company and, therefore, has an impact on the income statement (e.g. corporation income tax). Input taxes refer



03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

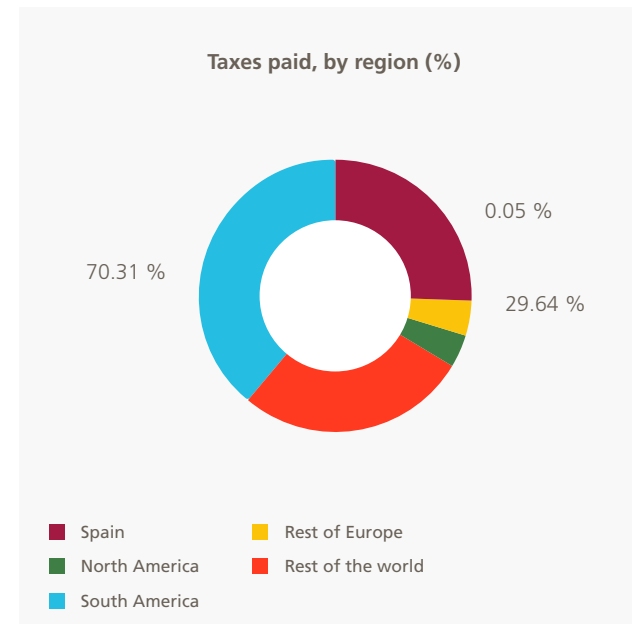
to any tax amount paid that represents a cost to the company and therefore has an impact on the income statement. On the other hand, the taxes collected are generated by the company's own activity, which is responsible for paying them to each Tax Authority, but do not involve a cost (e.g. value added tax).

Abengoa's total tax contribution in the fiscal year 2020 amounted to €130.6 M, representing 10.44 % of business volume. This means that for every €100 of volume of business, Abengoa pays €10.44 in tax.



A detail of these magnitudes should highlight that income tax represents 53 % of the total input taxes, while value added tax (or similar tax) represents 70 % of the total taxes collected.

By geographical area, in 2020, Spain and South America are the two areas in which 64 % of the total taxes paid by Abengoa are brought together; Brazil represents 36 % of the taxes paid in South America. [207-4](#)



Abengoa's tax strategy, approved by our Board of Directors, is based on a series of basic principles of tax procedures: [207-1](#)

03. Strategy and sustainable business model / 03.4. Transparency and fight against fraud

Principles of honesty, integrity and good judgment

Abengoa requires all its employees to apply these principles when making tax-related decisions, while complying with applicable legal and regulatory requirements and interpreting the rules that apply to each transaction or business in a reasonable manner.

Commitment to transparency and integrity

As a basis for the company's actions associated with tax-related matters and in the relationship promoted by Abengoa with the Tax Administrations in the different jurisdictions in which it operates. In this regard, Abengoa has adhered to the Code of Good Tax Practices with the Spanish Tax Administration since 2010.

Avoiding the use of opaque structures

Created for tax-related purposes, understood as those designed to prevent the Tax Administration from gathering information about the supervisor for the activities or ultimate holder of the corresponding goods or rights.

Transfer pricing policy

With regard to transactions with related entities, which comply with the legally established 'arm's length' principle.

Responsible fiscal policies

Allowing the company to prevent conduct which could generate significant fiscal risks. Abengoa's internal control system, based on the COSO methodology, includes a specific section on taxation with associated controls, which is subject to review by the external auditor, as are the remaining areas.

As regards the prevention of financial risks, fraudulent actions and money laundering, Abengoa makes explicit reference in its policy that investments made in tax havens are solely based on purely justified economic and business reasons not associated with other motivations at all, such as to receive tax benefits or be qualified as tax-exempt. *207-2*

Moreover, the organization carries out activities in other geographies that, although not included in the tax havens list of the AEAT, are included in other observatories and international organizations, according to which they are considered to be territories with a more favourable tax regime than Spain or which are considered to be non-cooperative jurisdictions in tax matters. In this sense, it operates subsidiaries or permanent establishments in Delaware (USA), Holland, Luxembourg, Uruguay, Panama and Switzerland. All of them are strictly based on strictly economic or business rationale, or simplification of commercial and administrative processes, and under no circumstances are motivated by tax evasion, money-laundering or the financing of illegal activities. *201-4, 207-3*

03. Strategy and sustainable business model

03.5

Ethics and regulatory compliance



10

compliance programmes



4

communications sent to employees regarding legal compliance in 2020



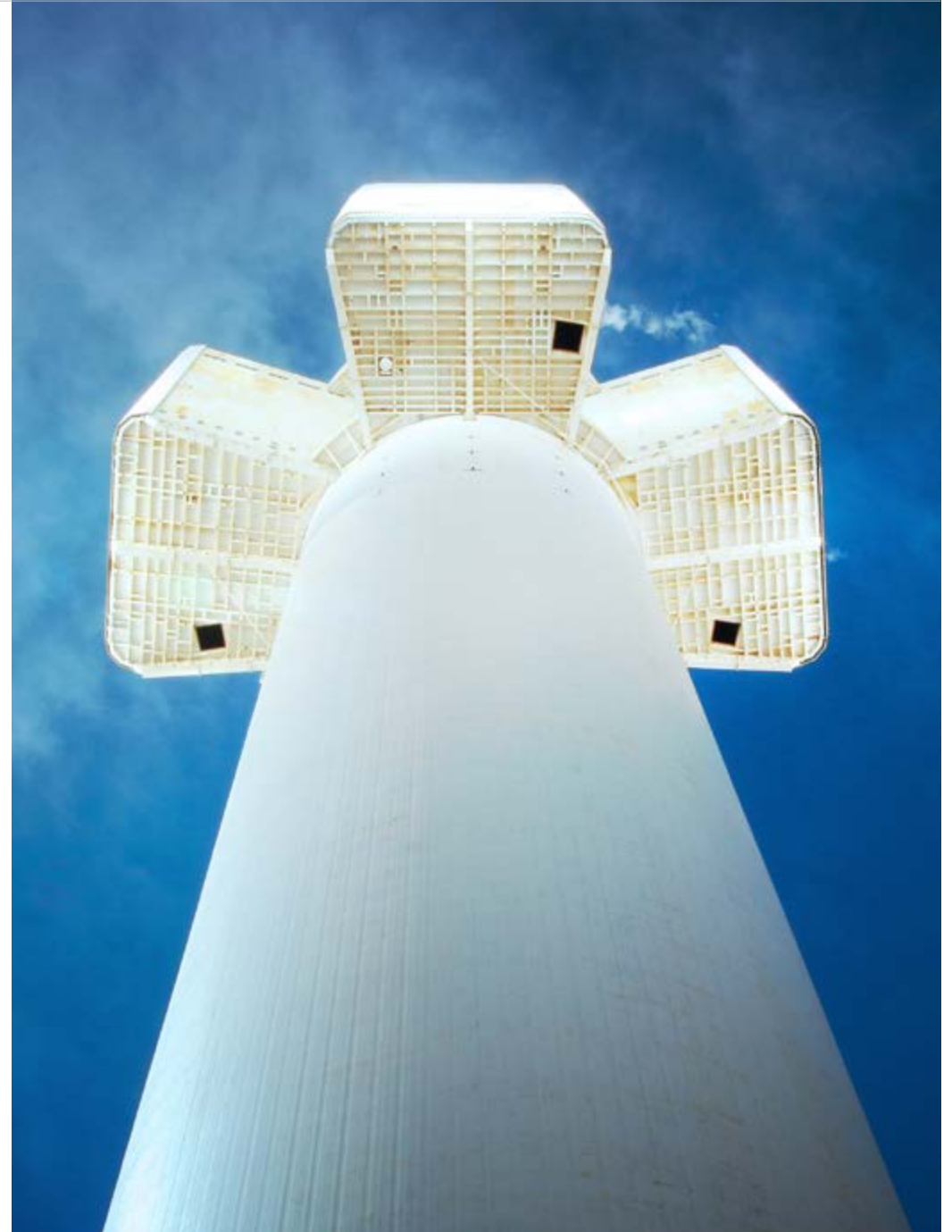
4

new self-regulation programmes



63

new employees trained in the crime prevention model



03. Strategy and sustainable business model / 03.5. Ethics and regulatory compliance

Goals set forth in the
SSP 2019-2023



To consolidate Abengoa's culture of compliance and integrity by reinforcing training tools and safeguarding procedures already in place.



To obtain the UNE-ISO 19601 certification.



To gradually roll out Abengoa's compliance culture to suppliers and subcontractors.



To coordinate the implementation of legal compliance requirements in tax, labour and environmental areas.



Abengoa considers ethics and compliance to be fundamental pillars to develop business activities. Therefore, Abengoa is fully committed to an ethical and responsible professional development, in all activities and countries in which it operates, as well as in its relationships with all stakeholders.

As a result of this commitment, in 2013 the Board of Directors created and implemented the Regulatory Compliance role as a basic and fundamental support to ensure compliance with both current regulations and Abengoa's internal policies and regulations by its employees, managers and administrators.

During 2020 the company continued strengthening the current regulatory compliance system, by approving the Compliance Policy regarding Criminal Prevention (PPP, for its acronym in Spanish), updating the Mandatory Compliance Standard (NOC, for its acronym in Spanish) and creating four new compliance programs. Likewise, it was granted the UNE 19601 certification: 2017 Criminal compliance management systems.



03. Strategy and sustainable business model / 03.5. Ethics and regulatory compliance

Criminal Prevention Compliance Policy

On July 27, the Board of Directors unanimously approved the Criminal Prevention Compliance Policy (PPP, for its acronym in Spanish). This policy is aimed to consolidate the culture of compliance, business ethics, transparency and social responsibility in the group, by integrating in a public and accessible system the criminal prevention duties of the entire Abengoa group, with the proper dissemination, understanding and acceptance by employees.

The **tolerance level is zero**. Abengoa does not accept any fraudulent professional conduct or any conduct contrary to current legislation, jurisprudence and international practices and principles willingly and expressly adopted and assumed by Abengoa.

The PPP is applicable to all administrators, managers and employees of Abengoa and its controlled companies, specifically in Spain and in the rest of the geographies as it is part of the internal regulations of mandatory compliance of the company and its common management systems. This policy applies to both fundamental and incidental activities directly or indirectly carried out by Abengoa's employees and by persons subject to their control, either due to legal, contractual or specific duty of care. The management and the Board of Directors shall duly monitor and control compliance thereof.

Criminal Compliance System

Abengoa's Criminal Compliance System involves the Mandatory Regulatory Compliance Standard (NOC, for its acronym in Spanish), as a corporate policy and integrated into common management systems; the Compliance or Criminal Prevention Programme, including specific Compliance Programs; the

Criminal Prevention Policy; and the Code of Professional Conduct.

The main actions for the application of the Criminal Compliance System are as follows, but not limited to the following:



03. Strategy and sustainable business model / 03.5. Ethics and regulatory compliance

Regulatory Compliance Programme

Abengoa has a **Regulatory Compliance Programme (PCC**, for its acronym in Spanish) aimed at **preventing, detecting and sanctioning practices which could result in the company's or its employees' liability**, including **self-regulation programmes willingly adopted** by the company to comply with legal requirements, value its ethical aspects and prevent or detect illegal practices.

In this regard, the programme has **efficient tools** which safeguard the practices in the performance of the activities, as well as disciplinary measures, in accordance with applicable local legislation, which sanction practices contrary to the company's standards or self-regulatory policies.

The PCC and specific programmes **are directly integrated into the company's management model through the code of conduct**, the **standards of good corporate governance** and a specific **risk analysis**, in addition to its implementation -by means of training- and its supervision in a process of continuous improvement.



Code of professional conduct

Abengoa is fully committed to conducting its activities with **honesty, integrity and pursuant to the laws**, whether in the relationship with its employees or with other stakeholders. These behavioral guidelines are embodied in the code of conduct, a fundamental and mandatory rule for administrators, management and employees, integrated into the Common Management Systems, under the premise of zero tolerance. It includes the principles and **values which should guide the behavior** of employees, as well the behavior of suppliers, clients, distributors, external professionals and representatives of public administrations.

No action contrary to the code shall be tolerated and it formally sets forth its disapproval of any form of corruption and its firm commitment to comply with the law.

 [Code of professional conduct](#)



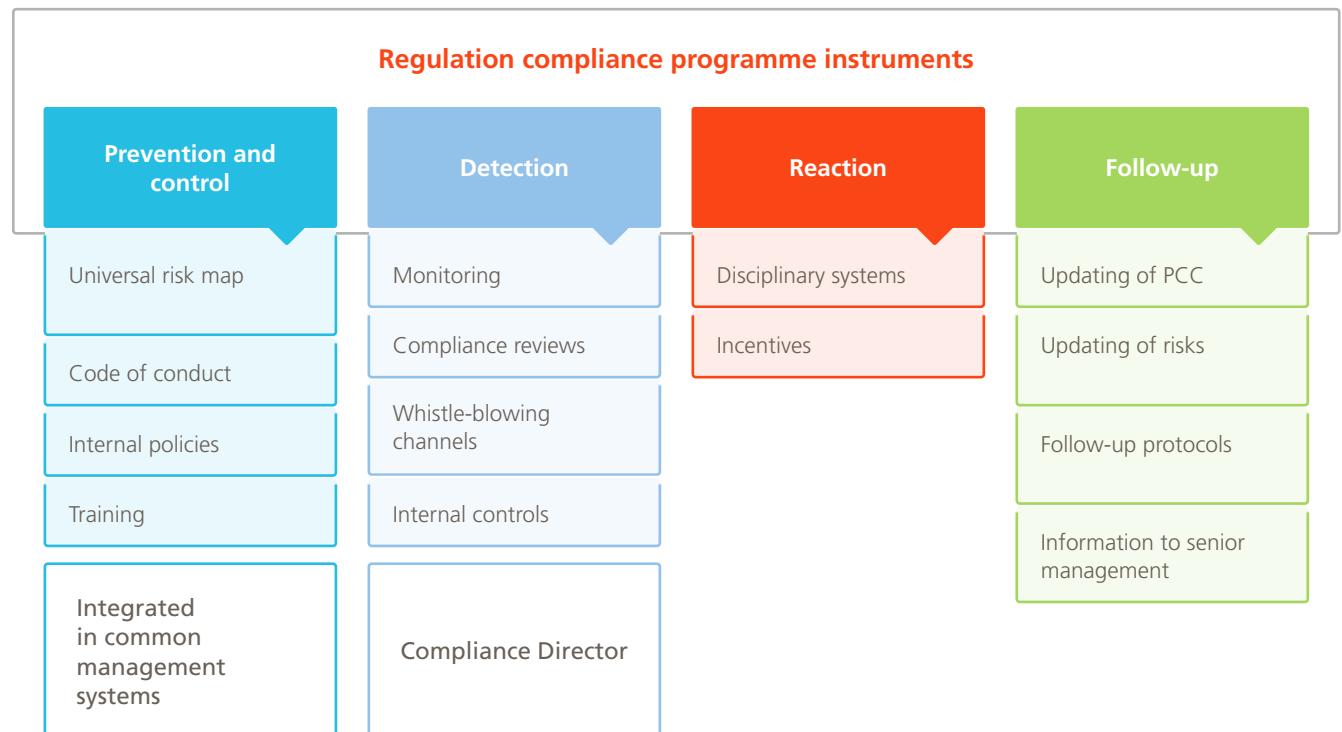
Regulatory compliance programme key instruments

The PCC is articulated through the **control processes implemented** by the organisation to avoid any unlawful conduct that may occur. In this regard, the PCC constitutes an **element integrated and compatible with the rest of the internal policies and controls** and is coordinated, among others, with the universal risk map, the SAP controls and the internal authorisation management.

Taking into account the set of internal regulations and the diversity of activities carried out by the company, **the non-**

compliance risks that may be incurred into are analysed, weighing the importance with the likelihood of occurrence thus **generating a risk map**.

This continuous improvement process, with periodical feedback through supervision, audit and review, is shared with the organisation's employees by means of training, aimed to instil and consolidate the corporate culture of legality.





Complaints channel

The Complaints Channel is the written procedure to submit complaints or issues, but not limited to, related to all kinds of allegedly illegal behaviors committed by an employee, either by violating a legal regulation or a standard willingly accepted by the company, as well as non-compliance with Abengoa's Code of Conduct.

The company firmly recommends to employees and third parties that any bona fide suspicion of illegal or potentially illegal practices be reported through this channel. In accordance with the Code of Conduct, it is the obligation of all employees to ensure correct lawfulness in the company and, therefore, any improper conduct shall be reported.

The company guarantees the non-adoption of any type of retaliation, discrimination or express or implicit sanction against any bona fide complainant. Good faith is always presumed.

Commitment to continuous improvement and periodic review

Abengoa is firmly committed to ethics and compliance in all its actions. Therefore, the Director of Regulatory Compliance or Chief Compliance Officer (CCO) is in charge of continuously monitoring and supervising the compliance system. At least one annual and rotating audit shall be carried out between the different points identified with the highest risk of commission of professional malpractices, according to the country-risk indicator included in Abengoa's risk map or in those places in which there is the suspicion that a regulatory violation may occur.

The assessment, control and supervision tasks will be carried out complying with the procedure set forth in the Criminal Compliance System. The Internal Audit Department shall review the suitability and effectiveness of the internal control measures related to criminal law compliance, evaluating compliance with the PPP and effectiveness thereof.



03. Strategy and sustainable business model / 03.5. Ethics and regulatory compliance

Compliance, organization and resource role

Managing ethics and the criminal prevention model are the responsibility of the Director of Regulatory Compliance through the Appointments and Remuneration Committee of the Board of Directors. The main duties thereof are as follows:

1. The **promotion** and comprehension of the **compliance culture** guaranteeing, in collaboration with all areas and departments, the transmission of the concept of effective and real knowledge of the applicable regulations, pursuant to the Code of Professional Conduct framework and of the Compliance Policies and the supporting programs and procedures.
2. **Risk management** of regulatory compliance, setting forth as a priority the identification, analysis and evaluation of criminal risks, maintaining an efficient preventive and responsive attitude.
3. **Guidance and evaluation** of the baseline regulatory framework, transferring to the administration body any necessary consideration regarding the criminal regulatory framework, regarding compliance thereof and the impact of any modification of the above mentioned criminal framework on the activities thereof, in collaboration with the Legal Department.
4. **Responsive control** of failure to comply or non-compliance, based on efficient management of the Code of Professional Conduct and the definition of corrective systems and procedures for illegal actions coordinated with the Human Resources area.
5. **Reporting to the administrative body** the management activities carried out, annually reporting any relevant situation affecting regulatory compliance, regarding the general situation and important aspects of the compliance function, as well as on a timely basis regarding any issue required by the administrative body.

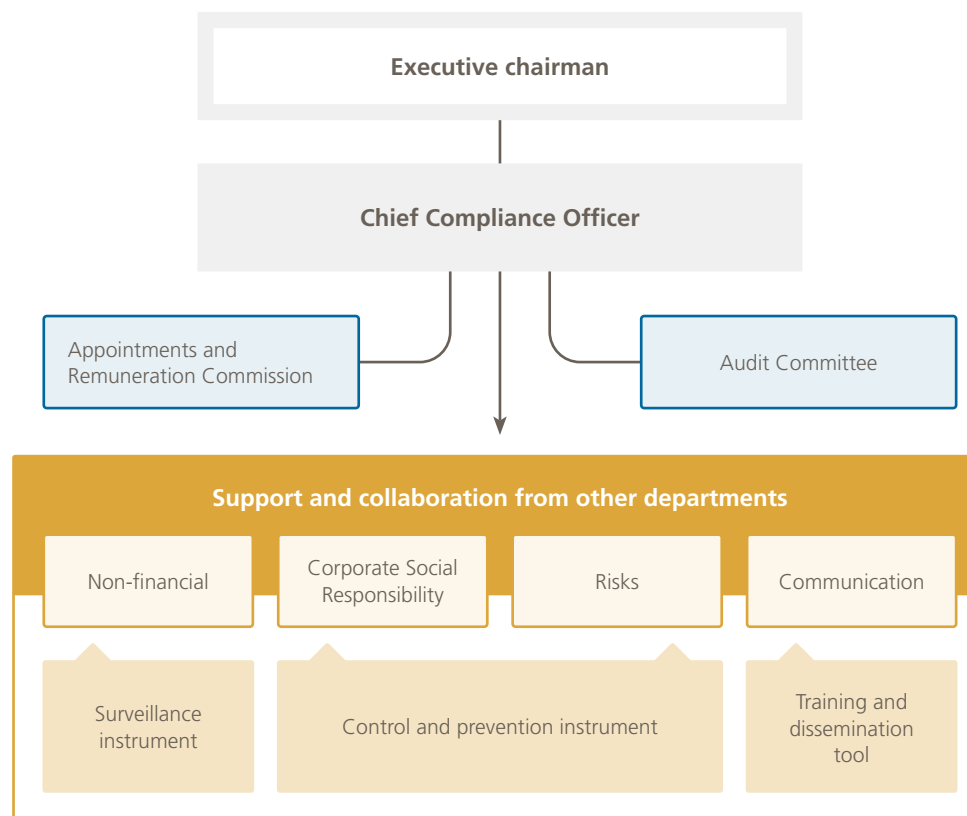
However, **each area is directly responsible for compliance** with the rules applicable thereof in their activity (tax, labour, quality, etc.).

The CCO **reports directly to the CEO** and reports, on a quarterly basis, to the Appointments and Remuneration Committee and, every six months to the Board of Directors.

The Board of Directors is the body that guarantees the performance of all employees, through each level of command or management. For the control thereof, the PCC is expressly approved, **taking part in the definition of the scope and content** of each area **and the control of the common**

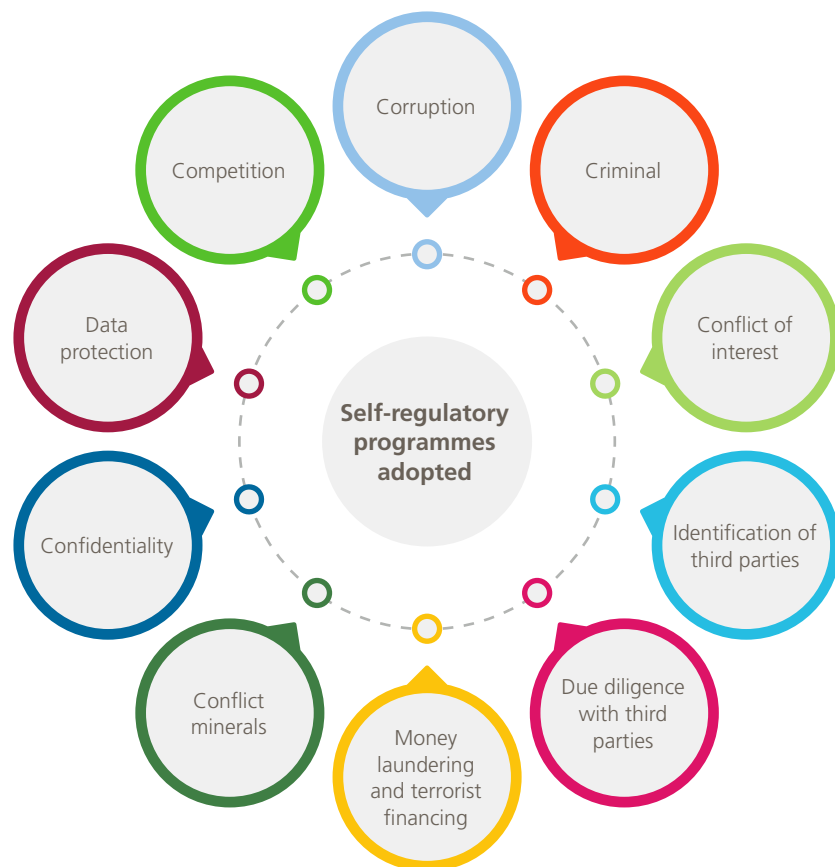
management systems. Likewise, the above mentioned is responsible for setting an example and transmitting the same values to its subordinates, supervising the application thereof in the development of the activity.

The cross-cutting nature of the subject and its impact on the company's activity require the support and collaboration of other areas that serve as control, prevention, detection, monitoring and dissemination or training tools.



Adopted self-regulatory programmes

Abengoa has implemented the following self-regulation programmes voluntarily adopted to highlight its ethical considerations and to prevent and detect any unlawful conduct.



Anti-corruption

Abengoa implements the principles established by the **U.S. Foreign Corrupt Practices Act**, FCPA, through its Code of Conduct and internal manuals for employees when setting up contracts with third parties.

In the same way, the company subscribes to each of the points contained in the **United Nations anti-corruption document**, passed by the UNO General Assembly of 31 October 2003. Its objectives are as follows:

- **Promote and strengthen** measures to efficiently prevent and combat corruption.
- **Promote and support** international cooperation and technical support in the prevention and the fight against corruption, including the recuperation of assets.
- **Promote** integrity, the obligation of accountability and proper management of public affairs and public property.

In view of the above, and in order to ensure the trust of clients and the authorities, Abengoa requires all its employees to comply with the applicable anti-corruption regulations, thereby protecting its business from any non-compliance and the liability it entails, and safeguarding its reputation.



Regulation of competition, consumers and markets

The company **operates in a freely competitive market with transparent conditions** in each of the jurisdictions in which it operates.

The entire workforce, without exception, **is responsible for compliance with applicable standards** in this area and may in no case carry out, authorise or tolerate any conduct which violates antitrust rules or Abengoa's policy in these regards.

Similarly, employees shall always take reasonable steps to ensure that other employees under their authority and/or responsibility are aware of and comply with this policy.

03. Strategy and sustainable business model / 03.5. Ethics and regulatory compliance



Money laundering and Terrorist Financing

Abengoa **voluntarily accepts the principles and obligations** established by the applicable regulation **in the area of prevention of money laundering and terrorist financing**.

Likewise, it takes into account the obligations in force in each country for **economic transactions carried out abroad and/or with non-residents**.

This programme, which shall be complied with by all employees, as well as the supervision and control by managers, is aimed at developing procedures and controls to verify, prevent and deter collaboration with persons engaged in, or used for, money laundering activities.



Criminal compliance

All company employees **shall be governed by rigour, order and responsibility**. Under this internal standard, both the company and the natural person may be liable for crimes that are perpetrated.

This programme was developed with the aim of **identifying preventing and sanctioning prohibited conduct for violating the law** that could result in any type of liability for Abengoa, and includes the self-regulation programmes to which the company voluntarily adheres in order to adapt to legal requirements and enhance the ethical aspects that characterise it, as well as to prevent and detect any unlawful conduct that may occur.

This standard is mandatory for all employees. Similarly, ensuring its implementation is the responsibility of management and directors, without exception.



Identification of third parties

In accordance with the Money Laundering Act, which Abengoa, although not an obliged subject, voluntarily adheres to, it has implemented a **procedure for identifying** the real owner of third parties, mainly **potential partners and clients**, who are going to enter into a legal relationship with the company, in order to verify the absence of requirements which, in accordance with the Act, may generate a position of risk.



Data Protection

Abengoa is a company which **operates in a freely competitive market with transparent conditions** in each of the jurisdictions in which it operates.

The entire workforce, without exception, **is responsible for compliance with applicable standards in this area** and may in no case carry out, authorise or tolerate any conduct which violates antitrust rules or Abengoa's policy in these regards.

Similarly, employees **must always take reasonable steps to ensure** that other employees under their authority and/or responsibility are aware of and comply with this policy.



Conflict minerals prevention

The aim of the programme **is to control the provenance of minerals and their application** at Abengoa's facilities, as well as **to explain the obligations to which all companies are subject** by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act. This Act prohibits any commercialised product from containing a "war mineral", viz., minerals and metals originating in the Democratic Republic of the Congo or bordering countries. If they have this origin, or the source cannot be established, in order to market these products in compliance with prevailing legislation, the source and chain of custody **must be subject to due diligence**, to ensure that the procurement or sale of said minerals did not benefit any armed group.

This programme applies to all of the company's companies with manufacturing capacity that incorporate these minerals into their chain, either directly or indirectly in products that are subsequently distributed to third parties.

03. Strategy and sustainable business model / 03.5. Ethics and regulatory compliance



Confidentiality procedure

A regulated and non-discretionary procedure, mandatory for all employees with regards to the use of common practices related to the **processing of confidential information, with the aim of avoiding, controlling and remedying situations of potential non-compliance** of any standard, mitigating the associated risks to these non-compliances, both economic and reputational, including the area of criminal responsibility.



Procedure for the prevention of conflicts of interest and related operations

A procedure applied to all administrators, senior management and employees which establishes a **non-discretionary method to follow prior to situations in which they may enter into conflict, both real or potential**, directly or indirectly, the interest of the Company or of any of the companies belonging to the group and any type of private, individual, direct or related interest, as well as in the transactions that such persons carry out with the companies of the group, in order to adopt the appropriate measures to ensure that such transactions are carried out, where appropriate, with full transparency and knowledge.



Due diligence with third parties

A **due diligence procedure** that Abengoa carries out on third parties, mainly **potential partners and suppliers**, with the aim of checking the non-concurrence of requirements that may generate a position of risk.

Criminal compliance management system

During the 2020 financial year, Abengoa carried out the verification process by an independent third party of its criminal compliance and prevention system, having obtained at the end of the process the UNE 19601: 2017 Criminal compliance management systems certification, for its criminal compliance and prevention model in Spain in 2020. The standard sets forth the requirements to implement a criminal compliance and prevention management system in accordance with the provisions set forth in the Spanish Criminal Code, including the review, supervision, continuous improvement thereof and the evaluation of the performance of the model and the person responsible thereof. The certification includes the scope of the following companies: Abengoa SA, Abengoa Energía SA, Abengoa Agua SA, Instalaciones Inabensa SA and Abenewco1 SA.

The audit was conducted by AENOR, as an entity accredited by the National Accreditation Entity (ENAC) for the UNE 19601: 2017 certification and endorses the correct implementation in the above mentioned perimeter of Abengoa of the criminal compliance and prevention management system thereof. Its purpose is to consolidate in Abengoa the culture of compliance and respect for the legislation in force, in order to reduce criminal risk, to prevent the commission of crimes within the legal entity, and promote the training of employees, management and administrators in compliance beyond the letter of the standard.



Having been granted this certification allows Abengoa to deploy greater control regarding due diligence procedures, both in internal processes affecting personnel in particularly exposed positions, as well as in external processes, strengthening collaboration with business partners, suppliers and customers and increasing monitoring regarding financial and non-financial controls of Abengoa's management system.

Main activities carried out in 2020

Development of fiscal compliance procedures

As set out in the objectives of the Strategic Sustainability Plan with regards to coordinating the implementation of legal compliance requirements in areas such as taxation, Abengoa is establishing a **taxation programme** to adapt the mandatory internal standard to the **requirements for validity as criminal evidence**, based on the content of the UNE 19602 regarding tax compliance systems management.

The internal fiscal management and consolidation standard has been revised under several premises, including the identification of tax obligations, the non-compliance-related risks, the methods for preparing tax returns and the controls or reviews thereof and the reporting of tax policies to the Board of Directors.

The process is being carried out in several phases:

- Identification of **applicable laws**.
- Identification of the fiscal **decision-making process** at Abengoa.
- Identification of **conducts of assigned personnel** which could violate the regulations (aggressive tax policy, improper application of standards and the like); risk analysis and weighting.
- Identification and updating of **existing controls**.
- **Traceability of the entire process**, including the preparation of information to the Board, for its subsequent approval.
- Designing **internal training circulars** in the form of precise instructions (accounting, offer processing proposals, country risk, related transactions and the like).
- Incorporation of **fiscal misconduct** in the **complaints channel**.

Improvement of the anti-corruption system

Update of anti-corruption procedures, especially in geographies with high activity, with the aim of **implementing a zero-tolerance criterion for corruption**.

During 2020 the internal due diligence questionnaires were reviewed and updated and shared with all kinds of partners.

2021 Objectives and action plan

Apart from the objectives set forth in the strategic plan, Abengoa works to continuously improve the compliance system. Therefore, within the 2021 action plan, Abengoa is working on the following activities.

- To maintain specific training for employees, based on each specific activity, especially in anti-corruption and free trade areas. Therefore, training content is updated based on legislative or jurisprudential developments of interest to directors and personnel at higher risk.
- The relationship with suppliers, partners and clients is in progress, in order to coordinate the application of criminal prevention measures in their joint relationship.
- The objective to revise and renew the Criminal Prevention System by Aenor is ongoing.





04

Performance and sustainability contribution

04.1. Financial contribution

04.2. Industrial contribution

04.3. Contribution to the human team

04.4. Customer contribution

04.5. Contribution to the supply chain

04.6. Contribution to society

04.7. Environmental contribution

04. Performance and sustainability contribution

04.1

Financial contribution



CDP

Rating B



SER

Rating A-

SER (Supplier Engagement Rating)



Silver

Ecovadis Award



04. Performance and sustainability contribution / 04.1. Financial contribution

Goals set forth in the SSP 2019-2023



Prepare and disseminate materials that show the company's positioning and respond to the needs of institutional investors who value the commitment to sustainable development.



Recovering presence in sustainability indices, FTSE4Good, CDP, Robecosam, etc.



2020 was marked at a financial and organisational level by a series of circumstances generating a significant deterioration in Abengoa's liquidity position and financial structure, a fact which has led to a process of seeking various financing measures and the modification of the financial and commercial debt.

Taking into account the health and economic crisis caused by COVID-19 and as a result of the evolution of the company during this period, the Board of Directors of Abengoa, S.A, agreed in March 2020 to carry out a review and **update of the Viability Plan** in order to incorporate the impact of the crisis caused by the pandemic. As a result of the above mentioned update and the review of the valuation of the equity share held by the company in its investee Abengoa Abenewco 2, SAU, the Company's net worth showed a negative result amounting to €388 million at the end of the financial year 2019.

In order to re-establish the equity balance of Abengoa S.A. and ensure compliance with the Updated Business Plan, the company has implemented a series of **measures aimed at obtaining the necessary liquidity and guarantees** for said plan. Likewise, a significant percentage of the debt of Abengoa S.A. should be converted into participative loans in order to re-establish its equity balance.

On August 6th, 2020, the company signed a restructuring agreement securing the inflow of liquidity and the necessary guarantees to comply with its Updated Business Plan, pending compliance with certain conditions precedent.

On August 18th, 2020, the Board of Directors of Abengoa S.A. took the decision to file the application under Article 5 bis of the Insolvency Law 22/2003, of July 9th, ("Insolvency Law"), which exclusively affected the individual company Abengoa, S.A., including notifying the court of the initiation or continuation of negotiations to reach a refinancing agreement or to gain support to an early agreement proposal.

From August 2020 to February 2021, the closing date of the restructuring operation was extended but, after failing to be granted the necessary consents for a new extension of the term, the restructuring agreement was terminated on February 22, 2021 and the announced operation could not be executed.

Additionally, and as a consequence of the above mentioned, on February 26th, 2021, Abengoa S.A., the parent company of the group, filed for voluntary insolvency proceedings.

On July 27th, 2021, the Insolvency Administration submitted the provisional report of the insolvency proceedings of Abengoa, S.A.

As stated in the above mentioned report, up to that date, neither a proposal for an Agreement nor a Liquidation Plan has been submitted to be assessed by the above mentioned Insolvency Administration. Nonetheless, regarding the foregoing, the above mentioned Report states that agreeing a solution for the Company's insolvency proceedings, and therefore for its Group of companies, involves the negotiation and achievement of a viability solution for the Group.

In relation to the above mentioned, it should be noted that in March 2021 an offer was received for the acquisition of Abenewco 1, as well as for the financial restructuring of the Abengoa Group by Terramar Capital, LLC.

The main features of the initial offer were to provide €150 million as a loan and €50 million as capital contribution to Abenewco.

1. The €150 million loan would be divided into two disbursements, an initial €35 million which would provide Abenewco 1 liquidity in the short term, and an additional €115 million which would be subject to the compliance with certain conditions precedent. Once the conditions precedent have been met, Abenewco 1 would increase capital to be subscribed by TerraMar for an amount of €50 million, with the aim of holding 70 % of the capital stock of Abenewco 1. This financing and investment offer is conditional on the company's financial institutions providing new financing and new endorsement lines, in line with the agreements signed and published in August 2020.

04. Performance and sustainability contribution / 04.1. Financial contribution

Subsequently, the binding offer has essentially maintained the same structure, although it has modified the combined total loan and capital injection amounts, maintaining the total amount of €200 million.

The above mentioned financing and investment offer is subject but not limited to: (i) the contribution of €249 million by the State-owned Industrial Holding Company (Sociedad Estatal de participaciones Industriales, "SEPI"); and (ii) the fact that the financial institutions related to the company provide new lines of endorsement amounting up to €300 million, in line with the agreements signed and published in August 2020, part of which will be granted on an interim basis.

Within the framework of this process, taking into account the offer and always in terms of insolvency proceedings and, taking into account the characteristics of the offer received, the Insolvency Administration urged the Board of Directors of the insolvent company, to draw an Agreement Proposal, which, by means of liquidity injection mechanisms would allow a potential recovery, even if only partial, of the receivables of its creditors, and to ensure, assuming the above mentioned agreement was approved, the survival of the Company. In addition to the above mentioned injection of liquidity to the Company, the Agreement Proposal contemplates additional sources of income provided for in the Viability Plan, such as, income from renting certain real estate assets, income from financial dividends, divestments in artistic and real estate assets and returns of financial assets (loans and release of escrow account), among others. In this regard, it should be pointed out that this proposal has not yet been formally proposed, since it is necessarily based on reaching an agreement to restructure the Group and, therefore, its viability will require a prior agreement of the parties involved in this process.

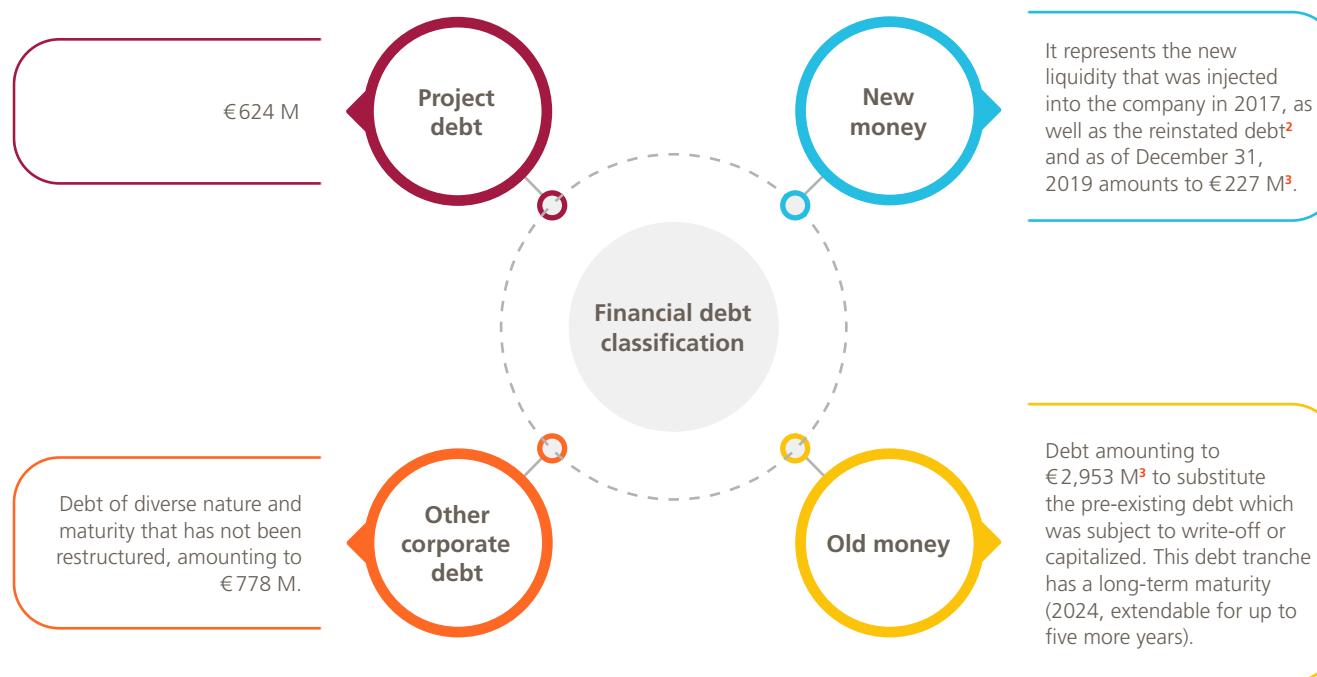
Taking into account that the proposal submitted by TerraMar is the only with supporting formal evidence of its binding nature as of today, the efforts of the interested parties are focused on specifying the terms in which, if applicable, the above mentioned proposal could materialise, as well as on determining the conditions to be met to activate the commitments of financial support and security instruments by the public bodies (SEPI and CESCE).

Abengoa's financing model

The financial restructurings completed in March 2017 and April 2019 involved a significant change in the capital structure, shareholding composition and medium-term financing model.

At the end of 2020, an 8 % decrease in gross financial indebtedness was registered, compared to December 2019.

The financial debt as of December 31, 2020 amounted to €4,582 M¹ and is classified into the following categories:



¹ For more information, please refer to the financial statements available at www.abengoa.com. This figure excludes €864 M corresponding to debt of projects classified as held for sale.

² Reinstated Debt corresponds to new debt recognised in favour of certain creditors as a consideration for taking part in the restructuring transaction.

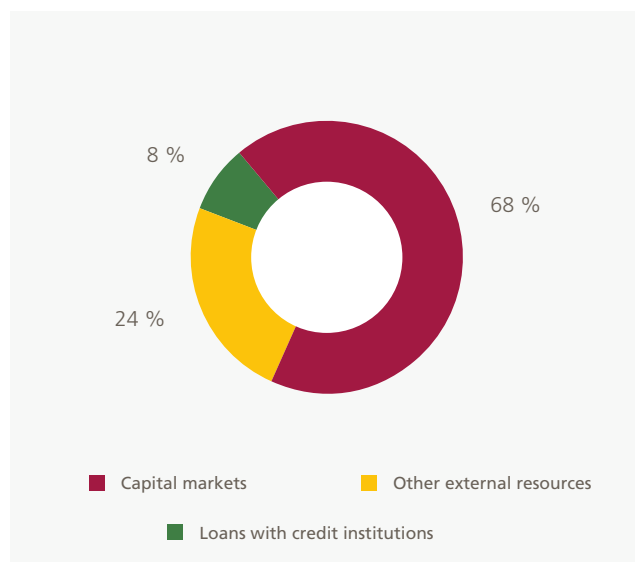
³ Figures expressed at face value.

04. Performance and sustainability contribution / 04.1. Financial contribution

Depending on the type of financial instrument, the €4,582 M of financial debt is classified as:

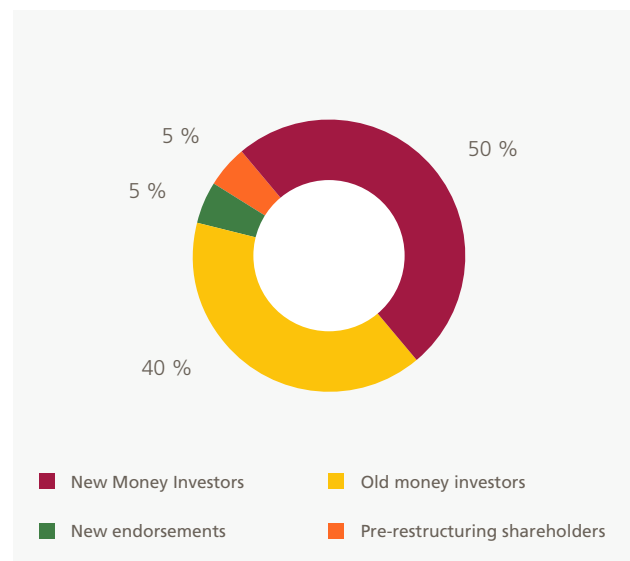
- **Loans with credit institutions:** consisting of new loans signed mainly with credit institutions as "New Money" and "Old Money".
- **Capital markets:** mainly consisting of new bonds issued as "New Money" and "Old Money".
- **Other external resources:** mainly includes non-recourse project financing, endorsements and financial guarantees executed.

Funding Percentage



Ownership structure

The new ownership structure resulting from the March 2017 financial restructuring was as follows: 102-5, 102-7



Abengoa is a listed company with share capital of €36,865,862.173, represented by 18,836,119,300 shares fully subscribed and paid up, belonging to two different classes:

- **Syndicate of minority shareholders** of Abengoa S.A with 21.401 %⁴.
- **Secretary of State for Trade – Ministry of Economy, Industry and Competitiveness** with 3.152 %.

Abengoa is a listed company with a share capital of 36,865,862.17, represented by 18,836,119,300 shares, fully subscribed and paid-up shares, belonging to two different classes classes:

- 1,621,143,349 Class A shares⁵, with an individual nominal value of €0.02, which individually confer 100 votes.
- 17,214,975,951 Class B shares⁶, with an individual nominal value of €0.02, which individually confer one vote.

Class A and class B shares are officially traded on the Madrid and Barcelona Stock Exchanges and on the Spanish Stock Exchange Interconnection System (continuous market)⁷. Class A shares have been admitted to be traded since November 29, 1996 and Class B shares since October 25, 2012.

At present, Abengoa S.A. shares, both Class A and Class B, are suspended from trading on the continuous market. On July 14, 2020, the National Securities and Exchange Commission agreed upon the precautionary suspension to trade the shares due to circumstances that could interfere with the normal development of the operations regarding the securities.

⁴ Data updated at the date of issue of this report.

⁵ Class A shares: with 100 votes per share.

⁶ Class B shares: with one vote per share.

⁷ Note 6 Spanish Stock Market Interconnection System (SIBE): an electronic platform for trading national stock exchange equities that provides real-time information on the activity and trend of each security.

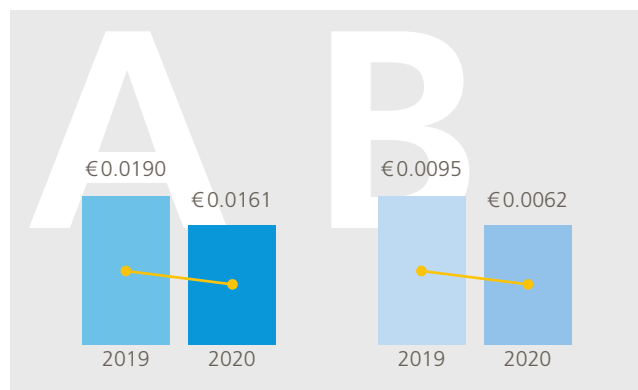
04. Performance and sustainability contribution / 04.1. Financial contribution

Stock market evolution

The stock market evolution of Abengoa's shares during 2020 was determined by the implementation of the restructuring processes completed in March 2017 and April 2019 and by the effects caused by COVID-19.

According to data provided by the Spanish Stock Exchanges and Markets (BME, for its acronym in Spanish), in the financial year 2020 and until the date in which the trading of shares was suspended by the CNMV, on July 14, 2020, a total of 1,391,167,248 Class A shares and 21,793,694,463 Class B shares of the company were traded, representing an average daily trading of 10,229,170 Class A shares and 160,247,753 Class B shares. The average volume of cash traded was €0.2 million per day for Class A share and €1.1 million per day for Class B share.

Abengoa's last share price for the financial year 2020 was €0.0161 per Class A share, 15.3 % lower than at the end of financial year 2019, and €0.0062 per Class B share, 34.7 % lower than at the end of the financial year 2019.



Since it started trading in the Stock Market on 29 November 1996, the company's value has been devaluated 37 % compared to its initial value. During this same period, the selective IBEX-35 has been revaluated.

Transparent communication 102-34, 102-44







The **continuous increased information offered** to stakeholders **is key** for Abengoa, as it ensures that all interested parties have all the necessary information in order to carry out a full analysis of the economic and financial, social and environmental performance of the company. The improved information, providing **content that is increasingly more complete and appropriate to the needs and circumstances**, strengthens relationships while improving the channels of dialogue to provide a greater flow of information.

This commitment becomes even more relevant considering the company's delicate situation in recent years, and the major impact that this situation has had on its stakeholders. Due to the

particular circumstances, roadshows or Investor Days have not been held; in fact, the last was held in October 2019.

Additionally, during 2020 around thirty **telephone** meetings were held **with investors**, both shareholders and financial creditors.

Throughout this time, the company has continued the efforts initiated in 2016 to keep its investors, creditors and shareholders informed about the progress of the financial restructuring and to explain the details, as well as the impact generated on its investments in Abengoa. To this end, the following actions have been carried out:

 <p>Telephone conferences</p> <p>Three conferences were held via webcast to submit the 2019 financial results and the updated business plan; for the presentation of the Restructuring operation and the presentation on the equity situation of Abengoa S.A.</p>	 <p>Telephone support</p> <p>Telephone support to all shareholders, bondholders and bond custodian entities with doubts regarding the restructuring processes and any other concerns.</p>	 <p>Entities of analysis</p> <p>Very limited communication with analysis agencies, many of which ceased to cover Abengoa due to the company's situation. None of these entities closed the year with a positive recommendation.</p>
 <p>Institutional investors and shareholders</p> <p>Several meetings with investors, both shareholders and financial creditors.</p>	 <p>Shareholders' Website</p> <p>Number of visits to the shareholders' website: 112,506, equivalent to 26 % of total visits.</p>	 <p>Shareholders' Mailbox</p> <p>Management of around 1,199 requests through the shareholders' mailbox.</p>

04. Performance and sustainability contribution / 04.1. Financial contribution

The main doubts and questions received from stakeholders in the shareholder mailbox and through telephone queries have been related to:

- Restructuring completed in April 2019: exchange of debt instruments for new convertible instruments and conditions.
- Financial results throughout the year.
- Business Plan Updated in May 2020.
- Financing agreement signed in May 2020: content of the agreement, effects and endorsement process for financial creditors.
- Equity Situation of Abengoa S.A.
- Extraordinary General Meeting of November 2020.
- Extraordinary General Meeting of December 2020.
- Performance of warrants (stock purchase rights) delivered free of charge to shareholders in 2017.
- Suspension of share trading from July 2020.
- New contracts.

The Shareholders and Investors section of Abengoa's website is the most visited section, representing approximately 26 % of the

total visits within the main sections of the website as a whole. Within this section, interested parties are able to find a large amount of relevant information, the most significant being:

- Sections devoted to financial restructurings in 2017 and 2019.
- Privileged information and other communications to the CNMV.
- Economic information.
- Annual report.
- General Shareholders' Meeting and Shareholders' Forum.
- Presentations.
- Information about the share (Abengoa at the stock exchange).
- Fixed income and bonds.
- Investors' agenda.
- Structure of governing bodies.

Among all these aspects, the much more most visited sections were the "Privileged Information and other Communications to the CNMV", "General Meetings and Shareholders' Forum" and "Financial Restructuring Processes of 2017 and 2019".

Socially responsible investor market

Throughout 2020, Abengoa has continued to work in the ESG (environmental, social and governance) field as a guarantee for long-term growth. Its success in this area was reflected in 2019 with the Ecovadis silver medal award, as a symbol and recognition of good sustainability policies.

Likewise, Abengoa has returned to the renowned **CDP (Carbon Disclosure Project) index** after more than five years of absence. The company has been granted a **B rating** in the climate change benchmark questionnaire and an **A rating in the Supplier Engagement Rating (SER)**, which measures the degree to which organisations engage their suppliers in the fight against change climate. These ratings position the company among the world leaders in climate action.



04.2

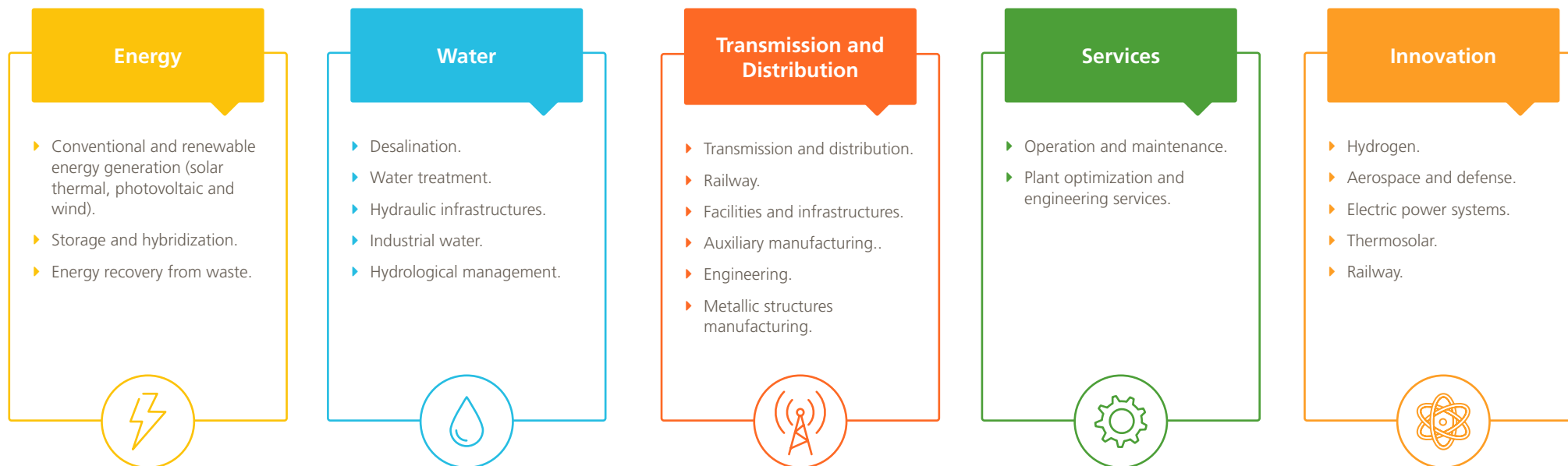
Industrial contribution



04. Performance and sustainability contribution / 04.2. Industrial contribution

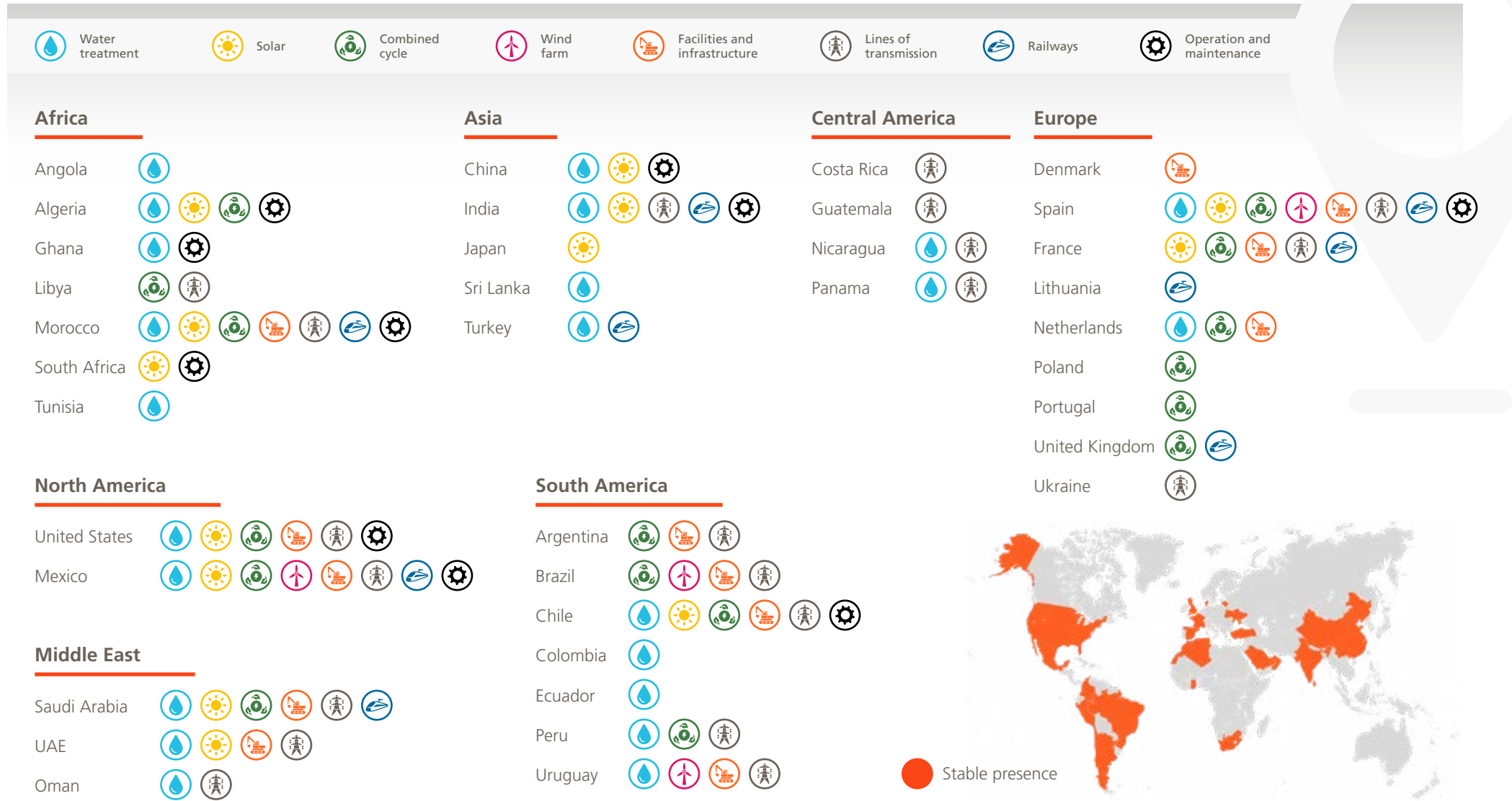
Projects in which the company works

Abengoa began operating in 1941 focused on projects and technical studies, as well as electrical assemblies. Since then, 80 years later, the company has developed its main activity around engineering and construction projects in four fundamental areas: water, energy, transmission and infrastructures and services. All this, with R&D as a distinguishing driving force.



04. Performance and sustainability contribution / 04.2. Industrial contribution

Following an international expansion which started in the 1960s, Abengoa has a stable presence in the following geographical areas, which are of a strategic importance for the company: These are South America (Argentina, Brazil, Chile, Peru and Uruguay), North America (United States and Mexico), Europe (Belgium, Denmark, France and the United Kingdom), Africa (Algeria, Ghana, Kenya, Morocco and South Africa) and the Middle East (Saudi Arabia, United Arab Emirates, Oman and Qatar).



04. Performance and sustainability contribution / 04.2. Industrial contribution

Projects by areas of activity

By areas of activity, these are the main milestones achieved by the company in 2020.

1 Desalination



In 2020 Abengoa was awarded numerous international desalination awards and continued to lead the world rankings in this industry. The Jubail 3A desalination plant in Saudi Arabia was likewise awarded, which will have a production capacity of 600,000 m³/day. At the end of this same year, it reached 80 % progress in the execution of the desalination plant of Rabigh III, also of 600,000 m³/day, in Saudi Arabia, and began the tests of operation and the production of water in the Salah desalination plant, in Oman, from 113,500 m³/day. Additionally, it continued with the construction of the Taweelah desalination plants (909,000 m³/day) in the United Arab Emirates, Agadir (275,000 m³/day) in Morocco, and Sousse (50.000 m³/day) in Tunisia.

2 Water treatment



Thanks to its wide experience in both water purification and urban wastewater treatment and reuse, Abengoa leads the way in the "Top International Contractor 2020" ranking from ENR Engineering News-Record (ENR), the reference platform in the construction industry, in the Treatment and Desalination category.

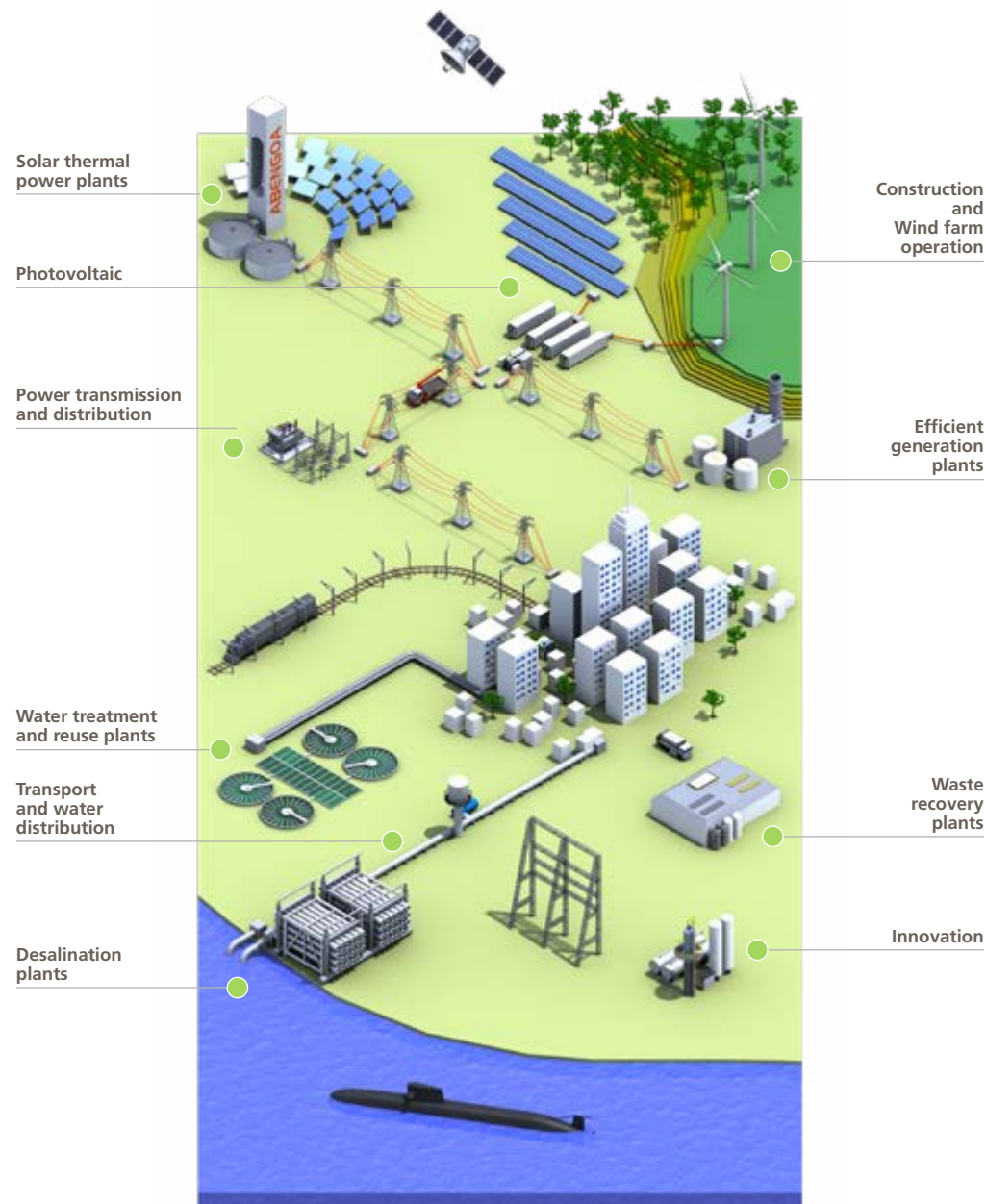
In 2020, the company continued with the construction of two purification projects in India, Nasrullaganj and Maheshwar, which will improve sanitation for nearly 55,000 inhabitants.

3 Water infrastructure



In its 75-plus years of experience, Abengoa has developed more than 40 pumping stations, more than 1,100 km of large pipelines for water regulation, transport and distribution has irrigated or modernized more than 500,000 ha and has installed more than 400 MW in built, upgraded or modernised hydroelectric plants.

In 2020, Abengoa Started to work on the irrigation network corresponding to the desalination project in Agadir (Morocco), which will ensure the irrigation of 15,000 ha in the plain of Chtouka using desalinated seawater. This project includes the construction of a desalination plant, considered the largest for the combined use of drinking water and irrigation.



04. Performance and sustainability contribution / 04.2. Industrial contribution

4 Industrial water



Abengoa has more than 35 years of experience in the treatment of process and wastewater, reuse and Zero Liquid Discharge (ZLD), in industrial sectors such as power generation, steel production,

paper industry, leachate, oil and gas, petrochemical, pharmaceutical, mining and food, among others, exceeding 650,000 m³/day of global treatment capacity. In 2020, it has continued the construction of the reverse osmosis desalination plant at the industrial complex of Emirates Global Aluminum in Jebel Ali, which will have the capacity to produce more than 47,750 m³/day of drinking water and water for the industrial use of the complex.

5 Solar thermal



Abengoa is an international leader in solar thermal energy, with a total capacity of 1.9 GW in plants developed, designed, built and/or operated on four continents, representing approximately 30 % of the total

world capacity. This fact has made Abengoa rank fourth in the Top International Contractor 2020 ranking, in the solar sector, published by the prestigious magazine Engineering News-Record. In 2020 Abengoa carried out the receiver hoisting and the melting of more than 46,000 tons of salts in the first solar thermal tower plant in Latin America, 110 MW solar thermal tower plant being built for EIG Global Energy Partners on the Cerro Dominador platform in Chile. It likewise completed the first solar field of the three parabolic trough plants of 200 MW each corresponding to the Noor Energy I project, which is being developed in Dubai for phase IV of the Mohammed bin Rashid Al Maktoum Solar Park, the largest solar complex in the world.

6 Conventional generation



Abengoa ranks third among the main cogeneration contractors in the Top International Contractor 2020 ranking of the Engineering News-Record magazine since it has an installed capacity of more than 9 GW in simple and combined cycles, simple to combined cycles conversion, engineer plants and cogeneration. In 2020 construction work continued on the combined cycle

of what will be the largest solar-gas hybrid plant in the world,, the Waad Al Shamal plant, which will produce a total of 1,440 MW of energy.

7 Wind



Abengoa has been involved in projects related to the wind energy industry for more than 35 years, accumulating experience with more than 480 MW worldwide. It provides services for the entire life cycle of the project, from resource study, optimization and selection of turbines, through detailed engineering, logistics, construction and operation of the wind farm.

8 Photovoltaic



With more than 500 MWp installed in photovoltaic solar energy and close to 30 years of experience in this sector, Abengoa was granted in 2020 important awards in Spain for Iberdrola, in consortium with FCC Industrial, which together amount to 339 Mw.

9 Waste to energy and biomass



Abengoa designs, builds and operates innovative facilities to produce renewable and sustainable energy in the form of heat, cold, electricity or fuels from all types of waste and biomass. In 2020, it has continued with the construction work of the Sierra Biorefinery, the first plant to produce biofuels for transportation from municipal solid waste in the US.

10 Storage and technology hybridisation



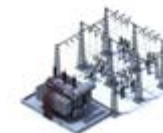
Abengoa is an integral supplier in energy storage, as it not only has the largest thermal energy storage portfolio in the world, with more than 6,000 MWht of capacity installed, but also has solutions based on lithium-ion batteries.

11 Innovation



One more year, Abengoa continues to further develop the technologies to maintain its competitive differences in the demanding markets of renewable energies, aerospace and defence. In this sense, it is worth mentioning, among others, several innovation projects in supercritical CO₂ (CSP), in frequency and voltage regulation of the grid (batteries), AIP system of the S80 submarine (defence) and external habitability (aerospace), which will be described at greater length in later sections.

12 Power Transmission & Distribution



Abengoa has more than 70 years of experience in industrial and infrastructure engineering, construction and maintenance in the energy, industry, environment, transport and development of electrical transmission and distribution lines, railway electrification, facilities and infrastructure of all kinds of plants and buildings, as well as auxiliary electrical, electronic and metallic structure manufacturing.

 Energy



▶ Abengoa has a portfolio of conventional and renewable energy projects exceeding 13 GW installed and under construction.

In recent years, the energy generation industry has undergone a considerable evolution towards a greater use of renewable energies and important improvements in the field of storage. In this regard, Abengoa, throughout its history, has developed large projects based not only on the use of conventional generation technologies, such as combined cycles and cogeneration, but also on the use of renewable energies, through solar thermal and photovoltaic plants, wind farms and waste and biomass energy recovery plants, exceeding in total 13 GW installed and under construction.

Its extensive, specialised and competitive know how of this industry, and its proven experience in benchmark projects place Abengoa at the forefront in hybridisation of technologies and in storage, ensuring the provision of clean, manageable energy as well as decarbonisation responses to its customers.

In this regard, the company offers turnkey solutions, ranging from development, engineering, purchasing, construction and commissioning, to plant operation and maintenance.

▶ Renewable energies, storage and hybridisation



▶ Abengoa ranks fourth in the international ranking of contractors in the solar sector, according to ENR magazine.

Abengoa is an international leader in solar thermal energy, due to its own technology and a total capacity of 1.9 GW in plants developed, designed, built and/or operated on four continents. This capacity, representing approximately 30 % of the world total, has ranked the Company fourth in the Top International Contractor 2020 ranking in the solar industry, annually prepared and published by the prestigious Engineering News-Record (ENR) magazine.

Specifically, in terms of solar thermal tower technology, Abengoa pioneers the construction of plants for commercial operation, with more than 130 MW in operation and 110 MW under construction. This technology is based on the concentration of solar energy, captured by a field of heliostats, in a receiver located at the top of a tower.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Likewise, it has extensive experience in solar thermal technology with parabolic trough collectors, with plants exceeding 1,600 MW in operation and 650 MW under construction. In this case, the energy is captured through a collector which heats a heat transfer fluid to use heat in a conventional thermal cycle.

Its commitment to decarbonisation has led Abengoa to develop its own solar heat technology for high-temperature heavy industrial processes, based on the use of parabolic trough solar thermal energy with integrated thermal storage, thus meeting the needs of strategic industries which require reliable technologies.



► Abengoa's portfolio of photovoltaic projects is around 800MWp.



► Abengoa and FCC are building the largest photovoltaic project in Europe in Cáceres (Spain).

In terms of photovoltaic solar energy, and with almost 30 years of experience, Abengoa is considered a benchmark due to the construction of plants around the world, totaling more than 500 MWp installed and which will reach close to 800 MWp once the portfolio under execution is completed.

In 2020, Abengoa achieved significant successes in the photovoltaic industry, and was awarded three projects in Spain, in consortium with FCC Industrial, for Iberdrola: the 50 MWp Barcience plant in Toledo; the Puertollano plant, in Ciudad Real, with 100 MWp; and the Francisco Pizarro project, in Cáceres, where Abengoa is participating in the construction of 189 MWp which will be the largest photovoltaic project in Europe.

In terms of energy storage, Abengoa has consolidated as a comprehensive supplier with the largest installed portfolio of thermal energy storage in the world, with more than 6,000 MWh of capacity, using molten salts, apart from lithium-ion batteries for rapid response management.

In terms of its ongoing projects, in 2020 Abengoa continued with the construction, in consortium with Acciona, for EIG Global Energy Partners, of the first solar thermal tower plant in all Latin America, in Chile, part of the Cerro Dominador platform, with 110 MW, and in which two very important milestones were reached. The first one, the hoisting of the receiver, which has become the first manoeuvre carried out in the world in this type of project. Taking into account the weight of the receiver (2,300 tons), it was built at the foot of the plant and later taken to the top of the tower, 250 meters high.

The second milestone was the fusion of more than 46,000 tons of salt from the Atacama desert, which will allow the energy captured throughout the day to be stored for up to 17.5 extra hours, which will allow the plant to generate clean energy in a manageable way, 24 hours a day.

04. Performance and sustainability contribution / 04.2. Industrial contribution



► Hoisting the receiver of the Cerro Dominador solar thermal plant.

This solar thermal plant, together with the 100 MW photovoltaic plant built and commercially operated by Abengoa in 2017, and a 4 MWh battery storage system, will constitute the first renewable energy complex in the world combining the three technologies which will have a total capacity of 210 MW.

In Dubai, in the Noor Energy I project, Abengoa completed the first solar field of the three parabolic trough plants of 200 MW each, which it is developing for phase IV of the Mohammed bin Rashid Al Maktoum Solar Park which will be the largest solar

complex in the world. The collectors installed in these plants, the so-called Spacetube 8.2++, are part of a new generation of large-opening parabolic trough collectors developed by Abengoa and previously used by the company in plants such as Xina Solar One, in South Africa. It is the commercial collector with the largest opening on the market and whose innovative design has resulted in significant improvements in its optical performance and assembly optimisation, as well as reducing manufacturing and installation costs.



► Abengoa has completed the construction of a parabolic trough solar field for the largest solar complex in the world, in Dubai.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► Conventional generation

Internationally acclaimed for its capabilities in conventional energy generation technologies, Abengoa ranks third among the main cogeneration contractors in the above mentioned Top International Contractor 2020 ranking, from ENR magazine. In this area, Abengoa has an installed capacity of more than 9 GW in simple and combined cycles, conversion from simple to combined cycles, engine plants and cogeneration plants. Of the 9 GW, 1.4 GW are under construction and are fully part of the Waad Al Shamal plant in Saudi Arabia, a combined cycle which will be part of what will be the largest hybrid solar and gas power plant in the world. Additionally, this plant has a 50 MW parabolic trough collector solar field.

► Waste to energy and biomass



► Sierra Biofuels will be the first plant in the United States to produce biofuels for transportation from municipal solid waste.

For Abengoa energy recovery represents its commitment to eliminating waste and to reducing the use of fossil fuels. Therefore, it designs, builds and operates innovative facilities to produce renewable and sustainable energy in the form of heat, cold, electricity or fuel from all types of waste and biomass.

and approximately 42 million litres of synthetic crude will be produced.

📄 More information about this plant on [page 112](#)

In 2020, Abengoa continued with the construction works of the Sierra biorefinery. This will be the first plant to produce biofuels for transportation from municipal solid waste in the United States. 175,000 tons of waste will be annually processed

 Water



▶ Abengoa has received a special recognition as “Desalination Company of the Year” at the Global Water Awards (GWA).

Abengoa is a global technological operator in the water industry, an international leader, due to the development of large desalination projects, urban and industrial purification, purification and hydraulic infrastructures, for public institutions, private and industrial clients. These projects integrate development, engineering, supply, construction and start-up activities, as well as operation and maintenance services.

With more than 65 years of experience in this industry, Abengoa has a highly qualified team applying the most innovative and efficient designs, offering its clients solutions tailored to their needs and with the lowest investment and operating costs, being positioned as one of the main companies in the industry in terms of portfolio, engineering and technology.

▶ **Desalination**

Reverse osmosis desalination is an increasingly competitive and effective technology to obtain drinking water from sea or brackish water in regions in which water resources scarcity poses a great challenge to life and to the normal development of the communities inhabiting there. Abengoa is a leader in the desalination industry with the capacity to produce a total of 1.8 million m³/day of desalinated water, which will be increased to 4.3 million m³/day when completing the portfolio of ongoing projects. This is endorsed by the international recognitions received in 2020:

- Special Highly Commended recognition as “Desalination Company of the Year”, in the Global Water Awards (GWA), promoted by the prestigious publication of the water industry, Global Water Intelligence (GWI). This recognition has been the result of Abengoa’s achievements during this year, not only for the desalination projects awarded, but also for

the optimal evolution of all under construction, as well as the plants in which it provides operation and maintenance services.

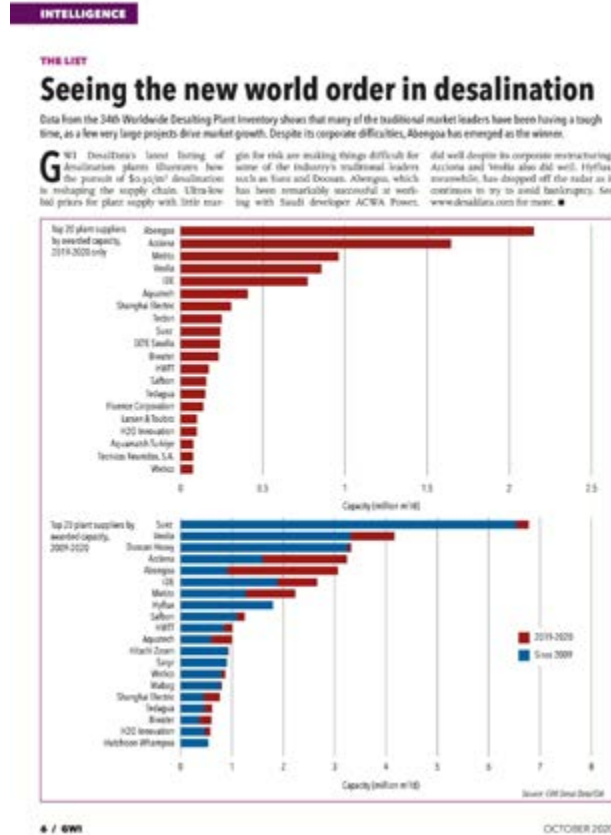
- The Shuaibah desalination plant in Saudi Arabia, with a capacity of 250,000 m³/day, has received recognition from several international institutions, such as the GWI, which has awarded the plant a GWA in the “Desalination Plant of the Year” category; or the Middle East market intelligence platform, MEED, which has awarded it as “GCC Water Project of the Year”. Inaugurated in July 2019, the Shuaibah desalination plant started to be commercially operational ahead of schedule, meeting the deadline committed by the construction consortium, after only 21 months from the start of construction, setting a new record for large reverse osmosis plants. In 2020 this plant celebrated its first year since its start-up, having supplied 87 million cubic metres of drinking water for human consumption to that date.



▶ Shuaibah, “Desalination Plant of the Year” 2020 at the Global Water Awards.

04. Performance and sustainability contribution / 04.2. Industrial contribution

- Abengoa likewise ranks first among the main companies in the industry for its contracted desalination capacity in 2019 and 2020, and fifth since 2009, according to the IDA Water Security Handbook 2020-2021 and the GWI.



- Abengoa ranks first in the international desalination plant contracting ranking 2019-2020 (IDA Water Security Handbook).

Of note among its main achievements in 2020 was the award of the Jubail 3A desalination plant in Saudi Arabia. This plant, which will guarantee the supply of drinking water to the Eastern, Riyadh and Qassim provinces throughout the year, will have a capacity of 600,000 m³/day and includes the construction of a photovoltaic solar field allowing it to sustainably reduce the energy consumption of the desalination plant network.

By the end of 2020, Abengoa was building plants with a total production capacity of 2.5 million m³/day of desalinated water. The Rabigh III desalination plant, which, with 600,000 m³/day capacity once completed will be the largest in the country with reverse osmosis technology, reached 80 % completion by the end of 2020. Additionally, its projects currently in progress include some milestones in the international industry, such as the world's largest reverse osmosis desalination plant, located in the Taweelah power and water generation complex in the United Arab Emirates, with a production capacity of 909.000 m³/day.



- Abengoa continues to make progress in the construction of Rabigh III, which will be the largest desalination plant in Saudi Arabia.

Other projects to continue under construction during 2020 were the Agadir desalination plant, with 275,000 m³/day in Morocco and the Sousse plant, with 50,000 m³/day, in Tunisia.

At the end of 2020, the Salalah desalination plant started operating tests and water production. This plant, with a capacity of 113,500 m³/day, will boost the supply of drinking water to the southern region of Oman and has been a major challenge for the company from the point of view of its design and construction, as it is able to adapt to the changing climate conditions in the area and, specifically, to the worsening seawater quality.



- The Salalah desalination plant has been a major technological challenge for the company.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► In 2018, Abengoa received the final acceptance for the Barka desalination plant (Oman)

Abengoa develops sustainable solutions for water treatment, both in water purification, with the capacity to supply more than 11 million people around the world, and in urban wastewater treatment and reuse, serving more than 6.5 million people. It has ranked first in the “Top International Contractor 2020” ranking of ENR, a benchmark platform in the construction industry, in the Treatment and Desalination category.

In central India, Abengoa continued in 2020 with the construction of two purification projects, Nasrullaganj and Maheshwar. Both include treatment plants and sanitation networks that in total will have the capacity to treat 10.000 m³ of wastewater a day. These plants will reduce the discharge of untreated wastewater into natural channels, thus improving the sanitation of nearly 55,000 inhabitants.

► Cerrato hydroelectric plant

Abengoa is a specialist in hydraulic engineering and has more than 75 years of experience in which it has developed more than 40 pumping stations, more than 1,100 km of large pipelines for water regulation, transportation and distribution, has irrigated or modernised more than 500,000 ha and has installed more than 400 MW in built, improved or modernized hydroelectric plants.

In 2020, Abengoa started working on the irrigation network for the desalination project in Agadir (Morocco), a milestone that included the visit of King Mohammed VI. This project includes the construction of a desalination plant, considered the largest for the combined use of drinking water and irrigation, with a capacity to produce 275,000 m³ of desalinated water a day. The irrigation network will consist of 22 km of general pipeline, five pumping stations, two ponds regulating 10,000 m³, a pipeline distribution network of 487 km and a connection network of

300 km, which will serve 1,300 irrigation terminals. This network will ensure the irrigation of 15,000 ha in the Chtouka plain using desalinated seawater, which will avoid the existing problems due to overexploitation of groundwater in the area and will benefit the economic development of the region.



► Abengoa has started working on the irrigation network for the Agadir desalination plant.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► Industrial water



► Abengoa has more than 35 years of experience in industrial water treatment.

Abengoa has more than 35 years of experience in industrial water treatment, throughout which it has specialised in different industries, such as power generation, steel production, paper industry, leachate, oil and gas, petrochemical, pharmaceutical, mining and food, among others. Abengoa is highly specialised in the treatment of process and waste water, reuse and Zero Liquid Discharge (ZLD), reaching a global capacity of more than 650,000 m³/day.

In 2020, Abengoa continued to work on the construction of the reverse osmosis desalination plant at the Emirates Global Aluminum industrial complex in Jebel Ali. This plant will have the capacity to produce more than 47,750 m³/day of drinking water and water for industrial use in the complex.

On the other hand, the process water treatment and wastewater treatment plants being built by Abengoa at the Norte III combined cycle power plant in Mexico passed the start-up and operational testing phase. These plants, which have an overall treatment capacity of 1,700 m³/day, supply the different uses of the power plant, treating the discharges to an almost "Zero Liquid Discharge".

Abengoa likewise developed throughout 2020 the evaluation and determination of operational improvements of the Hornillos de Eresma slurry treatment plant for Naturgy, in Valladolid (Spain).



Transmission and Infrastructure (T&I)



► Abengoa celebrates eight decades dedicated to developing transmission and infrastructure work.

From its Transmission and Infrastructure (T&I) area, Abengoa has spent 80 years dedicated to engineering, construction and maintenance of facilities and infrastructure in the energy, industry, environment, rail and telecommunications industries. This vertical, which dates back to the 1940s and represents the company's original activity, has been operating for eight decades. Its activities currently cover all products in the electrical transmission and distribution industry, electrification and conventional and high-speed rail installations and infrastructures for all types of industrial plants and buildings, as well as the auxiliary manufacture of electronics and metal structures.

► Transmission and Distribution (T&D)



► Abengoa is an international leader in transmission and distribution with more than 27,000 km of lines and more than 330 substations built in the last 15 years.

In 2020, work was successfully completed in Spain with the transmission electrical grid operator, Red Eléctrica España (REE), on the Güeñes-La Jara and Belesar-Lomba lines, both 220 kV, and also for the 400 kV Itxaso-Güeñes line. Likewise, work began on the 400 kV Baza-Caparecena line.

A very significant milestone was the award of the multi-year framework contract to increase capacity and lay fiber optics, also for REE.

In France, work continues steadily and relentlessly for transmission electrical grid operator (Réseau de Transport d'Électricité, RTE), which includes the engineering and construction, assembly and dismantling of overhead and subway

high-voltage lines, as well as substations, under the high-voltage framework contract which has been regularly renewed for more than 20 years.

In Belgium, a first homologation test has been completed to start working with ELIA, the transmission grid operator.

In Ukraine, the 750 kV Zaporizhzhia-Kakhovska high-voltage line has been successfully energized.

In the Emirates, several sites in the northeast and west coastal areas of Abu Dhabi have been covered for the high-voltage network operator, Transco.



► Abengoa is working on several transmission and distribution projects for the Abu Dhabi high-voltage operator, Transco.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► **Railways**

In Spain, Adif continued with the maintenance of the high-speed lines Antequera-Granada, Madrid-Zaragoza-Barcelona-French border, Madrid-Alicante, Madrid-Córdoba-Málaga-Seville, Madrid-Toledo and Madrid-Valladolid. The maintenance of conventional railway lines and substations in the central (Madrid-based) and northeastern (Barcelona-based) areas has likewise been contracted and work has begun in both areas.

Work continues on the electrification of the Madrid-Levante high-speed line on the section to Murcia, a highlight being the starting-up of a first phase to Orihuela. The installation and maintenance of the protection, safety and telecommunications systems in the Pajares tunnel are still in progress.



► Abengoa is an international leader in catenary, substation, communications and auxiliary installation activities.

In the United Kingdom, and within the framework agreement of the company in the Anglian region, the design and assembly of the Bulls containerized substation has been successfully completed. Lodge feeder station. Likewise, Abengoa has been awarded a new contract to install harmonic filters in the above mentioned substation, providing first hand support to the customer in a technology being implemented for the first time in these substations.

In France, work has resumed on traction substations for the French railway operator.



► Abengoa is working on a railway electrification project in Lithuania to connect the country from east to west.

In Lithuania, the company has started the electrification project for the Vilnius-Klaipeda rail corridor, comprising more than 730 km, six traction substations and eight intermediate auto-transformer centres (ATCs). This project connects the country from east to west, allowing electric trains to run from the border with Belarus to the port of Klaipeda, which is one of the main freight movement axes of the Baltic countries and a key strategic objective to develop the railway industry in Lithuania. The socio-economic benefits expected from reducing pollution by eliminating the current diesel locomotives will be tremendous.

In Saudi Arabia, the Mecca-Medina high-speed train is already operational, under restricted operation, and Abengoa has contributed to its electrification as one of the members of the Spanish consortium that has implemented this emblematic project, having started the pre-commercial operation and maintenance works.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► Facilities and Infrastructure (F&I)



► Abengoa is responsible for the integral maintenance of the electromechanical installations of the Lagoh shopping and family leisure centre (Seville).

In Spain:

- Start of construction work on a new operational technical building in Torrejón de Ardoz, Madrid, for Enaire.
- Electromechanical assembly and civil engineering works for the Barciencia, Puertollano and Pizarro photovoltaic plants of Iberdrola were contracted and started.
- Work started on the auxiliary systems at the Morón de la Frontera Base, in Seville.
- The fibre optic piping project for the Bizkaia Transport Consortium was contracted.

- The integral maintenance of the electromechanical systems of the Lagoh shopping and family leisure centre in Seville was renewed for another one-year term (renewed for the second time).
- Maintenance work on the mechanical systems of Universidad Loyola de Andalucía, in Seville.
- Renovation and extension work continues on the San Pablo Airport Terminal building in Seville.
- Work has continued with Airbus on low-voltage installations at the Puerto Real factory in Cádiz.

- Work continues on voice and data installations for new stores, renovation of existing stores and logistics centres at the largest supermarket chain in Spain.
- Electrical maintenance and instrumentation work continues at the power generation plants of Almaraz (Cáceres) and Trillo (Guadalajara).
- Electrical maintenance work continues at the Sabic factory in Cartagena.
- Work with telecommunications operators in Navarra continues to progress at a good pace, as well as the deployment of mobile telephony, radio and fibre optics, installations of telecommunications structures and GSM-R.
- And work continues on the construction of the new building for the Mutua Universal Assistance and Administrative Centre in Malaga.



► Abengoa continues with the refurbishment and extension of the San Pablo Airport Terminal building in Seville (Spain).

In France, in the town of Cadarache, Abengoa is participating once again in the design and installation of two 400/22 kV substations within the ITER complex (International Thermonuclear Experimental Reactor).

04. Performance and sustainability contribution / 04.2. Industrial contribution

► Engineering

Important Milestones achieved in 2020:

- T&D Projects:
 - › Engineering work continues on the 220 kV Belesar-Lomba high-voltage power line.
 - › Development of 132 kV overhead-underground high voltage 132 kV Pinar del Rey junction line (Cádiz).
 - › Constructive engineering supervision of a 132 kV high voltage line at Belectric (Ciudad Real).



► Engineering works for the Vilnius-Klaipeda railway electrification project in Lithuania.

- Railway projects:
 - › Design engineering for the construction of six substations, eight auto-transformer stations and associated high-voltage lines for the Vilnius-Klaipeda project in Lithuania.
 - › Continued engineering work on catenary and substations for the electrification of the Mecca-Medina high-speed line.
 - › Catenary engineering for the electrification of the Monforte del Cid high-speed line is still progressing. – Murcia de Adif.
 - › Telecommunications system engineering for the Adif La Robla project.
 - › Electric traction simulation project for the Meca-Medina project (Haramain ASC) carried out with theALISproprietary simulation software.
 - › Simulation project Pantograph-Catenary studies for the Wales & Borders (Open Route Uplift).
 - › Design engineering for 1500 Vdc railway traction substations for SNCF Gerland and Egly substations.
 - › Catenary engineering in the United Kingdom for the Wales & Borders project, in which the following activities are being carried out:
 - Electrification Project. Route Section R2P.
 - Electrification Project. Route Section RS2THT. Treherbert to Trehafod.
 - Electrification Project. Route Section RS0CTL. Ninian Park to Radyr.
 - Electrification Project. Route Section RS1ABD Aberdare to Pontypridd.
 - › Engineering to design a harmonics system for the Beaulieu railway traction substation in the United Kingdom for Network Rail.

- Photovoltaic projects:



► Abengoa is developing the construction engineering for a photovoltaic plant in Barciencia (Toledo).

- › Photovoltaic engineering, substations and lines to develop a technical-administrative project for the Las Gabias 220 kV node (Granada).
- › Photovoltaic engineering, substations and lines to develop different technical-administrative projects for the Alhaurín 220 kV (Málaga), Pinar del Rey 220 kV (Cádiz), Nueva Casares 220 kV (Cádiz) and Cañuelo220 kV (Cádiz).
- › Constructive engineering for the photovoltaic generation project for the Barciencia (Toledo) and Puertollano (Ciudad Real) plants.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► **Manufacture of metal structures**



► Telecommunications towers for Los Belos transmission line (Teruel - Zaragoza), produced at the metallic structures factory, Eucomsa.

Abengoa manufactures meta frames at its Eucomsa centre, located in Utrera (Seville). It designs, manufactures and tests lattice towers for overhead lines and telecommunications, as well as structures for electrical substations and solar energy generation (parabolic trough collectors and heliostats). The resistance of these structures is likewise checked at the test station available at the factory. The milestones achieved in 2020 are as follows:

In Spain:

- The manufacturing of 66 kV towers for the Riocaya – Frontera Portugal line (Badajoz) and screeds for the Quel – La Serna and Aragón – Mequinenza lines (Zaragoza) has been completed
- Eucomsa's own design towers have been manufactured for the following lines:
 - Límite Baza 220 kV (Granada).
 - Las Majas VII – Las Majas VIID de 220 kV (Zaragoza).
 - Hilada Honda – Las Majas VIID de 30 kV (Zaragoza).
 - Los Belos 220 kV (Teruel y Zaragoza).

- REE towers have been manufactured for the line:
 - Lousame (A Coruña) – 400 kV tube (Pontevedra).
- Ongoing work on the current framework agreements in force with electric companies, under which supports have been manufactured for REE (220 kV and 400 kV) and Iberdrola (30 kV, 45 kV, 66 kV and 132 kV).
- The three-year framework contract for avifauna crossarms with Iberdrola is enforced. Crossarms arising from this framework contract are being manufactured.
- Work has continued on the manufacture of telecommunication towers for the following customers:
 - Adif (GSM-R system).
 - Telxius for mobile telephone operators.



► Manufacturing of telecommunications tower for mobile telephony in Spain.

04. Performance and sustainability contribution / 04.2. Industrial contribution

In Germany:

- The manufacturing of the 380 kV Altheim line has been completed. – St. Peter for Tennet.
- The manufacturing of the 330 kV line of the Ostbayernring project, section C (Redwith – Mechlenreuth) lot 2 for Tennet has been procured and started.

In Ireland:

- The manufacturing of 38 kV, 63 kV and 132 kV supports and cross heads continues to progress at a good pace, pursuant to the framework contracts in force with the electricity company operating in the country, the Electricity Supply Board (ESB). In addition, the seven-year framework agreement entered into with this entity for the design, testing and manufacturing of substation frames is in force. The design phase has begun.

In Sweden:

- The supports for the 130 kV Storskalsjon - Jenasen line have been manufactured.

In Chile:

- The supports for the 220 kV evacuation line of the Tchamma wind farm have been manufactured.



► Work on the evacuation line of a wind farm in Chile.

In Kenya:

- The design, testing and manufacturing of supports for the 132 kV Rabai – Kilifi and Voi – Taveta lines have been procured. The engineering has been performed, prototypes manufactured and tests carried out.

In Cameroon:

- The testing and manufacturing of supports for the 90 kV Bertoua line has been procured. Prototypes have been manufactured and tests have been carried out.

In Emirates:

- The supply of support structures for the parabolic trough collectors of the Mohammed Bin Rashid Al Maktoum plant (phase IV) continue.

South Africa:

- Spare parts for the parabolic trough collectors of the Xina Solar One plant have been manufactured



► Eucomsa has manufactured spare parts for the parabolic trough collectors of the Xina Solar One solar plant in South Africa.

► **Auxiliary electric and electronic manufacturing**

The outstanding milestones achieved in 2020 are as follows:

- Upgrading of Power Distribution Boxes (PDBs) and manufacturing of control electronics and protection modules for UK armoured defence vehicles. These works include wiring modifications, electronic components assembly, testing and functional trials.
- Continued manufacturing of urban traffic control regulating equipment for the domestic and international market.
- Continued manufacturing of access control machines and associated electronics for Metro Madrid and Euskotren.
- Manufacturing of ticket cancellation machines for Tuvisa.
- Manufacturing of control monitors.
- Manufacturing of inclinometers for heliostat positioning control at the Cerro Dominador and Mohammed Bin Rashid Al Maktoum solar thermal plants (phase IV).
- Continued work on the manufacturing of the harness for the central channel of the high-speed motors and on-board AC cabinets for the Talgo project F070.
- Manufacturing of AC, DC cabinets and on-board connection blocks for the Talgo project F073 (Egypt). In 2019, the pre-series and First Article Inspection (FAI) units were developed, and in 2020 the execution of the series has been undertaken.
- Manufacturing of control cabinets at Valvidriera.

04. Performance and sustainability contribution / 04.2. Industrial contribution



Services



▶ Abengoa has been providing operation and maintenance services in the energy, water and environment industries for more than 20 years.

Abengoa, with more than 20 years of experience in this field, carries out predictive, preventive and corrective operation and maintenance (O&M), using Computerized Maintenance Management System (CMMS) tools, in electric and thermal energy production plants (renewable and conventional), water and waste treatment plants and in hydraulic and environmental infrastructures. Operation and maintenance ensure that the assets function correctly throughout their life cycle. Additionally, Abengoa is responsible for the maintenance and operation of machinery and equipment to ensure maximum productivity, profitability and safety.

In this regard, the company has been internationally recognized for its leadership in this field, ranking sixth among the world's leading operators and constructors according to the "Internacional Contractor 2020" ranking, annually prepared and published by the prestigious ENR magazine.

Furthermore, Abengoa is positioned as leader in solar plant O&M due to the complete portfolio of tools developed by its R&D teams to provide the highest quality service, both in plant operation and in research centers. Thus, Abengoa, by becoming more actively involved in all phases of plant operation, achieves a higher level of vertical integration.

Designing and building with an operator's vision is a competitive advantage for Abengoa. O&M personnel, who are responsible for making continuous improvements in all plants by unifying and improving operating standards, work very closely with the centralized engineering department, enabling the plants operated by the company to achieve high levels of production and availability.



▶ Abengoa is the sixth company in the "Internacional Contractor 2020" ranking, prepared by the ENR magazine.

04. Performance and sustainability contribution / 04.2. Industrial contribution

In 2020, the global health crisis scenario due to the coronavirus pandemic and Spain being under a state of alarm, resulted in the Services vertical applying a series of preventive, training, informative and awareness-raising measures, which are still being applied today. A coronavirus prevention protocol has been drawn up, as well as specific contingency plans for each work center and plant. All this has allowed us to continue with the O&M work of the energy and water plants which, due to their essential nature, were required to remain active and in operation, always complying with the regulations and restrictions imposed in each individual country.

Specifically, this includes the six seawater desalination plants operated and maintained by Abengoa in Spain, Algeria and Ghana, which together produce more than 675,000 m³/day. Likewise, it has continued its activities in 15 solar thermal plants in Spain, Chile and South Africa; two solar-gas hybrid plants in Morocco and Algeria; a cogeneration plant in Mexico and a photovoltaic plant in Chile (part of the Cerro Dominador project), exceeding 2.30 GW in total.

In this regard, the Services company has more than eleven years of experience in the implementation and monitoring of maintenance management solutions in power plants with IBM Maximo Asset Management.

Additionally during 2020, Abengoa entered into a new five-year extension of the O&M contract for the 472 MW solar-gas plant (Ain Beni Mathar) with the Moroccan National Office of Electricity and Potable Water (ONEE). The plant has been under Abengoa's management since the beginning of its operation in 2010. ONEE's recurrent confidence in Abengoa is an endorsement of the company's track record in the industry. Moreover, the smooth performance of the plant consolidates its position in the international market.



► In 2020 Abengoa has entered into, with ONEE, a new extension of the O&M contract for the 472 MW solar-gas hybrid plant, Ain Beni Mathar (Morocco).

The company has likewise carried out maintenance work on the steam turbine both in Ain Beni Mathar and in Solaben 1 parabolic trough solar thermal plant (Spain). These operations were successful in terms of safety (no occupational accidents were recorded) and execution times, as well.

On the other hand, the company has supplied its customer Masdar for the Shams solar thermal plant with different services allowing improved performance of its operations.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Abengoa's presence

Abengoa's activity during 2020 was carried out mainly in the following geographical regions.

Argentina



► The 345 kV Altiplano switching station, with AIS and GIS technology and specific designs due to its location at 4,000 meters above sea level, became operational in 2020.

Operating in Argentina for more than 50 years, Abengoa is a benchmark in the transmission and distribution industry in the country, having built more than 1,500 km of lines and more than 25 substations.

The global health crisis, aggravated by the extended economic and financial crisis in the country, has caused further delays in major electricity transmission works during 2020, as was already the case in 2019.

Taking into account this stand-by, the company's search for new contracts in Argentina focused on private clients. In this context, Abengoa has signed four new contracts during 2020, including assemblies and laying on 500 kV and medium voltage lines.



► Maintenance work on an existing 550 kV line.

In this way, Abengoa's subsidiary in Argentina has carried out, for the first time in its more than half a century of history, maintenance works on an existing 500 kV line, operated by third parties.

Likewise, during 2020, progress was made in the execution of ongoing projects: the 500 kV 25 de Mayo transformer station, the 500 kV Vivotatá interconnection, and the medium voltage works for the lithium projects in northern Argentina. Moreover, the 345 kV Altiplano disconnecting station project was completed.

By 2021, the company estimates that the reactivation of major electric transmission works will be gradual, so it will continue to manage opportunities for both the public and private sectors.



► Placing spacers on 500 kV line laying, in the province of San Juan.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Brazil



► Abengoa has created a live line maintenance area (energized).

Abengoa has been present for over 20 years in Brazil, where it has a vast experience in the development of projects in transmission lines and electrical infrastructures, having built over 1,800 km of power lines and 30 substations.

2020 was set to be the first year of robust growth after successfully completing its restructuring process in 2019.

Nonetheless, the COVID-19 scenario has halted this growth, making 2020 a complicated year due to the fact that, despite having re-executed projects in the Brazilian transmission system, the global pandemic has not been an ideal scenario.



► The company has been awarded the civil works and assembly of the 500 kV Miracema substation.

In terms of the activity carried out by the company in 2020, the following should be highlighted:

- The renewal of the maintenance contracts for a five year term in which Abengoa, through its subsidiary Omega, will continue to carry out the maintenance of 3,500 km of power lines and 20 substations located throughout ten Brazilian states.
- The creation of a live line maintenance area, i.e., on energized lines, through this subsidiary, enabling maintenance work and modifications to be carried out on electrical installations without interrupting the service voltage.
- The equipment rental activity growth and the completion of its logistics center, located in Barreiras, in the state of Bahia.
- The award of a new contract to carry out the civil works and electromechanical assembly of the 500 kV Miracema substation in the state of Tocantins.

In the next years, Abengoa will face significant challenges in the country due to the fact that, despite the pandemic, Brazil will remain an attractive market in which the energy industry plays an essential role with major infrastructure investments expected.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Chile



► Abengoa's 220 kV line constructed for Arauco in its MAPA project.

During 2020 Abengoa had to face the outbreak of the COVID-19 pandemic in Chile, like across the rest of the world; therefore, in order to carry out the projects, all the necessary measures were taken to safeguard the health of all workers in each project. This has allowed us to continue with the activity in the country, having successfully completed the following projects:

- Change of 23 kV lines for Minera Escondida (BHP Billiton), enabling its expansion in mining operations. The project involved the relocation of four sections of transmission lines associated with the largest copper mining deposit in the world: La Escondida.
- Change of four 13.8 kV lines for AMSA Centinela - Tesoro Sur in phase 2. Specifically, the company was in charge of modifying the electrical infrastructure required for the exploitation of the Tesoro Sur mine for one of the main Chilean copper suppliers.
- Construction of two substations and a 220 kV line for Arauco, in its MAPA project. These works have allowed the client to increase its cellulose production and discharge surplus energy into Chile's national interconnected system.
- Works for the world's largest copper supplier, Corporación Nacional del Cobre de Chile (Codelco), for the supply lines for the Talabre wells in the Chuquicamata division and civil works on roads, electric fences, laying and replacement of

tailings transport pipes from the mine to the dam in the Andina division. In this same division, Abengoa has been selected to execute civil and piping works to facilitate the operation of the mining company.

- Construction of the 220 kV Malleco substation, owned by Transelec (the country's main electricity transmission company), which has enabled the improvement of Chile's energy distribution infrastructure; as well as the change of conductor on a 154 kV transmission line, approximately 20 km long, connecting the Maitencillo and Vallenar substations.



► During the last year, Abengoa completed the construction of the 220 kV Malleco substation.

Likewise, 2020 has enabled the company to consolidate its presence in the country thanks to new contracts such as those listed below:

- Construction of two new 33/220 and 110 kV lift substations to allow discharging the energy coming from the Mesamavida and Los Olmos wind farms, belonging to our client, AES Gener. Both projects are part of the client's plan to increase the number of renewable energy facilities to contribute to the sustainable growth of the region.
- Construction of the Nueva Chuquicamata substation for Engie, as well as the expansion of the Calama substation and the line connecting to the new substation (works carried out at 220 kV).

- Four new contracts for Transelec, highlighting Abengoa's excellent performance and the customer's trust in the company. They include the construction of the new Ancud substation, located in Ancud; the enlargement of the 220 kV Miraje substation, on which work began in 2020 and is scheduled for completion in 2021; the line that will connect the island of Chiloé with the mainland in Puerto Montt; and the construction of a new 220 kV switch substation in Los Ángeles area. The latter are scheduled to begin in 2021.



► Civil works on roads, electric fences, laying and replacement of transportation pipelines for Codelco in the Andina division.

All this has allowed Abengoa, for more than 30 years, to continue being a leader throughout Chile in the execution of projects, both for the large mining industry and for companies enabling the generation and distribution of energy and contributing to the development of the country. It is worth highlighting the importance of always applying the necessary measures to safeguard the health of all those who execute the projects on a daily basis. Therefore, the Chilean Chamber of Construction has awarded Abengoa in the Honor Roll in terms of Occupational Health and Safety, obtaining the highest category: six stars. This distinction recognizes those companies excelling in terms of occupational safety due to the fact that in the last three years, excellence has been achieved in accident rate indicators.

04. Performance and sustainability contribution / 04.2. Industrial contribution

United States



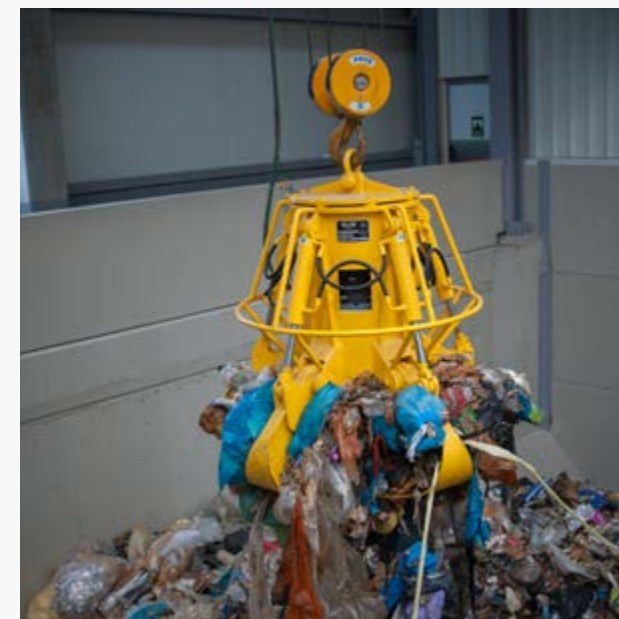
► Abengoa continued the construction of the Sierra Biofuels plant for Fulcrum during 2020.

2020 has been globally impacted by COVID-19 and, in this context, Abengoa's activity in North America has likewise been significantly impacted by this pandemic, as has been the case in most industries. Despite these circumstances, the engineering and construction activity has remained robust, especially in the works carried out by the company for the construction of the Sierra Biofuels plant in Fulcrum, located in the northern part of the state of Nevada.

This is a pioneering project as the plant will produce fuel from municipal solid waste (MSW), to be used in a more sustainable

aviation. Work carried out continue during 2021, with the plant expected to start commercial operation during this year.

Abengoa's participation in plants of this nature reinforces the company's strategic position in very demanding, high value-added projects, undertaking relevant technological and project management challenges. This experience will undoubtedly allow Abengoa to be a reference for future opportunities in the development of renewable biofuel plants, a growing market in the United States and with tremendous prospects for a short-term implementation in Europe.



► The Fulcrum plant will produce fuel from municipal solid waste.

At the same time, Abengoa has continued to collaborate with renewable energy project developers, especially in the solar energy industry. The portfolio of projects executed in the United States and worldwide consolidate the company as a major player in the industry in terms of engineering capabilities and execution of turnkey projects. A commercial development plan in the water industry has likewise been implemented in this market, aimed to strengthen the company's presence in this market. Therefore, the important contracts secured in areas such as the Middle East have been taken as a reference. It is expected that the activity developed during 2020 will pay off in the coming years, with new contracts to execute projects in the above mentioned industries.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Mexico



► Abengoa has been in Mexico for 40 years, during which it has mainly focused on the power transmission and generation industries, among others.

2020 has been a year marked by the evolution of the COVID-19 pandemic. This situation led to Mexico recording its second largest historical GDP drop (8.5 %), which greatly affected construction in several industries, including energy and the environment.

Likewise, several legislative changes were implemented resulting in a significant reduction in investments, mainly in renewable energies.

Nonetheless, last year, Abengoa in Mexico was able to complete the restructuring of its debt, after the approval of its Modifying Agreement to the Insolvency Agreement. Therefore, the company began a new stage in the country, in which it has been operating for 40 consecutive years, during which it has mainly focused on the transmission and generation of power, electromechanical installations, and water and environment industries.

In order to effectively reactivate its activity in Mexico over the past year and despite the additional difficulties of COVID-19, the company has continued to offer its traditional customers (mainly the Federal Electricity Commission - CFE), as well as to different private companies, laying the foundations for the recovery of the activity, as many projects have been pending assignment for the financial year 2021. Thus, as a result

of the work carried out in the first quarter of 2020, during the first quarter of 2021, the company has announced the award of four new distribution projects for the CFE, which are likewise the first contracts following the approval of the debt restructuring last year, which represents a new milestone for Abengoa in the country.

It should likewise be highlighted that, in terms of health and safety, Abengoa Mexico has completed another year with a zero frequency index. Thus, 2021 will be a year to restart and consolidate Abengoa's activity recovery in the Aztec country and to keep accident indicators at minimum levels.

On the other hand, Comemsa, the company's metallic structures factory in Mexico, has continued working and supplying material to different projects, increasing its turnover by 20 % compared to the previous year. During 2021, the company will continue to actively seek to serve the strategic projects of Dos Bocas and Tren Maya, as well as opportunities in new countries throughout the continent.



► Mexico's metal structures factory increased its turnover by 20 % in 2020.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Middle East



the 600,000 m³/day capacity reverse osmosis desalination plant being built in Rabigh, Saudi Arabia, where it is likewise responsible for the construction of the world's largest solar-gas hybrid plant, Waad Al Shamal.

Moreover, likewise in this country, during 2020 Abengoa has been awarded the 600,000 m³/day Jubail 3A desalination plant, in which it participates as technologist for Sepco III and ACWA Power.

In the United Arab Emirates, it continues to execute the 700 MW solar thermal phase IV of the Mohammed bin Rashid Al Maktoum Solar Park in Dubai, where it is likewise building the world's largest reverse osmosis desalination plant in Taweelah, with a capacity of 900,000 m³/day. Moreover, another desalination plant for drinking and industrial water use at the Emirates Global Aluminium (EGA) industrial complex in Dubai is expected to be completed in 2021.

In Oman, work continued progressing on the largest desalination plant in the Dhofar region, Salah III, which has become operational in the first quarter of 2021.

More information on the power and water projects on [pages 93](#) and [page 97](#) respectively.

► Among other projects, Abengoa has continued to work on what will be the largest desalination plant in the Dhofar region of Oman.

Abengoa has been operating in the Middle East for more than 15 years, in countries such as Saudi Arabia, Kuwait, United Arab Emirates, Oman, Qatar, Bahrain and Egypt.

Throughout last year, and despite the global pandemic, the company continued with its activity in this region, executing the projects granted in previous years, such as

04. Performance and sustainability contribution / 04.2. Industrial contribution

Peru



► During its 26 years of operations in Peru, Abengoa has focused its activity on the mining, energy, infrastructure and transmission industries.

Abengoa has been operating in Peru for more than 26 consecutive years, during which it has focused its activity on executing projects for the mining, energy and infrastructure industries. Likewise, through its subsidiary Omega Peru, high voltage transmission systems are operated and maintained for customers in the mining and energy industries.

Throughout 2020, and despite the COVID-19 pandemic, the company has been awarded new projects in these industries.

On one hand, in the mining industry, it has entered into a contract for the engineering, procurement, construction, assembly and starting-up of the relocation of the 69 kV electrical ring and complementary works to extend the Toquepala Mine of the Southern Peru Copper Corporation (SPCC). The project is located at a height of 3,500 masl (meters above sea level).

The company has likewise been awarded several electrical maintenance works in this area for Shougang Hierro Perú and Compañía Minera Antamina.

It has likewise been awarded the detailed engineering for Minera Poderosa for its Chapacrosas electrical project, consisting of a 14 km, 60 km power transmission line with metal towers, the extension of an existing substation and a new electrical substation in the La Libertad region.

On the other hand, in the energy industry, the company has entered into a new contract for the engineering, procurement, construction, assembly and commissioning of the 220 kV transmission line for the Lomitas wind power project of Engie Energía Perú. It is located on the Peruvian coast.



► Work on the distribution line of the Minas Justa de Marcobre mining project.

Finally, important works have been completed, such as:

- Starting-up the 46 km distribution line at 22.9 kV for the Minas Justa de Marcobre mining project, located in the Ica Region.
- The 30,000 m³ capacity retention dam reservoir and wastewater management system for the Cuajone mine, located in the Moquegua region. These works were carried out at a height of 3,500 meters above sea level and have included excavations, fillings, compaction, surface preparation and concrete works (concreting) of the retention dam and embankment, as well as the hydraulic works of the water filtration collection system.
- The civil works package for the desalination plant of Petroperu's Talara refinery modernization project, located in the Piura Region.



► 30,000 m³ capacity retention dam reservoir built by Abengoa for the Cuajone mine.

During 2021, the company aims to consolidate its position as a specialist in integrated solutions in the mining industry due to its experience in projects for Southern Perú, Minera Poderosa, Shougang Hierro Perú, Minsur, Antamina, Nexa and Volcan, among others, as well as to continue offering specialist services in electrical EPC projects for companies in the energy industry, such as Engie, Atlantica, ISA and Kallpa, among others. All of the above mentioned, under the premise of zero accidents.

04. Performance and sustainability contribution / 04.2. Industrial contribution

South Africa



► The KHI Solar One solar thermal plant, built by Abengoa, is fully operational.

Abengoa's main activity in South Africa in 2020 focused on continuing to execute the operation and maintenance (O&M) contracts for the three Kaxu, KHI and Xina Solar One solar thermal plants, which it has promoted and built in that country, within the framework of the Renewable Energy Independent Power Producer Program (REIPPP), launched in 2011 by the South African government. These plants constitute three of the most important solar thermal projects in South Africa, since each of them has unique pioneering characteristics.

Thus, Kaxu Solar One, with parabolic trough technology, 100 MW of power and 2.5 hours of thermal energy storage using molten salts, was the first solar thermal plant to be commercially operational in the country, thus marking an industrial and technological milestone.



► Kaxu Solar One solar steam generator.

In this plant, in February, a fire broke out in the electrical building, mainly affecting the equipment called variable frequency drives (VFD) feeding the water and thermal oil pumps (HTF). This incident, given the safety conditions of the facility, did not cause any personal injury and practically coincided with the beginning of the state of alarm due to COVID-19 and the consequent restrictions on the mobility of people and the transport of goods.

The company worked in a very effective and coordinated manner, both with the O&M team and with external suppliers in many of the plant's restoration activities, so that just over seven months after the fire, the plant was operational again. Taking into account the challenges of the pandemic and the magnitude of the work involved, including the provision of heavy, long-term manufacturing and transportation equipment, the plant's recovery time was reasonably satisfactory. Likewise, the occasion allowed the new equipment to be installed in a technically more operational and safer layout, based on the equivalent design of this subsystem of other solar thermal plants, such as the adjacent Xina Solar One plant.



► Containers for the new Kaxu Solar One variable frequency drives.

The second solar thermal project developed by Abengoa in South Africa was the KHI Solar One plant, with tower technology, 50 MW of power and steam thermal energy storage, which was the first and, for the moment, the only solar thermal plant built in South Africa with this technology. Moreover, in 2020, the result of the renegotiation of the construction contract with the financing banks and with the project company continued to be executed, which will allow optimizing the plant's performance by implementing certain improvements, some of which had not been included in the original design, thus potentially achieving the optimal performance of the facility.

Abengoa's third project in South Africa is Xina Solar One, with parabolic trough technology, 100 MW of power and 5.5 hours of thermal energy storage using molten salts. With similar characteristics and adjacent to Kaxu Solar One, Abengoa introduced an important innovation: a new type of large-opening parabolic trough collector designed to improve the optical efficiency of the solar field, while optimizing thermal losses and reducing both the number of collectors and the ratio of steel weight per reflective surface.

04. Performance and sustainability contribution / 04.2. Industrial contribution



► Partial view of the Xina Solar One solar field with a large-opening parabolic trough collector.

Thus, due to the execution of the O&M contracts for the three plants, with two different technologies, with a combined installed capacity of 250 MW and with energy storage in all three plants (two using molten salt and the third one using steam), Abengoa continues to be the outstanding leader in this activity in South Africa.

Moreover, the remaining obligations under the EPC construction contracts for the Khi and Xina Solar One plants have continued to be met, since both were still under guarantee at the beginning of 2020.

Regarding the plant's production, in terms of real versus guaranteed production ratios, very good results were achieved in all three cases, roughly repeating the excellent values previously achieved in 2019.



► View of the solar field from the Khi Solar One tower plant.

Nonetheless, in terms of gross generation, and due to the months in which the plant was shut down as a result of the fire, Kaxu Solar One did not reach the levels of that year. Those months are not counted to calculate the energy production ratio.

At Khi Solar One, 2020 was so far the year of highest gross energy production, exceeding the value of the previous best year by 12 %, as a result of the above-mentioned implementation of various technical improvements in the plant.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Uruguay



► Abengoa works at Puerto Capurro Fishing Terminal.

In Uruguay, during 2020 and, despite the pandemic, the company continued executing its projects and managed to implement the necessary sanitary measures to ensure the personnel's safety.

In this context, work continued on the new Fishing Terminal in Capurro, among which, the concreting of the deck of the outer pier began by the end of the year. This deck is built on previously placed precast "Pi" type slabs, totalling more than

10,500 m³ of concrete.

The work involves the executive project and construction of approximately 1,000 meters of dock for industrial fishing vessels, with the shelter, mooring and defense-related works. Furthermore, a 3.3 hectares backfill area, paving works, drainage, drinking water and fuel distribution, as well as the dredging of the corresponding dock and its final disposal in geo-containers, an innovative technology to be used for the first time in Uruguay, will be carried out.

Concreting of the hopper building of the Ancap cement plant in the city of Minas (Lavalleja) was completed. This building, approximately 14 meters high, was continuously concreted (at a rate of 10 cm/hour) using a slipform specially designed for this project.

This contract includes the preparation of the executive project, the execution of civil works for concrete structures and the assembly of metal structures, among other tasks.

At the end of the year, 23 % of the overall progress was achieved in the construction of the new forensic police building in the city of Montevideo, a contract being executed for the Ministry of the Interior of Uruguay.

This project involves the execution of the executive project and the turnkey construction of a building of approximately 3,000 m², developed over six levels in which the departments of Forensic Ballistics, Road and Occupational Accidentology, Expert Inspection, Computer Forensics, Photography and Acoustics, Planimetry, Facial Identification and Jewellery, Computerized Criminal Identification, Decadactilar, Biological Laboratory, the Criminalistics School and the National Registry of DNA Fingerprints will be located.

04. Performance and sustainability contribution / 04.2. Industrial contribution



► In 2020, Abengoa completed the construction of a large parking lot in downtown Montevideo.

On the other hand, 2020 likewise marked the completion of major projects such as the construction of a parking lot in downtown Montevideo.

The works included the executive project and the construction of a parking lot with capacity for 95 cars and 19 spaces for bicycles, distributed on a semi-basement level, ground floor level, mezzanine level, eight upper levels and, finally, the deck level. The contract for laying OPGW (Optical Ground Wire) fiber optic cable on a 150 kV line between the Trinidad station and the Rodríguez station of UTE (Administración Nacional de Usinas y Trasmisiones Eléctricas) was likewise completed.

This contract involved the engineering, assembly, inspecting and testing of approximately 105 km of fibre optic cable.



► Last year, the company completed the laying of OPGW (Optical Ground Wire) fibre optic cable on a 150 kV line.

Regarding new awards, the execution of several civil works corresponding to different process areas of the pulp mill was contracted with the pulp company UPM, which will be located

near the city of Paso de los Toros, Tacuarembó, and likewise at the specialized terminal located in the port of Montevideo.

Completion work (masonry, carpentry, enclosures and installations) have begun on floors 4 and 5 of the new CASMU mutual insurance company's hospital building in the city of Montevideo, where 44 new top-notch rooms will be built, which will add 88 intermediate care beds, with their corresponding infirmaries, services and facilities.

And the work for UTE has begun, which involves the construction of a 150 kV high-voltage transmission station with GIS (Gas Insulated Switchgear) technology in the town of José Ignacio, department of Maldonado.

It will be based on SF6 insulated GIS cells, 170 kV class, self-supporting for indoors, and will have a 31.5 kV medium voltage installation based on air-insulated shielded cells, 36 kV class for indoors.

The company's operation and maintenance area in Uruguay began executing an O&M contract for six photovoltaic solar farms located in the departments of Río Negro, Paysandú and Salto. These parks have a total installed capacity of almost 84 MWp and generate approximately 112 GWh/year of renewable energy for the Uruguayan electricity grid.



► Abengoa was awarded new civil works in a pulp mill owned by UPM.

04. Performance and sustainability contribution / 04.2. Industrial contribution

Innovation

Goals set forth in the SSP 2019-2023

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

11 SUSTAINABLE CITIES AND COMMUNITIES

17 PARTNERSHIPS FOR THE GOALS

Maintain and place value in the existing technological development of the company, and try to reach strategic agreements that allow us to opt for EPC and conventional projects, thanks to the knowledge and intellectual property acquired so far.

100 %



Abengoa is committed to innovation as a driving force for technological development and value generation. This enables improved features of products and services, being provided with significant added value, while at the same time giving a competitive advantage in the international market.

Main figures

	2020	2019	2018
Investment in R&D and innovation (€k)	629	1,597	1,420
Personnel	19	20	19
Cumulative patents granted since 2008	282	280	342

Abengoa is currently working on five lines of research: Hydrogen, Aerospace and defence, Electrical power systems, Solar thermal and Railway.

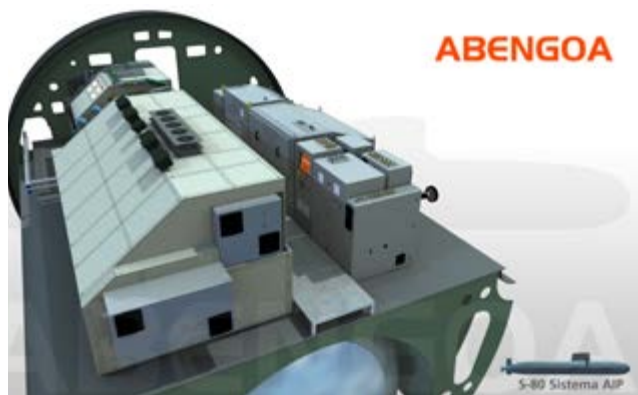
04. Performance and sustainability contribution / 04.2. Industrial contribution

► Hydrogen

Abengoa has more than 15 years of experience in hydrogen technologies, with a specialized department dedicated to the execution of both national and international projects, ranging from hydrogen production, through electrolysis and reforming, to its use in energy production through fuel cells, industrial uses, mobility and renewable gas production, among others.

This extensive experience enables Abengoa to offer highly innovative product solutions in specific industries of the hydrogen value chain, through strategic alliances with leading manufacturers and technologists. The main examples of Abengoa's current capabilities as a developer of complex systems with a high technological in-house component are: the S80 submarine and the European Grasshopper project. 2020 has been especially successful with these two projects.

S80 Submarine



► Abengoa will supply the AIP (Air Independent Propulsion) system for the S80 submarine, owned by Navantia.

In 2020, after more than 15 years developing the AIP (Air Independent Propulsion) system for the S80 submarine, Abengoa has entered into a contract as technologist and main supplier of this type of system with the Spanish public company, Navantia, a benchmark in the design and construction of high-tech ships. The AIP System is made up of several major components: Bioethanol Processor System (BPS), Fuel Cell System (SPC, for its acronym in Spanish), Power Adequacy System (SAP, for its acronym in Spanish), Removal System of CO2 (SECO2) and AIP Control System (SCAIP, for its acronym in Spanish). Abengoa is responsible for the design, manufacture and validation of several of these major elements (BPS, SAP and SCAIP), as well as the integration of the SPC and SECO2 to ensure the required performance, functionality and operability.

The experience gained by Abengoa in the S80 program positions the company as a technological leader in on-board systems, in which compactness, safety, reliability and compliance with strict military requirements are essential to be duly integrated into the final application. Therefore, in 2020 a much wider market has opened up for Abengoa in the maritime industry, not only limited to submarines, in which the requirement to reduce emissions is impending and, indeed, hydrogen and fuel cells play a key role as decarbonisation options.

Grasshopper

2020 has likewise been a year of major achievements for the European Grasshopper project (GA No. 779430), in which the construction of this 100 kW pilot power plant based on PEM (Proton Exchange Membrane) type fuel cells has been completed and testing has begun at Abengoa's Innovation vertical facilities in the Torrecuellar industrial estate, located within the free zone of the Port of Seville (Spain). The execution of the first testing phase at the port has given Grasshopper a certain reputation and recognition as a leader in innovation and technological capabilities of special interest for Andalusia and, specifically, for the city of Seville.



► Grasshopper, a new generation of fuel cell-based power plants from green hydrogen.

The Grasshopper project is part of a strategic line that will position Abengoa as a leader in the fuel cell-based power production market, both stationary and mobile (maritime and railway industries). Likewise, it has enabled the consolidation of strategic alliances with the manufacturer of the stacks which goes beyond this application and will contribute to greater market penetration.

2021 will be filled with significant challenges to successfully complete the Grasshopper project. First, testing of the pilot plant in Seville is expected to be completed, which will then be transferred to its final facility in the Netherlands, where its operation will be validated in a real industrial environment, leveraging the hydrogen by-product from a chlor-alkali plant. Finally, all lessons learned from the operation of the pilot plant will be translated into an optimized design on a larger MW scale to meet the cost per kW targets and to be the marketing starting point in 2022.

04. Performance and sustainability contribution / 04.2. Industrial contribution



► The Grasshopper project is transferred to the Port of Seville (Spain) to start the testing phase.

In addition to the major milestones achieved in specific products, 2020 has been crucial in defining Abengoa's strategy as an EPC leader and consultant in the hydrogen industry. The green hydrogen vector has been incorporated into the portfolio of hybrid solutions for decarbonization and energy transition offered by Abengoa's Energy vertical. A concrete example of this strategy is the work that has been carried out along with the biofuels division to incorporate the hydrogen produced by electrolysis into its waste to fuel processes to obtain Sustainable Aviation Fuel and other derivatives such as naphtha, methanol, synthetic natural gas, among others.

2021 will be decisive to consolidate this strategy and to position Abengoa as a strategic partner in hydrogen, starting with the Spanish market, which has already outlined the hydrogen roadmap in 2020 with ambitious goals for the following years, and which will receive a significant percentage of public and private funding.

► **Aerospace & Defense**

Abengoa continues to consolidate its presence in aerospace and defense, a high added value industry in which engineering and innovation are an essential part of the activity. Additionally, it has maintained its activity as a supplier of electronic sensing, monitoring and control and power distribution systems even in a year as complicated as 2020.



► Electronic system for satellite tracking developed by Abengoa.

Regarding Aerospace, this financial year the company has designed, manufactured and delivered a key electronic system to operate the satellite tracking antennas of the National Institute of Aerospace Technology (INTA, for its acronym in Spanish), one of the most important players in the industry in Spain. This system, entirely designed by Abengoa, monitors the status of the antenna elements and guarantees their correct operation when the satellites download the data to Earth, while triggering the appropriate alarms in case any problems are detected. The first system was installed at the Maspalomas antenna, in Gran Canaria (Spain), in June and, after its successful deployment, Abengoa has already entered into the contract to be deployed on the antennas at the Villafranca del Castillo station in Madrid.

In terms of Defense, Abengoa is consolidating its position with a portfolio of projects exceeding milestones in terms of time and performance. One of the major players in terms of defense in Spain, Navantia, has praised Abengoa for its execution, following the delivery of the first three units of the Millenium tower power supplies integrated in Avante 2200 corvettes for the Royal Saudi Navy.

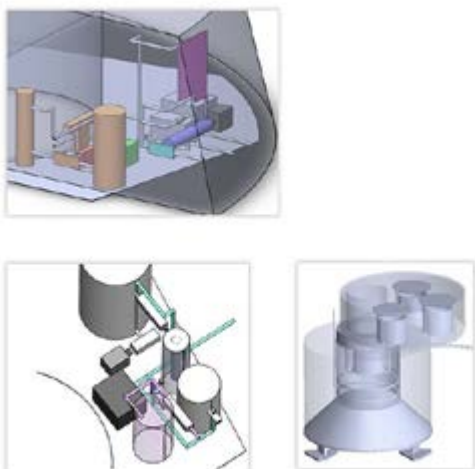
Moreover, Abengoa has started two strategic activities with the European Space Agency (ESA) in 2020: the first one is the development of the first flight product for the ESA. It is a Battery Management System (BMS) to be installed on a satellite developed by Abengoa. The project, which won a public tender, is funded by the ESA for future R&D projects. Likewise, it involves a very high technical complexity and requires significant knowledge of power systems and space. It has a two year duration, and having passed the design milestone, it now enters the production and testing phase. This phase will demonstrate the feasibility and benefits of the system to justify its adoption on future satellites.



► Abengoa works for the European Space Agency (ESA), within its In-Situ Resource Utilization (ISRU) program, to develop a payload for the Moon and Mars.

04. Performance and sustainability contribution / 04.2. Industrial contribution

The second is a new and promising area in which Abengoa was the first large Spanish company to operate. It is part of ESA's In-Situ Resource Utilization (ISRU) program, aimed to develop a payload (a set of instruments to allow achieving the objectives of the mission for which the satellite has been launched) to establish a habitable environment first, on the Moon and, later, on Mars. The requirements established by the ESA to develop this activity are consistent with Abengoa's core traditional business, from energy generation and storage, to the processes for the production, separation, purification and recycling of fluids necessary to produce fuels or for life support, such as oxygen or water.



▶ Abengoa is working to develop a habitable environment first on the Moon, and then on Mars.

In 2020, the first feasibility studies which were started in 2019 have been successfully completed. On the other hand, Abengoa has won a new contract with ESA for a ground-based demonstrator to test new concepts to extract and purify O2 from lunar regolith, designed for space. Moreover, it has presented two new offers for the following phase, which will design the first prototype of the payload that will go to the Moon.

▶ **Electrical power systems**

In order to improve the integration and manageability of renewable energies, Abengoa has a specific area within its Innovation department, focused on developing innovative control and energy storage technologies to improve the safety, quality and flexibility of the electrical system.

During 2020, progress has continued on the Flexitranstore R&D project, aimed at promoting the flexibility of the electricity system so that it can maintain a continuous service and

manage variations in demand or generation, which is typical of renewable energies. The manufacturing of the equipment and its installation on site at the Atheniou electrical substation in Cyprus has been completed. The battery storage system (BESS) is locally controlled through the dedicated management system, Abengoa Energy Management System (AEMS).



▶ The Flexitranstore project is designed to bring stability to the power supply using lithium ion batteries.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► Solar thermal

Abengoa continues to develop solar technology as a strategic product in the energy market. The manageability that concentration technology allows, with thermal storage, places it as a key product among the renewable hybrid solutions that lead the company's energy portfolio.

Renewable hybrid solutions

Abengoa continues working on custom-designed hybrid products to allow the integration of low-cost renewable technologies, such as wind and photovoltaic, with concentration technology (and its thermal storage capacity), to ensure full manageability of the solution offered.

The energy market decarbonisation, both at the electricity production and process heat levels, requires a tailored-made hybrid solution. In order to optimize the hybrid configuration, Abengoa has continued to work in 2020 on the integration of emerging energy storage technologies with fully integrated electric batteries, optimized molten salt thermal storage systems and thermal batteries based on electric salt heaters.

Likewise, the company keeps developing modular and robust applications in order to use solar thermal technology in the field of process heat production, by designing solutions adapted to the needs of strategic industries such as mining and the chemical and petrochemical industries. Abengoa has likewise developed a solution adapted to the decarbonization strategy of traditional thermal plants to allow the use of their thermal cycles powered by renewable sources.

In 2020, Abengoa has continued to optimize the GEA platform, which enables tailor-made hybrid solution modeling. Therefore, by combining the production model of the solar thermal plant with the photovoltaic field one, it is possible to integrate auxiliary equipment, such as batteries and electric heaters, with thermal storage. This enables offering the current market-required different configurations and hybridizations.

Component optimisation

Abengoa continues working to reduce the costs of key components of solar thermal technology, based on the learning curve as a leader in the solar thermal market, with 30 % of the plants currently installed worldwide. In order to achieve this, it

operates the Solucar R&D platform, in which work is ongoing to validate and optimize the solar field components. The area has three locations for trials on a different scale:

- Pontones platform: for evaluation and testing of new heliostats with cutting-edge technology optimisation.
- Repow platform: for loop testing of parabolic trough collectors and their components and the optical validation of new designs.
- Solnova platform: for validation of parabolic trough collector modules.



► Tailor-made hybrid solutions fully developed by Abengoa.



► Detail of heliostats at the Pontones test platform.

04. Performance and sustainability contribution / 04.2. Industrial contribution

In 2020, tests continued to be conducted for the optical, structural and operational validation of the solar field components, both for new optimized designs, as well as for new supplies or equipment to be installed in commercial plants under construction (Cerro Dominador and DEWA).

Platform tests also allow the assembly and operational procedures to be optimised for field components in commercial plants, increasing their operational reliability.

Finally, the continuous optimization of the field start-up and field targeting operations are highlighted. In 2020, work has been carried out to implement optimized heliostat field control algorithms, flow map simulations and receiver tube surface temperature control in the Cerro Dominador project.



▶ Abengoa is engaged in the Scarabeus project on supercritical CO₂ to increase the efficiency of solar thermal plants.



▶ Collector testing at the Repow test platform.

A test loop for dynamic tests has likewise been set up at the University of Seville, where the molten salt receiver tubes are validated under flow, flow rate, temperature and transient operating conditions.

Long-term strategic lines

Finally, Abengoa continues to bet on solar thermal technology for high-temperature industrial heat and the production of renewable fuels as solutions for the future. In this line, the two H2020 projects that have been further developed this year should be highlighted: Scarabeus and SolarsCO2OL.

Scarabeus Project

During 2020, the H2020 Scarabeus project has begun to obtain its first promising results on potential gas mixtures for supercritical CO₂ cycles capable of increasing the efficiency of future solar thermal plants. Abengoa's participation in this phase has been particularly aimed at assessing the technology state of the art solar thermal and supercritical CO₂ cycles acting as a starting point for the developments being carried out and as a point of comparison to calculate the improvements to be obtained during the project, both from a technical and an environmental point of view. Likewise, due to the COVID-19 restrictions this year, Abengoa has jointly adjusted its outreach strategies with the consortium, transforming a series of conferences and round tables into a series of webinars in which Abengoa presented the major features of the solar field simulation systems for tower plants.

SolarsCO2OL Project

At the end of 2020, the SolarsCO2OL project kicked off. This project seeks to install the first demonstrator of a supercritical CO₂ cycle for a solar thermal installation in Europe, incorporating a molten salt electric heater to take full advantage of the possibilities of integrating different renewable technologies and adding manageability to the grid. Therefore, the consortium has sought Abengoa's extensive experience, both in solar thermal and in technology integration. During the short period of activity in 2020, Abengoa has analyzed the specific characteristics of the expected plant and has begun work on the conceptual engineering of the demonstration plant.



▶ Launch meeting of the SOLARsCO2OL project.

04. Performance and sustainability contribution / 04.2. Industrial contribution

► Railways

In 2020, Abengoa has successfully progressed in the development of the following innovation projects in the railway industry:

The Railway Innovation Hub

This railway cluster, based in Malaga (in the Andalusia Technological Park), is working to become a leader in national and international railway innovation. Among its more than 90 associates, including universities and leading partners such as Adif, Renfe, Metro de Madrid, Metro de Sevilla, Fundación Once or even the Junta de Andalucía and the Agencia IDEA itself (Innovation and Development of Andalusia), Abengoa should be mentioned, holding the vice presidency since 2016.

In 2020, the Railway Innovation Hub has continued to develop more than 20 innovative projects.

Broken Track project



► Rail break detection and location projects such as the projects developed by Abengoa are vital for the safety of individuals.

The company has continued to conduct tests and trials with the Carril roto (Broken Track) project, a system for detecting breaks in railway tracks operating in real time on high-speed lines, while negotiating its possible marketing with different managers.



► The Alis innovation project provides safety and efficiency to railway systems.

Development of the BIM for railway environments

Abengoa continues working to develop the BIM (Building Information Modelling) tool, for the automatic layout of catenaries and substations, as well as the modeling of systems in a way that can be fully integrated into a workflow. The result will be a 3D image of the project, among other valuable features. The software is expected to be ready in 2021.

Alis project

Abengoa continues developing simulations for the Alis project, such as the Pantograph-Catenary interaction for the Monforte del Cid - Murcia joint venture, or for customers such as NetworkRail, as well as traction and power demand simulations for the Meca-Medina project, or efficient running simulations, such as the simulations for Metro de Granada, among other works.

The Alis project, which enables the comprehensive simulation of electrification, safety and energy efficiency systems in railway systems, is still in the marketing phase and gives the company a significant competitive advantage in the international market.

04. Performance and sustainability contribution

04.3

Contribution to the human team



+ 11,000

people in 25 countries



6.03 %

voluntary turnover rate



8.1 %

overall satisfaction



134

health and safety committees in 2020



58 %

indefinite hiring



0.4 %

Frequency Rate with Sick Leave (FRSL) reduction from 2019



04. Performance and sustainability contribution / 04.3. Contribution to the human team

Goals set forth in the SSP 2019-2023

Occupational health and safety and well-being



Disseminate a culture of Health and Safety across the company, ensuring it reaches all levels and areas globally. **100 %**

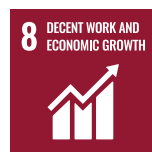
Keep accidents with special severity at 0. **0 %**

Gradual reduction of the sick leave frequency index (IFCB, for its acronym in Spanish). **100 %**

Promote a healthy lifestyle amongst the company's employees. **100 %**



Equality and diversity



Ensuring that at least 30 % of the members of the Board of Directors are women by 2020. **47 %**

One of the committees of the Board of Directors being chaired by a woman by 2023. **100 %**

Ensuring that at least 12.5 % of the members of the Executive Committee are women. **48 %**

Ensuring that at least 25 % of the members of Business Committees are women.
*Due to the restructuring process, there is no comparison between verticals.

Ensuring that 25 % of the members of the Management Committee are women. **28 %**

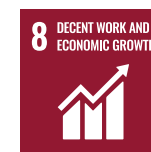
Ensuring that 30 % of mid-management members are women compared to the total number of employees. **63 %**

Ensuring that the number of women in the workforce is of at least 35 %. **74 %**

Conduct internal salary audits in all regions. **25 %**

Implement work-life balance measures that help achieve the goals of the SSP. **100 %**

Talent



Achieve a score of at least 7 out of 10 in the climate surveys, conducted every two years. **100 %**

Prepare and implement action plans on the results of the climate surveys. **50 %**

Maintain the annual performance appraisal programmes. **50 %**

Establish medium-term employee retention plans. **100 %**

Foster training (40 h/employee) and professional development. **77 %**

Foster internal mobility. **100 %**

Maintain and implement work-life balance measures to make Abengoa a great place to work at, and a socially responsible company. **100 %**

Foster social dialogue. **100 %**

Foster the spirit of entrepreneurship and collaboration as the base of all management approaches. **100 %**

04. Performance and sustainability contribution / 04.3. Contribution to the human team

2020 has undoubtedly been a year full of difficulties and challenges due to the Covid19 pandemic, which Abengoa has been able to manage and overcome, although not without additional efforts. These efforts have focused on the safety of each employee, as well as on providing the necessary resources to all the operating units in order to adapt to the new reality, mainly, with additional security measures and the possibility of remote work (when necessary), thus providing continuity to the activities and complying with contingency plans.

The company has successfully overcome the toughest moments of the pandemic in the different geographies in which it operates, proving its commitment and ability to adapt to the difficulties of the business.

Taking into account the current situation and with such a competitive, changing and challenging environment, the company should essentially focus on talent retention.

Undoubtedly, all the people who are part of Abengoa are showing enormous responsibility, integrity, loyalty and effort to develop the project and without this contribution the future of the company would be seriously threatened. Our people are and will continue to be the company's distinctive element.

The highly complex situation experienced in 2020 resulted in a 19 % decrease in the workforce compared to 2019, ending the year with 11,379 employees. [102-7](#)

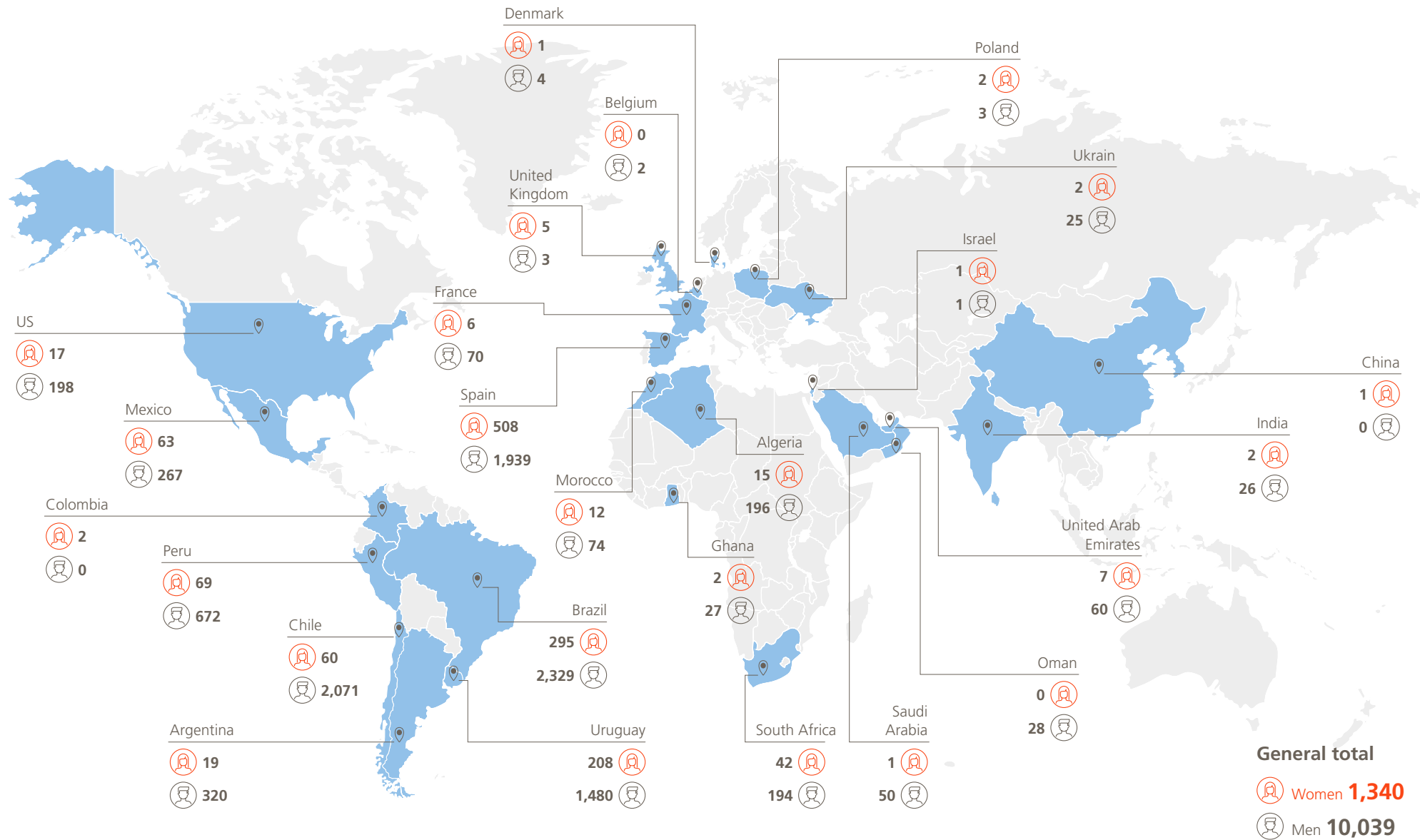
The number and distribution of employees by gender and professional classification are as follows:

Categories	Women	Men	Total	% women / category total
Executives	22	180	202	11
Managers	55	237	292	19
Engineers and graduates	437	1,317	1,754	25
Assistants and professionals	322	599	921	35
Employees	836	2,333	3,169	26
Operators	485	7,671	8,156	6
Interns	19	35	54	35
Total	1,340	10,039	11,379	6
Board members	1	6	7	14



04. Performance and sustainability contribution / 04.3. Contribution to the human team

Abengoa's workforce is currently distributed across 25 countries. 22 % of the workforce is in Spain, while 78 % is abroad.



04. Performance and sustainability contribution / 04.3. Contribution to the human team

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

Professional Category	Men			Women		
	2020	2019	2018	2020	2019	2018
Executives	180	199	192	22	27	25
Managers	237	258	691	55	63	145
Engineers and graduates	1,317	1,451	1,056	437	490	455
Assistants and professionals	599	547	624	322	327	351
Operators	7,671	10,013	9,284	485	561	553
Interns	35	52	47	19	37	27
Total	10,039	12,520	11,894	1,340	1,505	1,556

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

Type of contract	Men			Women			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Indefinite	5,675	6,397	6,282	954	1,047	1,106	6,629	7,444	7,388
Temporary	4,329	6,071	5,565	367	421	423	4,696	6,492	5,988
Interns	35	52	47	19	37	27	54	89	74
Total	10,039	12,520	11,894	1,340	1,505	1,556	11,379	14,025	13,450

Although Abengoa's activity is focused on the execution of construction projects, with its employment being affected by its seasonal nature, 58 % of the workforce has an indefinite labour relationship, reaching **79 % in the employees segment**.

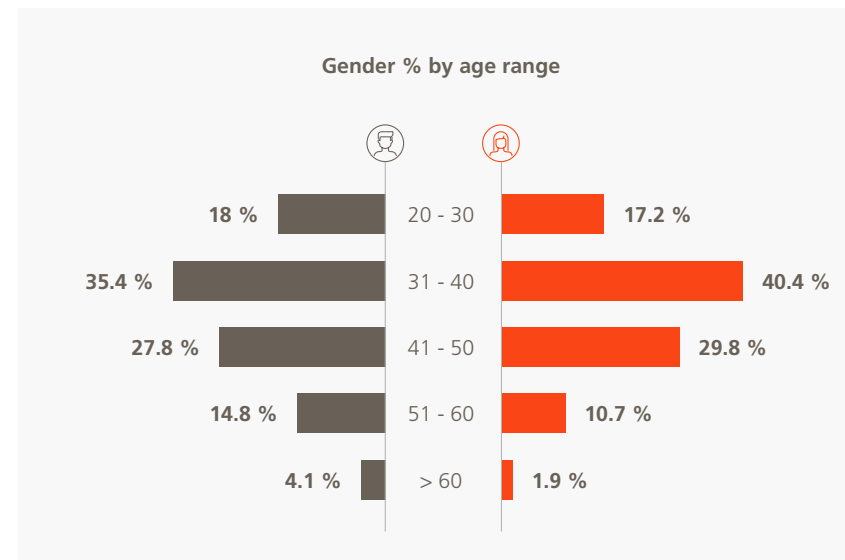
With regard to gender, at the end of 2020, the percentage of women with a fixed contract is 71 %.



04. Performance and sustainability contribution / 04.3. Contribution to the human team

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

Age ranges	Men			Women			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
20 - 30	1,805	2,342	2,281	231	300	300	2,036	2,642	300
31 - 40	3,549	4,402	4,285	542	605	652	4,091	5,007	652
41 - 50	2,791	3,415	3,122	399	420	411	3,190	3,835	411
51 - 60	1,482	1,757	1,570	143	143	140	1,625	1,900	140
> 60	412	604	636	25	37	53	437	641	53
Total	10,039	12,520	11,894	1,340	1,505	1,556	11,379	14,025	1,556



The representation by age and gender regarding the total number of staff is as detailed below:

Age ranges	% men			% women		
	2020	2019	2018	2020	2019	2018
20 - 30	88.65	88.64	88.38	11.35	11.36	11.62
31 - 40	86.75	87.92	86.79	13.25	12.08	13.21
41 - 50	87.49	89.05	88.37	12.51	10.95	11.63
51 - 60	91.20	92.47	91.81	8.80	7.53	8.19
> 60	94.28	94.23	92.31	5.72	5.77	7.69

04. Performance and sustainability contribution / 04.3. Contribution to the human team

Equal opportunities

Abengoa is a company fully **committed to equal treatment and opportunities** and to **non-discrimination** on the grounds of gender, race, color, religion, opinion, nationality or any other circumstance.

This commitment and its effective regulation are expressly included in the company's Common Management Systems, applicable to the entire organization without exception. Likewise, they are expressly declared in the organization's policies, such as hiring, selection, training, performance measurement, promotion, remuneration, working conditions, conciliation or prevention of harassment, among others.

Equality Plan

Abengoa created in 2008 and updated in 2019 its Equality Framework Plan, embodied in the **Office for Equal Treatment and Opportunities (OITO, for its acronym in Spanish)**

and is based on the principles of the United Nations Global Compact, to which Abengoa adhered to in 2002. Based on the United Nations Global Compact and within the framework of the company's Occupational Social Responsibility (OSR) policy, its mission is to advocate for gender equality throughout the organization, promoting, developing and managing said plan and associated plans.

Within the framework of this plan, the organization has a protocol for reporting workplace harassment in order to address any situation that could be considered discriminatory. Abengoa's Strategic Sustainability Plan for the financial years 2019-2023 includes a specific strategic line mainly aimed at promoting gender diversity and equal opportunities in the organization by promoting measures that contribute to increasing the number of women in management and executive positions, as well as measures to ensure non-discrimination and the employability of people with disabilities.

EOTC Commission

Within the Equality Framework Plan, Abengoa has a specific Equal Opportunities and Treatment Committee (EOTC), the purpose of which is to carry out a global monitoring of the gender equality-related issues in the organization and to promote active management, encouraging and reinforcing the awareness of equality and diversity throughout the entire workforce.

Coordinated by the sustainability department and the leadership of the human resources manager, who is likewise a member of the Executive Committee, the committee is integrated by directors from the different business and vertical areas and representative departments who are familiar with the different peculiarities of the regions or activities.

The committee addresses a wide range of topics which are outlined in three main sections:

- Analysis of equality, gender diversity and salary gap-related surveys and experiences.
- Monitoring of Abengoa's data and indicators in all regions.
- Drawing an action plan with specific measures to achieve the objectives set out in the Strategic Plan.

Some of these actions include the development of new flexibility measures based on the circumstances of each work center, the incorporation of equality and diversity indicators in the dashboards to be submitted before management committees, setting incentives related to equality objectives, improving visibility and the enhancement of the role of women in all work environments.



04. Performance and sustainability contribution / 04.3. Contribution to the human team

Diversity Policy

The Board of Directors approved the Diversity Policy in 2019, which is based on the consideration of the **person as the core of the company** understanding that, just for the fact of being a person, they deserve the maximum consideration and dignity, regardless of race, gender, religion, nationality, culture, age, sexual orientation and different physical or mental abilities.

Based on the foregoing, the company is committed to ensuring the following actions:



Proof of Abengoa's commitment to equality and diversity, the company is a member of the **Diversity Charter of Spain** and the **EJE&CON Code of good practices for talent management**.



A member since 2018 through Fundación Alares, Abengoa is committed to promoting a socially respectful, economically sustainable and legally rigorous environment.



In 2019, Abengoa adhered to the Eje & CON code of best practices for talent management. Compliance with this code enables the adoption of specific measures to improve the company's competitiveness and results, as well as access for women to senior management positions and Boards of Directors, while reinforcing Abengoa's commitment to equal opportunities and cultural diversity.

Compliance with this code enables the adoption of specific measures to improve the company's competitiveness and results, as well as the access of women to senior management and board positions, while reinforcing Abengoa's commitment to equal opportunities and cultural diversity.

The company has used different external and internal communication channels such as social networks or the web to communicate and raise awareness regarding these principles.

Moreover, the company has been developing a series of specific messages to communicate and raise awareness of equal opportunities, non-discrimination and diversity among its stakeholders (partners, customers, suppliers, the press, society in general) through all the available communication channels

(Twitter, Facebook, Instagram, and YouTube accounts and its blog, "[The energy of change](#)").

In the internal newsletter sent to all employees on a monthly basis, Abengoa has strengthened the presence of women. This internal communication tool includes useful information related to Abengoa and the industries in which it operates, as well as a section called A coffee with, which includes an interview with the employee of the month. During 2020, the presence of women in this section of the company has been highlighted and their presence has been levelled with the presence of men. Specifically, one woman was interviewed for every two men (taking into account that the company has a gender distribution of 11.78 % women and 88.22 % men).

In "The energy of change" blog, and as part of these specific messages on communication channels and social networks, an article has been published enhancing diversity as a source of opportunities for the company.

Women in executive and management positions	2020	2019	2018
Women executives and managers	77	90	170
%	18.22	16.45	16.14
Total directors and managers	494	547	1,053

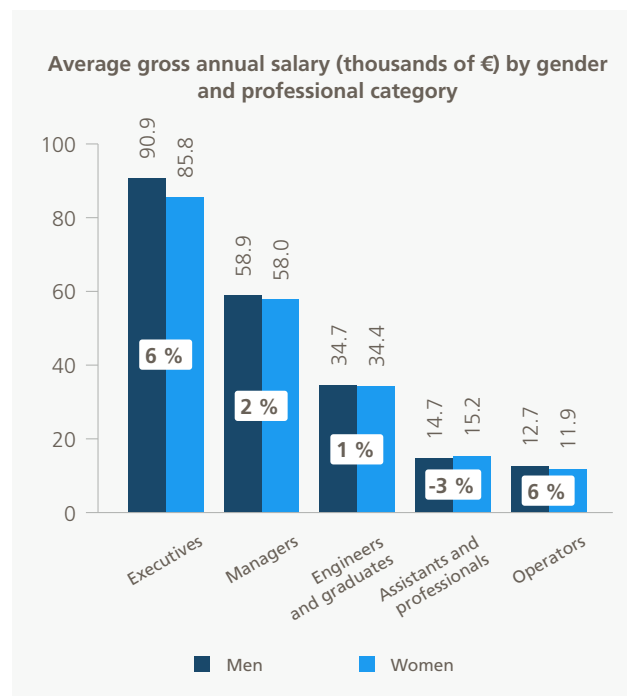
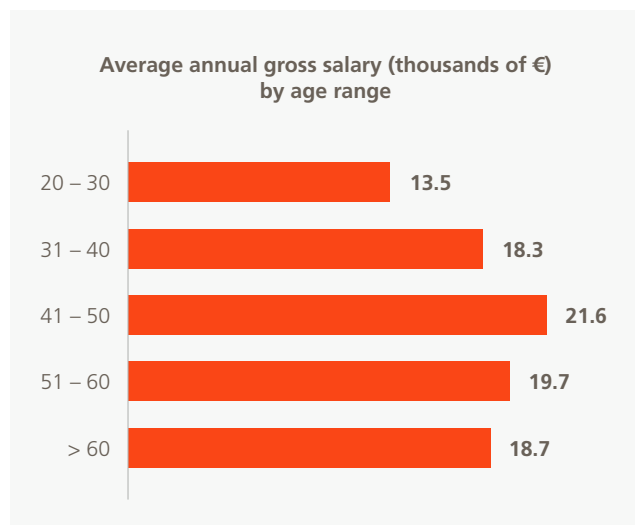
04. Performance and sustainability contribution / 04.3. Contribution to the human team

Retributive Policy

Abengoa's remuneration system strictly complies with the legal regulations of each country, as well as with the commitments and principles guiding the policies of equality and diversity. In this sense, the organization's remuneration system is aligned with the market and **responds to employee expectations**, always ensuring the **objectivity, equal pay and equal treatment and opportunities for men and women**.

In any case, salaries are equal to or higher than the Minimum Interprofessional Wage (SMI, for its acronym in Spanish or assimilated indicator) established in each country. [202-1](#)

Here follows a breakdown of average remuneration¹ by age, gender and professional classification. [405-2](#)



The average management remuneration received in the financial year 2020, including fixed, variable² and in kind salaries, amounts to €225,000, representing a 16 % reduction compared to 2019.

Broken down by gender, the average management remuneration in 2020 amounts to €227,000 for male executives and €207,000 for female executives, representing a difference of 8.8 % in favour of the male executives³.

Social inclusion and creation of opportunities

For Abengoa, equal opportunities for people with different abilities constitutes a commitment that goes beyond meeting a mere legal requirement, with this being a fundamental part of the company's culture.

At the end of 2020, the number of employees with a degree of different abilities higher than or equal to 33 % in Spain was of **29 people**.

In terms of management, the organization has the necessary procedures to address any adaptation required by an employee or a new incorporation to the personnel. In this sense, Abengoa strives to properly prepare the work stations and work centers to serve its employees with different abilities.

In order to comply with the Law on Social Integration of the Disabled (LISMI, for its acronym in Spanish), Abengoa has implemented alternative procedures in the companies that require those procedures, such as the request for an exception to cover legal requirements by resorting to recognized centers for special employment, such as for cleaning services or reception staff, thus contributing to promoting and encouraging the integration of disadvantaged groups.

¹ Includes fixed and variable remuneration and remuneration in kind.
² The variable pending 2018 received in 2020 is accounted for. No variable was established in either 2019 or 2020.
³ The difference is due to the variables paid in the year corresponding to 2018.

04. Performance and sustainability contribution / 04.3. Contribution to the human team

The importance of work-life balance and labour flexibility 201-3, 401-2

For Abengoa, we strive to achieve a climate of pleasant work and reconciliation based on a solid, transparent, sincere and two-way relationship with the employees. Therefore, personnel are offered different social benefits promoting work-life balance, since this results in greater motivation and commitment of the teams, and, therefore, in greater productivity and competitiveness for the company.

To this end, it offers different measures that help them achieve a good work-life balance, which are highly valued by the employees, making Abengoa an ideal place to work at:

- Flexibility in entry and exit times throughout the day.
- Available free time.
- Reduced workday on Fridays all year round.
- Flexibility in vacation enjoyment.
- Improved workday reduction models.

- Medical coverage in all workplaces with more than 300 people.
- Catering services at the headquarters (Palmas Altas Campus).
- Flexible remuneration (health insurance, travel card, ticket restaurant, childcare and training vouchers) in companies in Spain.
- Breastfeeding rooms.
- Parking with preferential parking spaces for pregnant women and people with reduced mobility.

The company's firm commitment to work-life balance has enabled the organization to implement a series of measures to disconnect from work, to maximize the efficiency of the time allocated to work and to personal life. Thus, at the company's headquarters in Seville, the offices have established a schedule for turning off lights and closing.

Employee commitment and satisfaction

Abengoa measures employee satisfaction through work climate surveys, which are carried out every two years. This analysis allows the organization to directly learn the employee's opinion and insight on key issues and, in turn, to identify opportunities for improvement and implement new initiatives.

The latest work climate survey was launched in 2019. 81.9 % of the workforce participated in the survey, averaging 8.1 in terms of overall satisfaction and 9 in commitment, on a scale of 1 to 10.

The results showed that Abengoa is considered by its own employees as an **organized, harmonious, participative and collaborative company**, with a very **good working environment** and a **high degree of commitment**. More than 90 % of employees recommend Abengoa as a place to work at.



04. Performance and sustainability contribution / 04.3. Contribution to the human team

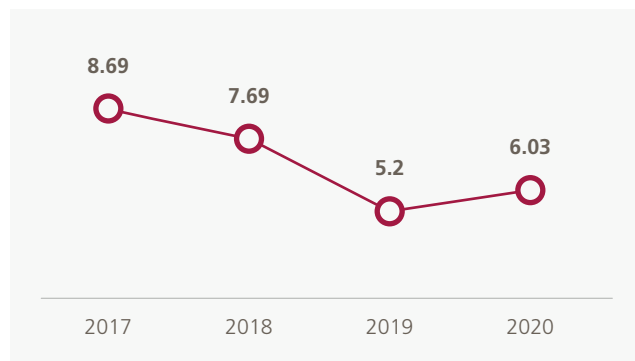
Talent management

Abengoa believes that the key to business success lies in **attracting, developing, and retaining the best talent**. To promote the professional development of employees, the company considers it essential to have a **formal performance evaluation policy**, as well as tools to evaluate each member of its workforce.

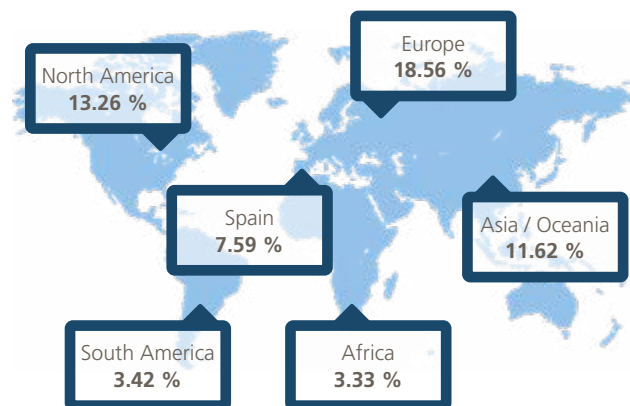
Each employee has an individualised career plan with training customised to their needs, concerns and expectations, and which, each year, is adapted to their development and situation. The challenges and goals of our professionals are limited solely by their creative capacity.

Abengoa's success will only be achieved with a team of quality managers and executives. Therefore, Abengoa identifies potential executives through development programs. *404-2, 404-3*

Voluntary turnover *401-1*



		2020	2019	2018
Gender (%)	Men	5.92	5.17	7.83
	Women	6.35	5.28	7.33
Age (%)	20 – 30	6.03	6.44	24.83
	31 – 40	7.63	6.18	47.59
	41 – 50	5.6	4.11	20.34
	51 – 60	3.18	3.98	5.52
	> 60	2.09	3.31	1.72



Generation of a talent pool

Abengoa has always maintained a firm and determined commitment to young talent. The company believes that professional internships continue to be the best means of attracting and developing future professionals, and promoting a pool of young people to make its business model sustainable. Abengoa's talent pool, trained in the business's own disciplines, is still key for the growth and renewal of the teams.

This idea is materialised in its international internship programme, among other initiatives. This program is supported by numerous prestigious academic institutions, universities, business schools and professional training institutes, and attracts students from all over the world, making it an ideal gateway for the professionals of the future.

During the financial year 2020, up to a total of 135 interns have taken part in training sessions with Abengoa, having entered into collaboration agreements with 17 training institutions.



04. Performance and sustainability contribution / 04.3. Contribution to the human team

Training

Abengoa is a company operating in a very competitive industry, in which the knowledge and skills of employees should be continually enhanced with specialized training to achieve professional goals and meet business needs.

The key function of the Human Resources department is knowing the company's strategic objectives and finding, in its personnel, the capacities to achieve the above-mentioned objectives.

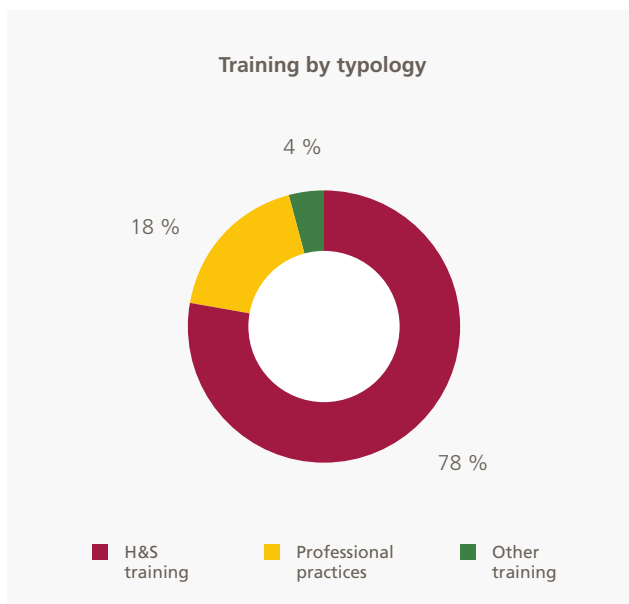
In this sense, training constitutes one of the most important foundations of its management model.

The implications of the COVID-19 pandemic experienced during 2020 have led the company to promote online, remote, mixed training or training through e-learning formats, in order to continue providing ongoing training to professionals. Therefore, it has been very important to rely on the online internal training platform C@mpus Abengoa.

Once again, and especially in 2020, due to the global pandemic scenario, Abengoa has continued to have Health and Safety training as an essential priority. Likewise, always taking into account the resources and the possibilities of getting access at each moment and activity, efforts have been redirected to provide specific technical training with a short-term benefit.

The number of training hours provided compared to the previous year has decreased by 18 %, reaching a total of 357,907 hours for 11,576 employees⁴ on average in 2020, compared to 435,477 hours for 14,025 employees in 2019.

	2020	2019	2018
Training hours	357,907	435,477	480,018
Internships	80,982	85,932	66,627
Variation in training hours %	-18	-11	93



The breakdown of training by professional categories is as follows:

Category	Horas
Executives	6,647
Managers	9,430
Engineers and graduates ⁽¹⁾	57,106
Assistants and professionals	27,672
Operators	257,053
Total	357,907

⁽¹⁾ The training hours completed by the group of interns are included in the engineers and graduates category.



⁴ Workforce without interns.

04. Performance and sustainability contribution / 04.3. Contribution to the human team

Protection of human rights

For Abengoa, respect and protection of human rights, both internally and in its area of influence, is an unavoidable commitment.

In order to guarantee the protection of the rights of its workforce, all individuals who are part of the company are subject to the scope of supra-corporate labor regulations, regardless of the nature of their activities or the countries in which they are carried out. Apart from the legal protection of each country, regulatory protection is particularly significant due to the collective bargaining agreements of the industry, the territorial agreements or company specific agreements entered into with the employees, union representatives or trade unions, as the case may be. [102-41](#), [403-4](#)



Likewise, Abengoa guarantees to employees, as a basic labor right, that they will be duly given prior notice of any structural or organizational change occurring in the company, either individually or through their representatives, in accordance with the notice periods provided for in the legislation and collective agreements. [402-1](#)

In 2020, 95.25 % of the employees were covered by collective bargaining agreements, as shown below:

Country	Total	There are collective bargaining agreements (Yes/No)
Saudi Arabia	51	0
Algeria	211	211
Argentina	339	339
Belgium	2	2
Brazil	2,624	2,624
Chile	2,131	2,131
China	1	0
Colombia	2	0
Denmark	5	5
United Arab Emirates	67	0
Spain	2,447	2,441
France	76	76
Ghana	29	0
India	28	28

Country	Total	There are collective bargaining agreements (Yes/No)
Israel	2	2
Morocco	86	86
Mexico	330	0
Oman	28	0
Peru	741	741
Poland	5	5
United Kingdom	8	8
South Africa	236	236
Ukraine	27	0
Uruguay	1,688	1,688
United States	215	215
Total	11,379	10,838
	92.25 %	

The commitments resulting from the adherence to the United Nations Global Compact, as well as Abengoa's own Code of Conduct, inspire the Occupational Social Responsibility policy of the company, which establishes a social responsibility management system aligned with the SA8000 model.

No complaints were received during 2020 in relation to human rights through any of the available whistleblowing channels. [102-17](#), [419-1](#)

04. Performance and sustainability contribution / 04.3. Contribution to the human team

Health and safety

The COVID-19 pandemic has been one of the greatest challenges humanity has faced in the 21st century, constituting an unprecedented global health crisis in terms of scope and speed of expansion.

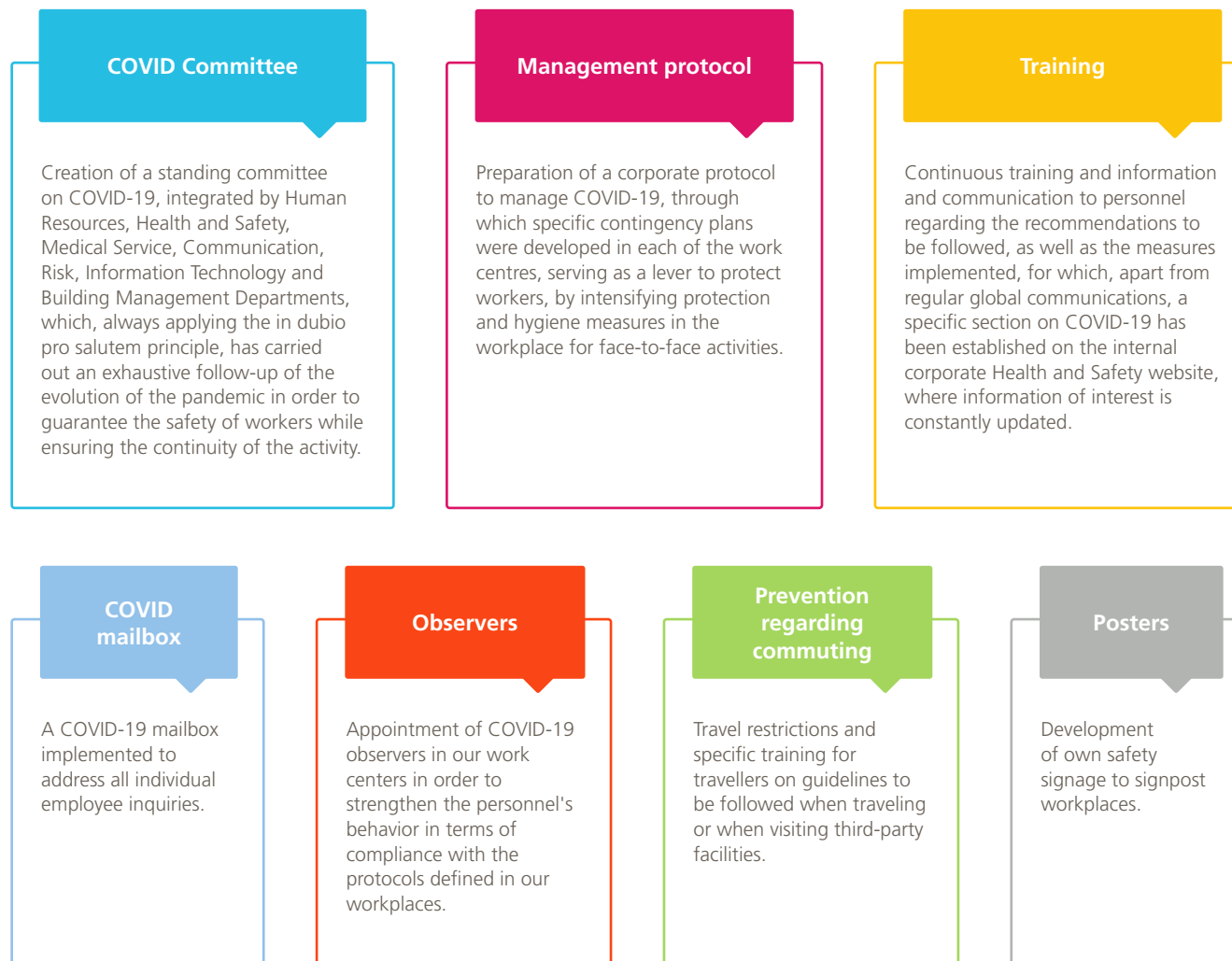
2020 has tested civil society, governments and the private sector, regardless of the industrial sector to which they belong, and they have all reacted jointly, quickly and responsibly to the spread of a virus that has hit the world fiercely and unexpectedly.

From the first warning signals, Abengoa acted promptly and diligently, not only to preserve the health of all employees, but also to provide its capabilities and resources to all stakeholders.

2020 was a tough year in which all Abengoa businesses increased their efforts, reviewing processes to get work done despite the interpersonal distance imposed by the virus crisis, more closely than ever, which represented a significant challenge in terms of management of Health and Safety in the workplace.

From the very beginning, the **recommendations of the World Health Organization** and those of the governments in the different countries in which the company operates were followed, both in the adoption of preventive measures, as well as in the implementation of de-escalation processes.

Abengoa has addressed the impact of COVID-19 on the organization and its workers through the following key lines of action:

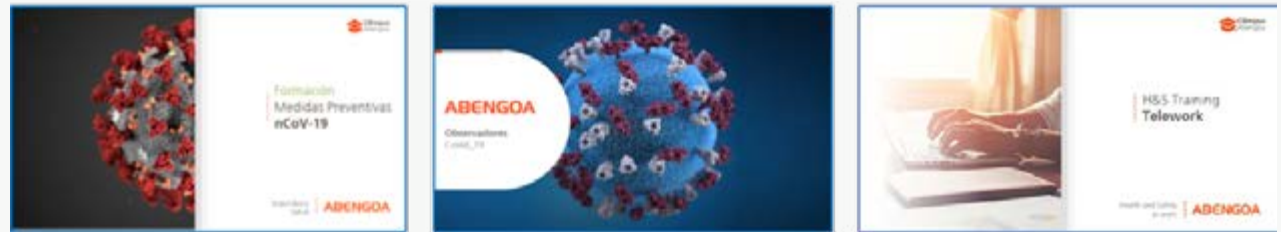


04. Performance and sustainability contribution / 04.3. Contribution to the human team

Posters



Special COVID-19 training



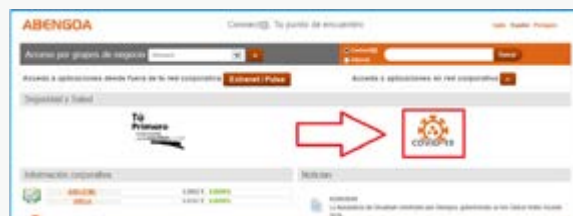
Implementation of the role of COVID-19 observers in all work centers



Screensaver implemented with preventive measures and COVID-19 awareness (both on laptops and on information screens in buildings)



Specific space on COVID-19 on the internal corporate health and safety website, where information of interest is continuously updated



04. Performance and sustainability contribution / 04.3. Contribution to the human team

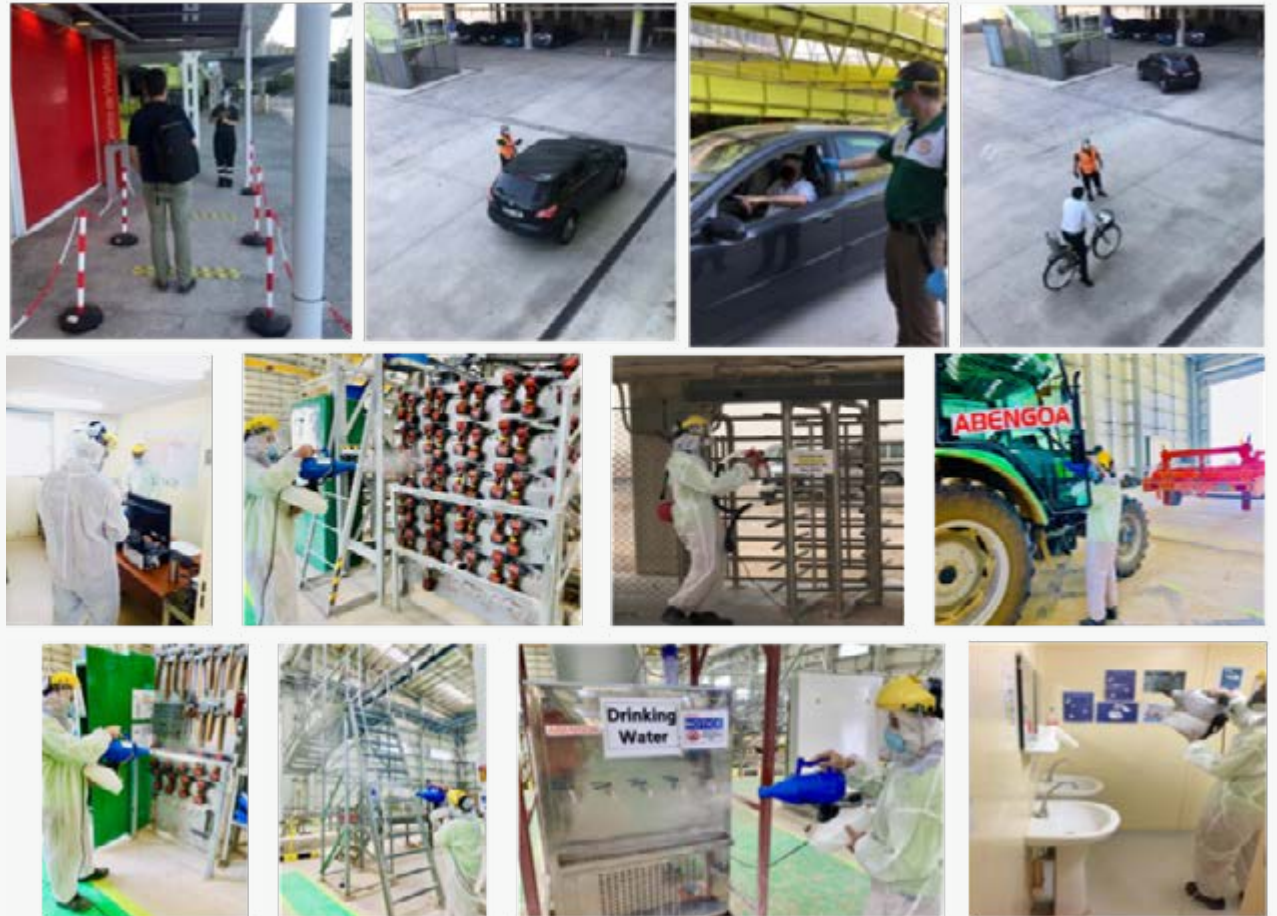
Preparation and dissemination of health and safety newsletters



Implementation and use of a mobile application to facilitate the registration of incidents



Other measures implemented in offices, plants and projects: temperature controls at access points, establishment of separate personnel entry/exit flows, distancing in canteens, disinfection of tools and work equipment, machinery, common areas, etc.



04. Performance and sustainability contribution / 04.3. Contribution to the human team

Abengoa's health and safety pillars

In 2020, Abengoa's health and safety management system has been optimized, **aligning it with the requirements of the ISO 45001 standard**. As a result, the company has updated its occupational risk prevention policy, reinforcing its commitment and adapting the policy to said standard.

The policy is based on five fundamental pillars applicable to the entire organization, without exception.

In terms of communication, consultation and participation, the policy has been duly disseminated among stakeholders and is available on the website.



Integration

At Abengoa, health and safety is the responsibility of all the company and is fully integrated into its strategy, encompassing all activities and decisions, encouraging employee consultation and participation, and affecting all corporate levels.



Leadership

Management should promote and encourage a preventive organizational culture and ensure that all operations are always carried out in healthy and safe working conditions for all employees, adequately planning activities and providing the necessary means to eliminate hazards and reduce risks to the Health and Safety of workers.



Training

Information and continuous training in occupational health and safety for all the company is a basic pillar of our preventive culture.



Continuous improvement

The health and safety management system is based on continuous improvement and is developed through the periodic measurement, evaluation and review of all our activities, operations and work centers.



Legality

All activities and operations should always be carried out respecting and complying with the applicable occupational health and safety regulations.

04. Performance and sustainability contribution / 04.3. Contribution to the human team

Health and safety plan

Abengoa has implemented a health and well-being plan for four years, aimed to introduce initiatives that promote and disseminate topics related to employee health (promotion of physical activity, healthy eating, prevention of cardiovascular risks, specific training campaigns and the like), as well to having tools to enable the measurement, evaluation and review of work centers so that they become increasingly healthier.











During 2020, a monthly publication of health promotion content was published by Abengoa's medical management to be distributed in all work centers.

Taking into account the extraordinary situation of these times, the corporate health plan has been practically a monograph on the pandemic, without disregarding other important issues, such as musculoskeletal disorders (MST, in line with the topic chosen by the European Agency for Safety and Health at Work for the European Health and Safety Week), or the prevention of cardiovascular diseases.

Based on this plan, in 2020 Abengoa has received an award in the **V edition of the Innovation and Health Awards** of the insurance company Mutua Universal.

Abengoa's nomination, which competed with ten other major companies in the Large Account category, has been recognized with a runner-up prize thanks to its Health Plan based on six key points: awareness, improvements in health monitoring, sustainable mobility, healthy eating, promotion of sports and a healthy environment.

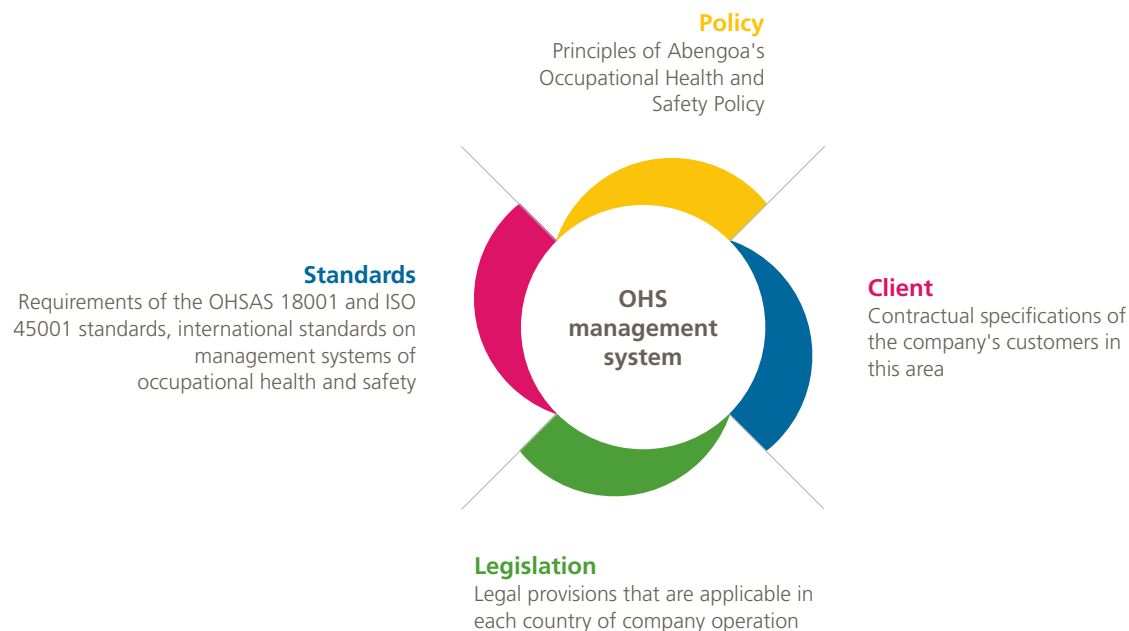
The aim of these awards is to “recognize innovation for the benefit of people and to distinguish the work of those companies committed to the promotion of health through their projects in the field. These should represent innovative solutions that generate improvements in the quality of life and health of the company's employees”.

	<p>5/26/21 Health Plan. Display screen equipment risks (DSE) ... read more</p>		<p>4/13/21 Health Plan. Prevention of musculoskeletal disorders. ... read more</p>
	<p>3/11/21 Health Plan. COVID Vaccines. Learn the main ideas about your vaccines ... read more</p>		<p>2/17/21 Health plan. COVID. Learn about the fundamental tests on its study. ... read more</p>
	<p>1/4/21 Health plan. Work sedentary lifestyle. read more</p>		<p>12/14/20 Health plan. Cardiovascular diseases. Habits to modify. ... read more</p>
	<p>11/12/20 Health plan. Cardiovascular diseases. Learn about its symptoms. ... read more</p>		<p>10/21/20 Health Plan. Postural hygiene II. Tips. ... read more</p>
	<p>9/24/20 Health Plan. Postural hygiene I. Concepts. ... read more</p>		<p>8/17/20 Health Plan. Overweight and obesity. Prevention behaviors. IV. ... read more</p>

04. Performance and sustainability contribution / 04.3. Contribution to the human team

Occupational risk prevention management system

The occupational risk prevention management system is implemented in all the company's activities and covers four basic needs:



Review by management

Abengoa attaches great importance to occupational risk prevention in the management of the company, with this being the first aspect dealt with in all Executive Committee and Management Committee meetings.

Likewise, specific committees are held with the health and safety departments of the businesses and regions, in order to provide detailed follow-up on preventive measures. *403-1*

At corporate level, the company also has health and safety committees led by senior management, which meet monthly to monitor activities and meet the objectives defined in this field, alerting on those aspects that may pose risks to workers' safety at work, and establishing the relevant action plans for the proper management of these risks.

During 2020, **134 health and safety committees were held** between the above mentioned different organizational levels.

Likewise, given the impact of the pandemic on the company's activities, daily COVID committees have been held.



comite_covid19@abengoa.com



Abengoa's health and safety management system is periodically audited in order to ensure improvement of our processes and to guarantee the system's compliance with the legal, regulatory, contractual and country-environment requirements applicable to the places in which the company operates.

During 2020, 64 internal audits and 14 external audits were carried out on all the group's activities.

All deviations are managed through the Abengoa Easy Management incident management tool.

In order to proactively detect possible events that could materialize in an accident, the **Total Recordable Deviation Rate (TRDR)***, was established, an indicator by means of which near misses, unsafe acts and conditions are recorded in the Abengoa Easy Management (AEM) computer tool. At the end of the year, 7,969 deviations had been registered, with a TRDR of 200 globally.

04. Performance and sustainability contribution / 04.3. Contribution to the human team

Accident rate evolution

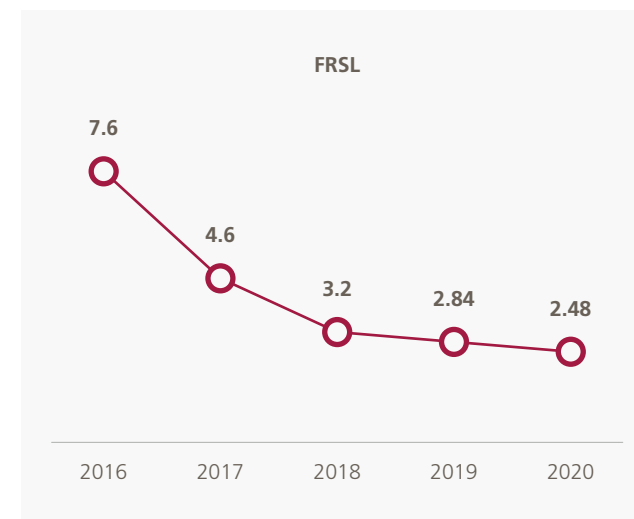
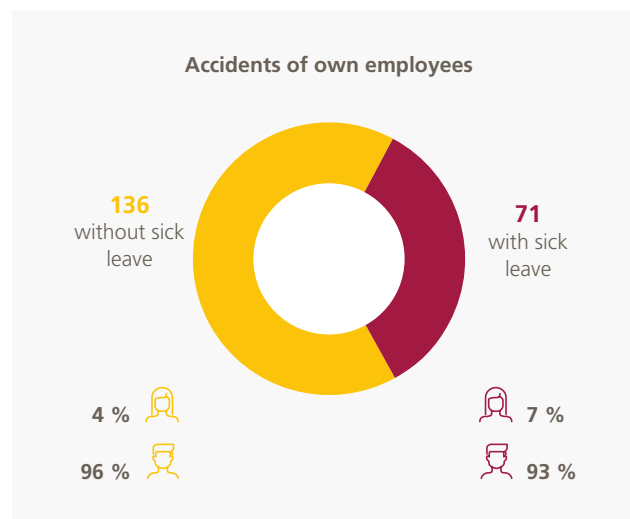
Abengoa strongly believes in the benefits of the practical application of Bird's safety pyramid, investigating unsafe acts and conditions that may occur in the workplace, exploring their causal link, and designing the relevant action plans, in order to reduce potential damage to people or to the facilities.

In this sense, the **zero accidents objective** continues to be a priority for Abengoa in terms of health and safety. In 2020, one fatal accident was recorded on a project, so the target could not be met this year. Nonetheless, the necessary measures are being taken so that this type of accident is not repeated.

Personnel	2020	2019	2018
Own	1 (male)	1 (male)	–
Subcontracted	–	–	–



A summary of accidents of own employees broken down per gender has been included below:



Year	General frequency rate ⁽¹⁾	Frequency rate with sick leave	Severity rate ⁽²⁾	No. of occupational accidents with sick leave	No. of occupational accidents without sick leave
2020	6.24	2.48	0.07	99	150
2019	7.09	2.84	0.05	136	205
2018	7.5	3.2	0.07	149	201

The accident rate data provided corresponds to own and subcontracted personnel.

⁽¹⁾ Number of total accidents (without sick leave + with sick leave) / hours worked x 1,000,000

⁽²⁾ Number of working days lost / hours worked x 1,000

04. Performance and sustainability contribution / 04.3. Contribution to the human team

The accident rate of the company's own personnel, broken down by gender, is as shown below:

Gender	General frequency rate ⁽¹⁾	Severity rate ⁽²⁾	Number of accidents with and without sick leave
Men	9.85	0.10	196
Women	4.18	0.12	11

⁽¹⁾ Number of total accidents (without sick leave + with sick leave) / hours worked x 1,000,000

⁽²⁾ Number of working days lost / hours worked x 1,000

The accident rate data for own and subcontracted personnel is detailed as follows:

Own staff	OFR	FRSL	SR	AWSL ⁽³⁾
2020	9.17	3.14	0.10	71
2019	8.84	3.22	0.11	89
2018	10.72	4.9	0.14	126
2017	13.3	6.6	0.15	173

Subcontracted personnel	OFR	FRSL	SR	AWSL ⁽³⁾
2020	2.40	1.60	0.03	28
2019	4.72	2.29	0.04	47
2018	3.5	1.1	0.01	24
2017	3.1	1.6	0.02	27

⁽³⁾ Accidents with sick leave.

Achievements in health and safety

- **Xina Solar**: achieved 1,000 days without accidents with sick leave.
- **Ecija Solar Platform (Abengoa O&M)**: achieved six years without accidents with sick leave.
- **Ain Beni Mathar (Abengoa O&M)**: achieved six years without occupational accidents with sick leave at the hybrid solar-gas plant in Morocco.
- **Abengoa South Africa**: achieved two years without accidents with sick leave at the O&M power plants in South Africa.
- **Extremadura Solar Platform (Abengoa O&M)**: achieved six years without accidents with sick leave.
- **Abengoa O&M** exceeded two years without accidents with sick leave at El Carpio solar platform.

As a result of the good health and safety performance, several of Abengoa's activities have received awards during 2020:

- In Uruguay, Abengoa was awarded by UPM – Forestal Oriental for its performance in health and safety.
- V edition of the Innovation and Health Awards organized by Mutua Universal: received Diploma of recognition for the corporate Health Plan.
- In Chile, Abengoa was awarded by Mutual de Seguridad in its "Committed to Road Safety 2019" campaign.
- Recognition of Abengoa in Chile in the honor roll of the Chilean Chamber of Construction, in the highest six stars category, for its accident rate indicators in the 2019 period.
- Abengoa is awarded first and third prize in the annual health and safety awards from the FEM (The Federated Employers Mutual Assurance Company) in South Africa.



04. Performance and sustainability contribution

04.4

Customer contribution



€799 M
contracting



€1,202 M
portfolio



€21 B
pipeline



129
quality
professionals



35 %
complaint reduction



103
Internal audits



04. Performance and sustainability contribution / 04.4. Customer contribution

2020 was inevitably marked by the health and economic crisis caused by COVID-19.

During the first quarter of the year, the company maintained the 2019 trend and managed to develop its business plan in line with the budget in the main financial figures. Furthermore, regarding this same period, Abengoa was awarded new projects worth approximately €300 million. At the beginning of the second quarter of 2020, the effects that the global pandemic would have on the economy and, therefore, on the evolution of Abengoa's business began to be anticipated.

Despite the strong relationships Abengoa has built with its customers over the years, the new macroeconomic context has mainly impacted interactions in two ways:

- Tenders for new projects have been delayed or cancelled, with the subsequent impact on Abengoa's portfolio of opportunities.
- Many projects under execution have been delayed, either due to the forced stoppage of activity or due to problems arising in the supply chain of materials. This has resulted in commercial claims, lawsuits and, where appropriate, potential arbitration with customers.

In any case, and despite the difficulties presented by the current health and economic crisis, Abengoa has already managed to reach important agreements with its main customers to minimize the damages caused, and hopes to continue working in this direction since, ultimately, they will benefit both parties.

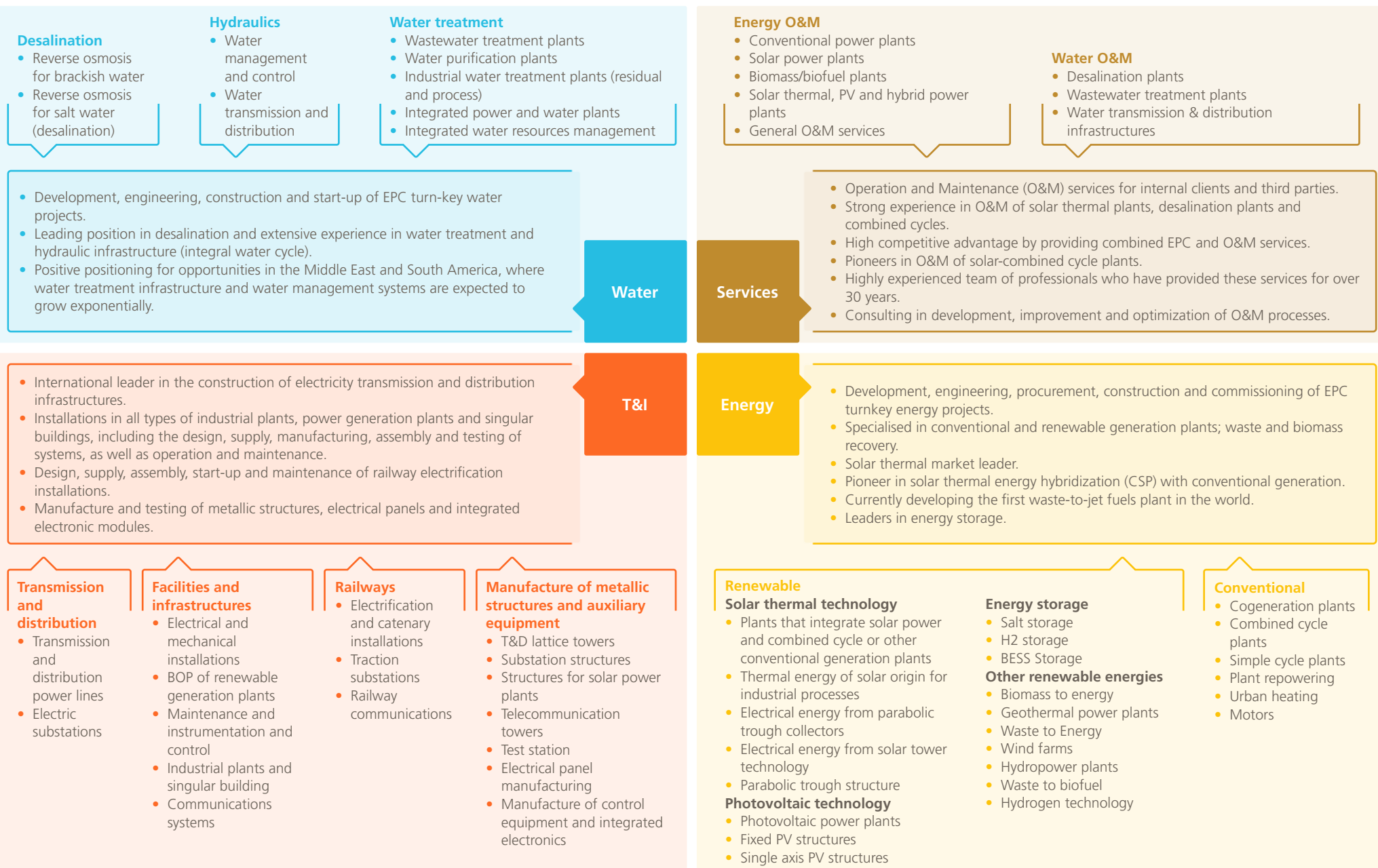
Focus on client

Abengoa operates in a highly competitive environment in which it is essential to have a solid **customer strategy aligned with the values** of excellence in health and safety, integrity, transparency, reliability, customer focus, innovation, respect for the environment and professional rigor, which are the hallmarks **of the company's identity**. *102-2, 416-1*

Abengoa offers its customers **a wide range of solutions aligned with sustainable development**, in four major areas of activity: energy, water, transmission and infrastructures and services.



04. Performance and sustainability contribution / 04.4. Customer contribution



04. Performance and sustainability contribution / 04.4. Customer contribution

Our clients

The profile of Abengoa's clients varies depending on the type of project, varying for engineering and construction, operation and maintenance or concession-type infrastructures projects.

The difficult global situation experienced as of the second quarter of 2020 and still continuing in 2021 has had an impact on customers' plans, but Abengoa understands that it will be temporary and that, although with delays and some modifications, in general the trends that were already foreseen, will continue in the future.

Energy

The trend is for new clients to appear due to the high liquidity in the markets. Many investment funds are capitalizing small developers to become Independent Power Producers (IPP): and many industrial customers are reconverting or expanding their business into the world of sustainable power generation (Repsol, Cepsa, Naturgy, Ence, Total and the like).

- Large international developers: ACWA, Mitsui, Marubeni, AMEA, X-Elio.
- Private developers Enel, Iberdrola, EDP.
- Industrial companies: Cepsa, Repsol, Naturgy, Ence, Total, BP.
- Medium Developers: Capital Energy, Solaria, Soto Solar, Solar Pack.

Transmission and Infrastructures

Most of the company's customers (Red Eléctrica de España, Adif, RTE, CFE, Pemex, among others) operate in the field of essential services, so they have not been particularly affected by the pandemic. Nonetheless, investments have been postponed.

Water

There is a growing market for public-private partnership projects (hereinafter, "PPP") or under private initiative schemes (hereinafter, "IP"), both from private developers and public-private partnerships (hereinafter, "APP") in public administrations, some of which are well consolidated, such as in the Middle East, Algeria, India and some in Latin America (Mexico, Peru, etc.).

The trend in recent years and what is expected to continue in the coming years is that new financial partners will appear due to the liquidity in the markets and the fact that many investment funds are interested in water assets.

EPC bidding for projects, both privately and publicly financed, as well as multilateral financing in developing countries, should continue.

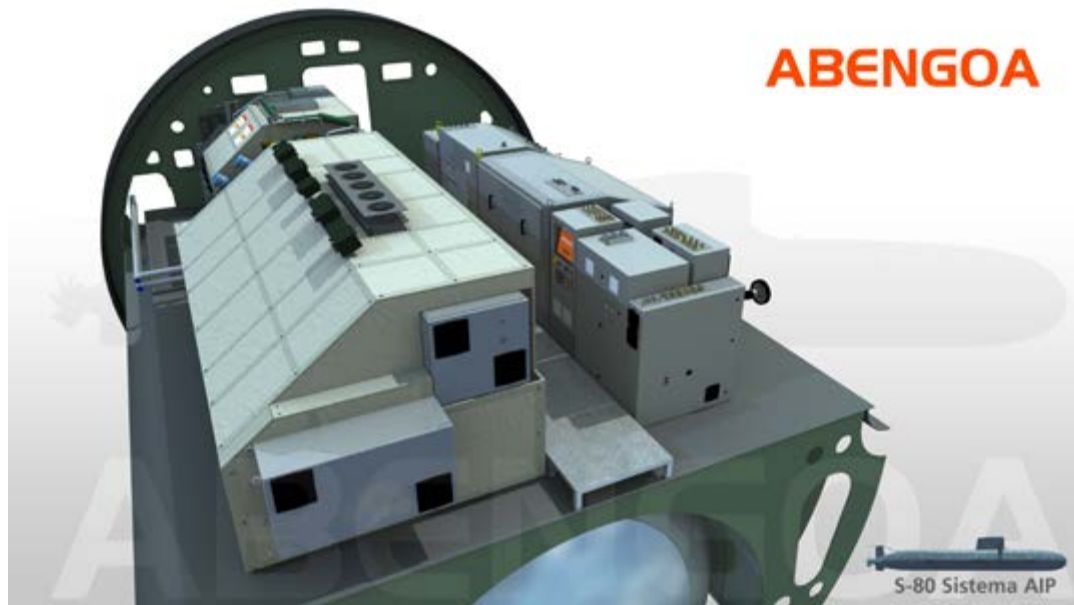


04. Performance and sustainability contribution / 04.4. Customer contribution

Services

Most of the company's customers operate in the field of essential services, so they have not been particularly affected by the pandemic. Nonetheless, investments have been postponed.

Case study: collaboration with Navantia



Now, with the new AIP system, that term is extended to three weeks.

This agreement is the result of the intense collaboration between Abengoa, Navantia and the Ministry of Defense, during which Abengoa has been adapting the development of products within its hydrogen program to the challenges presented by the demanding needs of a submarine platform within the deadlines required by the S-80 Program.

Abengoa has been working for more than 15 years on its hydrogen program, and has currently developed a variety of technologies to produce, store and use hydrogen in different fields. Nonetheless, in order to meet the enormous demands required by this program, many challenges have had to be overcome, taking the technology to new levels. An example of this can be seen in the SPB, not only due to the efficiency, robustness and safety of the equipment, but also due to the fact it should meet the size and maintainability requirements for underwater applications.

Apart from the two companies involved, the development of this new submarine technology is a milestone for the Spanish brand, as evidenced by the presence of Their Majesties the King and Queen of Spain and Their Royal Highnesses the Princess of Asturias, Infanta Sofia and Princess Leonor at the launching ceremony of the S-81, the first submarine of the S-80 line, last April at the Navantia shipyard in Cartagena.

In June 2020, Abengoa announced that it had signed a contract as technologist and main supplier of the Anaerobic Propulsion System (AIP System) for the S-80 submarines with the Spanish public company Navantia, specialized in the design and construction of high-tech ships.

Specifically, the AIP System is integrated by several main pieces of equipment: Bioethanol Processor System (BPS), Fuel Cell System (FPS), Power Adequacy System (PAS), Fuel Cells Elimination System (FES), the SECO2 System (SECO2), and AIP Control System (SCAIP). Abengoa designs, manufactures

and validates several of these main elements (SPB, SAP and SCAIP), as well as the integration of the SPC and SECO2 to guarantee the required performance, functionality and operability.

This solution implies a paradigm shift for Navantia, as the propulsion system will allow the submarines to extend their missions due to the new battery recharging function with the submarine submerged. Until now, non-nuclear submarines used batteries in its propulsion systems that only allowed them to operate in submersion for one or two days.

04. Performance and sustainability contribution / 04.4. Customer contribution

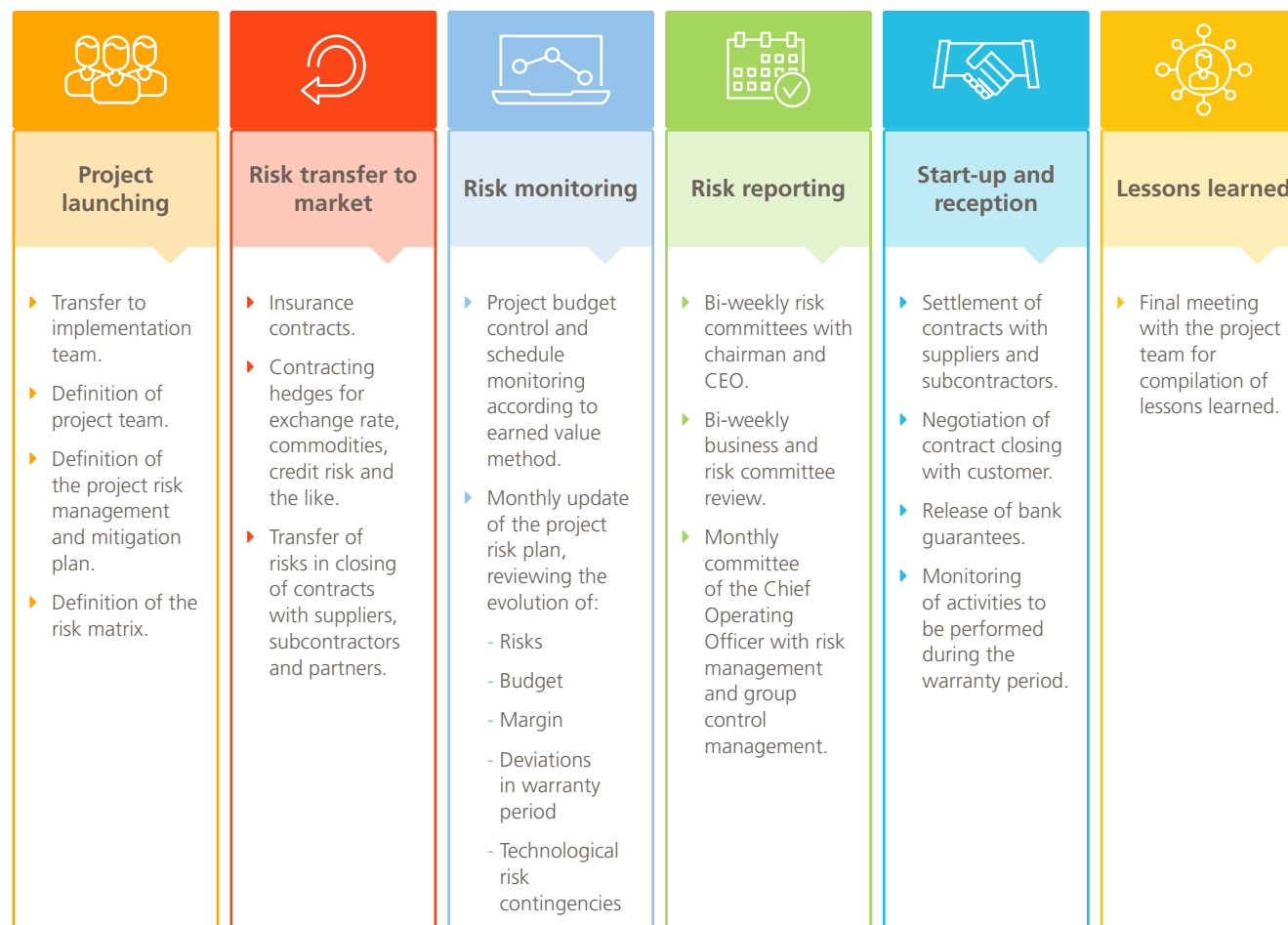
Control in project execution

Once customers have trusted Abengoa by awarding projects, it is the company's job to ensure the execution of these projects is successfully carried out, both in terms of the economic impact for Abengoa, as well as the possibility of consolidating relations with its customers.

When a project is awarded, it is added to the portfolio of projects under execution. The execution phase includes the construction period and the start-up and delivery of the project to the customer, but also the warranty period after start-up.

Apart from the risks identified during the tender period, some of which can be market-mitigated (insurance), the main risks during the execution period are generated by delays which, depending on their cause, can have a negative impact on the economic outcome of the project. Two-way, fluid and regular communication is essential, as well as permanent feedback in order to incorporate the necessary improvements.

For each project in execution, a project risk management plan is established, the process of which has several phases, as established as follows:



Risk control and monitoring is not finished once the project has been completed and has been finally accepted by the customers. In the operation and maintenance stage, risk control is carried out with a preventive and predictive approach that allows anticipating the most appropriate mitigating measures for each type of risk.

The information resulting from this process is not only valuable for Abengoa, but also for its customers, who can incorporate these lessons learned to their subsequent projects.

04. Performance and sustainability contribution / 04.4. Customer contribution

Commitment to quality

Despite the management strains generated by the difficult economic and social environment experienced throughout the year, Abengoa has firmly remained committed to the quality of its products and customer satisfaction.

The company has continued to make progress in its objective, which started in 2019, of optimizing its management systems, placing emphasis on the unification of procedures and the digitization of processes.

Progress has been made as planned in the digitalization objectives of the activity plans: tasks control and monitoring, workload, compliance indicators, etc.

Almost all the projects executed and the operation and maintenance activities carried out in 2020 have been carried out with an externally certified management system under the ISO 9001:2015 standard.

In 2020, **103 audits were carried out in accordance with the quality and environmental management systems** and as a result thereof, 203 non-conformities were managed.

The company has dedicated 129 resources to quality management.

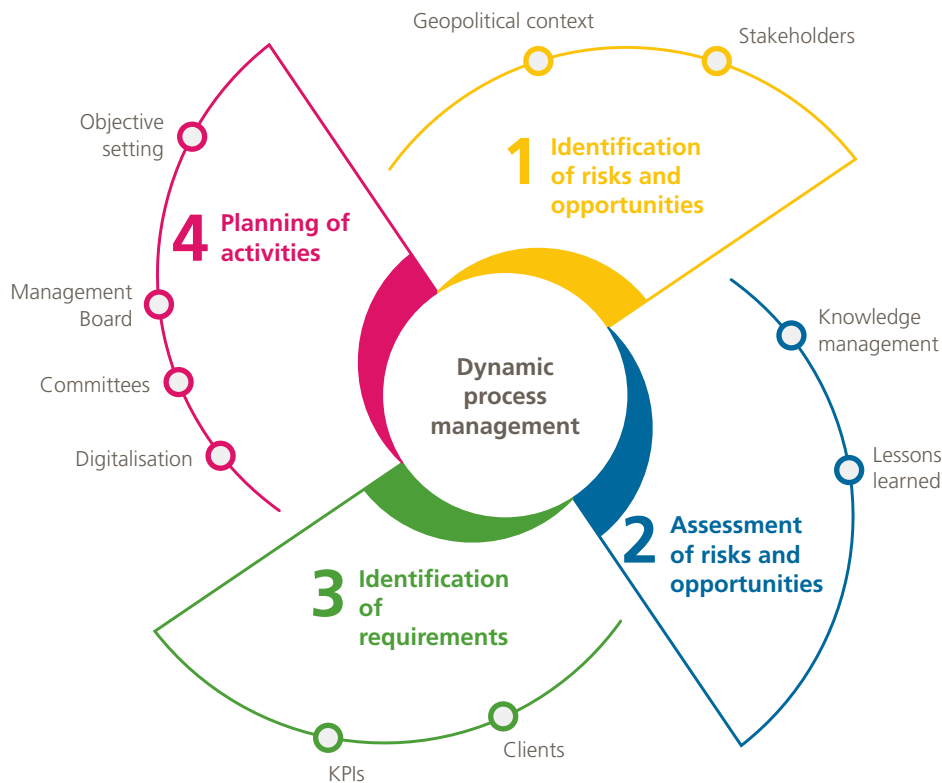


04. Performance and sustainability contribution / 04.4. Customer contribution

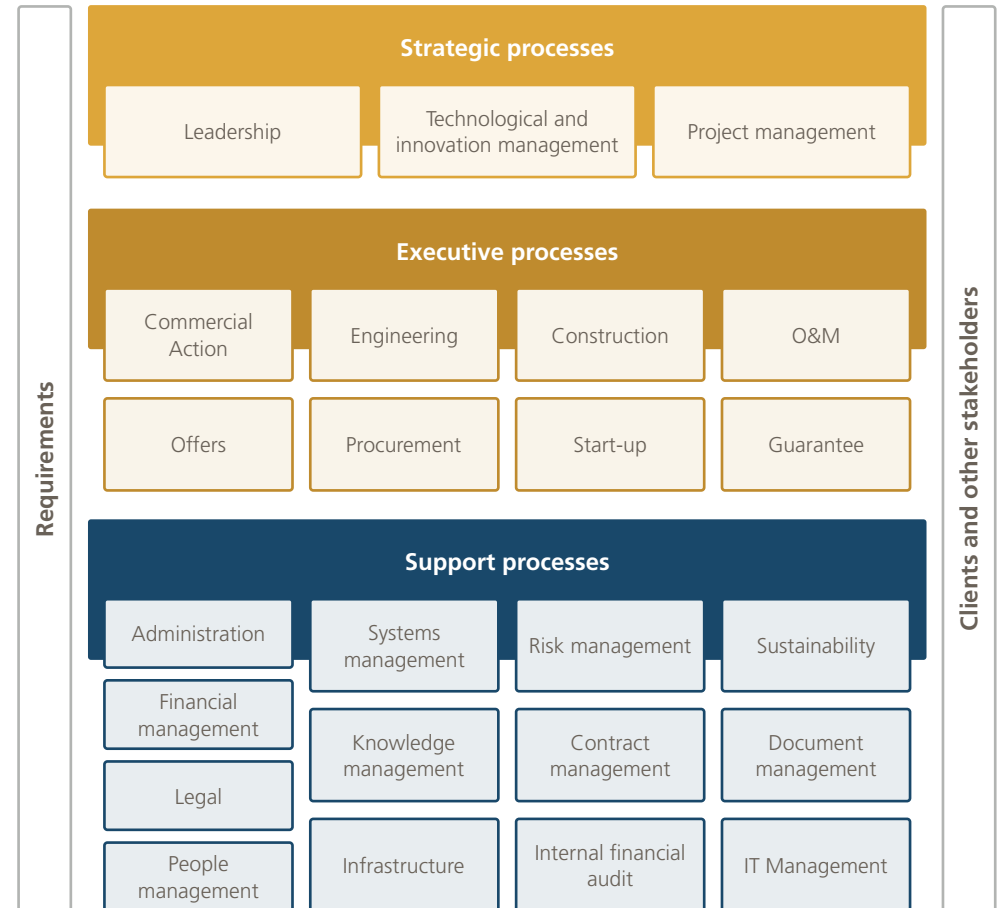
Quality model

Abengoa is aware that being more effective and efficient is necessary to improve the company's competitiveness, consolidate the recovery and achieve the growth objective. That is the reason why the company continues to improve and strengthen its focus on processes.

Such optimization is based on a risk and opportunity analysis incorporating the needs and expectations of its stakeholders and the requirements that may arise, establishing a schedule of activities to **mitigate** or eliminate possible **negative impacts and enhance strengths and opportunities**.



At the end of the year, there are 125 defined process indicators that cover the entire process map and are monitored in some of the regular committees.



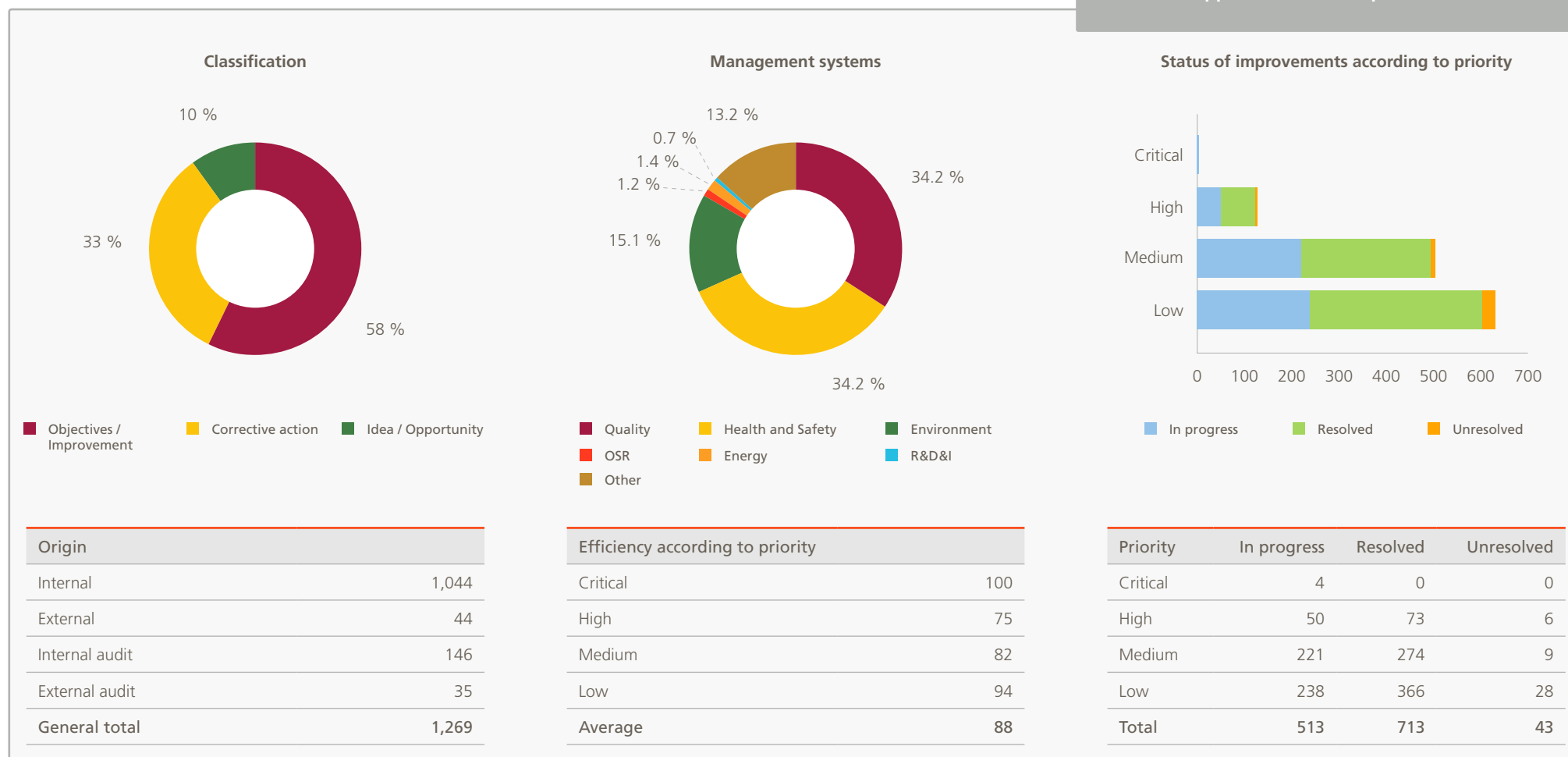
04. Performance and sustainability contribution / 04.4. Customer contribution

Commitment to continuous improvement

Abengoa is aware that management systems should contribute to reducing costs and promoting innovation. In this sense, they constitute the main tool for identifying and supporting all improvement initiatives identified in any area of the business.

In 2020, **1,269 opportunities for improvement** of different natures were managed.

Opportunities for improvement



04. Performance and sustainability contribution / 04.4. Customer contribution

Likewise, the company has developed a **lessons learned management procedure in all its processes**, since it believes that learning based on experience is fundamental in an environment of advanced and innovative technological projects.

All proposals presented are assessed by teams of experts, who analyse the causes and results. If the lesson learned is assessed as positive, it is transmitted to all applicable projects and activities. Abengoa Easy Management acts as an integrated database and an element that facilitates the dynamics of all process stages.

In 2020, **157 proposed lessons learned** from interviews with project work teams, as well as from the analysis of significant incidents recorded in the year were incorporated into the system.

Customer Satisfaction

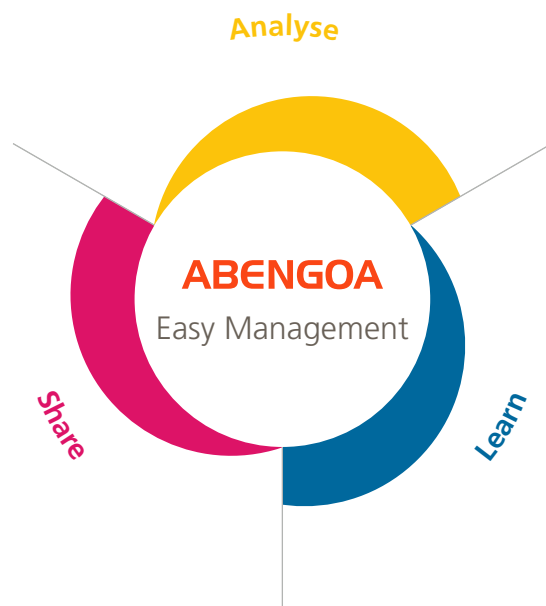
For Abengoa, meeting the quality requirements of its customers is a priority. Therefore, the company has a **unified satisfaction measurement system** duly and fully **adapted to the particularities of their products and services**, which analyzes aspects such as their quality, communication with customers, management of nonconformities, complaints and claims, management of environmental aspects and impacts related to the product or service, management of social aspects and management of occupational risks.

This measurement system ensures that consistent data is obtained through different metrics by which all conclusions are duly analyzed and addressed. It is unique for all verticals and regions and its methodology is based on questionnaires designed ad hoc for the type of product or service being assessed. The questions are selected after a detailed analysis of the projects and of the operation and maintenance activities.

For each response obtained, an individual analysis is performed at different levels, starting with the project team and extending to the corresponding quality committees.

Finally, all received data is **analysed in aggregated form** in order to obtain information and **compare satisfaction on six generic dimensions**:

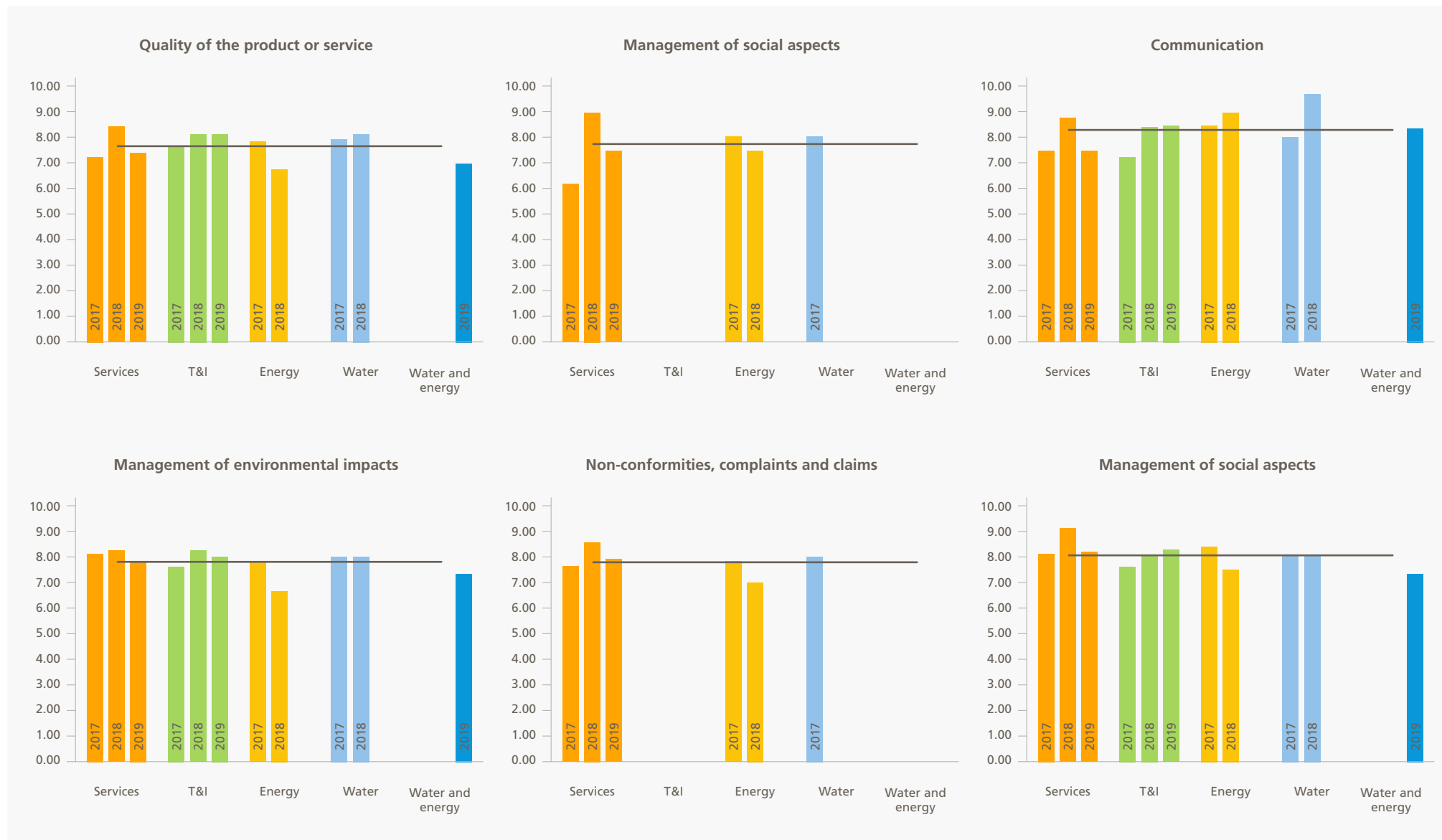
- product or service quality;
- communication with the client;
- management of nonconformities, claims and complaints;
- management of the environmental aspects and impacts associated with the product or service;
- management of social aspects; and
- occupational risk management.



- 01 Definition of the areas of knowledge
- 02 Recording of learning in experience and compilation of the proposed lessons learned
- 03 Validation of lessons learned
- 04 Implementation and publication
- 05 Transfer to other projects and activities
- 06 Follow-up on developments
- 07 Evaluation of management of lessons learned

04. Performance and sustainability contribution / 04.4. Customer contribution

In 2020, the target population of the study was 47 projects and plants. Data has been obtained from 22.



04. Performance and sustainability contribution / 04.4. Customer contribution

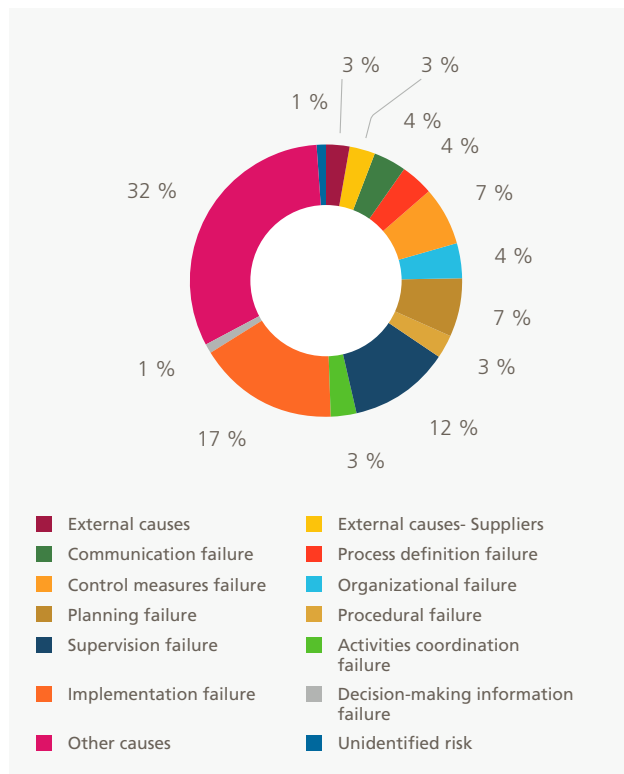
Management of claims and complaints

Abengoa has kept open communication channels with its clients at all times, proactively trying to understand their needs, expectations and complaints, whenever they pop up.

All claims are registered and carefully analysed. A supervisor, work team and observers are assigned to each complaint. The aim is to **guarantee a satisfactory solution** for both parties, with the application of corrective measures that prevent the incident from repeating in the future as much as possible.

To achieve the above mentioned, the Abengoa Easy Management tool is available. In 2020, **63 complaints or claims** were managed, compared to 29 in the previous year and 45 in 2018. [102-44](#)

Typology	%
External causes	3
External causes - Suppliers	3
Communication failure	4
Process definition failure	4
Measure control failure	7
Organizational failure	4
Planning failure	7
Procedural failure	3
Supervisory failure	12
Failure to coordinate activities	3
Execution errors	17
Decision-making information failure	1
Other causes	32
Unidentified risk	1



Future Challenges

The quality function, along with Abengoa's other areas have **digitalization** in its broadest sense as a goal and challenge for the future, not only in terms of incorporating new technologies and automating processes, but with a deeper transformation of the business, making the company more adaptable to changes and more focused on the client.

The main lines of work will be:

- **Resource optimization:** digitization of activity plans, their control and monitoring, workload or compliance indicators.
- **Quality culture:** including risk identification and assessment, checklists for processes and activities, and recording of deviations.
- **Knowledge management:** focused on the recording and visibility of learning, lessons learned and improvement objectives.



04. Performance and sustainability contribution

04.5

Contribution to the supply chain



21

countries where purchases are made



€809 M

purchasing volume



3,039

suppliers approved in 2020 with sustainability criteria



7,907

suppliers



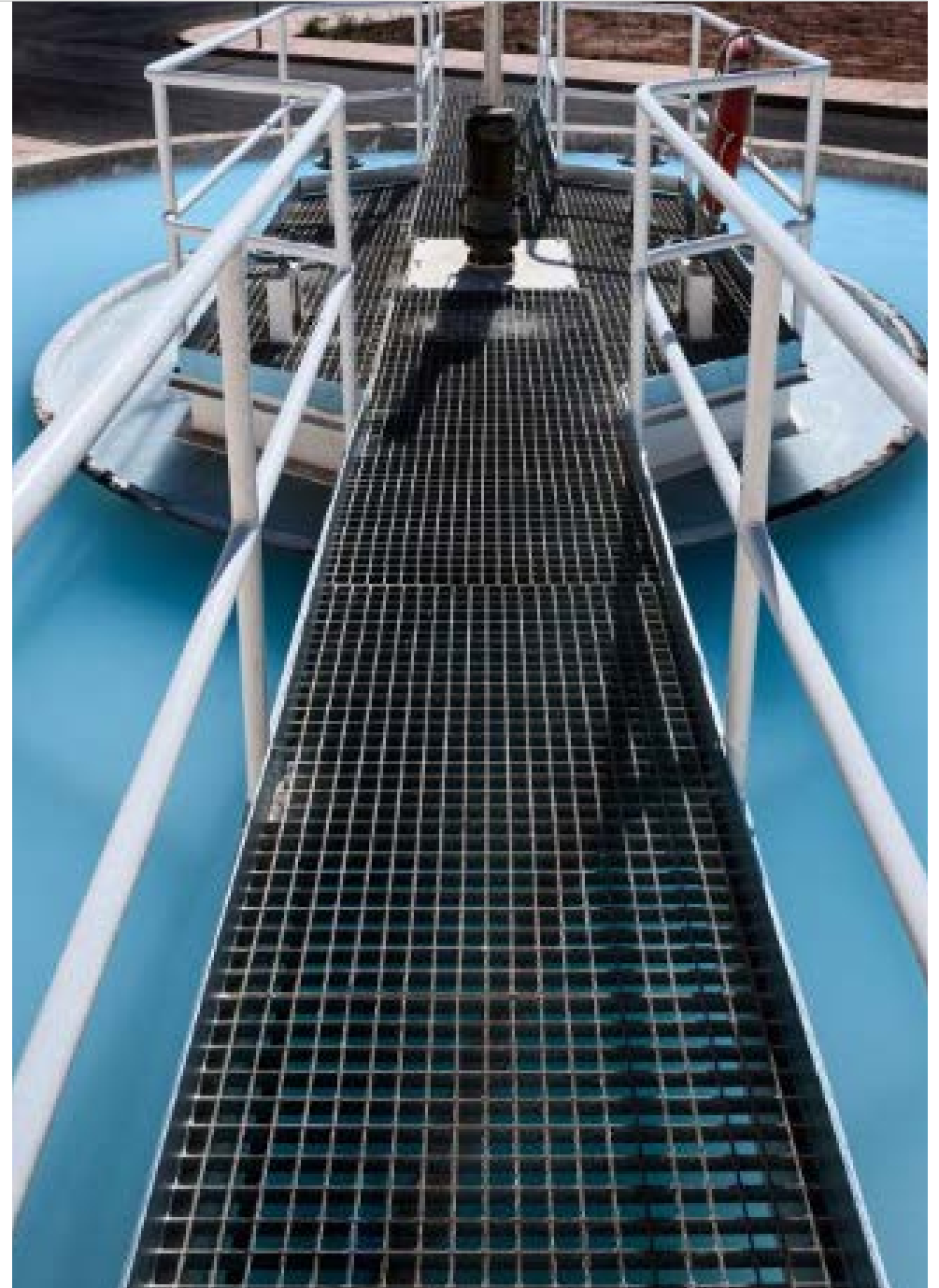
€568 M

local purchases



70.26 %

purchases from local suppliers



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

Goals set forth in the SSP 2019-2023

Human rights



Complete the implementation in all regions of a unified purchasing system that includes sustainability criteria and risk assessment in the approval process in order to foster a responsible purchasing process.



Conduct an annual human rights risk analysis of 100 % of key suppliers.



Conduct audits of at least a 15 % sample of suppliers identified as critical.



Aware that the relationship with suppliers constitutes an essential element for business development, Abengoa strives to promote a relationship based on **trust and mutual benefit, ensuring quality, promoting a culture of responsible management and fostering ethical behavior.**

The company's supply chain has shown unwavering loyalty and has made a significant effort to enable the company to continue

its operations. Abengoa has therefore concentrated its efforts on reducing the level of debt acquired and continues to work with its suppliers in order to repay it in a sustainable manner.

In this regard, in the last restructuring, the company has designed an **ad hoc solution** to resolve the above mentioned debt through the **allocation of assets.**



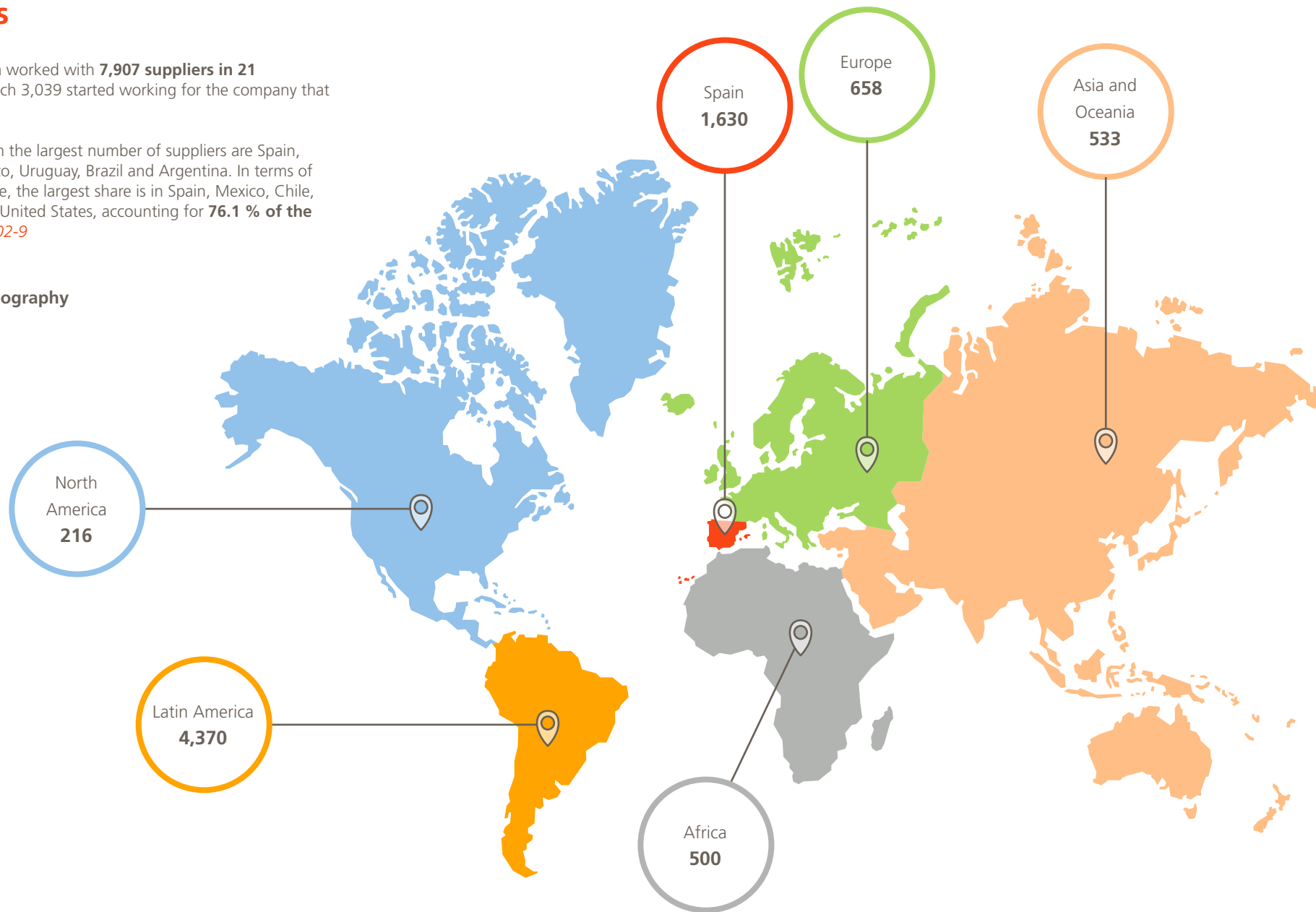
04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

Suppliers

In 2020, Abengoa worked with **7,907 suppliers in 21 countries**, of which 3,039 started working for the company that same year.

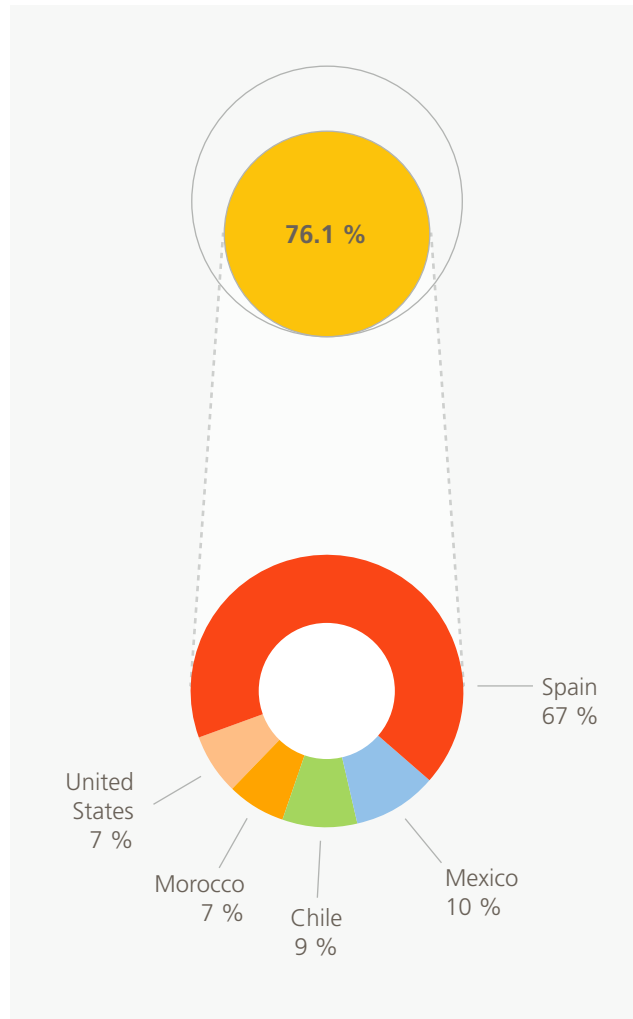
The countries with the largest number of suppliers are Spain, Chile, Peru, Mexico, Uruguay, Brazil and Argentina. In terms of purchasing volume, the largest share is in Spain, Mexico, Chile, Morocco and the United States, accounting for **76.1 % of the total amount**. *102-9*

Suppliers by geography



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

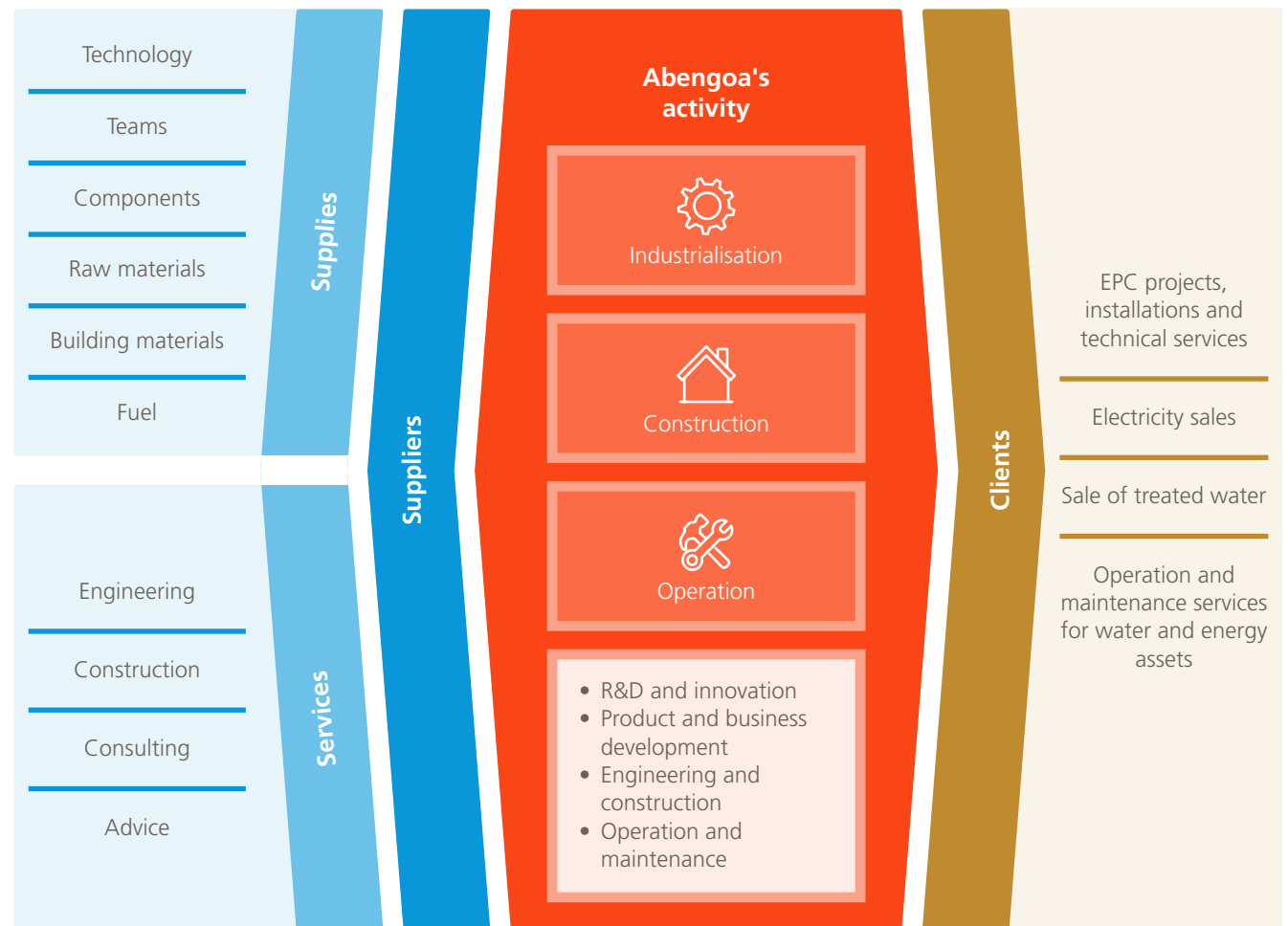
Distribution by purchasing volume



Throughout the value chain, Abengoa has worked with different types of suppliers in 2020, as shown below.

In general, suppliers offer their services to the main areas of activity of the company, i.e. engineering, construction and operation and maintenance, as well as to the internal infrastructure required by the company to operate.

The main types of supplies include capital goods with a broad spectrum of technological development, raw materials and components, as well as services in the fields of professional engineering, construction and installation, consulting, advice and transport.



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

Supply chain management

Abengoa has a purchasing management model directly focused on satisfying customer needs, optimizing operational costs, mitigating risks and sustainability in the relationship with suppliers, prioritizing local purchasing.



The procurement policy is governed by fundamental pillars, such as transparency, compliance and responsibility of all its professionals, and has detailed procedures defining the purchasing management process. The most relevant ones are as follows:



Purchasing is distributed prioritizing proximity to local suppliers and businesses, with the aim of maximizing local operations and value knowledge of the dynamics of each territory and long-term relationships. At the same time, the relationship with suppliers who, due to technological reasons are more global, is developed from the central offices.

04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

Local suppliers

From the very beginning, Abengoa has been firmly committed to the socio-economic development of the communities in which it operates. In this sense, the company strengthens the **local economy** and contributes to the **improvement of living conditions** in the areas in which it operates by creating direct and indirect employment.

During 2020, the company has continued to set its objectives around a **mostly local supply chain**, promoting the preferential

hiring of those suppliers developed in the environments in which the company operates. [204-1](#)

Concept	2020	2019	2018
% purchases from local suppliers	70.3	77.5	77.4

During 2020, the percentage of purchases from local suppliers was of **70.3 %**, with the breakdown by country as follows:

Country	% local suppliers / country
United Arab Emirates	99.51
Argentina	98.12
Brazil	99.74
Chile	93.92
Denmark	92.67
Algeria	100.00
Spain	56.19
France	93.71
United Kingdom	99.93
Israel	100.00
Italy	12.90
Morocco	72.31
Mexico	99.08
Oman	95.93
Peru	96.30
Poland	89.06
Saudi Arabia	91.29
Turkey	100.00
United States	79.55
Uruguay	90.46
South Africa	82.12



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

Centralised purchasing

As part of the new strategic plan, Abengoa began in 2017 a centralization process of some purchasing processes, in order to **maximize the efficiency of said processes**, allowing to **optimize the operation** and carrying out the **balance between local and global**.

During the financial year 2020, the centralization process was completed by **74 %**, covering its implementation in all the geographic areas in which it operates, with the exception of Brazil, Uruguay and the United States.

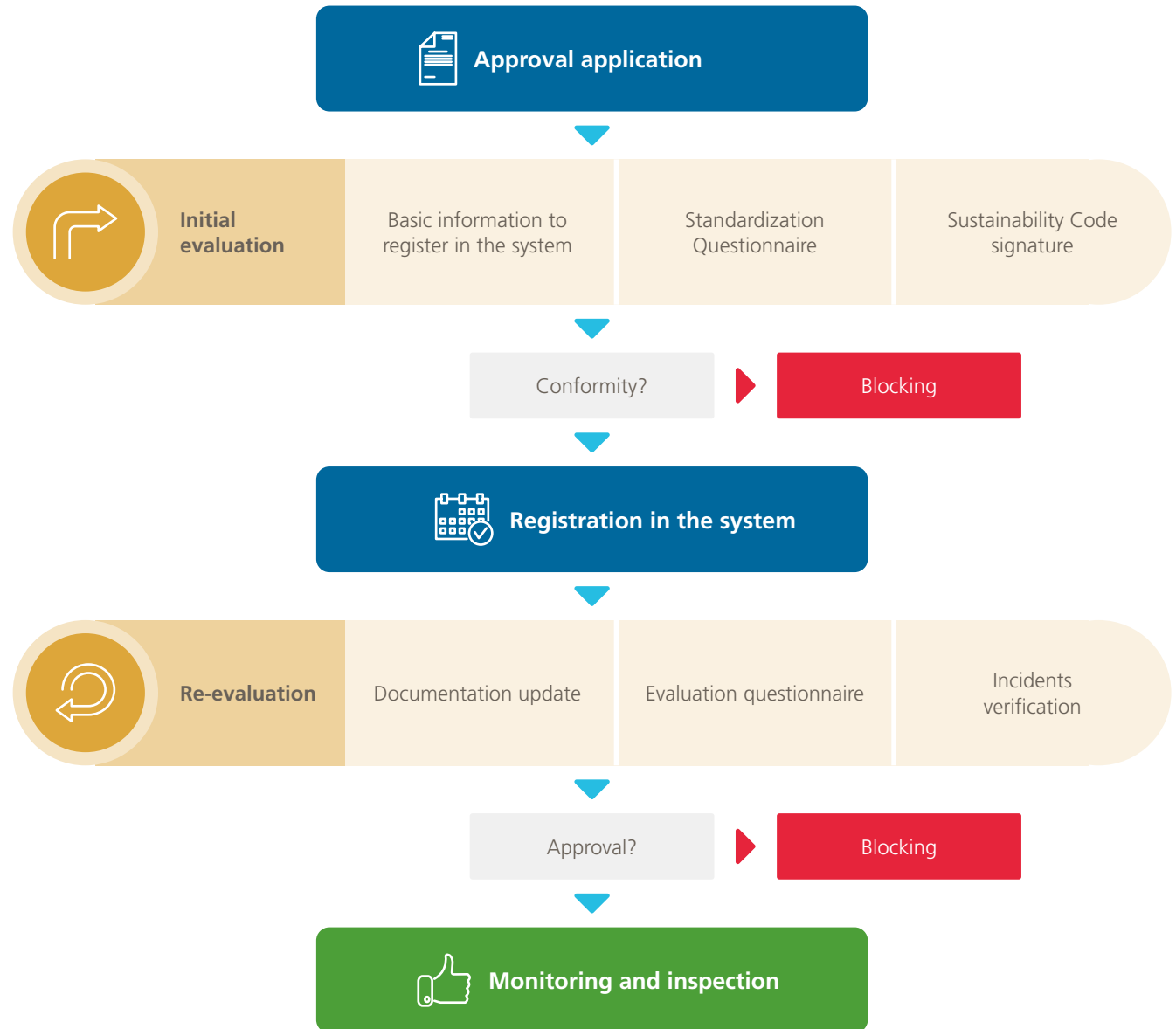
Unified standardisation

Within the scope of purchasing centralization, Abengoa has implemented a **standardised process** for the company's new suppliers, including sustainability criteria and considering the geographic and activity diversity of operations.

This process includes the principles to be complied with by a supplier regarding health and safety, regulatory compliance, defence of human rights and environmental protection, among others. In this way, the company promotes its responsibility culture throughout the value chain, thereby multiplying the positive impact of its values and principles.

The standardization of procedures has been carried out by a specialized team integrated by the Purchasing, Internal Audit, Sustainability, Quality and Health and Safety areas.

The standardization process framework is described below.



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

Sustainable Purchasing

For Abengoa it is important to prioritize and pay special attention to promoting compliance with **ethical, labour, environmental and health and safety standards** with its supply chain. More importantly, taking into account the growing international presence in emerging countries, the volume of suppliers working with the company and their importance to carry out our activity.

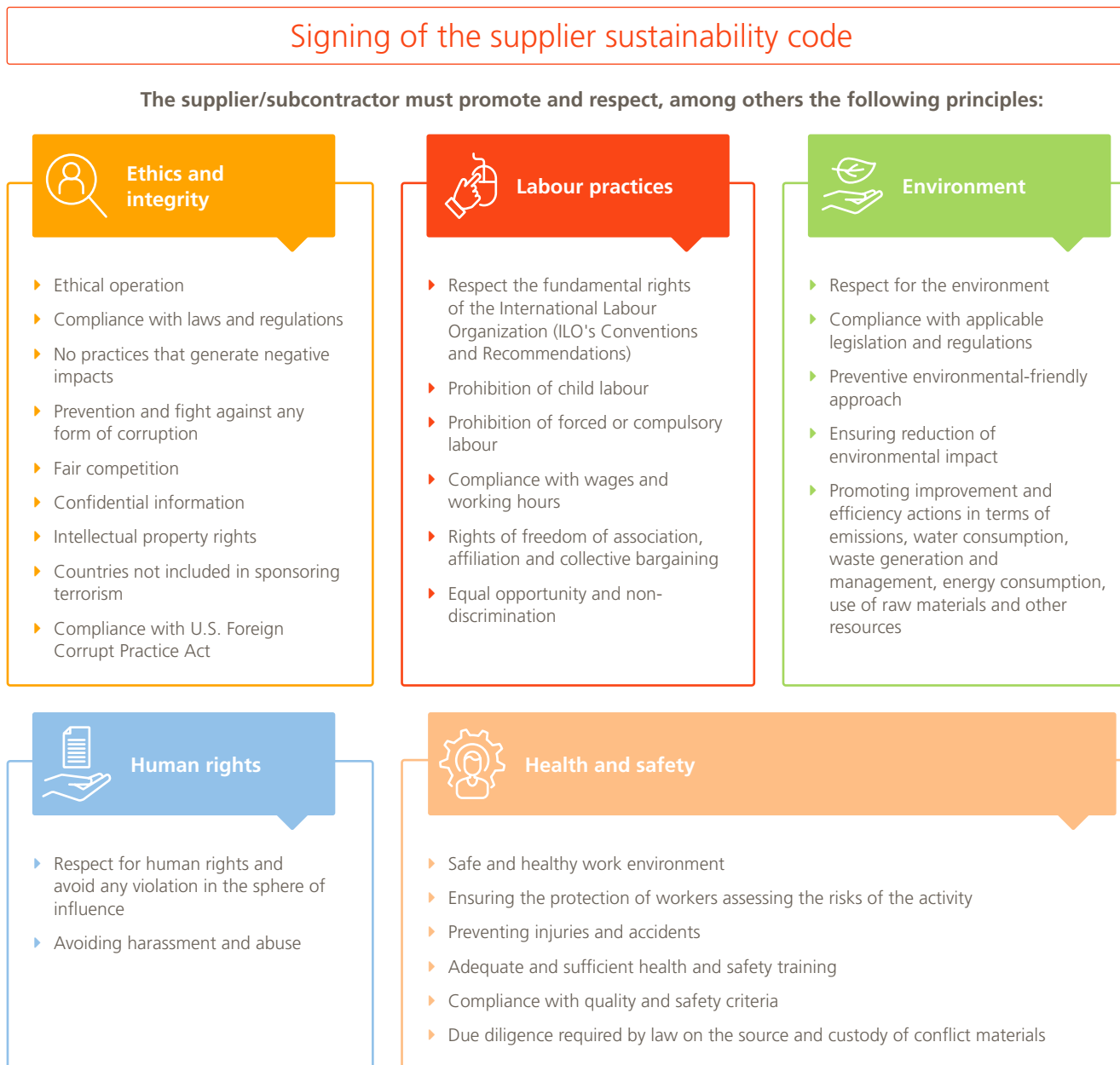
Promoting a culture of responsibility throughout the value chain allows the positive impact to be multiplied across the organisation's values and principles.

As a basic tool to achieve this, in 2008 Abengoa designed its **Sustainability Code for suppliers and subcontractors**. Its clauses are based on the principles of the United Nations Global Compact, the Universal Declaration of Human Rights, the guidelines of the International Labour Organization, the Rio Declaration on Environment and Development and the United Nations Convention against Corruption. *102-12, 102-13, 414-1*

Compliance with this code is aimed to improve the quality of life and working conditions throughout the supply chain, contributing to a more sustainable world and helping to achieve the **Sustainable Development Goals (SDG)**. By signing the agreement, the supplier undertakes to develop its business taking into account these principles and, in addition, to be fully available to be subject to an audit or another type of inspection by Abengoa to verify its compliance.

The code was updated in 2016, reinforcing the corporate integrity, transparency and good governance areas, as a necessary condition for supplier standardisation.

The signature of the sustainability code is registered in the centralised suppliers master file, in accordance with the new organisational structure, which will increase the efficiency of the work and prevent any duplicate work from our partners and collaborators.



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

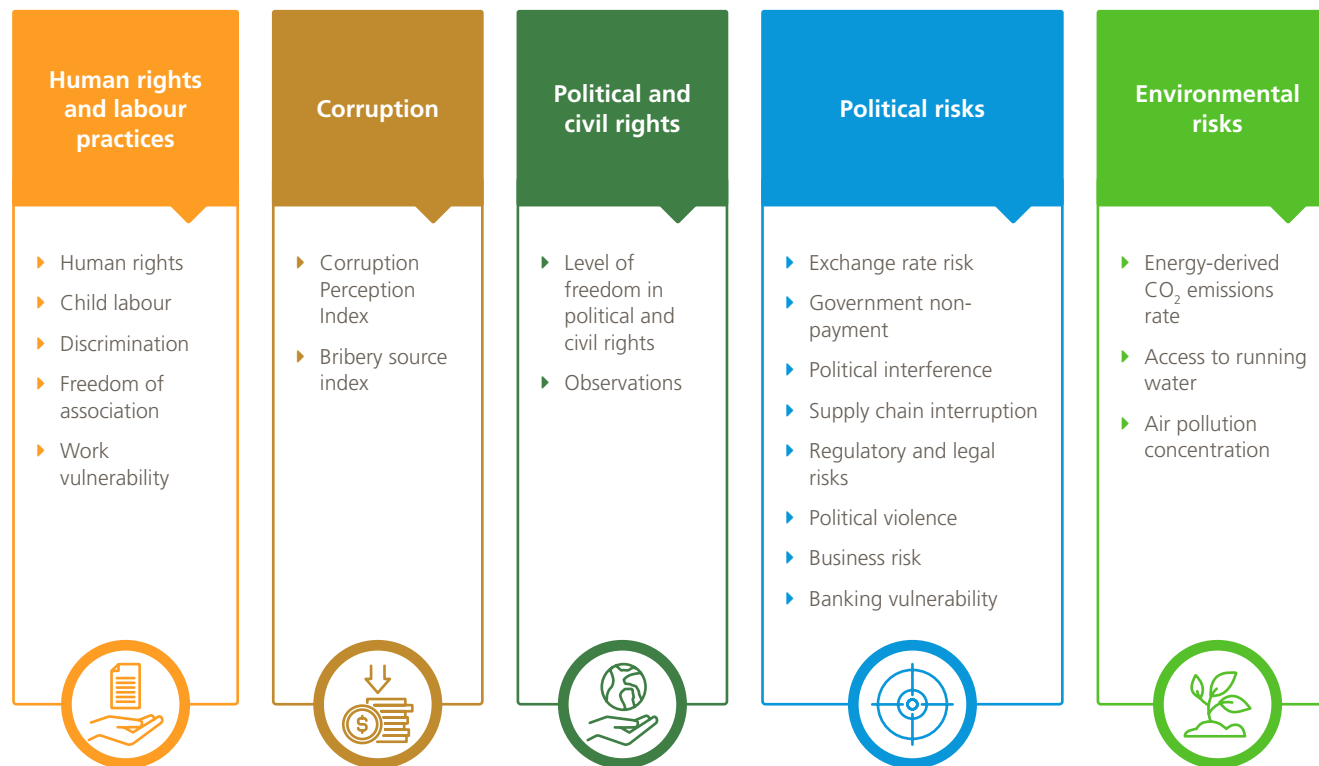
Supply chain risk management

The supply chain constitutes a key factor in the business activity, since it allows the identification, prevention and mitigation of risks (operational, regulatory, reputational, etc.) while **creating opportunities for collaboration and shared value with suppliers**.

Aware of this, Abengoa carries out a process of analysis and evaluation of risk suppliers, in order to monitor the involvement and acceptance of suppliers to corporate policies, determining the level of risk and establishing measures for its mitigation.

This analysis process covers different variables, such as **the country in which the supplier operates, the nature of the supply, the type of activity** carried out and other more subjective aspects that can define a greater reputational risk. Additionally, **the nature of the supply or the award cost** is considered.

To determine the risk level, the company uses, among others, international indexes that include aspects such as human rights, labour practices, corruption, political and civil rights or environmental and political risks. *308-1, 308-2, 412-1, 414-2*



04. Performance and sustainability contribution / 04.5. Contribution to the supply chain

After the suppliers risk level has been analysed and its criticality has been evaluated, **suppliers are assessed**, with the objective to determine the degree of **compliance with the principles contained in the Sustainability Code**. For this, Abengoa designed an audit procedure defining the parameters of the assessment and establishes the scope of the process, depending on the degree of importance of the supplier, the analyses carried out through self-assessment questionnaires or through audits.



In 2020, these assessments were carried out remotely, sending a self-assessment questionnaire to the suppliers and contacting them electronically to collect additional information.

Abengoa considers the possibility of **stopping working with local suppliers who do not comply with internal requirements** if this is not remedied. In this regard, in 2020, Abengoa has not had to stop working with any critical supplier for these reasons.

Risk prevention in the supply chain

Abengoa is fully committed to the health and safety of all its workers and other stakeholders. This commitment covers not only the production process, but the entire value chain.

This commitment, as well as the fact of working safely, regardless of the country, the type of project, plant or customer, it is a cultural aspect within Abengoa and is considered one of the company's main hallmarks.

As it cannot be otherwise, it is also replicated by our suppliers (suppliers, subcontractors) and, therefore, there is an internal

standardisation process, prior to the beginning of their activities, regardless of the scope of work/service agreed. This evaluates whether the company has implemented an occupational risk prevention management system in its company; risk assessment; preventive training to their personnel, accident rate indicators in recent years, etc. If said assessment is satisfactory, the relevant standardisation of the company in question is approved.



04. Performance and sustainability contribution

04.6

Contribution to the society



€1.2 M

social investment



26

years working on social and cultural development



8,000

direct beneficiaries



52

homes under construction for community donation



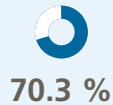
04. Performance and sustainability contribution / 04.6. Contribution to the society

Goals set forth in the SSP 2019-2023

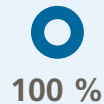
Contribution to progress



Priority is given to purchases from local suppliers to improve the economy and help drive the socio-economic development of the regions in which we operate.



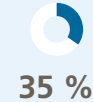
Maintain 85 % of local employees.



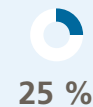
Social commitment



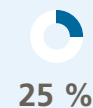
Ensure that the company participates in social action programmes again.



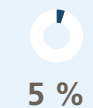
Carrie out sustainable social action strategies (in the long term and in financial terms).



Align social action programmes with the business strategy.



Encourage and involve employee participation in social action/corporate volunteering programmes.



Since its beginning, Abengoa has worked to establish **solid relationships in the communities** in which it operates, as is evidenced by its more than 50 years of presence in countries such as Argentina or Uruguay. These relationships are based on mutual recognition and respect, **continuous and participatory dialogue, trust and the creation of shared value.**

Considering the marked global nature of the company, which operates in 25 countries with a total of 11,379 employees, its impact on the economic, social and environmental areas is highly significant. Therefore, in line with its commitment to the Sustainable Development Goals, it assumes its responsibility and works as an **agent of change to contribute to the progress, well-being and development of the communities** in which it operates, providing more value and promoting joint socioeconomic development actions. *102-4, 102-8*

Abengoa contributes to social development by **maximizing the positive impacts generated by its activity** and its business model by providing society and communities with solutions to **water, energy and infrastructure needs.**



Access to drinking water, thanks to desalination, reuse and construction of water channelling systems in regions in which no drinking water could be supplied.



Generation of electricity power from renewable sources.



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

04. Performance and sustainability contribution / 04.6. Contribution to the society

Additionally, Abengoa works on a daily basis to prevent and mitigate any possible negative impact that may be generated by its projects, through preventive and corrective measures adapted to each situation.

The strategic investment of the company in the community or the social impact of its business therefore includes elements of the activity involved, the consequences of the products and services developed, the generation of employment (direct or indirect) and the effects on the value chain for its stakeholders.

The firm **commitment to contribute to progress** and the commitment to social development in the communities is **defined in the Sustainability Policy**, seeking to involve local stakeholders to define plans for **shared value creation**, contributing more value by promoting the well-being of the community in the regions in which the company operates.

Additionally, the **Strategic Sustainability Plan** includes in its guidelines different actions and specific objectives to promote the contribution to progress and to balance the social, economic and environmental development of the communities.

Mechanisms for the protection of human rights

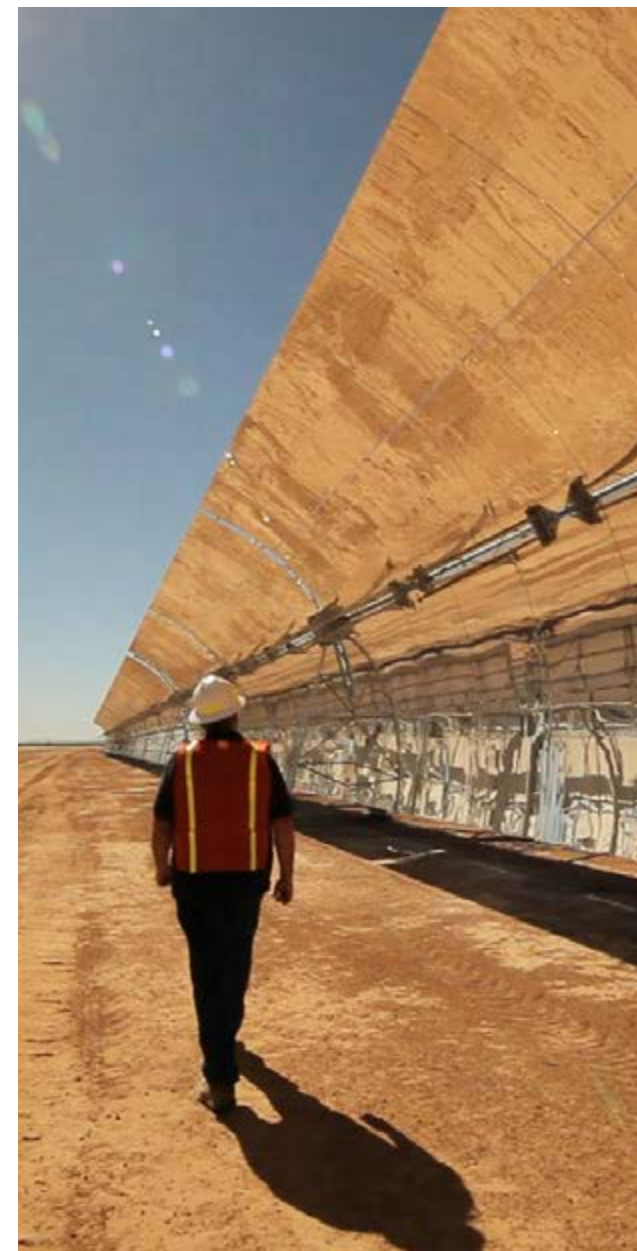
For Abengoa, the protection of human rights constitutes an essential part of its values and the minimum framework for action to ensure the legitimate development of its business activity.

Therefore, as reflected in both the Sustainability Policy and the Code of Conduct, Abengoa is committed to **ensuring the protection of human rights in all activities** carried out by the company and its supply chain and throughout its sphere of influence.

The company integrates in all its businesses the principles governing the UN Universal Declaration of Human Rights, the SA8000¹ standard, the Global Compact's own principles, the Guiding Principles on Business and Human Rights and the OECD guidelines in each of the initiatives carried out, regardless of the geographic areas in which it operates.

102-12, 406-1, 407-1, 408-1, 409-1, 413-2

The company remains committed to the International Labour Organization (ILO)² Tripartite Declaration, seeking to promote positive contribution and minimize or resolve the challenges posed by multinational companies on economic and social progress. Additionally, its policies incorporate the recommendations and conventions consolidating the Declaration on Fundamental Principles and Rights at Work to respect and promote the principles and rights, freedom of association and trade union freedom and the effective recognition of the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in employment and occupation. *102-12*



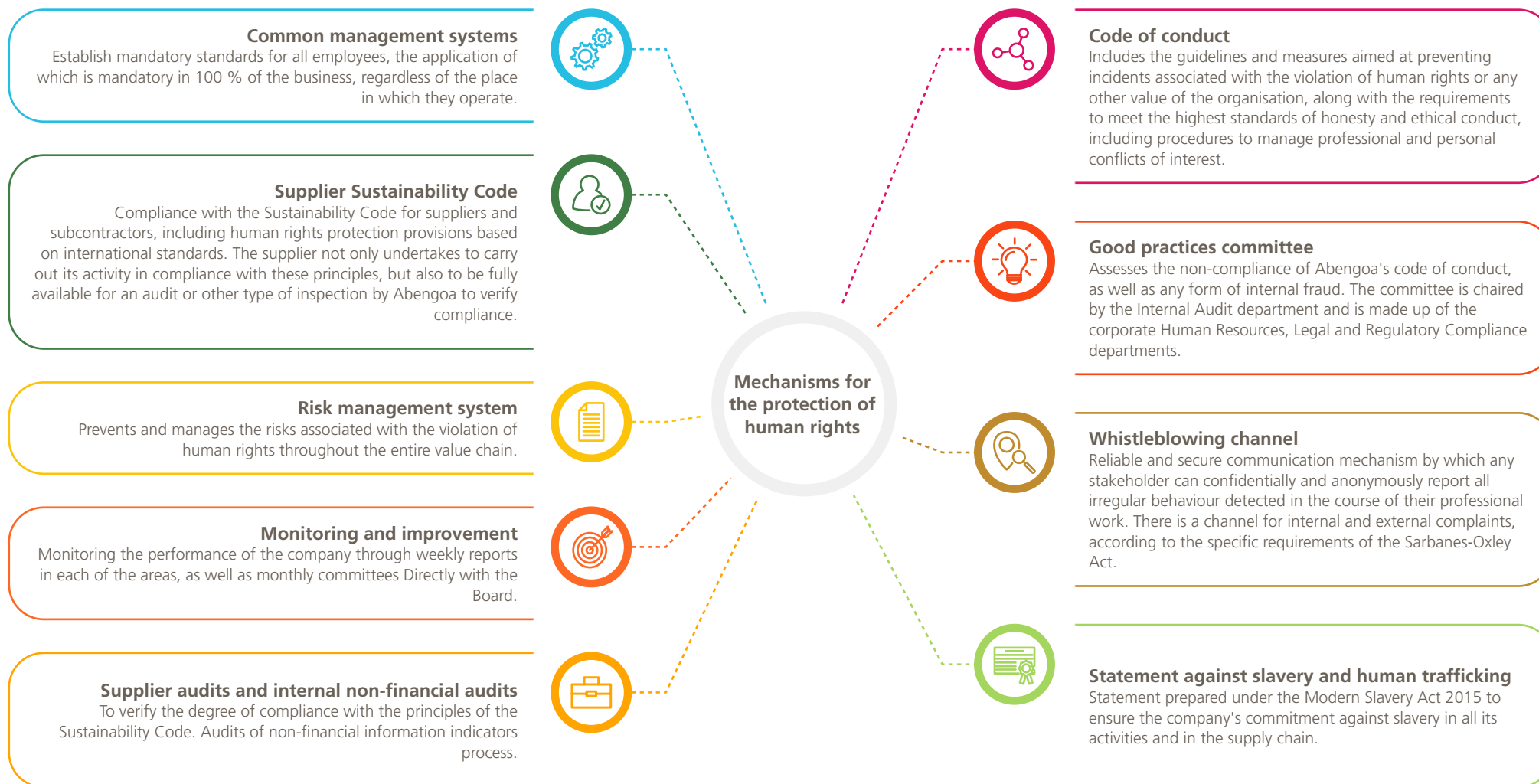
¹ SA8000: International certification providing for the minimum conditions to develop socially responsible labour practices to benefit the entire supply chain.

² Convention 138 of the International Labour Organization (ILO): Convention on the minimum age for admission to employment.

04. Performance and sustainability contribution / 04.6. Contribution to the society

Abengoa is committed in the fight against slavery and human trafficking and assumes responsibility for ensuring its labour practices comply with the Modern Slavery Act 2015. For this, each year it makes an **anti-slavery and human trafficking** statement, reflecting the commitment to act ethically and with integrity in all business relationships and to implement and enable effective systems and controls to ensure there is no slavery or human trafficking in any part of the company or its supply chain. This [statement](#) is available on the web.

Likewise, Abengoa has implemented different tools and mechanisms to comply with the standards required in its commitment to the protection, prevention and control of possible violations of human rights: [102-17](#), [410-1](#)



04. Performance and sustainability contribution / 04.6. Contribution to the society

Relationship with local communities

With the aim of connecting with the local environment and creating shared value, Abengoa works and invests in the development and growth of the communities in which it operates. Therefore, it mainly carries out social development, education and research projects in the communities in which it operates.

Due to the current complicated financial situation and in order to comply with the company's viability plan, each Abengoa company has assessed its capacity to finance the social projects being developed in each of the regions. For this, during 2020 activities and projects have been carried out in Spain, Uruguay, Argentina, Brazil, Mexico and South Africa, due to both

contributions from subsidiaries and employee collaborations. With the company normalized, the recovery of actions and development activities in the communities in which it operates will become a reality.

South Africa

In 2020, Abengoa has continued to promote the development of the communities in the areas of the Khi Solar One and Xina Solar One projects for an amount of around 1.1 % of the gross income of both projects and following the directives of the South African Department of Energy.

The activities and programmes are aimed at economic and social development, as well as business development, with projects focusing on activities to assist disadvantaged groups, promote the education and employability of young people and support for young entrepreneurs.

The combined budget of both programmes amounted to approximately 20 million Rands (€ 1.2 million). The COVID-19 pandemic had a major impact on the target communities of the programmes, so different activities were carried out in collaboration with other groups and administrations present in the area.

COVID-19

- **Support those most in need through the regular distribution of food during confinement.** The endemic lack of job opportunities became even more severe during the confinement period decreed as a result of the pandemic; therefore, important groups required the distribution of food packages in order to survive.

These activities were carried out in coordination with local authorities and other projects working in the area, so that with the joint effort all needs could be met.

- **Donation of protective equipment and cleaning supplies.** Different requests from schools, rural clinics and other groups were attended for the supply of cleaning materials, hand cleaning gels and masks.



► Donation of health and protection material to a rural clinic.

Social activities

- **Housing Construction Program.** In 2020, the construction of the 52 houses in Pella, Pofadder and Onseepkans continued, a large part of which were completed and donated to their beneficiaries.



► Mention in a local newspaper of Abengoa's donation of one of the houses.

04. Performance and sustainability contribution / 04.6. Contribution to the society

- Support for Pofadder Brightlight community home.**
 In 2020, collaboration began with this community home for children from dysfunctional families, in which year-end activities were sponsored, including the donation of clothing and personal belongings for the users.
- Support of socially relevant commemorations such as Mandela Day, Youth Day, AIDS Day and Women's Day.**
 All these celebrations have a significant social burden not only due to the commemoration itself, but also due to the fact that they are used to convey messages of strong social importance. Thus, for example, during Mandela Day it is traditional to distribute blankets and warm clothes to the elderly and disadvantaged groups. This year's Women's Day focused on the fight of violence against women.

Education and improved employability

- After-school programmes for children.** The extracurricular activities programmes that were being carried out had to be redesigned so that, in the smaller and more isolated communities, almost individual attention was given during the period in which the schools were closed in order to avoid interrupting the schooling process.
- Support to rural schools.** Support for the schools has continued with projects such as financial assistance to hire additional teachers, sponsorship of graduations and school events, or the implementation of an educational booster programme in maths and science, both educational areas with many deficiencies in the zone.
- Scholarships.** Through the scholarship programme, financial aid has been granted for professional training and/or university studies to young people in the area who, otherwise, would not have the possibility of accessing them.
- Abengoa professional training.** In partnership with Abengoa's operation and maintenance teams, the professional training programme gives the young people from the area the opportunity to receive the necessary education and training to be part of our operation and maintenance teams. The best outcome of these programmes

is the fact that all the young people who have been through it in recent years have been able to join the workforce, either at Abengoa or at other companies in the area.

The **Entrepreneurial Development Programme (EDP)** has continued to support young entrepreneurs, through mentoring, financial support for business startup, business training or support for administrative procedures and tasks.. The programme's initiatives are the following:



► Khi Solar One firefighting vehicle and equipment.



04. Performance and sustainability contribution / 04.6. Contribution to the society

Brazil

Through its Bioenergy company, in 2020 Abengoa continued the projects it had already been carrying out, and designed some new ones with the aim to support the city's population due to the pandemic.

Among all the projects and actions carried out, the following should be mentioned:

Renewable energy project

This project gives all employees the opportunity to suggest creative and economical ideas for a lower production cost and thus, their idea is returned as extra income. The best ideas are chosen on a monthly basis, being ranked by the committee integrated by representatives from different areas, such as the Human Resources team, industry, agricultural and QMASS.



► Ronaldo Junio, employee who was awarded one of the prize-winning ideas.

Supporting the population by managing the COVID-19 pandemic

The major action carried out by the company at this critical time in the country is the donation of 70 % alcohol to hospitals and town halls in the area in order to fight the virus together.



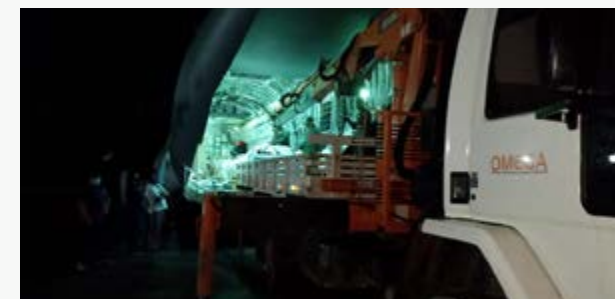
► Testimony from the mayor of one of the cities receiving alcohol, thanking them for the help.

Health awareness programme, aimed to guide employees on how to prevent and care for certain diseases



► Photo of the anti-suicide campaign - yellow September.

On the other hand, through the company Omega Regional Norte, actions have been carried out to support institutions to manage the pandemic. We have collaborated with the Oriximiná City Council to transport oxygen during its lack of supply crisis in the Amazon.



04. Performance and sustainability contribution / 04.6. Contribution to the society

Uruguay

Abengoa carried out different campaigns during 2020 supporting the communities in which it operates.

Winter clothing collection campaign, donated to the Ceprodih association, a non-profit civil association whose mission is to assist and promote the most vulnerable families, especially women with children at high social risk: unemployment, domestic violence, helplessness during pregnancy.

Toy collection campaign for children's day, which were again donated to Ceprodih. The main objective of this association is to generate tangible alternatives for socio-economic inclusion so that women at risk can overcome the situation, thus managing to effectively join the labour market and, consequently, managing to maintain their families with dignity and autonomy.

Inclusion of vulnerable personnel. The policy of hiring vulnerable people has continued to be implemented, participating in different initiatives to disseminate and promote this policy. These are personnel from different organizations and government programmes, with little academic training and difficulty in accessing the labour market. The initiative is aimed at cleaning and sanitation work, with the possibility to be incorporated as permanent staff.



Beach cleaning

Participation in a volunteer day for the international coastal cleaning, attended by more than 20 Teyma employees and their families.



Heart week

Different activities were carried out at the head offices to promote healthy habits among employees.



04. Performance and sustainability contribution / 04.6. Contribution to the society

School sewers repair, cleaning and maintenance

Cleaning of sewers in School No. 377 – Work 110231
Sewers maintenance



Rainwater collection was carried out at the entrance of school number 377 (kindergarten). The grids were clogged with ballast, resulting in water entering on rainy days.

Conditioning of a baby soccer field at 'Buceo' club –
Work 110232 RANC

The material was distributed and compacted to build the floor of the field.



Technical presentation day and visit of engineering students – Work 140624 Puerto Capurro



Donation of Materials - 140624 Puerto Capurro

Donation to CAIF Capurro of materials to repair the roof waterproofing of the premises.

DERES recognition

Within the framework of the ninth edition of the DERES Recognition for the best business practices that contribute to achieve Sustainable Development Goals, Teyma received two awards:

- **Inspiring practice:** labour market integration of persons deprived of liberty and released.
- **Reaction in times of pandemic:** sanitation and disinfection of public spaces, pedestrian shelters, squares, squares and fairs (Municipality B and CH).

Argentina

During 2020, Abengoa in Argentina collaborated with the Garrahan Foundation, that has a recycling programme based on the collection of paper, plastic caps and keys. These materials are sold to recycling companies which reuse them. This provides funds in order to carry out the activities of the Foundation. Among them:

- Purchase of medical supplies and equipment.
- Teaching and training of doctors, nurses and other members of the health team.
- Operation and support of Casa Garrahan (place for the families of patients from the interior of the country to stay).
- Teaching and research.
- Computer equipment.
- Social assistance to underprivileged children: provision of oxygen and expenses.
- Building maintenance.

On the other hand, wood is donated in general for different projects to charity entities.

04. Performance and sustainability contribution / 04.6. Contribution to the society

Spain

Through its vertical Transmission and Infrastructure, Abengoa donated all the catering service equipment, as part of the framework of the Seville Airport Terminal Building Refurbishment project, to the humanitarian company Asociación Abre Caminos del Sur, based on the Polígono Sur in Seville. This company serves every day people with serious food deficiencies and at risk of social exclusion with a social catering service offering the daily home delivery of hot meals providing a healthy and balanced nutritional diet.



Mexico

Abengoa in Mexico, through Comemsa, the company's metal structure factory in the country, has carried out different social activities during 2020, mainly with its workers and family members or people related to the community. Highlights the awarding of scholarships for school-age children with the best academic grades and scholarships for high school and university.



04. Performance and sustainability contribution

04.7

Environmental contribution



80 %

activity certified under ISO 14001



3.48 %

hazardous waste regarding the total



73.5 %

waste recovery



88

environmental management professionals



B

CDP Rating Climate Change



A-

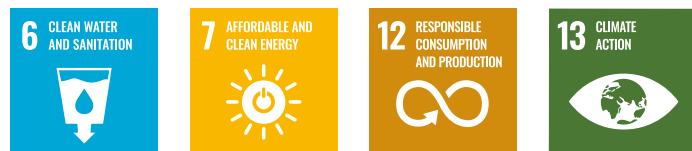
Supplier Engagement Rating



04. Performance and sustainability contribution / 04.7. Environmental contribution

Goals set forth in the SSP 2019-2023

Environment



Implementation of an environmental management system covering all the company's productive activities. **75 %**

To have zero especially-severe environmental accidents. **0 %**

Global environmental footprint: to develop a database categorizing high value-added projects according to their environmental footprint, to be easily added to bid submissions and help obtain a better competitive rating. **40 %**

Circular economy



Promote correct waste management practices by focusing on their reduction at source and promoting their revaluation as much as possible. Goal: to achieve the revaluation of 35 % of the waste produced in 2023. **100 %**

Promote innovative ways of sustainable consumption, which include sustainable products and services, as well as the use of digital infrastructures and services. **25 %**

Encourage the efficient use of resources and promote the acquisition and use of recycled or certified materials as much as possible. **25 %**

Climate change



5 % reduction of CO₂ emissions in scope 1 and 2, with a 2017 baseline. **0 % ⁽¹⁾**

Reduce the emissions ratio by 5 % / k€ of stable centres, with a 2017 baseline. **100 %**

Establish an internal price for carbon. **50 %**

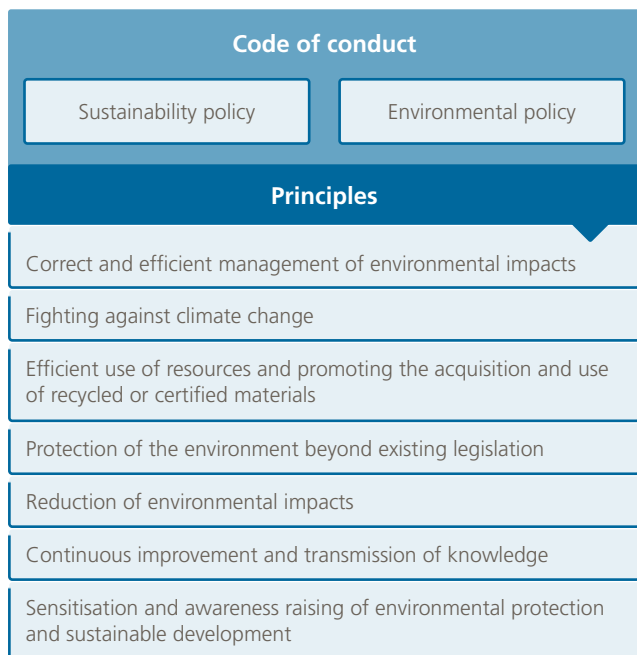
⁽¹⁾ 0 % - Emissions have increased due to the full-year operation of the Abent 3T cogeneration plant. Being excluded from the analysis, Scope 1 and 2 emissions from the rest of Abengoa have been reduced by 14 % compared to 2017, so the objective would be met.



04. Performance and sustainability contribution / 04.7. Environmental contribution

Environmental commitment is an essential requirement in today's business development. Even in a situation such as the current company's scenario, undergoing a severe financial restructuring process, Abengoa remains committed to market requirements regarding sustainable business management as the only way to develop economic activity, as well as being an opportunity for the continuity of its business.

Thus, **excellent environmental management and the fight against climate change** are inherent elements of the business and are present in all its activities and areas. This commitment is included in the **code of conduct** and is developed in the **sustainability policy** and the **environmental policy**.



Under a preventive approach, the company has focused on **improving the integral management of environmental and climate change risks, promoting the reduction of its environmental footprint** and the application of the **circular economy** principles.

Environmental management sustainability

Abengoa significantly contributes to the responsible management of resources through the production and transmission of clean energy and the production and integral management of water. Additionally, in 2020 the company has continued to develop an environmental management system adapted to the strictest standards in this area.

Pillar of the activity	Pillar of internal management	Commitment vector
<p data-bbox="860 531 1211 655">Drivers of the green economy</p> <p data-bbox="860 683 1196 951">Abengoa's activity contributes to the improvement of human well-being and social equity, reducing environmental risks and pressure on natural systems and harmonising economic development and efficient consumption of resources, aligning with the guidelines of the United Nations Environment Programme (UNEP).</p> <div data-bbox="860 983 1211 1209"> <p>Energy generation from renewable sources: thermosolar, photovoltaic and wind technologies. 2.3 GW of solar energy built, 1,100 MW under construction and 480 MW of wind power.</p> </div> <div data-bbox="860 1225 1211 1388"> <p>Water treatment and desalination 1.8 million m³ /day of installed desalination capacity and 2.5 million m³ /day under construction.</p> </div>	<p data-bbox="1299 555 1650 679">Protection commitment</p> <p data-bbox="1299 715 1635 922">Abengoa is aware of the fact that its services and processes must respect the environment and help preserve natural resources. Therefore, it has established its commitment to protecting the environment, which goes beyond simply complying with the current laws.</p> <p data-bbox="1299 954 1635 1217">In this regard, the centralised management system has a series of procedures to guarantee that the environmental aspects of all projects and facilities are identified and assessed, ensuring that the environmental impacts of the company's activity are taken into account in all decisions made and to minimise them.</p>	<p data-bbox="1738 531 2089 655">Responsible value chain</p> <p data-bbox="1738 683 2096 922">The company transmits its environmental undertaking to all suppliers as a key element in its commitment to sustainable development, as established in Abengoa's code of social responsibility for its suppliers and subcontractors, which establishes the following environmental principles:</p> <div data-bbox="1738 954 2089 1125"> <p>All suppliers are required to respect the environment and observe the applicable environmental laws and regulations in their activities.</p> </div> <div data-bbox="1738 1141 2089 1460"> <p>The supplier shall carry out a preventive environmental approach, by ensuring the minimization of its environmental impact and promoting improvement and efficiency actions in terms of emissions, water consumption, generation and management, energy consumption, use of raw materials and other resources.</p> </div>

04. Performance and sustainability contribution / 04.7. Environmental contribution

Climate action

Global warming estimates included in the report 'AR6 Climate Change 2021: The Physical Science Basis', the first of three parts that will be included in the IPCC Sixth Assessment Report (Intergovernmental Panel on Climate Change) evidence **the need to act firmly to address climate change**, aimed to adjust policies and strategies focused on the most optimistic warming scenario, with a temperature increase not higher than 1.5 °C by the end of the century.

In order to make this initiative successful, a leading role of the private sector is crucial, aligning with the international community in order to ensure compliance with the global commitment to climate action.

In this sense, Abengoa, always under the premise of creating innovative technological solutions for sustainable development contributing to social welfare, joins this global challenge in the fight against climate change and its effects, increasing

the presence of renewable energies in the energy mix of the countries in which it operates and guaranteeing access to drinking water in underprivileged areas.

This commitment is not only reflected in its final product, but also in its way of working. In this regard, Abengoa includes in its Strategic Sustainability Plan 2019-2023 goals aimed at mitigating GHG (Greenhouse Gas) emissions derived from its activities and improving efficiency.

The implementation of the climate strategy is supervised by sustainability department committees with Chairman's Office and is enforced through the services offered, promoting the transition to a low carbon economy.

Climate change mitigation
Increased renewable energies replaces fossil fuels, reducing GHG emissions and contributing to the decarbonisation of the economy.



Adaptation to climate change

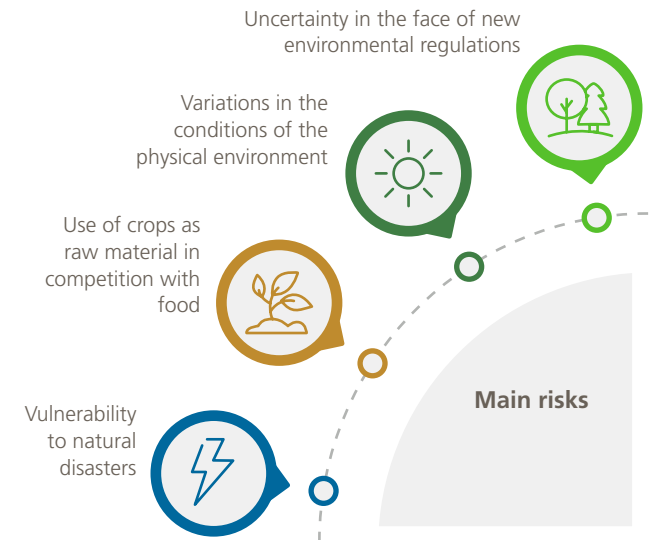
Climate change and population growth imply greater water supply needs in the coming years. Abengoa contributes to meeting this requirement through seawater desalination.

Environmental and climate change risk management

Always under the **precautionary principle**, Abengoa's risk management system covers all types of risk, including environmental risks and those related to climate change, in all the activities and geographic areas in which the company operates.

This system includes the **identification and evaluation of actual and potential risks**, the development of **remediation mechanisms** on already materialized risks and the establishment of **procedures to act** on identified potential risks.

This system involves risks arising from the condition of environmental aspects and events which could have an impact on the activity, as well as those generated by the activity and which could have an impact on the environment, establishing the action plans in each case, which are reflected in the environmental impact assessments and the quality and environmental plans of the projects.



04. Performance and sustainability contribution / 04.7. Environmental contribution

Climate change risk management 201-2

Abengoa has an internal climate risk assessment procedure to exhaustively analyse possible regulatory or physical changes related to climate change, in order to protect its assets and help mitigate the inherent risks. This procedure is included in the company's general risk management system.

This procedure is based on the fifth IPCC status report. In general, the document describes various temperature increase and precipitation fluctuation scenarios based on human action regarding climate change.

Based on an intermediate warming scenario, Abengoa establishes a double analysis, based on country risk and activity risk in the short, medium and long term.

Overall, climate change risks with the highest impact on the company are as follows:



Projection of rainfall variation for the 2081-2100 period.

Projected rainfall variation for the period 2081-2100.



Detailed analysis of the impacts of climate change for Abengoa's main projects represented in analysis tables, which will be used as a model and will be detailed with the specific data of the project under analysis.

Transitional

- Structural** → Geographical distribution of projects and facilities.
- Regulatory** → Uncertainty regarding a new environmental and climate change regulation.
- Reputational** → Lack of an effective environmental sustainability and climate change strategy.

Physical

- Chronic** → Variations in the conditions of the physical environment
- Others** → Natural disasters.

Other

- Use of crops as raw materials in bioethanol production process, competing with feeding systems.



Final risk assessment

04. Performance and sustainability contribution / 04.7. Environmental contribution

Abengoa has implemented procedures to identify and control said risks, the main objective of which is to create a common management, mitigation and control culture at any level of the company in a cross-cutting manner.

Code	Type of risk	Description	Consequences	Type of impact	Business	Medium/long-term likelihood	Severity	Management of the risk
A	Structural	Geographical dispersion of projects and centres of the company.	<ul style="list-style-type: none"> Failing to meet the requirements in processes associated with the environment. Failing to comply with the ISO 14001:2015 standard, with an impact on the external certification of the group. 	<ul style="list-style-type: none"> Loss of competitiveness. Possible penalties. 	EPC O&M	Low	Minor	<ul style="list-style-type: none"> Establishment of centralised procedures, applicable to all activities of the company across the world.
B	Regulatory	Uncertainty about the new environmental or climate change regulations associated with the future of the Paris Agreement.	<ul style="list-style-type: none"> Non-compliance of the legal requirements that prevent the continuation of activities in affected projects or facilities. The current framework of uncertainty regarding the Paris Agreement could have a significant impact on the investment of financial and technical resources in renewable energy projects, especially in developing countries, and could affect our renewable energy infrastructure construction activity. 	<ul style="list-style-type: none"> Increased operational costs. Loss of activity. 	EPC O&M	Low	Moderate	<ul style="list-style-type: none"> Establishment of procedures and measures that guarantee the regular identification of the legal requirements associated with environment-related matters, with the purpose of ensuring they are up-to-date at all times and to have enough margin for action in case of non-compliance. Participation in conferences in initiatives and CDP webinars and collaboration with Carbon Pricing Leadership Coalition (CPLC) as a partner. Monitoring and analysis of documents and news about the progress of the Paris Agreement, as well as monitoring of related national and international policies.
C	Regulatory	New policies that restrict actions that contribute to accelerating climate change or political measures promoting adaptation to climate change.	<ul style="list-style-type: none"> Some examples include the implementation of carbon price fixing mechanisms, the reduction of GHG emissions, use of energy with lower emissions, adoption of energy efficiency measures and the promotion of more sustainable practices in the use of soil. 	<ul style="list-style-type: none"> Increased operational costs. 	EPC O&M	High	Moderate	<ul style="list-style-type: none"> Implementation of an emissions management system with accountability throughout all scopes. This will allow the company to establish mitigation and efficiency goals and initiatives. Setting a mechanism for calculating internal carbon prices, in line with the emerging climate regulation as a result of the Paris Agreement and the business evolution.

04. Performance and sustainability contribution / 04.7. Environmental contribution

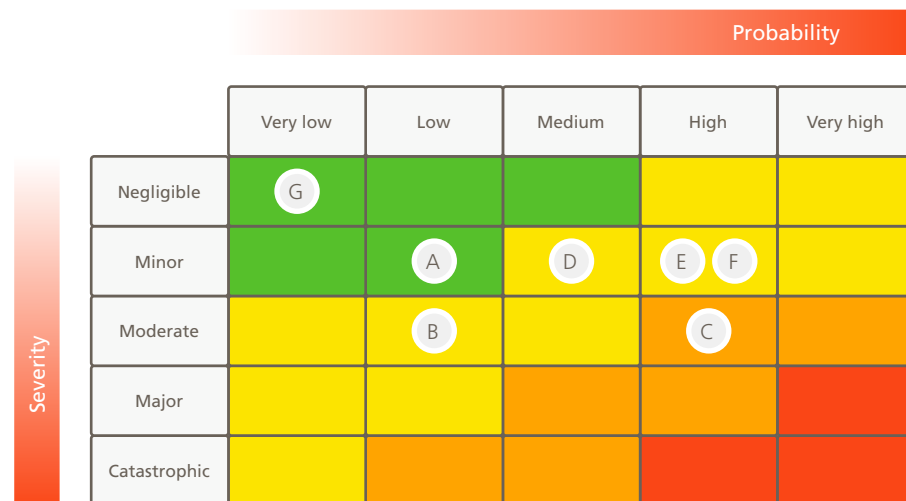
Code	Type of risk	Description	Consequences	Type of impact	Business	Medium/long-term likelihood	Severity	Management of the risk
D	Reputational	Bad company image as a result of not aligning with the international strategy to combat climate change.	<ul style="list-style-type: none"> Currently, the fight against climate change is one of the main concerns at global level. The absence of a strategy to fight against climate change can have a negative impact on a company's reputation with its stakeholders and, in particular, its clients. 	<ul style="list-style-type: none"> Loss of competitiveness. Loss of activity. 	EPC O&M	Medium	Minor	<ul style="list-style-type: none"> Communication and dissemination of Abengoa's climate change strategy, as well as of all initiatives carried out in the Integrated Report and on the company's website.
E	Physical	Increase in temperature and variations in the rainfall levels.	<p>Generalised impacts:</p> <ul style="list-style-type: none"> Malfunction caused by structural expansion. Problems associated with corrosion and in the useful life of main components, reducing such a useful life. An extreme increase in rainfall could lead to delays in the completion of construction projects, as well as in damage to facilities under operation, and may involve the interruption of the service. The absence of rainfall could result in fires, with the same implications of failure to complete construction projects and damage to operating facilities. <p>Specific impacts, by type of technology:</p> <ul style="list-style-type: none"> Alteration of the production of effective power in combined-cycle plants and gas plants, due to a reduction in the mass flow of turbines caused by a reduction in the air density. Changes in the incoming water conditions in desalination plants, causing increased consumption of chemical products and increasing the probability of contaminating the process due to the growth of algae and molluscs inside the facilities. Increased cost of capital in transmission lines, due to an increase in the voltage to the conductors. Reduction of the availability of water used in processes due to a reduction in the volume of rainfall in specific regions. Changes in salinity and pH of incoming water in desalination processes and generation plants, impacting performance and involving greater use of chemical products. 	<ul style="list-style-type: none"> Increased operational costs. Loss of activity. 	EPC O&M	High	Minor	<ul style="list-style-type: none"> Improvement of the environmental impact assessment of projects, including the potential alterations caused by variations in temperature and establishing measures to mitigate the effects. Insurance policies ⁽¹⁾ to cover exposure to weather events. The company's insurance programme protects its entire facilities against physical damage and loss of profit due to these extraordinary risks.

⁽¹⁾ There is currently no environmental provision and guarantee information available. The company's insurance plan includes third-party liability policies, which cover the environmental risks of the activities, among other risks.

04. Performance and sustainability contribution / 04.7. Environmental contribution

Code	Type of risk	Description	Consequences	Type of impact	Business	Medium/long-term likelihood	Severity	Management of the risk
F	Physical	Sea level rise	<ul style="list-style-type: none"> Changes in seawater desalination activity, leading to an increase in the operational costs as a result of having to implement protection measures to prevent floods. 	<ul style="list-style-type: none"> Increased operational costs. 	O&M	High	Minor	<ul style="list-style-type: none"> Taking into account the potential increase in sea level when designing desalination plants. Abengoa's operating plants were built at a safe height above sea level to prevent sea level rise.
G	Other	Use of crops as raw materials in the bioethanol production process, competing with feeding systems.	<ul style="list-style-type: none"> The growth of the global biofuel market has given rise to controversies at different levels and between different stakeholders (from groups of countries to business entities and individual consumers), with their economic, environmental and social effects are being widely debated. 	<ul style="list-style-type: none"> Loss of activity. 	O&M	Very low	Negligible	<ul style="list-style-type: none"> Abengoa's activity currently includes the design, engineering and construction of bioethanol production plants from alternative raw materials, such as solid urban waste.

Said risks are identified and evaluated based on their probability of occurrence and their economic and reputational consequences. These two variables finally determine a level of risk. 201-2



Abengoa has implemented various risk identification and management tools, differentiated according to the process phases:

- **Identification:** climate variation identification maps, accounting for GHG emissions, financial analysis, tools for identifying legal requirements and the risk departments' own experience.
- **Control and management:** mitigation mechanisms, such as increasing the safety coefficients in the design of projects considering the most unfavourable meteorological and environmental parameters or research aimed at the use of alternative fuels.

The follow-up and monitoring of these risks, among others, as well as the applied mitigation measures, allow the development of the **lessons learned**, transforming risk management into a mature process that can provide feedback and be used to implement measures based on the experience gained in other projects, whether new or existing.

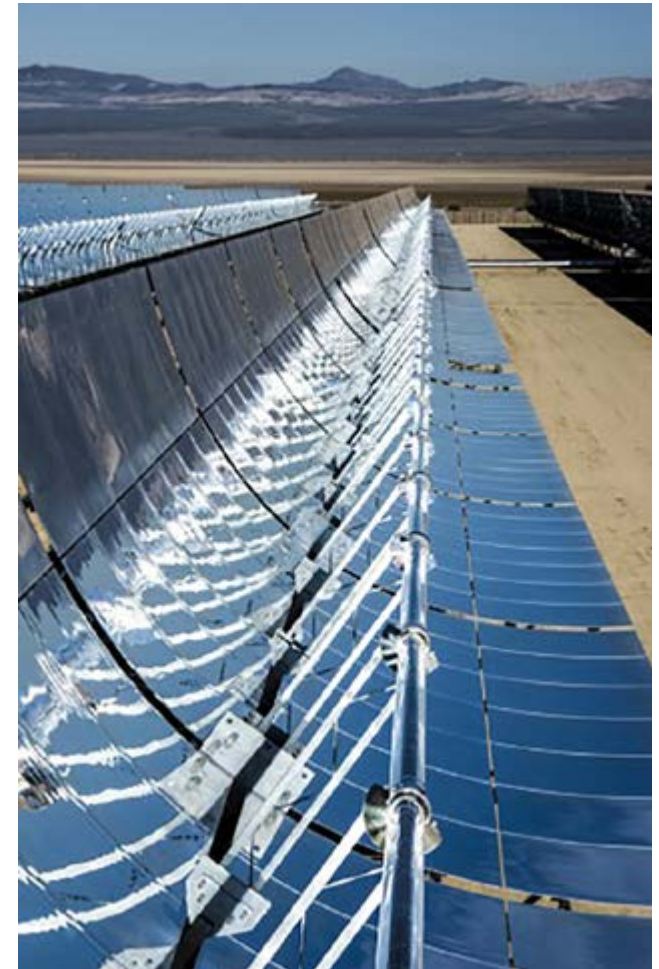
04. Performance and sustainability contribution / 04.7. Environmental contribution

Opportunities associated with climate change

The identification and analysis of risks associated with climate change allows the company to identify new business opportunities associated with climate change.

A low-carbon economy offers business growth opportunities:

Type of opportunity	Description	Business	Management of the opportunity
Business	Boosting the renewable energies business in the event stricter regulations are applied to the use of fossil fuels.	EPC	Engineering and construction of renewable energy plants (2.3 GW built in solar energy, 1,100 MW under construction and 480 MW of wind power).
Business	A greater demand for water due to the potential increase in temperature or the greater number of hours of light caused by a drop in the rainfall volumes.	EPC	Engineering and construction of desalination plants and water transport infrastructure (1.8 million m ³ /day of installed desalination capacity and 2.5 million m ³ /day under construction).
Reputational	Increased pressure from stakeholder groups in relation to the establishment of measures to combat climate change, arising from society's greater awareness of the need to protect the environment.	EPC O&M	Communication, dissemination and improvement of Abengoa's climate change strategy, following the lines of work established in the Strategic Sustainability Plan.



Adaptation of TCFD recommendations



More information in the chapter [‘About this report’](#).

04. Performance and sustainability contribution / 04.7. Environmental contribution

Internal carbon pricing strategy

Abengoa belongs to the Carbon Pricing Leadership Coalition (CPLC), a joint initiative of 34 governments, more than 172 companies and 100 strategic partners, promoted at the Paris Climate Summit in December 2015 and administered by The World Bank Group, whose common goal is to foster systems and mechanisms to set carbon prices all over the world.

By adhering to it, Abengoa acquired a number of commitments, among which are the following:



- ▶ Establish an internal carbon price high enough to affect investment decisions and thus reduce greenhouse gas emissions.
- ▶ Publicly advocate the importance of establishing a price for carbon through policies that take into account each country's specific economic and political context.
- ▶ Communicate the progress of the two previous criteria in the public information reported by the company.

And all with the intention of contributing to the goal of limiting the increase of the global average temperature to 1.5 °C above pre-industrial levels.

Taking this commitment into account, Abengoa has defined a **climate action mechanism by establishing an internal carbon price**, aligned with the emerging climate regulation as a result of the Paris Agreement and with the evolution of the business as a whole.

The initiative involves including the requirement to calculate the costs that would be incurred by the GHG emissions linked to a new project according to the internal price defined by the company. This monetization of CO₂ emissions will allow Abengoa to optimize decision-making and business strategy planning, making the company aware of the economic cost of emissions from new projects and consequently allowing regulatory changes aimed at monetizing GHG emissions.

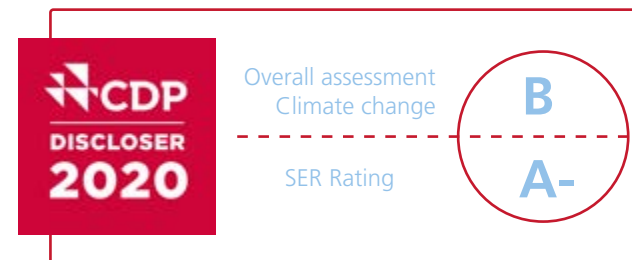


#CEOsCall2Action A New Deal for Europe

Abengoa is part of the 'A New Deal for Europe' initiative, promoted by CSR Europe. This initiative brings together European leaders to establish a global strategy for a sustainable Europe by 2030, in order to accelerate sustainable growth, fight against climate change and create inclusive prosperity.

Abengoa's participation in this initiative helps to materialize and strengthen its commitment to fight against climate change and positions the company among European leaders in climate action.

Carbon Disclosure Project



In 2020, Abengoa obtained a **B rating** in the **Carbon Disclosure Project (CDP) 'Climate Change' questionnaire**. Additionally, the company obtained an **A rating** in the **Supplier Engagement Rating (SER)**, a rating which measures the effectiveness with which organizations are engaging their suppliers in the fight against climate change.

Both assessments consolidate Abengoa as a leading company in the fight against climate change and its effects, due to the technological solutions made available to its customers, the way activities are managed and the transmission of its commitment to the supply value chain.



04. Performance and sustainability contribution / 04.7. Environmental contribution

Environmental management system

Abengoa redesigned its environmental management system prioritizing **the performance optimization and maximization**, resulting in a **centralized system** and adapted to the highest standards in the field.

This management system articulates the mechanisms needed to establish a global and homogeneous diagnosis of its environmental behaviour in any activity or region, and is focused on minimising impacts throughout the life cycle and help combat climate change, guaranteeing that all legal, contractual and best management practice requirements are met. This system is governed by the requirements of the ISO 14001:2015 standard and is verified by an accredited external body.

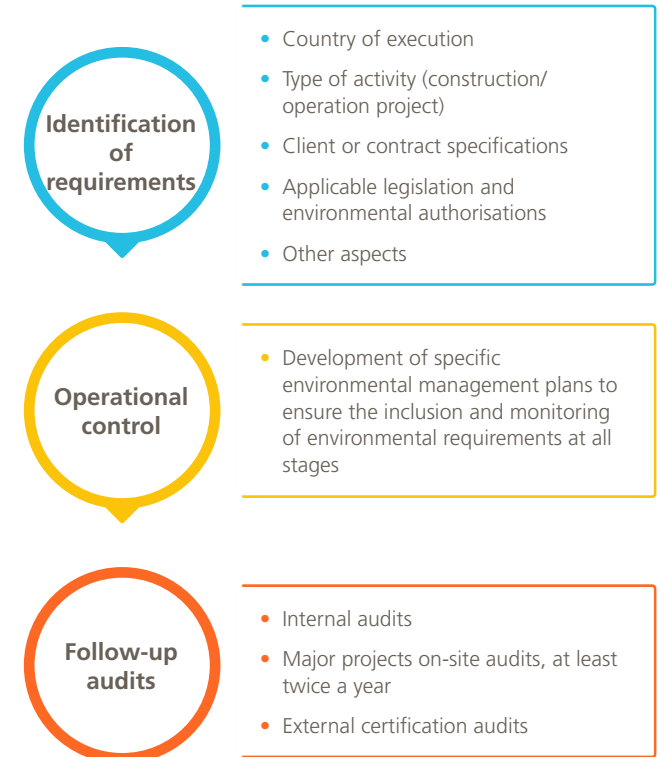
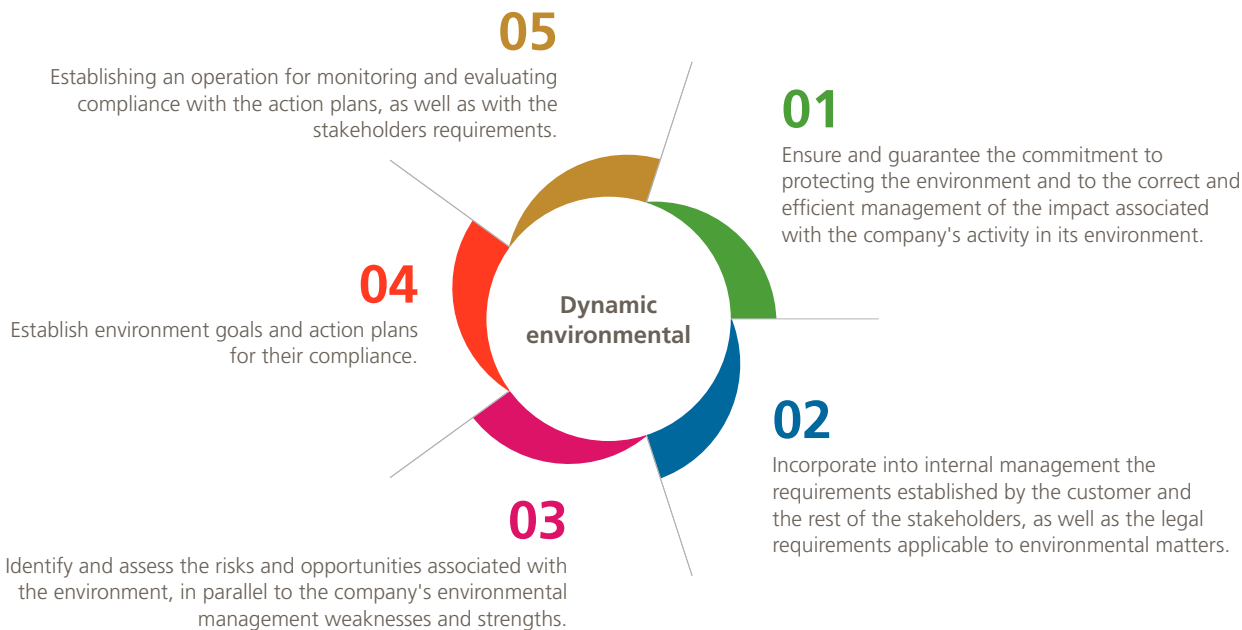
The company has two verification procedures, defined on the basis of the main activities: construction and operation and

maintenance services. At present, **more than 80 % of the business is certified** under this standard

Abengoa's environmental management team has qualified environmental personnel in each project and activity, as well as a centralized support team, ensuring compliance with applicable environmental legislation and reaching the highest levels of experience and quality in the development of its activities. It currently comprises a total of **88 professionals** who are environmentally responsible and have experience in all current company activities.

Abengoa's approach to environmental management is designed as a cyclical improvement process:

Abengoa ensures compliance with the requirements applicable to each project or activity.



04. Performance and sustainability contribution / 04.7. Environmental contribution

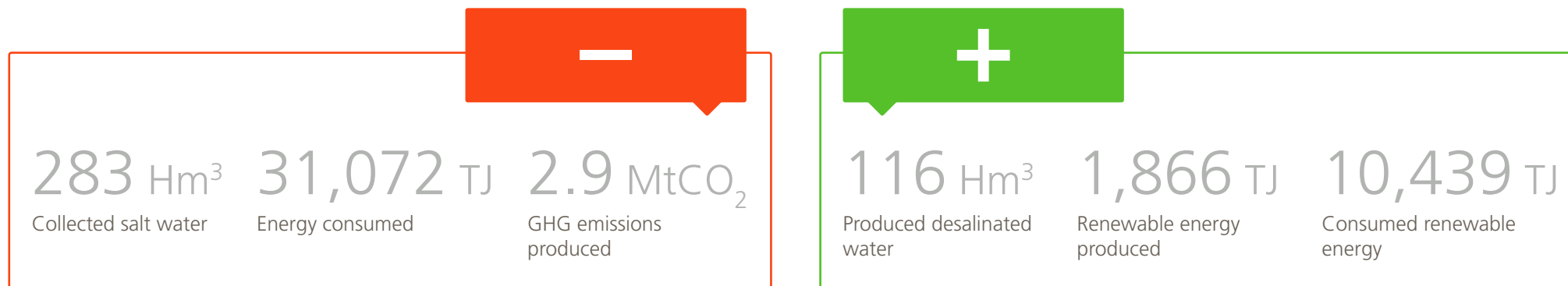
Environmental performance

Abengoa has an internal IT tool called Integrated Sustainability Management System (ISMS) to record and manage environmental aspects.

Environmental aspect	Impact level	Detail	Origin of impact	Impact prevention and mitigation
GHG emissions	High	Scope 1	<ul style="list-style-type: none"> Mainly due to fuel consumption at Abengoa-operated plants Fuel consumption in active construction projects 	Preventive maintenance Energy efficiency Emission reduction targets
		Scope 2	<ul style="list-style-type: none"> Mainly due to electricity consumption at Abengoa-operated desalination plants Electricity consumption in buildings with personnel 	
		Scope 3	<ul style="list-style-type: none"> Materials and services supplied to Abengoa Commuting Waste management Other emissions from electricity consumption (distribution and value chain losses) 	
Energy consumption	High	Fuel	<ul style="list-style-type: none"> Mainly due to the consumption of natural gas from Abengoa-operated cogeneration plants Fuel consumption in active construction projects 	Preventive maintenance Energy efficiency Emission reduction targets
		Electric power	<ul style="list-style-type: none"> Mainly at the Abengoa-operated desalination plants 	
Other polluting gases	High	CO, NOx, SOx, COV and particulates	<ul style="list-style-type: none"> From fuel consumption at Abengoa-operated plants and, to a lesser extent, at active construction projects 	Preventive maintenance Energy efficiency Emission reduction targets
Waste	High	Hazardous and non-hazardous waste	<ul style="list-style-type: none"> Asset construction projects Plant operation activity Offices 	Objectives to increase recovery Spill prevention measures
		Spills	<ul style="list-style-type: none"> Mainly in solar thermal plant operation 	
Biodiversity	Medium	Protected areas and species	<ul style="list-style-type: none"> Asset construction projects Bioethanol plant operation activities 	Habitat protection and restoration, reforestation, and monitoring, wildlife rescue and relocation measures, among others
		Impacts on biodiversity	<ul style="list-style-type: none"> Asset construction projects 	
Water	Medium	Salt water	<ul style="list-style-type: none"> Operation of desalination plants 	Consumption reduction plan Replacement of membranes
		Water from other sources	<ul style="list-style-type: none"> Asset construction projects Plant operation activity Offices 	
Noise pollution	Low	Noise	<ul style="list-style-type: none"> Asset construction projects Plant operation activity 	Measures established in impact assessments in each case
Light pollution	Low	Excess lighting	<ul style="list-style-type: none"> Asset construction projects Plant operation activity 	Measures established in impact assessments in each case

04. Performance and sustainability contribution / 04.7. Environmental contribution

Metrics and main figures



Climate footprint

Abengoa accounts for its GHG emissions for all their scopes and sources. To this end, it has procedures and tools designed for this purpose, as well as over 13 years' experience in measurement.

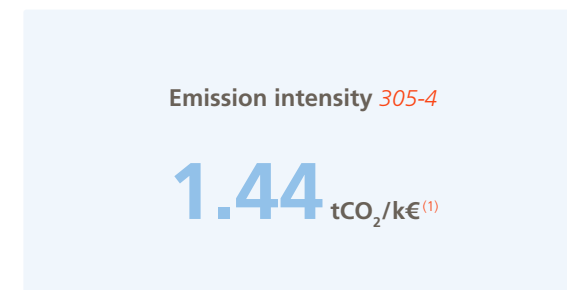
The methodologies are based on the reports of the Intergovernmental Panel on Climate Change (IPCC) and the emission factors used are generated by different sources:

- IPCC.
- IEA: International Energy Agency.
- DEFRA: Department for Environment, Food and Rural Affairs, United Kingdom.
- National inventories of GHG emissions.
- Environmental product statements.

Direct emissions have increased due to the Abent3T cogeneration plant operating on a full-year basis in 2020 for the first time since its start-up. In 2020 its emissions amounted to 870,900 tCO₂, equal to 14 % of Abengoa's direct emissions.

GHG emissions (tCO ₂ eq) <i>305-1, 305-2, 305-3</i>	2020	2019	2018
Direct emissions	1,346,195	1,125,206	738,458
Indirect emissions (scope 2)	225,622	236,236	313,746
Other indirect emissions (scope 3)	227,020	313,272	773,486
Total	1,798,838	1,674,714	1,825,690

GHG emissions (tCO ₂ eq)	2020	2019	2018
Direct emissions from biomass	1,082,979	1,211,686	1,331,008



⁽¹⁾ The ratio is different from the ratio reported in the Non-Financial Information Statement, taking into account it is considering Scope 3 emissions, calculated subsequent to the publication of the annual accounts.

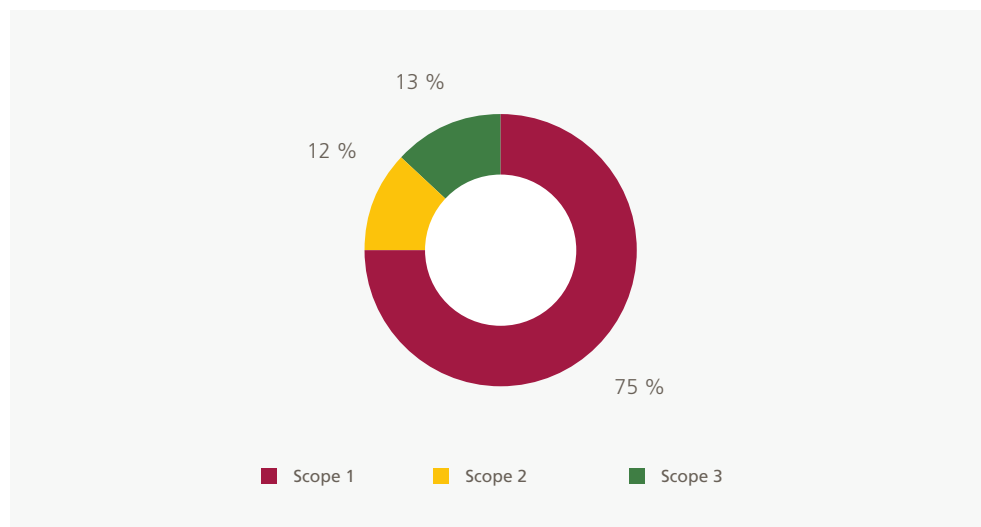
04. Performance and sustainability contribution / 04.7. Environmental contribution

Other indirect emissions

Abengoa considers the emissions of its value chain to be as important as those generated by its own internal processes. In 2020, the amount of Scope 3 emissions accounted for 13 % of the company's global inventory, the main source coming from supplies, given the weight of construction activity in Abengoa's business.

The evolution of emissions of this scope has been positive, having achieved an overall reduction of 27.5 % compared to 2019.

GHG emissions by type of source (tCO ₂ eq)	2020	2019	2018
Suplies	160,510	231,845	651,676
Business trips	473	1,317	1,388
Waste management	522	3,558	7,560
Losses in the distribution of electricity consumed	38,648	49,388	80,363
Fuels value chain	26,867	27,164	32,499



Other polluting emissions 305-7

Industrial processes involving combustion are the main mechanisms of atmospheric pollution, generating sulphur and nitrogen oxides, carbon monoxide, volatile organic compounds, among other pollutants.

Air pollution contributes to reducing the amount of nutrients available in the substrate, preventing plant growth and aggravating the effects of climate change. Furthermore, the nitrogen and sulphur oxides emissions react in the atmosphere producing acid rain, leading to an increase in nutrients in the water masses endangering aquatic ecosystems, as it causes plants and other aquatic organisms to grow excessively, consuming dissolved oxygen and increasing excess organic matter.

Unfortunately, these effects are aggravated by the still existing link between the lifestyle of a large part of the population and the emission of atmospheric pollutants: transport, industry, agriculture or even home life.

Therefore, being aware of this, Abengoa has implemented the necessary mechanisms to establish a global and homogeneous diagnosis of its environmental behaviour in any activity or geographic area, ensuring that all legal, contractual and good environmental management practices requirements are duly identified and controlled and aimed to minimize the impacts throughout the life cycle, promoting the fight against pollution in all its aspects.

Pollutants (t)	2020	2019	2018
CO	1,724	1,621	1,471
NOx	2,657	2,410	1,871
SOx	153	149	224
PM	1,631	1,644	1,909
VOC	128	122	114

The parameters used to calculate atmospheric pollutants have been taken from the Joint EMEP/EEA air pollutant emission inventory guidebook 2019.

Additionally, in the construction projects noise measurements are carried out according to their respective environmental impact assessments, complying with the current legislation at each location.

04. Performance and sustainability contribution / 04.7. Environmental contribution

Energy footprint

Abengoa plays a fundamental role in providing engineering, construction and operation solutions for clean energy production technologies, in order to minimize dependence on fossil fuels, which is still significant today.

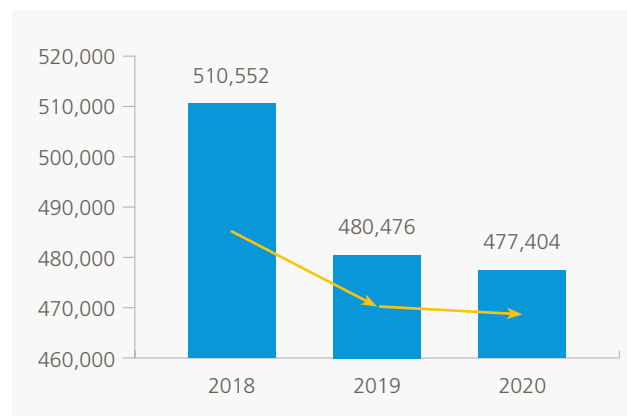
Additionally, it seeks efficiency in its consumption, promoting the use of renewable energy, which in 2019 was 33.6 %.

Direct energy consumption 302-1

Fuel type (GJ)	2020	2019	2018
Biofuels	49,079	43,647	52,145
Biomass	10,390,029	10,492,870	12,229,325
Petroleum products	791,615	698,271	2,028,397
Natural gas	19,841,548	17,035,372	8,431,475
Total	31,072,271	28,270,160	22,741,342

The increase in natural gas consumption is due to the fact that the Abent3T cogeneration plant has operated in 2020 on a full year basis for the first time since its start-up. Its natural gas consumption was 12,843 TJ, increasing the overall energy consumption by 41.3 %.

Consumption of intermediate energy



Abengoa consumes **certified renewable energy** at the Almería desalination plant (16,786 in 2020), representing 3.52 % of the total electricity consumed.

Energy intensity 302-3

26.2 GJ/k€



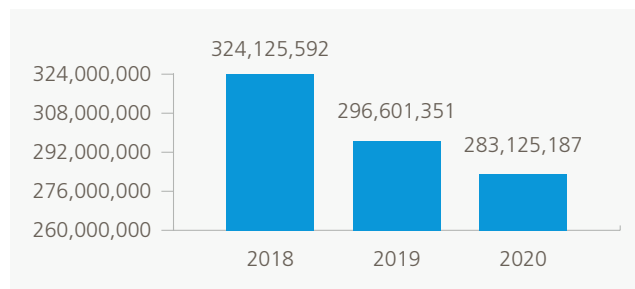
04. Performance and sustainability contribution / 04.7. Environmental contribution

Water footprint

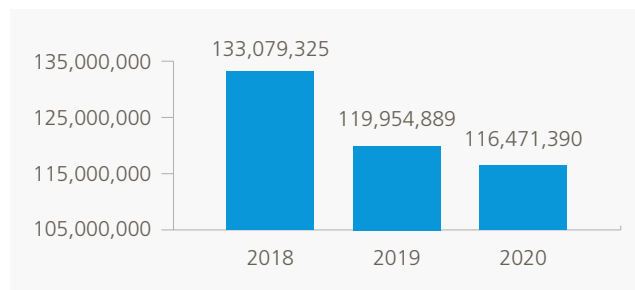
Nowadays, it is essential for organizations to know the magnitude of their impact on water resources and to identify the critical points in their value chain, in order to focus efforts and to design management and administration control measures.

In this sense, Abengoa offers solutions for the integral water cycle through desalination and water treatment, the construction of hydraulic infrastructures, as well as the promotion of optimization and efficiency in all its facilities and projects, in order to ensure that consumption is kept to a minimum.

Sea water collection (m³) 303-1



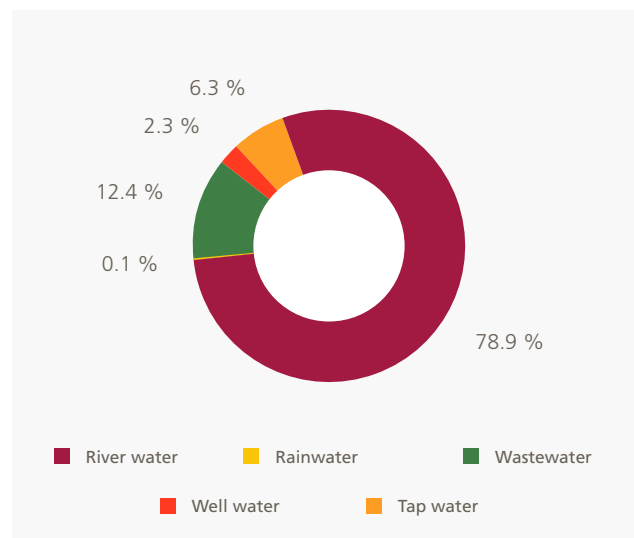
Desalinated water produced (m³)



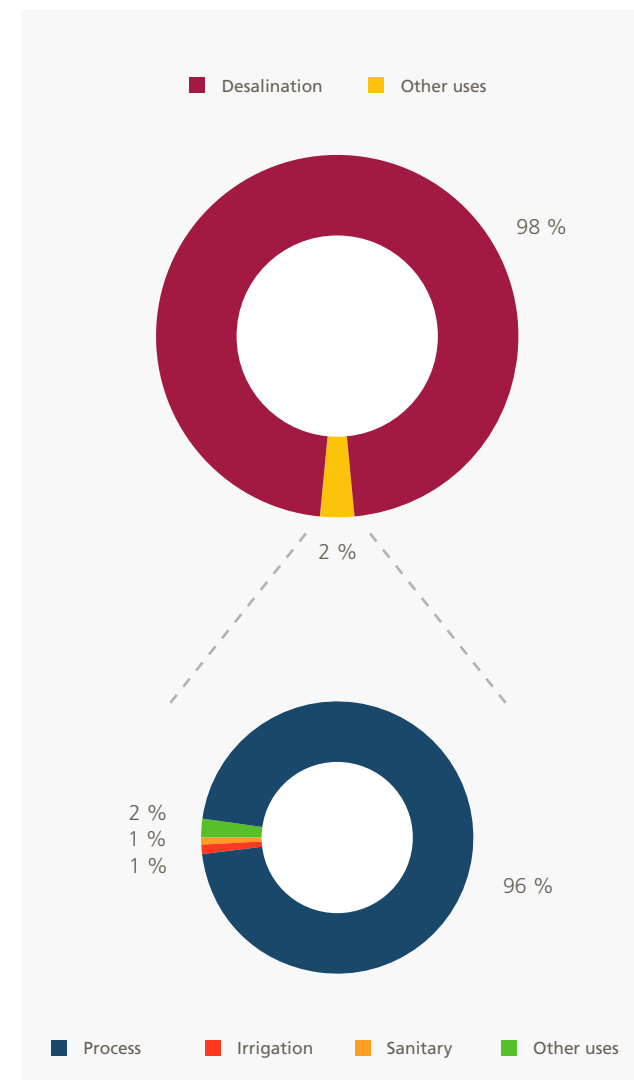
The water produced by Abengoa at its desalination plants has generated a positive impact on the planet of 116 Hm³, equivalent to the annual consumption of 2.35 million people for one year.

Water collection from other sources (m³) 303-1

	2020	2019	2018
Well water	127,377	179,109	207,891
Tap water	342,006	358,412	356,158
River water	4,296,881	5,895,336	6,063,855
Rainwater	4,852	7,537	2,786
Wastewater	675,314	5,776	1,056,696
General total	5,446,430	6,446,170	7,687,386



Type of use



04. Performance and sustainability contribution / 04.7. Environmental contribution

Abengoa and the circular economy

All productive activities should consider the positive and negative impacts of the life cycle of the materials used, in order to evaluate their flow within the system and their environmental impact.

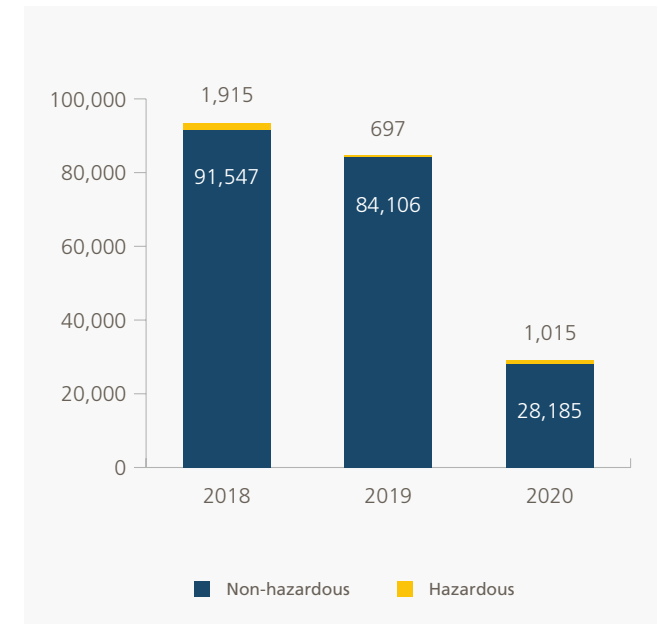
Today more than ever, it is necessary to turn to a model that optimises resource use, promoting reduction and reuse, and making it more sustainable and competitive.

To achieve this, Abengoa continues to work on incorporating the circular economy principles into its processes, products and services, and has established a line of action in its Strategic Sustainability Plan to meet its commitments in this area:



Waste

Regarding waste, Abengoa has managed a total of 29,200 tonnes in 2020, of which only 3.48 % were hazardous waste.



*The reduced total amount of waste generated was due to the decreased activities caused by the SARS-CoV-2 pandemic, which has affected all construction projects, the main contributors to this indicator.

04. Performance and sustainability contribution / 04.7. Environmental contribution

Final treatment (t) 306-2	2020	2019	2018
Temporary storage	1,646	819	64
Composting	289	223	19
Permanent deposit	123	151	855
Incineration	88	77	41
Recycling	19,416	17,045	29,280
Energy recovery	57	75	529
Reuse	1,686	44,833	20105
Landfill	4,608	7,250	31,406
Other	1,287	14,330	11,163
Total general	29,200	84,803	93,462

As a result of the efforts of the entire company, **waste recovery in 2019 was 73.5 %**, 0.2 % higher than the previous year.

From the Board, heat transfer fluid spills (HTF) from the parabolic trough collectors plants it operates are closely monitored, due to the company's concern about the potential mismanagement of environmental impact in case of accidental spills.

This achieves prompt action, as well as the implementation of preventive measures, in both affected and unaffected plants.

Two spills occurred During 2020, with a total of 3,980 litres of HTF spilled.

Use of materials

Through its Strategic Sustainability Plan, the company promotes the efficient use of resources and promotes the purchase and use of recycled or certified materials to the extent possible, as well as the efficient use of resources. 301-1

	2020	2019	2018
Steel (kg) ¹	29,001,555	71,680,622	4,859,709
Wood (kg)	18,132,394	11,561,806	23,266,223
Cement (kg) ¹	1,167,640	6,223,113	2,565,775
Concrete (kg) ¹	443,585,526	630,025,264	102,361,584

In 2020, 6,625 kg of paper were purchased at Abengoa's three main offices² in Spain, with a PEFC certification.

¹ The reduction is due to a decreased construction activity as a result of the SARS-CoV-2 pandemic.
² Palmas Altas Campus (Seville), Torrecuellar centre (Seville) and office on Manuel Pombo Angulo (Madrid).



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Biodiversity

Abengoa's strategy for biodiversity conservation consists of the combination of **measures for the prevention, management and restoration** of the impacts derived from its activity.

Prior to starting a project, Abengoa performs **environmental impact assessments** to identify and manage the effects its activity will have on the environment.

On all projects, Abengoa takes into consideration the prevention and restoration of any areas that may be affected by the development of its activities. For this purpose, the company implements measures for habitat protection and restoration; reforestation; and monitoring, rescue and relocation of fauna, among others.

In cases where the impacts caused by Abengoa's activities cannot be minimised, compensation actions are implemented, as provided in studies carried out previously.

In addition, it establishes **environmental monitoring plans** to review the implemented measures.

Protected areas

Specifically, the company analyses each facility to consider whether it is inside a protected area and the fauna and flora species that may be affected.

During 2020, Abengoa's activity affected special protection areas in two locations: **304-1**

- Construction project of a desalination plant in Agadir (Morocco), a project within the Parc National Du Souss Massa, with international significance for migratory waterfowl in the migratory stage and with suitable habitats for their wintering.
- Construction project of an irrigation network for an area of 13,600 hectares, as part of the desalination plant project in Agadir, Morocco. The main pipeline starts at the above

mentioned desalination plant, and reaches the irrigated area outside the park.

- 17.4 hectares of legal reserve in the Brazilian bioethanol plants São Joao and São Luiz. In these activities the significant impacts and their duration and reversibility have been identified and evaluated.
- The Red Sea project is located within an IBA (Important Bird Area) as established by Birdlife International n.d.

In these activities the significant impacts and their duration and reversibility have been identified and evaluated.



Protected species **304-4**

The most significant protected animal and plant species affected by Abengoa's activity are as follows:

- Ghaf tree (*Prosopis cineraria*), protected by the UAE's Federal Law No. 24 of 1999 for the protection of the environment
- Oryx (*Oryx leucoryx*), recognized as a vulnerable species by the IUCN.
- Sand gazelle (*Gazella marica*), recognized as a vulnerable species by the IUCN.
- Mountain gazelle (*Gazella gazella*), recognized as a vulnerable species by the IUCN.
- Cedar (*Cedrela odorata*), recognised as special protection species according to NOM -059-Semarnat-2010.
- Painted bunting (*Passerina ciris*), recognised as special protection species according to NOM -059-Semarnat-2010.
- Dot-winged antwren (*Microrhoptias quixensis*), recognised as special protection species according to NOM-059-Semarnat-2010.
- Boa (*boa constrictor*), recognised as endangered species according to NOM -059-Semarnat-2010.

04. Performance and sustainability contribution / 04.7. Environmental contribution

Impacts on biodiversity

The construction activity had the greatest impact on biodiversity in 2020, with projects for the installation of parabolic trough collectors and the construction of desalination plants being the most significant. In this regard, the following projects can be highlighted: 304-2, 304-3

Type of project	Impacts on biodiversity	Measures
Solar field of parabolic trough collectors at the Mohammed bin Rashid Al Maktoum Solar Park in Dubai	<ul style="list-style-type: none"> • Combustion emissions and generation of dust caused by earth-moving works. • Dune ecosystem loss, habitat of animal and plant species of Al Marmoom Desert Conservation Reserve. 	<ul style="list-style-type: none"> • Translocation of the main plant and animal species, in cooperation with the Dubai Municipality Natural Resources Conservation Section. • Installation of feeding and watering stations for the Arabian Oryx and the gazelle within the boundaries of the project area. • Minimisation of lighting to avoid excessive artificial light. • Regarding air pollution, activities involving earth-moving are minimized in case of strong winds, construction areas are dampened and traffic speed is reduced to 20 km/h.
Cogeneration plant in Mexico	<ul style="list-style-type: none"> • Vegetation modification has a direct impact on fauna, affecting the mobility of species due to the transformation of their biological corridor and the availability of habitats. 	<ul style="list-style-type: none"> • Flora and fauna rescue and relocation programmes. Establishment of two buffer areas. Environmental monitoring. Incorporation of green areas.

Abengoa's Strategic Sustainability Plan incorporates as a short-term objective the implementation of a biodiversity assessment study and conservation actions carried out by Abengoa, to be applied to the rest of the activities, provided that conditions allow it.

The company received no environmental fines or penalties in 2020. 307-1

Sensitisation and awareness raising campaigns

Abengoa is committed to raising the environmental awareness of its workforce, in order to increase its involvement in **achieving the objectives of the Strategic Sustainability Plan**. For this purpose, the following communications channels were used in 2020:



04. Performance and sustainability contribution / 04.7. Environmental contribution

Ecological transition

Ensuring a better future for present and future generations requires the contribution and effort of all segments of society and the productive fabric, which should shift towards sustainable development models and harmful gases reduction.

We should all be part of the ecological transition.

Abengoa is fully aware that the private sector should be the driving force to achieve the required change. In this sense, the company has begun to develop action plans aimed at creating technologies that contribute to achieving this objective. These plans have been approved and are currently under development:

Action Plan	Context	Ongoing projects	Description and progress	
A	Increased presence of renewable energies in industries requiring intensive heat consumption	Projections to 2050 include a substantial increase in energy consumption by different industrial sectors, which should be accompanied by the increased use of renewables for thermal and electrical generation in this sector.	SH1 Project	Development of a small aperture collector (SH1) specifically configured for industrial heating applications due to a compact, lightweight and easy-to-assemble design.
			Modeling of industrial heat installations	Development of specific software to design and optimize industrial processes through 100 % renewable solutions.
			CSPplus Project	This project develops new high-temperature storage systems (up to 750 °C), such as storage in phase change materials (PCM), concrete and industrial waste, or in thermoclines. This project is being developed under the framework of a H2020 Project led by the University of Lleida, with which Abengoa has entered into a strategic collaboration agreement to participate as an industrial member.
B	Transformation of the energy matrix to eliminate the use of fossil fuels and achieve carbon neutrality by 2050	The replacement of fossil fuel-based facilities by hybrid renewable plants (with intermittent resources) cannot compromise the adaptation of generation profiles to the demand of end consumers. Therefore, Abengoa is addressing this challenge through research and development in the energy storage area, both electrical (through electrochemical batteries) as in large-scale thermal (through molten salts).	eMagic Project	The eMagic Project seeks to develop an innovative battery that uses magnesium instead of lithium as an active element, which could represent a radical change in the sizing and use of this type of large-scale installations. This project is being developed in consortium with Spanish and European companies and research centres as a H2020 project.
C	Implementation of hybrid solutions with 100 % renewable technologies offering clean, manageable and sustainable energy without requiring the use of fossil fuels for backup generation	CSP technology (concentrated solar power) has the ability to integrate its thermal storage in any type of installation, shifting power generation over time and thus becoming independent of the availability of its primary resource (the sun); therefore, being the only fully manageable alternative at present. A climate neutral medium term future in which energy systems are free of CO ₂ emissions will only be possible with a higher proportion of manageable renewable energies. The solution to this challenge lies in the hybridization of renewable technologies, being Abengoa one of the world's leaders in this field with leading know-how accumulated due to the huge experience in the different renewable technologies developed during the last decades.	SolarsCO2OL Project	Development of an electric heater prototype for molten salts with the capacity to store surplus energy from intermittent renewable generation plants (mainly photovoltaic and wind) in a thermal storage system. In this way, it is possible to seize this surplus to generate energy when it is really required, even if the primary resource (sun or wind in this case) is not available. This project is being developed in consortium with Spanish and European companies and research centres as a H2020 project.

04. Performance and sustainability contribution / 04.7. Environmental contribution

Action Plan	Context	Ongoing projects	Description and progress
D Reconversion, modernization and decarbonization of existing generation plants	The objective of this plan is to offer efficient solutions for the dismantling of conventional generation plants that are approaching the end of their life cycle, and to update, with energy storage systems the CSP/PV generation plants.	USC-Hybrid Project	Development of the detailed engineering of a pilot project to replace a supercritical coal-fired steam generation unit (extrapolated to superheated steam conditions) with a hybrid solar installation (photovoltaic and solar thermal). The proposed set-up is based on a hybrid installation that will use solar photovoltaic and solar thermal technology with tower and molten salts technology. At the same time, the concept of circular economy is promoted by reusing all the equipment in the power block.
		<i>Retrofit of renewable generation plants</i>	Developing an update model (retrofit) for renewable generation plants (photovoltaic, wind and/or solar thermal) to be provided with energy storage in order to be more efficient and manageable. Most of the existing renewable plants in Spain currently allows modifications in the facilities that would improve their efficiency, increasing renewable generation and reducing the carbon footprint. Abengoa promotes plans such as: <ul style="list-style-type: none"> • Provision of thermal storage or expansion of the existing storage and • self-consumption compensation.
		Scarabeus Project	Pilot project to optimize the supercritical CO ₂ power cycle supported by a high-efficiency solar thermal installation. The optimization of the cycle is achieved by adding small amounts of additives capable of condensing the mixture, thus optimizing the cycle while analysing the different feasible configurations and studying the most efficient one.
E Modelling and control of sustainable generation solutions	The objective of this plan is to develop software (GEA, for its acronym in Spanish, Abengoa Energy Manager); and AEMS, Abengoa Energy Management System) to scale, evaluate, optimize and monitor the operation of hybrid, renewable and/or conventional facilities. Abengoa's research and development lines include the development of software and simulation models to optimize the interconnection of different types of energy systems.	Development of GEA software – phase 1	Development of a tool to define hybrid plant configurations, optimizing the solution with technical-economic criteria and minimizing its impact in terms of CO ₂ emissions.
F Development of new control algorithms for renewable generation plants	The objective of this plan is to improve the efficiency of current technology through control systems to optimize the cost ratio per MWh generated.	RobOST	A new control algorithm is being developed for CSP plants with tower technology (the most efficient) by using artificial intelligence, which will allow to increase the efficiency of solar fields and, therefore, a significant reduction in implementation costs.

04. Performance and sustainability contribution / 04.7. Environmental contribution

Action Plan	Context	Ongoing projects	Description and progress
G Reducing resource use in desalinated water production	To reduce the electricity consumption of high-capacity reverse osmosis desalination plants, the focus has been on the most energy-demanding process, which in this case is high-pressure pumping to the membranes. Two fronts have been chosen, improving pump performance and reducing control losses (pressure is variable depending on the seawater salinity and temperature).	Improving performance	Grouping of the racks, which size is limited due to redundancy and maintenance needs, and communication of the pump discharge manifolds due to plant availability requirements (pressure centre). When both ends of the high pressure manifold communicate, flow circulation is improved in case of failure and the best operating conditions are obtained.
		Reduction of control losses	Each high pressure group is split into two stages and frequency control is applied only on the lowest, thus reducing overall losses.
H Decarbonization of aviation fuels by developing biofuel production plants from municipal solid waste	Development of an advanced aviation fuel production plant, integrated with a green hydrogen production plant through on-site electrolysis. The plant will transform more than 340,000 t/year of solid waste to produce 116 Ml/year of kerosene and 31 Ml/year of gasoline. The project will give Abengoa a strategic positioning in the decarbonized fuels industry.	Production plant engineering	The MSW is gasified to obtain syngas, which is cleaned and conditioned before being introduced into a Fischer-Tropsch reactor. The hydrocarbons mixture obtained is finally transformed into advanced aviation kerosene. The yield of the process is increased due to the green hydrogen generated by an electrolyser. Hydrogen is likewise used as fuel for auxiliary plant vehicles (waste transport trucks, plant vehicles, etc.).
I Decarbonization of the electricity grid by developing power plants based on fuel cells and hydrogen	Creation of a new generation of fuel cell based power plants suitable for flexible operation for grid support. These power plants use green hydrogen which is converted into emission-free electricity and heat. Additionally, improvements in the development of fuel cell systems allow the efficiency and life cycle of these fuel cells to be increased.	Grasshopper Project	This project seeks to upgrade the technology of PEM-type hydrogen fuel cell plants and thus achieve a 100 % renewable and manageable electricity grid at an affordable cost. The main objectives of the project, in which Abengoa contributes its extensive experience in generation plants, hydrogen and fuel cells, are as follows: <ol style="list-style-type: none"> 1. Energy cost reduction 2. Fast and flexible operation to allow the provision of electricity grid services. In order to meet both objectives, Abengoa has developed a 100 kW pilot plant currently in operation at its test facilities located in the port of Seville (Spain), with which is intended to validate numerous technical improvements, commercialization strategies and serve as a laboratory for ongoing and future developments beyond the project.

04. Performance and sustainability contribution / 04.7. Environmental contribution

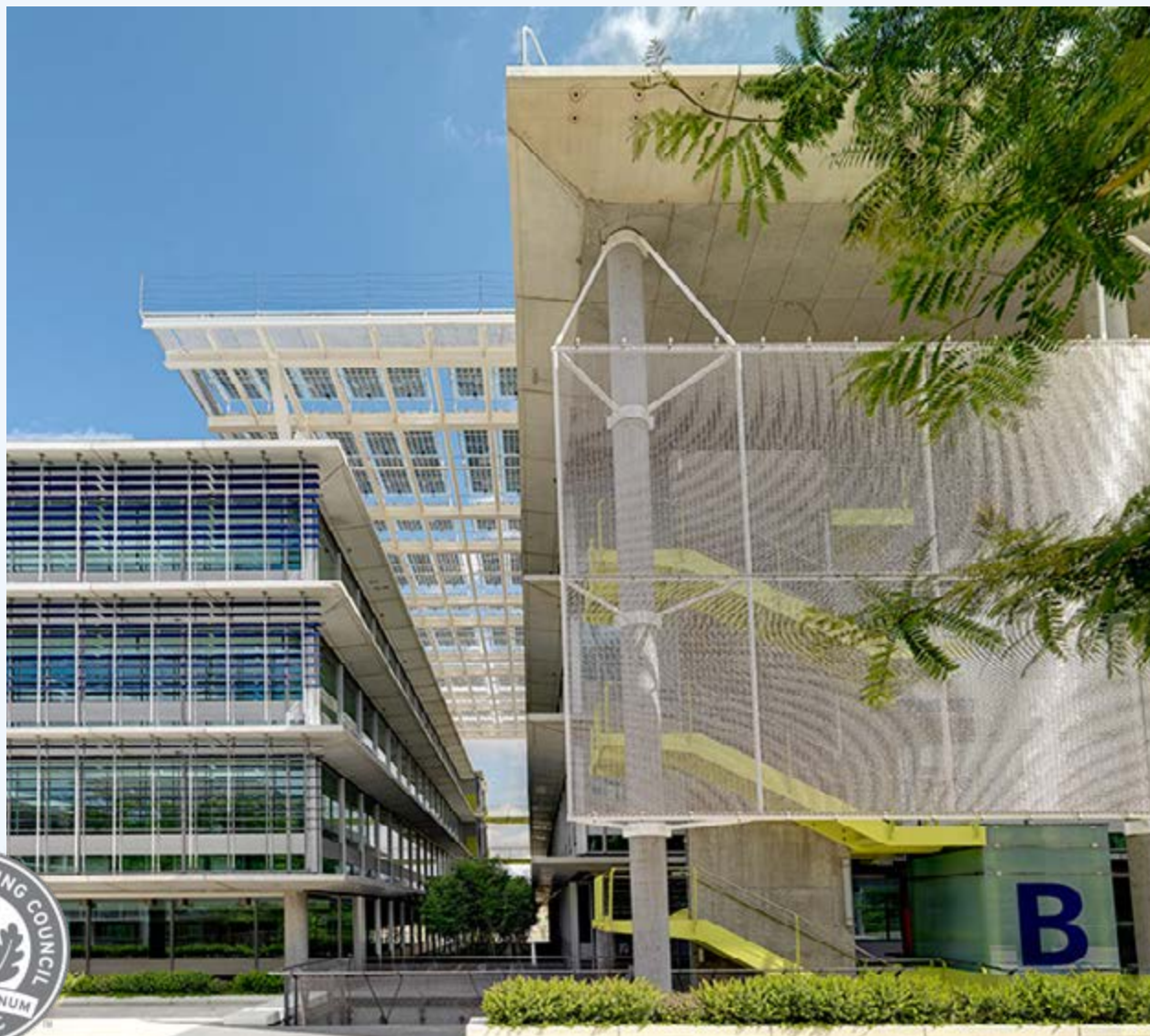
Efficient office

US Green Building Council (USGBC) in 2015 awarded Abengoa the **LEED platinum certification** (Leadership in Energy & Environmental Design) in its headquarters Campus Palmas Altas, located in Seville (Spain).

This certification corroborates Abengoa's commitment to develop measures and initiatives that contribute to improve the performance efficiency of its activity.

Among other initiatives, Abengoa offers its workers a direct connection to the metropolitan area through a walkway built by Abengoa that crosses the SE-30, allowing pedestrians and cyclists to cross, as well as the use of public buses from Tussam and the Seville Metropolitan Transport Consortium.

LEED is a voluntary sustainable building certification system based on the incorporation of systems that contribute to energy and water efficiency, the use of alternative energies, the separation of waste and the improvement of interior environmental quality and the selection of materials.





05

About this report

05. About this report



+300,000

followers in social media



18

years publishing the sustainability report



+300,000

visits to Abengoa's blog



+50

internal communications



+850,000

visits to the website



12

internal newsletter



Abengoa is firmly committed to **sustainability, transparency and accountability**, as reflected in the publication of its non-financial information, which has been published for the last 18 years. [102-51](#), [102-52](#)

Abengoa's Integrated Report reflects the company's commitment and **contribution to sustainable development**, according to the principles included in its Sustainability policy and the objectives established in its strategic plan, focusing on those issues identified as significant for the company and for its stakeholders.

Additionally, apart from providing the **main impacts**, it includes a **Responsible Management Balance Sheet** which includes the indicators which, due to their relevance, are critical for the company and for its stakeholders and, therefore, are reported more frequently. [102-50](#)

As a complement to this report, and for the third consecutive year, Abengoa has published the **Non-Financial Information Statement (NFIS)** in the Management Report supporting the annual accounts in order to comply with Law 11/2018 on non-financial information and diversity, involving the transposition into Spanish law of European Directive 2014/95 and that, like this report, is prepared in accordance with recognized international frameworks and the contents of the Law.

The integrated report corresponds to Volume I of Abengoa's Annual Report, along with Volume II on Legal and Economic-Financial Information and Volume III on Corporate Governance. These documents are publicly accessible through the [corporate website](#).

05. About this report

Standards and principles governing this report

102-1, 102-50, 102-51, 102-52 y 102-54

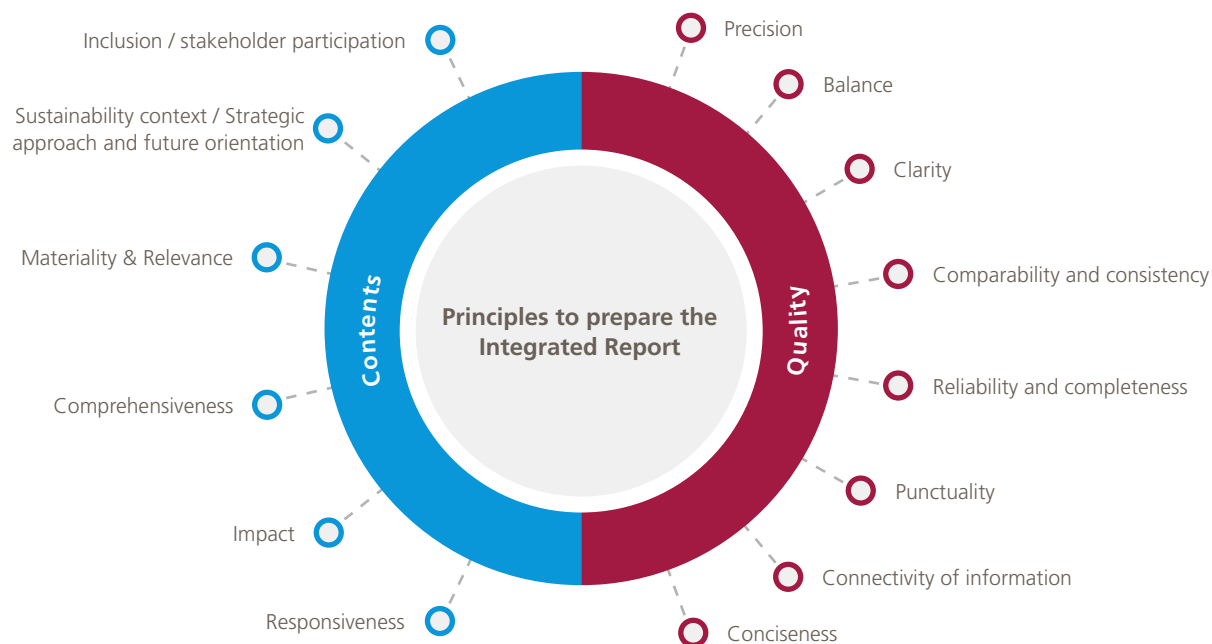
In accordance with the recommendations of the reporting framework published by the International Integrated Reporting Council (IIRC), this Abengoa's report shows the main **activities** of the company and its **business model**, describing the **strategy**, the **policies** and the **due diligence procedures**, the main **risks, objectives and challenges**, as well as the changes in the **perimeter** and its organizational structure during the financial year 2020. This provides insight into the strategic approach and the corporate ability to create value in the short, medium and long term.

The report has been prepared in accordance with the Sustainability Reporting Standards of the Global Reporting

Initiative (**GRI Standards**) **comprehensive option**, the **EU Guidelines 2017/C215/01** and Law **11/2018 on non-financial information and diversity**.

Furthermore, Abengoa follows the principles of the **AA1000 APS (2018) Accountability standard** and provides a response on the progress to observing the ten **principles of the UN Global Compact** that govern the company's actions, activity and strategy.

Under these rules, the **principles used to prepare this report**, which govern both the quality and the contents of the same, have been the following:



102-40, 102-41, 102-42, 102-43, 102-44



05. About this report

Abengoa integrates into its management the **recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)**, regarding the involvement of senior directors in risk management associated with climate change; establishing a risk

identification and management system, both globally and on site, in the short, medium and long term; the integration of said system into the corporate's overall risk management processes; and the disclosure of the metrics used by the company to assess

climate-related risks and opportunities and the risk management process.

Governance

A. Describe Board/Council Oversight of climate risks and opportunities.

- As indicated in this chapter, the scope of Abengoa's risk management system covers all activities and business areas, as well as all risk typologies, including environmental risks and those related to climate change, always under the precautionary principle.
- Risk Chapter, section 'Due diligence of the highest governance body on risk management'.

B. Describe the management role in assessing and managing climate risks and opportunities.

- As indicated in this chapter, the scope of Abengoa's risk management system covers all activities and business areas, as well as all risk typologies, including environmental risks and those related to climate change, always under the precautionary principle.
- Risk Chapter, section 'Due diligence of the highest governance body on risk management'.

Strategy

A. Describe the risks and opportunities related to climate that the company has identified in the short, medium and long term.

- Environmental contribution chapter, section 'Risk management associated with climate change'.

B. Describe the impact of risks and opportunities associated with the climate in the business, strategy and financial planning of the company.

- Environmental contribution chapter, section 'Risk management associated with climate change'.

C. Describe the resilience of the company's strategy, taking into account different climate-related scenarios, including a scenario of 2 °C or less.

- Environmental contribution chapter, section 'Risk management associated with climate change'.

Risk management

A. Describe the organisation's processes to identify and assess the risks associated with the climate.

- Environmental contribution chapter, section 'Risk management associated with climate change'.

B. Describe the organisation's processes to manage the risks associated with the climate.

- Environmental contribution chapter, section 'Risk management associated with climate change'.

C. Describe how the processes to identify, assess and manage the climatic risks are integrated in the organisation's global risk management.

- As indicated in this chapter, the scope of Abengoa's risk management system covers all activities and business areas, as well as all risk typologies, including environmental risks and those related to climate change, always under the precautionary principle.
- Risk Chapter, section 'Due diligence of the highest governance body on risk management'.

Metrics and targets

A. Report the metrics used by the company to assess climatic risks and opportunities in line with its strategy and its risk management process.

- Environmental contribution chapter, section 'Risk management associated with climate change'.
- Environmental contribution chapter, section 'Climate footprint'.
- Environmental contribution chapter, section 'Energy Footprint'.

B. Report Scope 1, Scope 2 and, if appropriate, Scope 3 GHG emissions and their associated risks.

- Environmental contribution chapter, section 'Climate footprint'.

C. Describe the objectives used by the company to manage climate risks and opportunities and its performance in relation to the objectives.

- Environmental contribution chapter, section 'Climate footprint'.
- Environmental contribution chapter, section 'Energy Footprint'.

05. About this report

At the same time, Abengoa has responded in 2020 to the requirements of the **Climate Disclosure Standards Board (CDSB)**, framework, designed to help organizations prepare and present environmental information in general reports and improve transparency for investors. Through such information, investors can assess the relationship between specific environmental issues and their link to the corporate business strategy, performance and value creation model.

Requirements	Description	Information localization
Req-01	Governance. Description of governance regarding environmental policies, strategy and reporting.	As indicated in the Environmental Value chapter, environmental sustainability is integrated into the company's strategy. Ultimate responsibility for sustainability and climate change management remains with the Executive Board and, ultimately, with the company's President.
Req-02	Management of environmental policies, strategy and objectives. Information on environmental policies, strategy and environmental objectives, including the indicators, plans and schedules used to evaluate the performance.	Chapter on Contribution to the environment, pages 180-203.
Req-03	Risks and opportunities. Explanation of significant current and anticipated environmental risks and opportunities affecting the company.	Environmental contribution chapter, pages 183-188. (Risks and opportunities associated with the environment and climate change management).
Req-04	Sources of environmental impacts. Quantitative and qualitative results report, together with the methodologies used to prepare the same, that will be reported to reflect the material sources of environmental impact.	Environmental contribution chapter, pages 191-199.
Req-05	Comparative and performance analysis. Analysis of the information disclosed in REQ-04 compared to any established performance objective and to the results reported in previous periods.	The environmental indicators reported in the environmental contribution chapter include a comparison with previous periods, as well as their performance compared to the objectives of the company's Strategic Sustainability Plan.
Req-06	Outlook. Management's summary of its conclusions regarding the effect of environmental impacts, risks and opportunities on the future of the company.	The Board of Directors annually supervises the identification and evaluation of opportunities arising from climate change, as indicated in the Environmental Contribution chapter. All relevant information can be found on page 188 of this report.
Req-07	Organizational scope. Environmental information shall be prepared for entities within the scope of the company or group for which the main report is prepared and, where appropriate, the information reported for entities and activities outside that scope shall be stated. The basis on which the company's reporting scope has been determined shall be described.	Section 'Scope of information' of this chapter (page 209).
Req-08	Reporting policies. Provisions for the submission of reports used to prepare the environmental information and confirmation that has been used consistently from one reporting period to the next.	Section 'Standards and principles for preparing the report' of this chapter.
Req-09	Reporting period. The report shall be annually provided.	Section 'Scope of information' of this chapter (page 209).
Req-10	Restatements. Disclosures shall report and explain any restatements of prior years.	Section 'Scope of information' of this chapter (page 209).
Req-11	Compliance. The report shall include a compliance statement with the CDSB framework.	Section 'Standards and principles for preparing the report' of this chapter.
Req-12	Assurance. If it has been reassured whether the reported environmental information complies with the principles and requirements of the CDSB Framework, this shall be included or cross-referenced in the compliance statement (REQ-11).	Section 'Information Assurance' of this chapter.

05. About this report

Scope of the information

102-10, 102-45, 102-46, 102-48

Unless otherwise specified, all the information and performance indicators included in this report refer to the activity carried out during 2020 by the companies controlled by the company (included in Annexes I, II and III of the Annual Accounts Report) with a social, environmental, economic and governance impact, both within and beyond the corporate scope. Additionally, the Temporary Joint Ventures (TJV) and Permanent Establishments (PE) in which one of Abengoa's companies controls the management structure and has an impact on any of the above-mentioned areas.

In order to provide comparability in the information reported, data related to the two previous years (2018 and 2019) are also included.

Due to the divestitures and exit of certain companies as a result of entering into bankruptcy proceedings, the scope of consolidation differs to that of 2019. The main differences involve Befesa Agua Tenés, S.L.U. in Algeria and Unidad Punta Rieles, S.A in Uruguay, as part of the strategic divestitures provided for in Abengoa's Viability Plan. Additionally, the companies Inabensa Maroc SARL, Abengoa Bioenergía Nuevas Tecnologías, S.A. and Gestión Integral de Recursos Humanos, S.A., have been removed from the scope as a result of the opening of the liquidation phase of the insolvency proceedings in which they were involved.



05. About this report

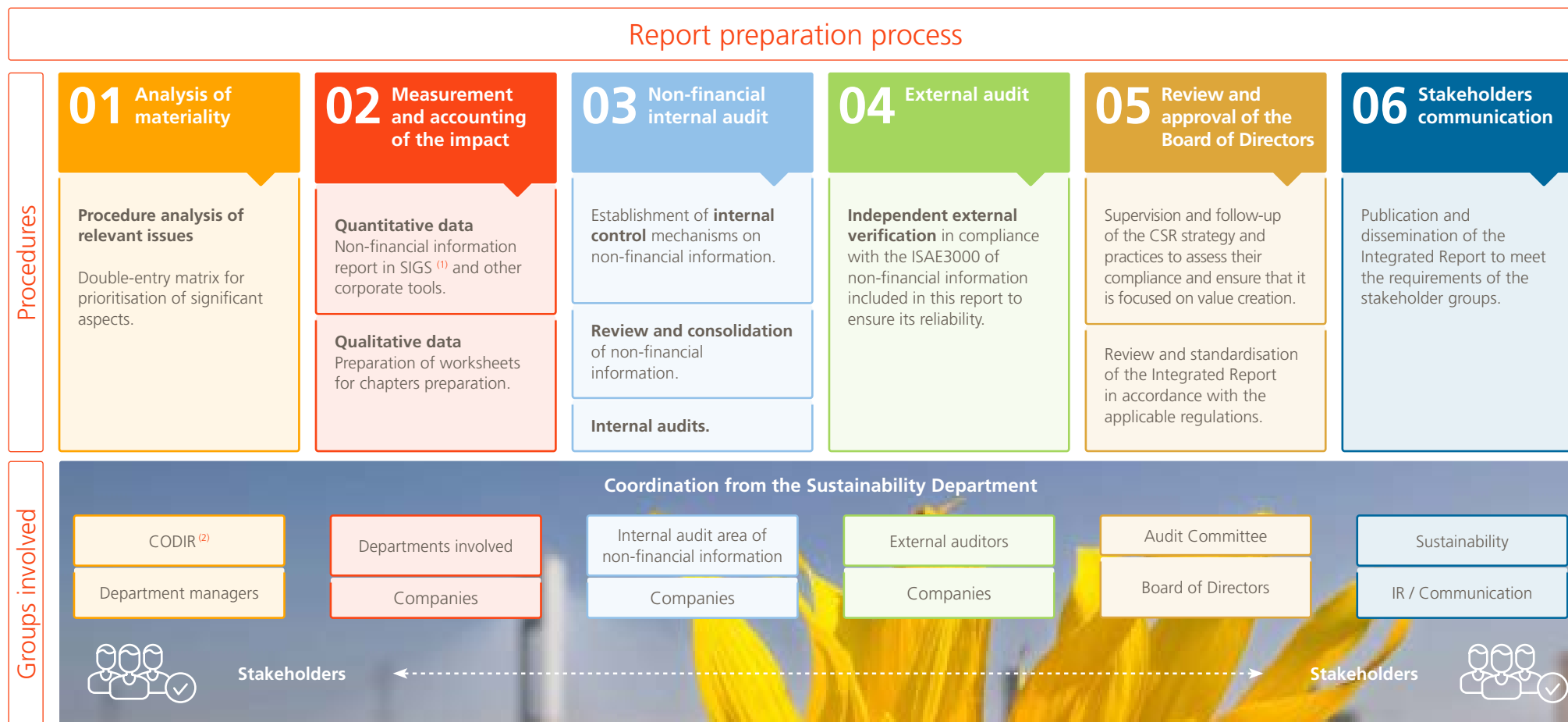
Report preparation process

Years of experience reporting non-financial information have provided the company with a sound reporting process based on experience, lessons learned and global best practices regarding sustainability.

Since the sustainability area is integrated in a cross-cutting manner in all areas of the company, acting as a lever to achieve business objectives, the directors of the main management areas have

collaborated in the reporting process by contributing their business know-how and management experience in their respective areas.

The different phases, procedures and personnel involved in this report preparation process are as follows:



⁽¹⁾ SIGS: Integrated sustainability management system.

⁽²⁾ CODIR: Management Committee.

05. About this report

Materiality analysis 102-47, 102-49, 103-2

Abengoa has a **Relevant Issues Analysis Procedure (RIAP)** aimed to explain the process to be followed by the company to determine which issues should be included in the non-financial information report based on their relevance (Integrated Report and EINF). Additionally, the steps to be followed, the tools to be used, the sources of information and the assignment of responsibilities are identified.

Based on this procedure, Abengoa conducts an annual materiality analysis in accordance with the principles of the GRI Standards and the APS1000 standard of **inclusiveness, relevance and responsiveness** as a key tool to identify and explore the most important issues for its stakeholders, with this analysis providing a baseline for designing the business strategy.

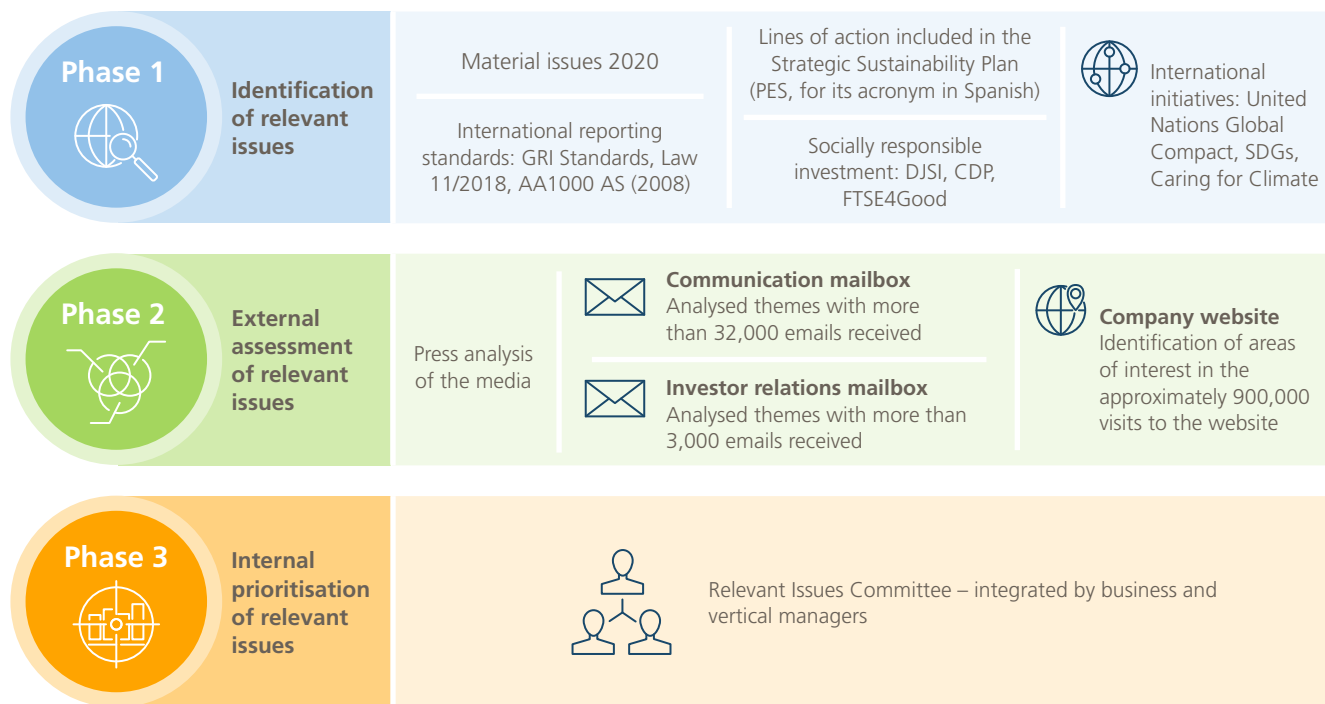
This process is carried out in three phases and is based on two analysis bases which are then crossed to obtain the final result: external factors (those related to the expectations of Abengoa's stakeholders and the importance given by them to the different issues) and internal factors (determining the importance of the different issues for the business, the corporate management and, ultimately, the achievement of the objectives outlined in the business strategy).

The use of both perspectives is essential for the compliance of the accountability principle defined by the AA1000 APS (2018) standard.

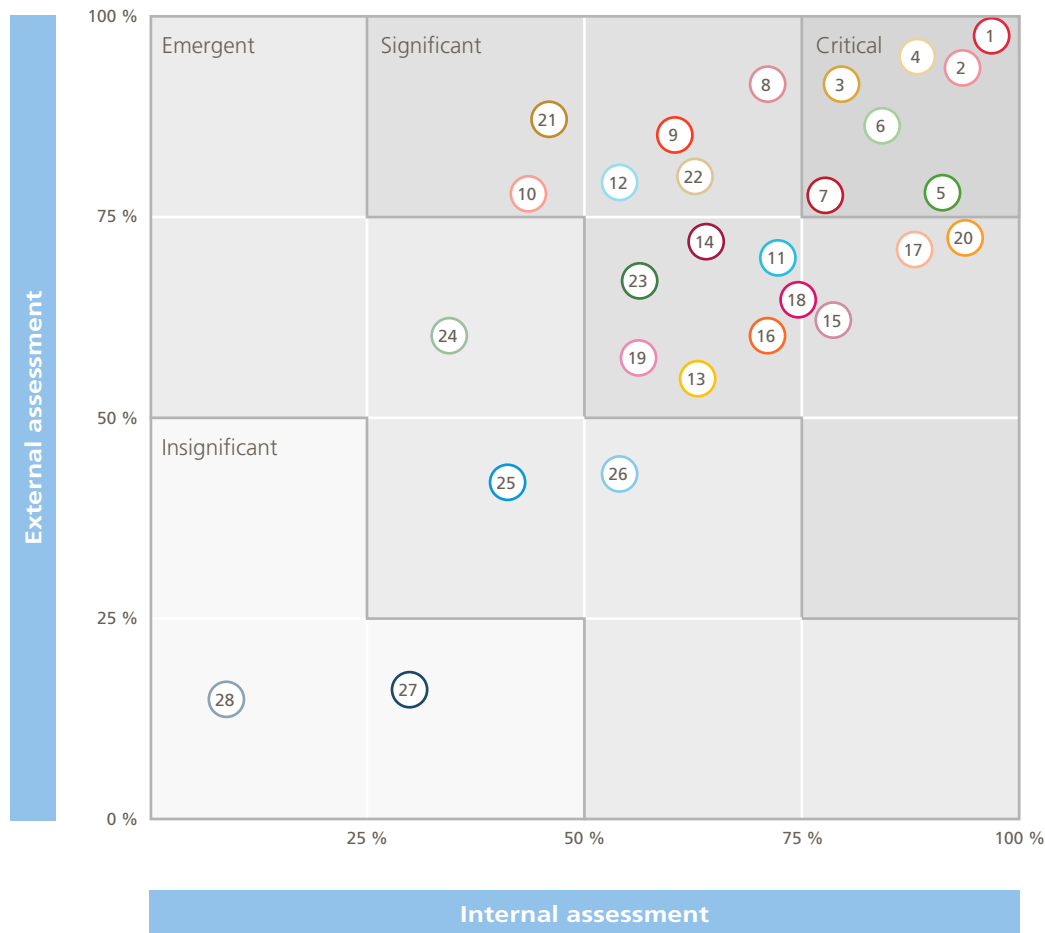
Taking into account the list as a whole, each issue identified can be classified based on its importance to the company and the stakeholders with one of these four categories: critical, significant, emergent and of little relevance.

- **Critical:** those issues affecting in a cross-cutting manner more than one activity segment, that are a priority for more than one stakeholder group or are essential to achieve the minimum required standards to comply with the analysed standards.
- **Significant:** those issues that are taken into consideration by only one of the interest groups, but which are a priority for this group; or any matters which, having reached a certain maturity, although generalised, are no longer considered critical.
- **Emergent:** those aspects that have started to acquire greater importance in recent times or that have begun to be considered mandatory at the legislative level.
- **Insignificant:** identified issues that have little impact and are not given priority attention by any stakeholder group and may or may not have repercussions in the future.

This classification generates the matrix of relevant issues, in which the mandatory issues with the highest score are classified as critical and should be analysed in greater depth in the Integrated Report. Follow-up indicators are designed for critical, significant and emerging issues that allow the company to monitor their evolution over time.



05. About this report

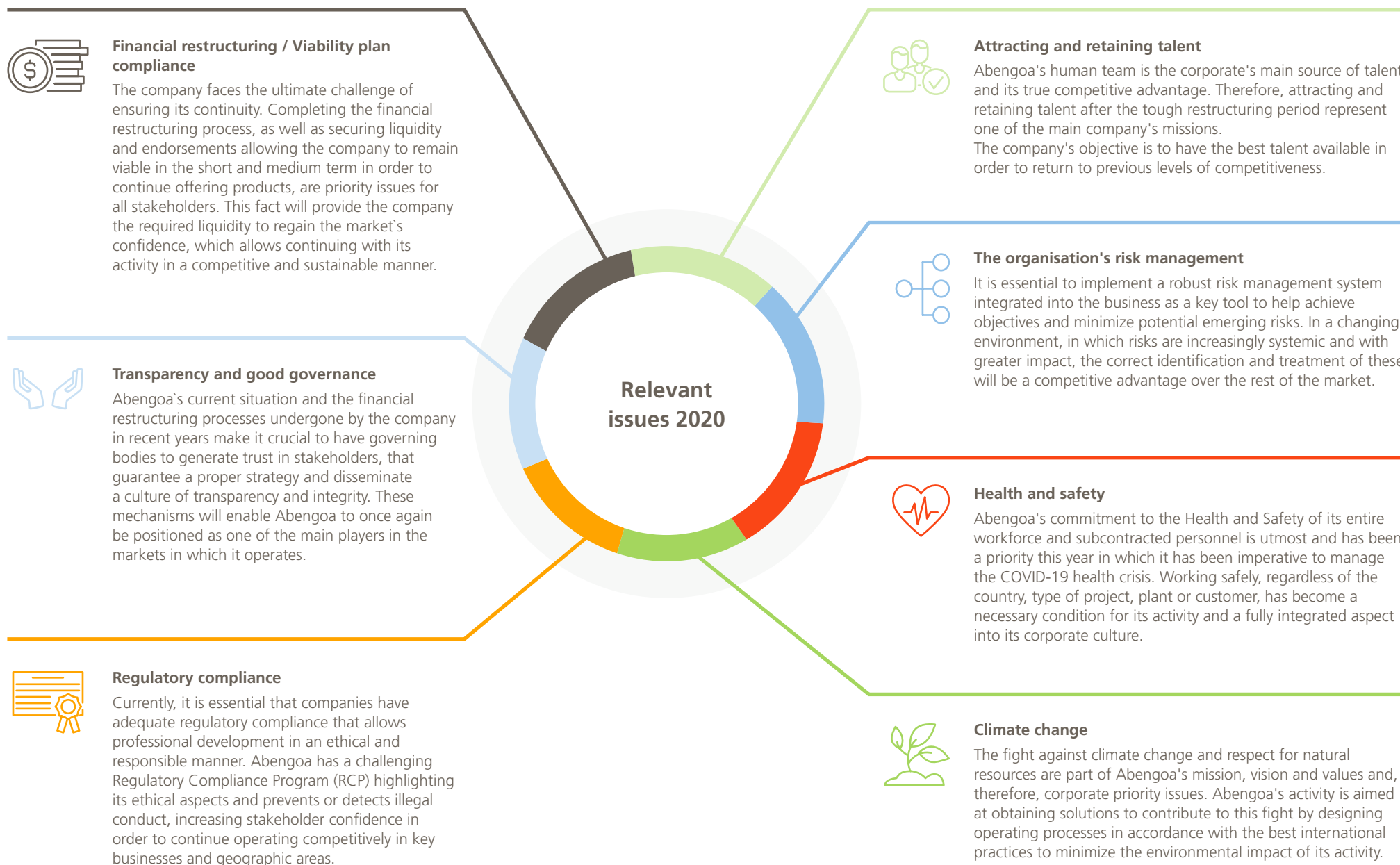


Aspects	Relevance
1 Financial restructuring / Viability Plan Compliance	Critical
2 Attracting and retaining talent	Critical
3 Transparency and Good Governance	Critical
4 Company's risk management	Critical
5 Health and Safety	Critical
6 Regulatory compliance	Critical
7 Climate change	Critical
8 Equal opportunities/Diversity/Joint responsibility	Significant
9 Diligence in protecting Human Rights	Significant
10 Contribution to progress – Social commitment and local impact	Significant
11 Promotion of innovation	Significant
12 Environmental protection	Significant
13 Sustainable use of resources	Significant
14 Remunerations	Significant
15 Salary gap	Significant
16 Corporate relationships / trade unions	Significant
17 Training	Significant
18 Conciliation, flexibility, disconnection from work	Significant
19 Supply chain responsibility – Suppliers / subcontractors	Significant
20 Customer satisfaction / quality	Significant
21 Fiscal transparency	Significant
22 Digital transformation	Significant
23 Pollution	Significant
24 Circular economy	Emerging
25 Energy transition	Emerging
26 Universal accessibility	Emerging
27 Biodiversity	Of little relevance
28 Absenteeism	Of little relevance

As a result of this process, we get the following relevant aspects, which show similarities with the results of 2019 due to the duration of the restructuring process.^{1,2}

1 Abengoa considers food management as a non-material aspect of the company's operations.
 2 Abengoa considers the relationship with the final consumers as a non-material aspect of the company's operations, given that its business model is B2B (business to business) and, therefore, it does not have direct contact with them.

05. About this report



05. About this report

Internal control of non-financial information

Anticipating the current legislative changes (Law 11/2018) regarding the required internal control systems for non-financial information and transparency and rigour thereof, since 2009 Abengoa has implemented a global sustainability management system.

This efficient and consolidated system aims to control non-financial information to **mitigate and prevent risks** and duly manage the negative impacts generated by the company's activity, as well as increasing the positive impacts.

In order to manage and measure the company's impacts, Abengoa implements a reporting tool called **Integrated Sustainability Management System (SIGS, for its acronym in Spanish)** combining the non-financial information of the entire company with a **sound internal control system** regarding capture, validation and consolidation carried out by different users, ensuring the reliability of the information.

In 2020 Abengoa has started working on updating the **Internal Control System for Non-Financial Information (SCIINF, for its acronym in Spanish)** to strengthen procedures and provide the appropriate tools to the Board of Directors to exercise its monitoring and supervision role to ensure the accuracy of non-financial information.

Therefore, a **non-financial information reporting policy** has been designed, aimed to define the reporting structure that will provide a transparent and global vision of the company's sustainability performance, in accordance with the policy and objectives set out in the Strategic Plan, and to identify risks to increase the confidence of investors, consumers and the entire society, who are increasingly demanding greater transparency and corporate responsibility in non-financial aspects or ESG (Environmental, Social, Government) areas. Likewise, the relevant issues analysis procedure has been updated and a reporting risk and control matrix is being designed aligned with the financial information control and reporting tools.

Abengoa has an area under the Sustainability department of **Internal Audit of Non-Financial Information (AIINF)** aimed to verify the information regarding the three dimensions of Sustainability, emphasizing the main risks in this area, as well as the effectiveness of the controls that the company applies to mitigate them. The purpose of these audits is to ensure the reliability and quality of the non-financial information.

During the financial year 2020 comprehensive internal audits have been performed at corporate level on certain indicators such as training or accident rate, in addition to conducting other controls during the review and consolidation procedure for the rest of the indicators, such as performing analytical reviews with data from previous periods to identify significant deviations, substantive evidence, review of unusual or very large items, random sampling, etc.

Information assurance

Abengoa submits its Integrated Report to an **independent external review** with a limited level of assurance on certain indicators of the Responsible Management Balance Sheet or contained in the index in accordance with the ISAE 3000 Standard, Assurance Engagements other than Audits or Reviews of Historical Financial Information, with the ISAE 3410 Standard, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standard Board (IAASB); and with the Performance Guide on review work on Corporate Responsibility Reports issued by the Institute of Chartered Accountants of Spain (CJCE, for its acronym in Spanish). [102-56](#)

Likewise, and in compliance with the current mercantile regulations, the **Non-Financial Information Statement** has been audited by KPMG Asesores, S.L. The independent verification report is attached to the Statement of Non-Financial Information in section 04, Volume II: Legal and Economic-Financial Information. [102-56](#)

Due diligence

The sustainability management submits the Integrated Report to the Audit Committee, which is responsible for submitting the above mentioned report to the Board of Directors for review and final approval in accordance with the guidelines of the Code of Good Governance and Law 11/2018 on non-financial information and diversity.

This fact enables following up and supervising the sustainability strategy and practices carried out during the year and which represent the renewal of the commitment to the ten principles of the Global Compact, and the contribution to the achievement of the United Nations 'Sustainable Development Goals'. [102-32](#)



05. About this report

Relationship with stakeholders

Abengoa works on a daily basis to build **sound and transparent relationships** to generate value for each stakeholder group since, without their trust, it would not be possible to achieve the established strategic objectives.

The long and complex restructuring process recently experienced by Abengoa has required the reinforcement of resources in order to develop a two-way communication, continuous and truthful,

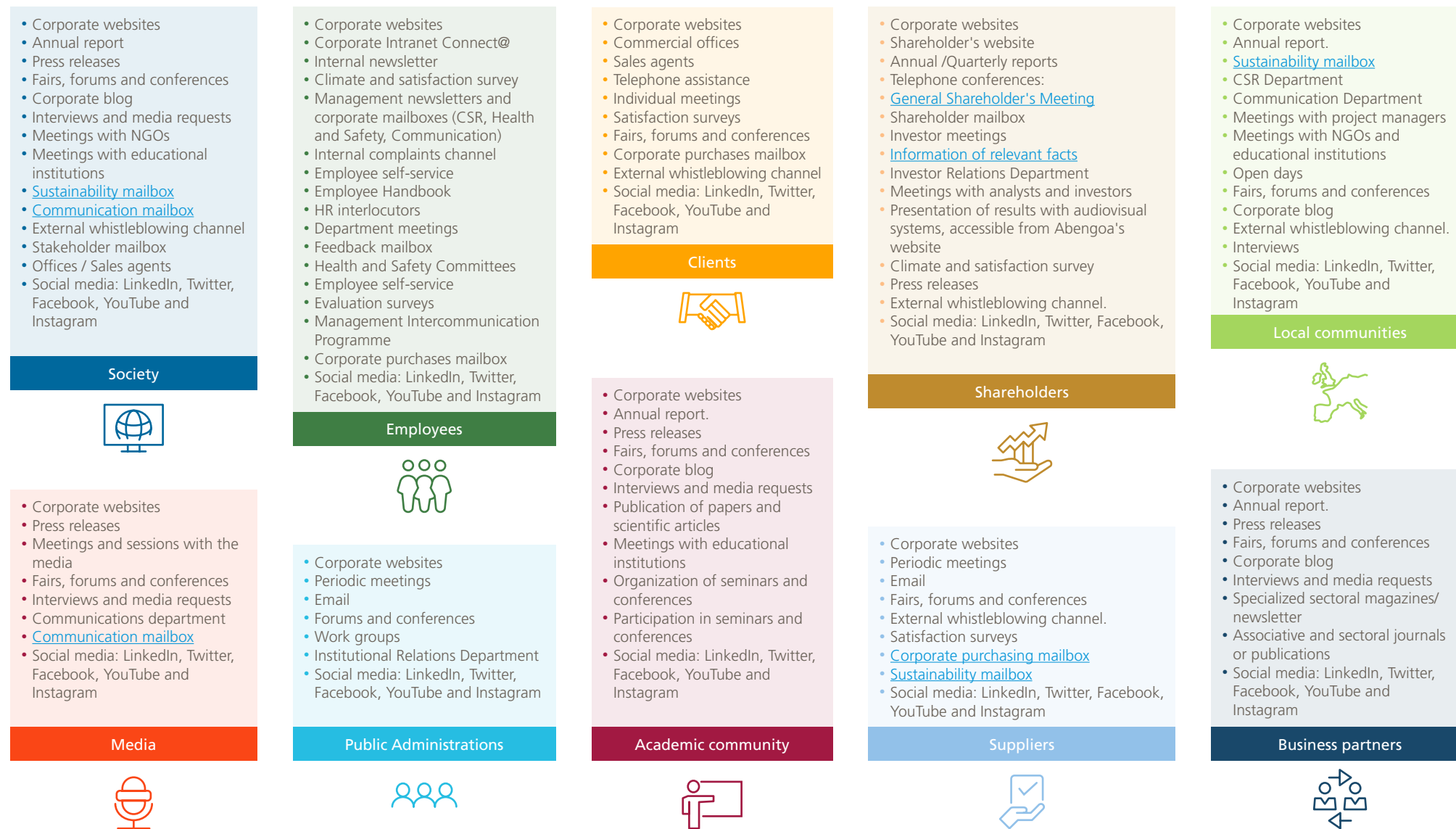
to strengthen the company's relationships with all stakeholders to ensure and maintain the commitments made with all of them.

Abengoa's main stakeholders include, those who are part of the value chain and other external stakeholders whose decisions and actions also have an impact on the company's business.



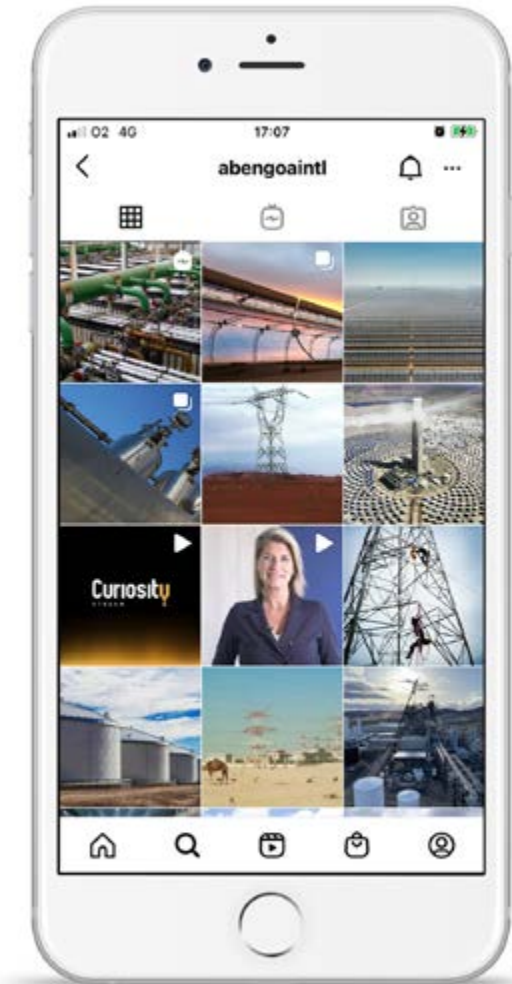
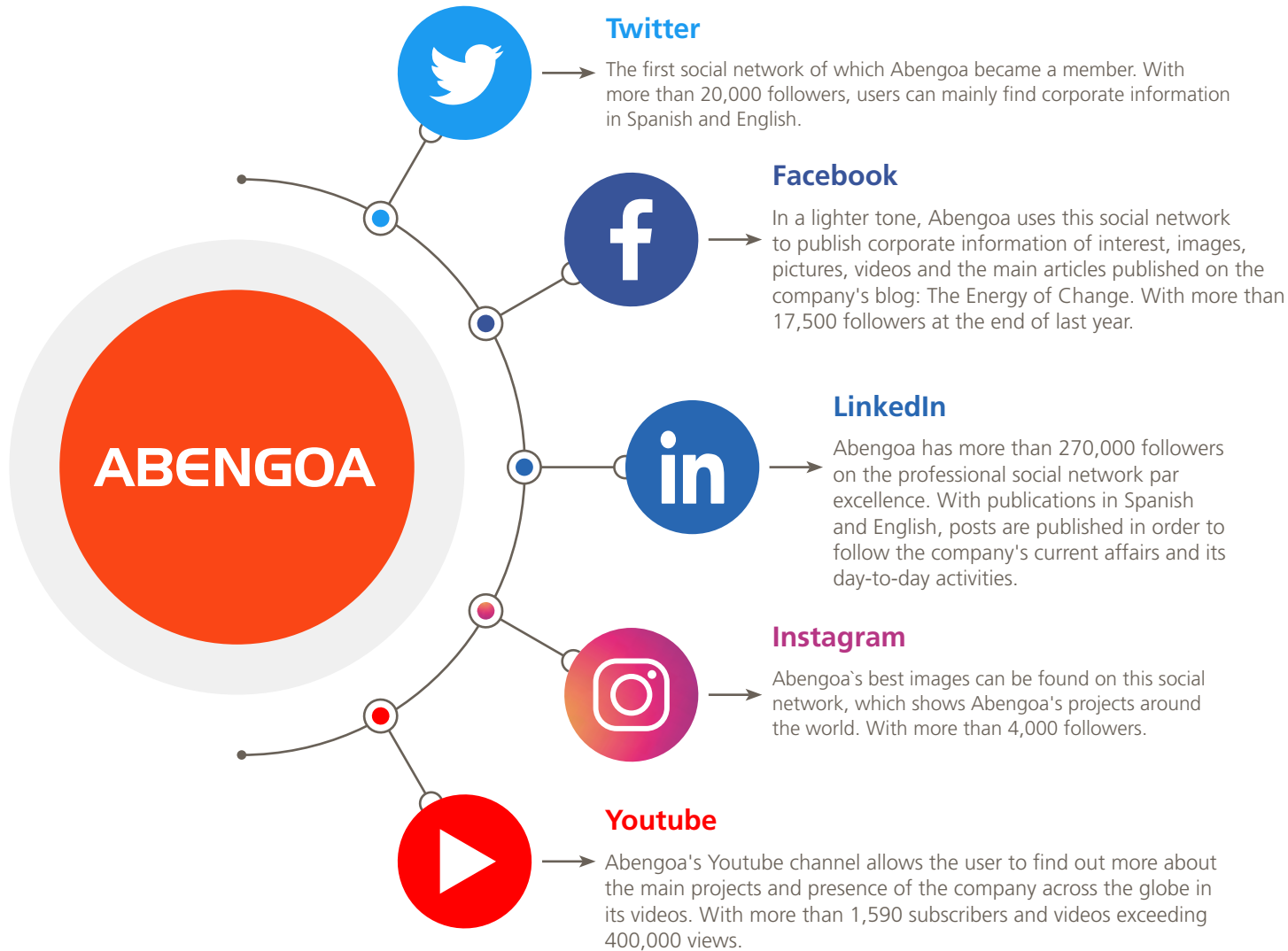
05. About this report

Abengoa has different communication and consulting channels adapted to the unique characteristics and diversity of the businesses as tools for ascertaining the needs and expectations of its stakeholders in order to be incorporated into the company's strategy. The main channels enabled are as follows:








05. About this report




Abengoa has experienced a remarkable growth in all social networks during the last period. It is currently present through the following channels:



05. About this report

Apart from the specific communication channels adapted to each stakeholder group, Abengoa mainly uses the following channels for sustainability issues:

External channels	
	<p>Sustainability mailbox</p> <p>Abengoa has a specific sustainability mailbox (sostenibilidad@abengoa.com) in which the members of the department analyse all the emails received from any stakeholder. Mainly proposals for collaborations or sustainability projects are received, which are thoroughly evaluated. Furthermore, this is the most suitable channel to send any kind of question, query or comment about the projects carried out or even about the contents of this report.</p>
	<p>Social media</p> <p>Due to the large number of users and followers, this tool best conveys all the sustainability actions carried out by the company.</p>
	<p>The Energy of Change Blog</p> <p>Operational since 2014, it compiles articles on topics of interest for the company, especially from the business point of view, the environment and climate change, as well as others relevant to Abengoa's field of action.</p>
	<p>Interviews and articles</p> <p>Collaboration with specialized magazines to carry out interviews or write articles on critical or cutting-edge sustainability topics.</p>
	<p>Specialized studies</p> <p>Collaboration with independent organizations or cluster working groups to carry out studies on topics of interest such as transparency, innovation or diversity, etc.</p>

Internal channels	
	<p>Corporate intranet "We are sustainable" section</p> <p>The corporate intranet 'Connect@. Your meeting point' has had a specific section on sustainability for more than 20 years. In this section, all employees can access the guidelines and objectives established in the Strategic Plan, main performance indicators, etc.</p>
	<p>Monthly newsletter</p> <p>Information for employees regarding sustainability issues and non-financial information published by the company, such as the integrated report, articles or other aspects that may be of interest to users. This internal communication tool includes useful information related to Abengoa and the sectors in which it operates, as well as a section called "a Coffee with", which includes an interview with a colleague every month. During 2020, the presence of women in the company has been highlighted in this section and their presence has matched the presence of men. Specifically, one woman was interviewed for every two men (taking into account that the company has a gender distribution of 11.78 % women and 88.22 % men).</p>
	<p>Posters and screens in work centres</p> <p>On a monthly basis, the company's main work centres have posters with sustainability information to help raise awareness or reflect the performance indicators of Abengoa's projects.</p>



06

Independent
verification report

06. Independent verification report



KPMG Asesores S.L.
Pº. de la Castellana, 259 C
28046 Madrid

Independent Assurance Report on the Integrated Annual Report of Abengoa, S.A. for the year 2020

To the management of Abengoa, S.A.:

We have been engaged by the Board of Directors of Abengoa, S.A. (hereinafter the Company) to provide limited assurance on the "Integrated Annual Report" for the year ended 31 December 2020 (hereinafter "the Report"). The information reviewed is limited to the indicators of the Responsible Management Balance Sheet and in the GRI index identified with the symbol "✓".

Management responsibilities

Management of the Company is responsible for the preparation and presentation of the Report in accordance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards), in its comprehensive option, of the Global Reporting Initiative, as described in point 102-54 of the GRI content Index of the Report.

Management is also responsible for the information and assertions contained within the Report; for determining Company's objectives in respect of the selection and presentation of sustainable development performance, including the identification of stakeholders and material issues; and for establishing and maintaining appropriate performance management and internal control systems from which the reported performance information is derived.

These responsibilities include the establishment of appropriate controls that Company management consider necessary to enable that the preparation of indicators with a limited assurance review would be free of material errors due to fraud or errors.

Our independence and quality controls

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



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Our responsibility

Our responsibility is to carry out a limited assurance review and to express a conclusion based on the work performed. We conducted our engagement in accordance with International Standard on Assurance Engagements ISAE 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and the Standard ISAE 3410 Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board (IAASB); and with the Performance Guide on the revision of Corporate Responsibility Reports of the Instituto de Censores Jurados de Cuentas de España (ICJCE). These standards require that we plan and perform the engagement to obtain limited assurance about whether the Report is free from material misstatements.

Procedures performed

Our limited assurance engagement has been carried out by means of enquiries of management and persons responsible for the preparation of information presented in the Report, and the application of analytical and other evidence gathering procedures. These procedures included:

- Verification of Company's processes for determining the material issues, and the stakeholder participation therein.
- Verification, through interviews with management and relevant staff at group level and selected business unit level, of the presence of sustainability strategy and policies and corporate responsibility to attend to material issues, and the implementation of these across the business of Company.
- Assessment of the consistency of the description of the application of Company's policies and strategy on sustainability, governance, ethics and integrity.
- Risk analysis, including searching the media to identify material issues during the year covered by the Report.
- Review of consistency of information comparing the Universal Standards with internal systems and documentation.
- Analysis of the processes of compiling and internal control over quantitative data reflected in the Report, regarding the reliability of the information, by using analytical procedures and review testing based on sampling.
- Review of the application of the Sustainability Reporting Standards of the Global Reporting Initiative (GRI Standards) requirements, in accordance with comprehensive option.
- Reading the information presented in the Report to determine whether it is in line with our overall knowledge of, and experience with, the sustainability performance of Company.
- Comparison between the financial information presented in the Report and those included in Company's Annual Accounts audited by independent third parties.

Our multidisciplinary team included specialists in dialogue with stakeholders, and social, environmental and economic business performance.

06. Independent verification report



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The procedures performed in a limited assurance engagement vary in nature and timing from, and are less wide than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than that of a reasonable assurance engagement. This report may not be taken as an auditor's report.

Conclusions

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this Independent Assurance Report.

We believe that the evidences we have obtained are sufficient and appropriate to provide a basis for our conclusions.

Based on the procedures performed and the evidences obtained, nothing has come to our attention that causes us to believe that the Report has not been prepared, in all material respects, in accordance with the Sustainability Reporting Standards of Global Reporting Initiative (GRI Standards), in its comprehensive option, as described in point 102-54 of the GRI content Index of the Report, including the reliability of data, adequacy of the reported information and the absence of significant deviations and omissions.

Purpose of our report

In accordance with the terms of our engagement, this Independent Assurance Report has been prepared for Abengoa, S.A. in relation to its Integrated Annual Report 2020 and for no other purpose or in any other context.

Under separate cover, we will provide Company management with an internal report outlining our complete findings and areas for improvement.

KPMG Asesores, S.L.

A handwritten signature in blue ink, appearing to read 'Marta Contreras Hernandez', written over a faint circular stamp or watermark.

Marta Contreras Hernandez

December 30th, 2021



07

GRI index

102-55

07. GRI index

- Indicators related with key aspects for the company and its stakeholders.
- ✓ Indicators assured by an independent third party.

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	Organizational profile				
	102-1	Name of the company	206		●
✓	102-2	Activities, brands, products, and services	149 The company does not have banned or in dispute products. See Industrial Capital to consult the list of products and Company services.		●
✓	102-3	Headquarters location	14		●
✓	102-4	Location of operations	14, 171		●
	102-5	Ownership and legal form	85		●
✓	102-6	Markets served	13, 14		●
✓	102-7	Company size	10, 34, 85, 129		●
✓	102-8	Information on employees and other workers	131, 132, 171		●
	102-9	Supply chain	162		●
	102-10	Significant changes to the company and its supply chain	4, 5, 209		●
✓	102-11	Precautionary Principle or approach	37, 39		●
	102-12	External initiatives	167, 172		●
✓	102-13	Membership to associations	60, 167		●
	Strategy				
	102-14	Statement from senior decision-maker	4, 5		●
✓	102-15	Key impacts, risks, and opportunities	4, 5		●
	Ethics and integrity				
✓	102-16	Values, principles, standards, and norms of behaviour	26, 63		●
✓	102-17	Mechanisms for advice and concerns about ethics	65, 139, 173		●
	Governance				
	102-18	Governance structure	50, 53		●
	102-19	Delegating authority	52		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	102-20	Executive-level responsibility for economic, environmental, and social topics	27, 53		●
	102-21	Consulting stakeholder groups on economic, environmental, and social topics	57		●
	102-22	Composition of the highest governance body and its committees	52		●
	102-23	Chair of the highest governance body	52		●
	102-24	Nominating and selecting the highest governance body	55		●
	102-25	Conflicts of interest	54		●
	102-26	Role of the highest governance body in selecting objectives, values and strategy	52, 54		●
	102-27	Collective knowledge of highest governance body	52		●
	102-28	Evaluating the highest governance body's performance	55		●
	102-29	Identifying and managing economic, environmental, and social impacts	54		●
	102-30	Effectiveness of risk management processes	47, 54		●
	102-31	Review of economic, environmental, and social topics	47, 52, 54		●
	102-32	Highest governance body's role in sustainability reporting	214 It is the Board of Directors that reviews it, following a review by the chairman and the CEO.		●
	102-33	Communicating critical concerns	57		●
	102-34	Nature and total number of critical concerns	55, 57, 86		●
✓	102-35	Remuneration policies	55		●
	102-36	Process for determining remuneration	55		●
	102-37	Stakeholder groups' involvement in remuneration	The remuneration policy for Abengoa's directors included in this report was approved by the Ordinary General Shareholders' Meeting held on June 30, 2017. The remunerations policy was prepared, discussed and formulated within the Appointments and Remuneration Committee. The proposal was submitted to the Board of Directors, approved thereby as proposal to the General Meeting and approved by the General Meeting on the date indicated.		●
✓	102-38	Annual total compensation ratio	56		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	102-39	Percentage increase in annual total compensation ratio	56	Indicator not available in 2017, to calculate the variation ratio.	●
Stakeholder groups participation					
	102-40	List of stakeholder groups	206		●
✓	102-41	Collective bargaining agreements	139, 206		●
	102-42	Identifying and selecting stakeholder groups	206		●
✓	102-43	Approach to stakeholder groups participation	206		●
✓	102-44	Key topics and concerns raised	86, 159, 206		●
Reporting practice					
	102-45	Entities included in the consolidated financial statements	209		●
	102-46	Defining report content and topic Coverage	209		●
✓	102-47	List of material topics	211		●
	102-48	Restatements of information	209		●
	102-49	Changes in reporting	211		●
	102-50	Reporting period	205, 206		●
	102-51	Date of most recent report	205, 206		●
	102-52	Reporting cycle	205, 206		●
	102-53	Contact point for questions regarding the report	236		●
✓	102-54	Statement of preparation of the report in accordance with the GRI Standards	206		●
	102-55	GRI content index	222		●
	102-56	External verification	214		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	Management focus				
	103-1	Explanation of the material topic and its Boundary	34		●
✓	103-2	The management approach and its components	34, 64, 211		●
✓	103-3	Evaluation of the management approach	34		●
	Economic Performance				
✓	201-1	Direct economic value generated and distributed	10, 34		●
	201-2	Financial implications and other risks and opportunities due to climate change	184, 187		●
	201-3	Defined benefit plan obligations and other retirement plans	136		●
	201-4	Financial assistance received from government	34, 69		●
	Market presence				
	202-1	Ratios of standard entry level wage by gender compared to local minimum wage	135		
	202-2	Proportion of senior management hired from the local community		No material	
	Significant indirect economic impacts				
	203-1	Infrastructure investments and services supported		No material	
	203-2	Significant indirect economic impacts		No material	
	Procurement practices				
✓	204-1	Proportion of spending on local suppliers	165		●
	Anti-corruption				
✓	205-1	Operations assessed for risks related to corruption	During 2020, apart from other cross-cutting work, no preventive or detective actions were carried out to reduce the risk of corruption or fraud.		●
✓	205-2	Communication and training about anti-corruption policies and procedures	60, 63		●
✓	205-3	Confirmed incidents of corruption and actions taken	66		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	Anti-competitive behaviour				
✓	206-1	Legal actions regarding unfair competition and monopolistic and anti-competitive practices	<p>1. In relation to the start of an inspection by the European Commission in the financial year 2013 of Abengoa and the companies directly or indirectly controlled by Abengoa, regarding their possible participation in anti-competitive agreements or actions allegedly aimed at manipulating the results of the end-of-day Platts' pricing (CDD), as well as to deny access to one or more companies to participate in the CDD pricing process, an oral hearing was held in Brussels in January 2020 in which the parties requested the closing of the investigation. On March 2, 2021, a communication was received from the Commission in relation to supplementary or additional information to the list of charges, called "Letter of Facts" with the deadline to reply currently being suspended.</p> <p>2. In relation to the start of the investigation by the National Commission for Markets and Competition (hereinafter, the "CNMC", for its acronym in Spanish) against the manufacturers and some companies of the sector (including Nicsa and its parent company Abengoa SA), it should be noted that on May 21, 2019 Nicsa was notified of the answer to the complaint filed by the State Attorney's Office, and on June 4, 2019, Nicsa filed the final pleadings, without no further action to date.</p> <p>3. In relation to the requested information by the National Commission for Markets and Competition to several companies in the railway industry, including Instalaciones Inabensa, S.A., on March 22, 2019, a Resolution was received from the Board of the CNMC in which two sanctions were imposed, which jointly amounted to €11.6 million, and a guarantee was lodged in October for the suspension of payment. Likewise, a contentious-administrative complaint was filed in July 2019, a process which is still pending.</p>		●
	Taxation				
	207-1	Tax approach	67, 68		
	207-2	Fiscal governance, control and risk management	69		
	207-3	Stakeholder groups participation and management of tax-related issues	69		
	207-4	Country-by-country reporting	68		
	Materials				
✓	301-1	Used materials, by weight or volume	197		
	301-2	Recycled materials		No material	
	301-3	Reused products and packaging materials		No material	

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	Energy				
✓	302-1	Energy consumption within the company	34, 194		●
	302-2	Energy consumption outside of the company		No material	
✓	302-3	Energy intensity	34, 194		●
	302-4	Reduction of energy consumption	The company has defined an action line in its 2019-2023 Strategic CSR Plan, which introduces specific medium-term objectives and follow-up actions and indicators that allow the implementation of compliance guidelines.		
	302-5	Reductions in energy requirements of products and services		No material	
	Water				
✓	303-1	Interaction with water as a shared resource	34, 195		●
	303-2	Management of water discharge-related impacts		No material	
	303-3	Water extraction		No material	
	Biodiversity				
✓	304-1	Owned, leased or managed operations centres located within or adjacent to protected areas or areas of high biodiversity value outside protected areas	198		
✓	304-2	Significant impacts of activities, products, and services on biodiversity	199		
	304-3	Habitats protected or restored	199		
	304-4	Species on the IUCN Red List and on national conservation lists whose habitats are in areas affected by the operations	198		
	Emissions				
✓	305-1	Direct GHG emissions (Scope 1)	34, 192		●
✓	305-2	Energy indirect GHG emissions (Scope 2)	34, 192		●
✓	305-3	Other indirect GHG emissions (Scope 3)	34, 192		●
✓	305-4	GHG emissions intensity	34, 192		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
✓	305-5	Reduction of GHG emissions	The company has defined an action line in its 2019-2023 Strategic Sustainability Plan, which establishes specific medium-term objectives as well as follow-up actions and indicators that allow to establish guidelines for their compliance.		
	305-6	Ozone-depleting substances emissions (ODS)		No material	
✓	305-7	Nitrogen oxides (NOX), sulphur oxides (SOX), and other significant air emissions	34, 193		
Effluents and waste					
	306-1	Wate generation and significant waste-related impacts		No material	
✓	306-2	Management of significant waste-related impacts	34, 197		●
	306-3	Waste generated		No material	
	306-4	Waste not destined for disposal		No material	
	306-5	Waste destined for disposal		No material	
Environmental compliance					
✓	307-1	Non-compliance with environmental laws and regulations	199 During 2020, no significant fines or penalties for non-compliance with environmental legislation and regulations have been recorded.		●
Supplier environmental assessment					
✓	308-1	New suppliers that have successfully completed evaluation and selection screening according to environmental criteria	168		
✓	308-2	Negative environmental impacts in the supply chain and measures taken	168		
Employment					
✓	401-1	New employee hires and employee turnover	34, 137		●
	401-2	Benefits for full-time employees not granted to part-time or temporary employees	136		●
	401-3	Parental leave	Concerning the return of workers after enjoying paternity and maternity leave, the percentage of employees returning to their jobs is 100 %, a figure similar to previous years.		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
	Labour/management relations				
	402-1	Minimum notice periods for operational changes	139		●
	Occupational health and safety				
✓	403-1	Occupational health and safety management system	145		●
✓	403-2	Hazard identification, risk assessment and incident investigation	34		●
	403-3	Occupational health services	There have been no occupational diseases during the last three years.		●
✓	403-4	Occupational health and safety employee participation, consultation and communication	139		●
	403-5	Occupational health and safety training for employees			
	403-6	Employee health promotion			
	403-7	Prevention and mitigation of employee health and safety impacts directly linked to business relationships			
	Training and education				
✓	404-1	Average hours of training per year per employee	34		●
✓	404-2	Programmes for upgrading employee skills and transition assistance programmes	137		●
	404-3	Percentage of employees receiving regular performance and career development reviews	137		●
	Diversity and equal opportunity				
✓	405-1	Diversity of governance bodies and employees	50, 131, 132		●
✓	405-2	Ratio of basic salary and remuneration of women to men	135		●
	Non-discrimination				
	406-1	Incidents of discrimination and corrective actions taken	172 There were no discrimination cases during the year.		●
	Freedom of association and collective bargaining				
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	172 Abengoa does not perform operations or work with suppliers where its right to freedom of association or collective bargaining may be jeopardised.		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
Child labour					
	408-1	Operations and suppliers at significant risk for incidents of child labour	172 The supplier assessment that Abengoa has resumed during 2020 identifies different factors that could be considered risk factors, based on international indexes that contemplate aspects related to human rights, including the risk of child labour.		●
Forced or compulsory labour					
	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	172 The supplier assessment that Abengoa has resumed during 2020 identifies different factors that could be considered risk factors, based on international indexes that contemplate aspects related to human rights, including the risk of forced labour.		●
Security practices					
	410-1	Security personnel trained in human rights policies or procedures	159, 173 Abengoa suppliers must consider the code of conduct, which is included in the procurement documentation. This code includes guidelines and measures to prevent incidents related to human-rights violation, together with the requirement of the highest standards of honesty and ethical conduct.		●
Rights of indigenous peoples					
	411-1	Incidents of violations involving rights of indigenous peoples	No cases of violations involving the rights of indigenous peoples have been identified.		●
Human rights assessment					
✓	412-1	Operations that have been subject to human rights reviews or impact assessments	168		●
	412-2	Employee training on human rights policies or procedures	Due to the company's situation this year, training has been carried out primarily in Health and Safety or technical areas, however, employees can access the intranet to check the NOCs or the Code of Conduct that includes all the information, policies and procedures related to Human Rights.		●
	412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		No material	
Local communities					
✓	413-1	Operations with local community engagement, impact assessments, and development programmes	34		●
✓	413-2	Operations with significant actual and potential negative impacts on local communities	172		●

07. GRI index

External verification	Indicators	Content	Paginated closure or direct response	Omissions	Material
Supplier social assessment					
✓	414-1	New suppliers that were screened using social criteria	167		●
	414-2	Negative social impacts in the supply chain and actions taken	168	No material	●
Public policy					
✓	415-1	Contribution to political parties and/or representatives	60		●
Customer health and safety					
	416-1	Assessment of the health and safety impacts of product and service categories	149	No material	
✓	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There have not been any non-compliances during 2020 derived of the regulations or voluntary codes regarding health and safety impacts of products and services during their life cycle.		●
Marketing and labelling					
	417-1	Requirements for product and service information and labelling	Abengoa has begun work on the development of a system to label its products and services, but at the moment there are no results available.		
✓	417-2	Non-compliance incidents concerning product and service information and labelling	There have not been any non-compliances during 2020 derived of the regulations on the information and labelling of products and services or the regulation of voluntary codes.		●
✓	417-3	Non-compliance incidents concerning marketing communications	There have not been any non-compliances during 2020 derived of the regulations on marketing communications.		●
Customer privacy					
✓	418-1	Justifiable complaints regarding violations of customer privacy and loss of customer data	There have not been any complaints during 2020 regarding the violation of the privacy or disappearance of the company's customers.		●
Socioeconomic compliance					
✓	419-1	Non-compliance with laws and regulations in the social and economic area	139 No monetary fines have been registered during 2020 related to a non-compliance of regulations related to the supply and use of products and services.		●
Own indicators					
✓	ID1	Number of patents	34		●
✓	ID2	R&D and innovation employees	34		●
✓	ID3_4	R&D and innovation investment	34		●



08

Appendix

08. Appendix

Main service references

Energy

	Technology	Power	Location	Status	Activity in 2020
Solúcar Platform	Solar thermal, tower and parabolic trough and photovoltaic	183 MW	Seville (Spain)	In operation	Operation and maintenance of the Solnova 1, Solnova 3 and Solnova 4 plants (50 MW each) and the first two commercial plants in the world to use power tower technology PS10 (11 MW) and PS20 (20 MW).
Extremadura solar platform	Solar thermal parabolic trough	200 MW	Logrosán, Cáceres (Spain)	In operation	Operation and maintenance of the four Solaben plants 1, 2, 3 and 6 of 50 MW each.
Castilla La Mancha solar platform	Solar thermal parabolic trough	100 MW	Ciudad Real (Spain)	In operation	Operation and maintenance of the two Helios 1 and 2 of 50 MW each.
El Carpio solar platform	Solar thermal parabolic trough	100 MW	El Carpio, Córdoba (Spain)	In operation	Operation and maintenance of the two Solacor 1 and 2 of 50 MW each.
Écija solar platform	Solar thermal parabolic trough	100 MW	Écija, Seville (Spain)	In operation	Operation and maintenance of the two Helioenergy 1 and 2 of 50 MW each.
Kaxu Solar One	Solar thermal parabolic trough	100 MW	Pofadder, Northern Cape (South Africa)	In operation	Operation and maintenance of the plant.
Khi Solar One	Solar thermal tower	50 MW	Upington, Northern Cape, South Africa	In operation	Operation and maintenance of the plant.
Xina Solar One	Solar thermal parabolic trough	100 MW	Pofadder, Northern Cape (South Africa)	In operation	Operation and maintenance of the plant.
Cerro Dominador PV	Photovoltaic	100 MW	Comuna de María Elena, Antofagasta (Chile)	In operation	Operation and maintenance of the plant.
Hassi R'Mel	Solar-gas hybrid	150 MW (20 MW from the solar field)	Hassi R'Mel (Algeria)	In operation	Operation and maintenance of the plant and asset management.
Shams	Solar thermal parabolic trough	100 MW	Abu Dhabi (UAE)	In operation	Solar field optimization services. Solar field corrective maintenance services.

08. Appendix

	Technology	Power	Location	Status	Activity in 2020
Ain Beni Mathar	Solar-gas hybrid	470 MW (20 MW from the solar field)	Ain Beni Mathar (Morocco)	In operation	Operation and maintenance of the plant.
A3T	Efficient cogeneration	220 MW	Mexico	In operation	Operation and maintenance of the plant.
Talas de Maciel II	Wind farm	50 MW	Trinidad (Uruguay)	In operation	Operation and maintenance of the plant.
Peralta	Wind farm	50 MW	Cuchilla de Peralta (Uruguay)	In operation	Operation and maintenance of the plant.
Pintado	Wind farm	90 MW	Villa de Pintado (Uruguay)	In operation	Operation and maintenance of the plant.
Termollano	Solar thermal parabolic trough	50 MW	Puertollano, Ciudad Real (Spain)	In operation	Operation and maintenance of the plant.



Water

	Technology	Capacity	Location	Status	Activity in 2020
Cartagena desalination plant	Reverse osmosis	65,000 m ³ /d	Cartagena (Spain)	In operation	Operation and maintenance of the plant.
Almeria desalination plant	Reverse osmosis	50,000 m ³ /d	Almería (Spain)	In operation	Operation and maintenance of the plant.
Skikda desalination plant	Reverse osmosis	100,000 m ³ /d	Skikda (Algeria)	In operation	Operation and maintenance of the plant.
Honaine desalination plant	Reverse osmosis	200,000 m ³ /d	Honaine (Algeria)	In operation	Operation and maintenance of the plant.
Ténès desalination plant	Reverse osmosis	200,000 m ³ /d	Ténès (Algeria)	In operation	Plant under concession. Abengoa is responsible for its operation and maintenance, as well as for asset management.
Accra desalination plant	Ultra filtration + reverse osmosis	60,000 m ³ /d	Accra (Ghana)	In operation	Operation and maintenance of the plant.

Contact 102-53

The present report is also available at: www.abengoa.com.

Your opinion really matters to us, because it helps us to improve every year. For this, if you have any comments on the contents of this report or on Abengoa's sustainability policy, we would be grateful if you could address them to:

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