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Report issued by the Board of Directors of Abengoa, S.A. with respect to the proposed resolution to be submitted at the Extraordinary Shareholders' Meeting to be held on November 21 and 22, 2016, on first and second call, respectively, regarding the merger of the current share classes into a single class of ordinary shares.

1. Overview

This report is issued in relation to the proposed resolution to be submitted at the Extraordinary Shareholders' Meeting of Abengoa, S.A. ("**Abengoa**" or the "**Company**") to be held on November 21 and 22, 2016, on first and second call, respectively, the text of which is attached hereto as an appendix.

The proposed resolution referred to in this directors' report is part of the process of restructuring the Company's debt ("**Restructuring**"), the essential terms and conditions of which have been agreed on with a group of creditors, including banks and holders of bonds issued by the Abengoa Group. This transaction has been disclosed to the market through the publication of the regulatory information notices on March 10, 2016, June 30, 2016, August 11, 2016, August 16, 2016, and September 24, 2016, among others.

Within the framework of this Restructuring, on September 24, 2016, certain companies of the Abengoa Group, a group of investors and a group of creditors comprised of financial institutions and holders of debt securities issued by Abengoa Group companies reached an agreement (hereinafter, the "**Restructuring Agreement**") with respect to the terms and conditions to restructure their financial debt and recapitalize.

The Restructuring Agreement includes Abengoa' obligation to submit at a Shareholders' Meeting a proposed resolution to integrate the two share classes into which its capital stock is currently divided, namely, class A and class B, into a single class of ordinary shares with the same rights and obligations.

Although the submission of the proposed resolution at the Company's Extraordinary Shareholders' Meeting as the fifth item on the agenda constitutes an obligation for the Company under the Restructuring Agreement, the outcome of the vote will not condition the effectiveness of the other proposed resolutions of the Extraordinary Shareholders' Meeting or of the Restructuring Agreement.

This report explains the features of the aforementioned proposed resolution.

2. Background: the structure of Abengoa's capital stock

Abengoa's capital stock is currently 1,835,465.83 euros and is divided into two share classes: 83,187,446 class A shares with a nominal value of 0.02 euro and 858,584,506 class B shares with a nominal value of 0.0002 euro. Both classes of shares entitle their owners to the same rights and obligations as set out in the Bylaws, except for voting, which is 100 times higher for class A shares.

This capital structure was approved at the Shareholders' Meeting held in April 2011, and was subsequently supported by the transaction approved at the Shareholders' Meeting held in September 2012, by virtue of which four class B shares were given to each class A and class B shareholder, making class B shares the most numerous share class and the class listed on the Ibex 35. Currently, class A shares represent 8.85% of the total shares into which the capital stock is divided, and class B shares represent 91.15%.

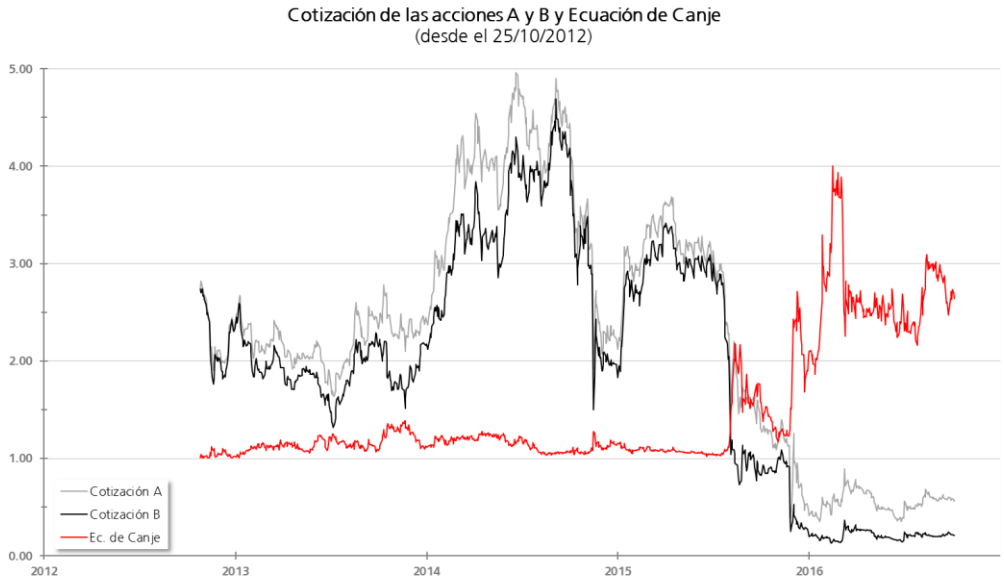
The two share class structure described above was established, as explained in the report approved by this Board of Directors at the Extraordinary Shareholders' Meeting held on September 30, 2012, to enable the Company to increase its capital and to strengthen its equity, taking into account that the controlling shareholder had stated his opposition to a capital increase solely made possible by means of issuing class A shares due to the potential loss of control it might entail.

Abengoa has managed to carry out successive capital increases with the use of class B shares. Nevertheless, the process of financial restructuring currently being undertaken by the Company will result in diluting the stake of current shareholders by 95%, if approved at the Shareholders' Meeting. Accordingly, maintaining a capital structure such as the current one, divided into shares with full voting rights (class A) and shares with limited voting rights (class B) makes little sense for new shareholders, 95% of whom will be, following the restructuring, the creditors who have signed the Restructuring Agreement. These creditors have requested, as part of the Restructuring Agreement, that a proposed resolution to merge the Company's shares into a single class of ordinary shares be submitted at a Shareholders' Meeting.

3. The exchange ratio of class A shares and class B shares for ordinary shares

Class A and class B shares carry the same economic and political rights (except for voting, as explained above). However, the stock market has treated these share classes differently. Specifically, the relative price of class A shares over class B shares has increased considerably, to the point that in the past calendar month (September 2016), the simple arithmetic mean of the closing prices of class A shares on the Madrid and Barcelona stock markets was 0.588 euro, and 0.215 euro for class B shares. That is, the former are priced 173% higher than the latter, on average.

The following table shows the market share price performance of class A and class B shares after they were admitted to trading in October 2012 until September 30, 2016:



Source: Abengoa, S.A.
"Cotización de las acciones A y B y Ecuación de Canje": Listing of A and B shares and Exchange Ratio
"Cotización A": A Listing
"Cotización B": B Listing
"Ec. de Canje": Exchange Ratio

As can be seen, from the first days of listing to date, class A shares have been assigned a higher price by Abengoa shareholders. It has been more than four years since the creation of this two share structure and the admission to trading of class B shares and, as shown in the table, the market has consistently assigned a higher relative value to class A shares than to class B shares.

Consequently, as the need has arisen to submit a proposal to merge the two share classes at a Shareholders' Meeting, it has also become necessary to determine the value for the merger and, consequently, which exchange ratio to apply.

As a result, the Board of Directors has engaged the advisory services of two prestigious firms, BDO Financial Advisory and Duff & Phelps, S.L., to determine what the exchange ratio for the two share classes should be on the basis of an estimate of their fair value. These reports conclude that the fair market value of the class A and class B shares is within the following ranges:

Report	Exchange ratio		
	Floor	Cap	Calculated average
BDO Financial Advisory	1.86x	2.15x	2.005x
Duff & Phelps, S.L.	1.71x	1.94x	1.825x
Calculated average			**1.915x**

The outcome of the two reports is based on the three following methodologies, although there are some differences with respect to the analysis and relevance assigned to each:

- The implied exchange ratio in the listing price of class A shares and class B shares on the Madrid and Barcelona stock markets: This is the most relevant methodology, according to BDO Financial Advisory, as it determines the floors and caps of the range based on the average listing prices of the two share classes over the last nine months. For its part, Duff & Phelps, S.L. only uses this methodology to determine the floor of its range, and it limits the period of its analysis to the last six months.

- An analysis of companies which have a two share structure: Duff & Phelps, S.L. employs this methodology to determine the cap of its final range, focusing on companies that are not financially unstable. For its part, BDO Financial Advisory uses this methodology solely as a method of contrast, attributing greater relevance to cases of companies that have undergone financial situations similar to that of Abengoa.

- An analysis of studies on control premiums: Lastly, the two firms point to an analysis of studies on the dilution percentages sustained by non-controlling shareholders in exchange ratios used by companies with two share structures.

As a consequence of the foregoing, the Board of Directors, based on the aforementioned reports, and having studied the different alternatives and their strong statistical value, considers it justified to present at the Shareholders' Meeting a proposed exchange ratio arrived at by taking the midway point of the interval defined by the averages of the valuation ranges presented in the reports from the two experts, that is, the midway point between 1.825 and 2.005 (which is 1.915x). The exchange ratio would be as follows:

- 1,915 ordinary newly issued shares for every 1,000 currently owned class A shares, and

- 1,000 ordinary newly issued shares for every 1,000 currently owned class B shares.

For information purposes, the following is a sensitivity analysis of the different exchange ratios based on three different scenarios:

- One B share for every A share.
- 1,915 B shares for every A share (proposed by the Board of Directors).
- 2,716 B shares for every A share (exchange ratio at market close on October 10, 2016, the date the Board of Directors meeting was held).

The table below shows the changes that would occur to the capital stock if this exchange ratio were applied. It should be noted that the merger does not produce a change in the company's equity, but only a change in the value of its capital stock due to a reduction in the nominal value of class A shares in order to equate them with class B shares. The reduction in the nominal value is applied to a reserve that can only be used pursuant to the conditions established for capital reduction. Hence, as a result of the merger:

(i) if a one-to-one exchange ratio is applied, neither the number of shares in circulation nor the capital stock plus the unavailable reserve allocated to each share is modified.

(ii) if the exchange ratio proposed by the Board of Directors is applied, according to the valuations determined by independent experts, and which would have resulted from applying ratios derived from the stock market listing prices on October 10, 2016, there would be an increase in the number of shares in circulation. These new shares are only allocated to the current owners of class A shares and, accordingly, this would dilute the value of the capital stock plus the new unavailable reserve allocated to the current owners of class B shares.

Thus, with the proposed exchange ratio of 1.915x, the stake in the capital stock plus the new unavailable reserve per share for current holders of class B shares is reduced from 0.00195 to 0.00180 (a reduction of 7.48%). With the exchange ratio resulting from applying ratios derived from the stock market share prices on October 10, 2016, the stake in the capital stock plus the new unavailable reserve per share for current holders of class B shares is reduced from 0.00180 to 0.00169 (a reduction of 13.16%).

In all cases, the political rights associated with the shares are modified. Class B shares gain the political rights that class A shares lose.

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En Euros salvo indicado lo contrario

Análisis de sensibilidad a distintas ecuaciones de canje entre acciones de clase A y acciones de clase B

	Pre-Ampliación		Pre-Ampliación tras conversión		
	Situación Actual		Sensibilidad a la Ecuación de Canje en Clase A y Clase B		
Ratio de Canje					
Acciones Clase A	no aplica		1,00x	1,915x	2,716x
Acciones Clase B	no aplica		1,00x	1,00x	1,00x
Nuevo nominal tras canje (€/acc.)	no aplica		0,000200	0,000200	0,000200
(equivalente al nominal de la Clase B)					
Número de Acciones Clase A (#)	83.187.446	Número de Acciones Clase B correspondientes a anteriores Acciones Clase A (#)	83.187.446	159.303.959	225.937.103
Número de Acciones Clase B (#)	858.584.506	Número de Acciones Clase B correspondientes a anteriores Acciones Clase B (#)	858.584.506	858.584.506	858.584.506
Total Acciones Post Canje (#)	**941.771.952**	**Total Acciones Post Canje (#)**	**941.771.952**	**1.017.888.465**	**1.084.521.609**
Capital Social y Prima de Emisión		**Capital Social y Prima de Emisión**			
Acciones Clase A		**Acciones Clase B correspondientes a las anteriores Acciones Clase A**			
Capital Social	1.663.748,92	Capital Social	16.637,49	31.860,79	45.187,42
Nueva Reserva Indisponible	-	Nueva Reserva Indisponible	1.647.111,43	1.631.888,13	1.618.561,50
Prima de Emisión	-	Prima de Emisión			
Subtotal Clase A	**1.663.749**	**Subtotal Clase A**	**1.663.749**	**1.663.749**	**1.663.749**
% Derechos de voto correspondientes	**90,6%**	**% Derechos de voto correspondientes**	**8,83%**	**15,65%**	**20,83%**
Acciones Clase B		**Acciones Clase B correspondientes a las anteriores Acciones Clase B**			
Capital Social	171.716,90	Capital Social	171.716,90	171.716,90	171.716,90
Nueva Reserva Indisponible	-	Nueva Reserva Indisponible			
Prima de Emisión	-	Prima de Emisión			
Subtotal Clase B	**171.717**	**Subtotal Clase B**	**171.717**	**171.717**	**171.717**
% Derechos de voto correspondientes	**9,4%**	**% Derechos de voto correspondientes**	**91,17%**	**84,35%**	**79,17%**
Total Acciones		**Total Acciones**			
Capital Social	1.835.465,82	Capital Social	188.354,39	203.577,69	216.904,32
Nueva Reserva Indisponible	-	Nueva Reserva Indisponible	1.647.111,43	1.631.888,13	1.618.561,50
Prima de Emisión	-	Prima de Emisión	-		
Total	**1.835.466**	**Total**	**1.835.466**	**1.835.466**	**1.835.466**
Capital social (1 acc.)	0,00195	Capital social más nueva reserva indisponible (1 acción)	0,00195	0,00180	0,00169
		% Respecto Situación Actual	100%	92,52%	86,84%

The foregoing sensitivity analysis does not take into consideration the outcome of the proposed increases in the capital stock that are being submitted for approval at the Extraordinary Shareholders' Meeting in item two of the agenda since it is a theoretical sensitivity analysis. Therefore, none of the scenarios considered will coincide with the final outcome of the share merger since no merger of the two share classes will take place until after the Company's capital stock increases are executed.

4. Exchange procedure

The proposed exchange shall be effected by means of a formal reordering and reduction of the Company's capital stock account. Specifically, all current shares of the two classes will be merged into a single class of ordinary shares with a nominal value of 0.0002 euro each, issuing as many new ordinary shares as necessary to fulfil the exchange ratio, namely 1,017,888,465 ordinary shares, and a reduction of the capital stock by the excess amount.

Accordingly, the proposed resolution contemplates the issue of 1,017,888,465 new ordinary shares with a nominal value of 0.0002 euro, and with the capital stock established at 203,577.69 euros. As a result, the current capital stock shall be reduced by 1,631,888.14 euros, with payment of an amount equal to the unavailable reserve in accordance with Article 335.(c) of the Spanish Corporate Enterprise Law.

The physical exchange shall take place in accordance with the systems and procedures of IBERCLEAR for transactions of this kind, and it shall be carried out within the 10 stock exchange business days following the date the resolution to merge the shares into a single class of ordinary shares has been recorded in the Mercantile Registry. The company shall announce, by means of a regulatory information notice, the date on which the exchange is scheduled to take effect and the new ordinary shares can be traded on the corresponding stock markets.

5. The procedure to adopt the resolutions of the Board of Directors and those from the Shareholders' Meeting

The proposed resolution referred to in this report has been prepared by the Company's Board of Directors at the proposal of the Auditing Committee, which resolved to submit such resolution to the Board of Directors in a meeting where other external independent Directors of the Board of Directors were invited to speak, in addition to members of the Auditing Committee itself. All of the members of the Board of Directors voted on the proposal. The Board requested an external opinion on any potential conflict that might affect proprietary directors. It was concluded that the case in question is not a conflict of interest as specifically defined in Articles 229 and 529 *ter* of the Spanish Corporate Enterprise Law, and no conflict of interest was observed between the interests of proprietary directors and the Company's interests. Given the absence of a conflict of interest, the report concludes that it is consistent with proprietary directors' duty of loyalty for them to express their independent judgement with respect to the proposed resolution, particularly when they do not represent a Board majority approving the proposal being submitted at the Shareholders' Meeting. Therefore, the proposal has been approved unanimously by the directors.

With respect to the vote on the proposal at the Shareholders' Meeting, the Board of Directors considers that the proposal should be voted on separately in three different votes, each of which must comply with the requirements set out in Article 201 of the Spanish Corporate Enterprise Law; (i) at a full Shareholders' Meeting; (ii) in a separate vote of class A shareholders, and (iii) in a separate vote of class B shareholders, in accordance with Article 293 of the Spanish Corporate Enterprise Law.

In the opinion of the Board of Directors, passage of this proposed resolution does not require the abstention of any specific shareholder, as it would appear that none of the grounds set out in Article 190.1 of the Spanish Corporate Enterprise Law should impede any shareholder, including the controlling shareholder, from voting on the proposal due to any conflict of interest pursuant to said article, without prejudice to the terms of Article 190.3 of this Law.

6. Text of the proposed resolution

The full text of the proposed resolution to be submitted at the Extraordinary Shareholders' Meeting is available in the **Appendix** of this Report.

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This report was drawn up and approved by the Board of Directors of Abengoa in meetings held on October 10 and 17, 2016.

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Appendix

Five. The merging of the Company's class A shares and class B shares into a single class of ordinary Company shares. Consequently reducing the share capital to be allocated to reserves and amending the Bylaws to remove references to the two classes of shares.

To comply with the obligations undertaken by "Abengoa, S.A." (hereafter, "**Abengoa**" or the "**Company**") as part of the agreement to restructure the financial debt and recapitalize the group of companies of which Abengoa is the head (hereafter, together with the Company the "**Abengoa Group**"), subscribed on September 24, 2016, by the Company, a group of investors and a group of creditors consisting of, among others, financial entities and holders of debt securities issued by companies of the Abengoa Group (hereafter the "**Restructuring Agreement**"), consisting of the commitment to submit a draft agreement for approval at the Company's Extraordinary Shareholders' Meeting regarding the merger of Abengoa's class A shares and class B shares into a single class of ordinary Company shares, to be voted upon at the Shareholders' Meeting and, in a separate vote, by the owners of the class A shares and the owners of the class B shares, granting, when merged, the same voting and economic rights to all Company shareholders. At the Shareholders' Meeting, on the proposal of the Company's Board of Directors, it is agreed to proceed to reorder the Company's capital structure through the passage of the following agreements, responding to the common purpose of unifying or merging both classes of shares into a new class of ordinary Company shares:

5.1 Merging class A and class B shares into a new class of ordinary Company shares.

5.1.1 Creating a new class of ordinary Company shares.

To approve the creation of a new class of Company shares which shall incorporate, after swapping all of the class A and class B shares that have been issued and are in circulation on the date when this agreement is executed for shares of the new class, which cannot be prior to the date of issue of the New Class A and Class B Shares that are issued as part of a capital increase submitted at the Shareholders' Meeting in the second item of its agenda and that will represent, as of the date on which the proposal to amend the bylaws is submitted for approval at this Extraordinary Shareholders Meeting under section 5.2 below of this item on its agenda, if approved, is registered in Seville's Mercantile Registry, the Company's only class of ordinary shares.

5.1.2 Rights attached to the shares belonging to the new class of ordinary Company shares.

The shares belonging to the new class of ordinary Company shares shall grant their owners the same voting and economic rights, in the terms of the proposal for the amendment of the revised text of Abengoa's Bylaws submitted for approval at this Extraordinary Shareholders Meeting under section 5.2 below of this item on the agenda, and as of the date on which, if approved, this agreement is executed by the Company's Board of Directors and the aforesaid revised text of the Bylaws is registered in Seville's Mercantile Registry. Specifically, the shares belonging to the new class of ordinary Company shares shall have a unit par value of two ten-thousandths (0.0002) of a euro, equivalent, therefore, to that of the class B Abengoa shares that have been issued and are in circulation on the date this agreement is adopted, and each shall grant their

owner the right to one vote, being set up, otherwise, in accordance with the provisions of the aforesaid proposed amendment of the bylaws.

5.1.3 Swapping class A and class B shares for shares of the new class of ordinary Company shares. Amount of capital stock represented by shares belonging to the new class of ordinary Company shares.

The Abengoa class A and class B shares that have been issued and are in circulation on the date this agreement is adopted shall be merged into a new class of ordinary Company shares, being swapped for shares of the new class of ordinary shares in the proportion resulting from the equations determined by the Company's Board of Directors for the class A shares and class B shares, based on their respective market values, calculated based on the valuation reports that the administrative body has obtained from two highly recognized international firms in the market specializing in rendering financial advisory services, "BDO Financial Advisory" and "Duff & Phelps, S.L.," which, considering mainly the market value of both classes of shares, determined by referencing their listing prices, have calculated the implicit equation to swap between class A Company shares and class B Company shares to fall within the following ranges:

– Between 1.86 times and 2.15 times, according to the report from "BDO Financial Advisory;" and

– Between 1.71 times and 1.94 times, according to the report from "Duff & Phelps, S.L."

Based on these ranges, the Board of Directors has determined that, as a result of the performance of this agreement:

– Each class B share that has been issued and is in circulation shall convey the right to receive one share belonging to the new class of ordinary Company shares (in a 1-to-1 proportion), which means that the merger of the class B shares shall lead to the creation of a new class of shares belonging to the new class of ordinary Company shares equal in number to the class B shares that have been issued and are in circulation on the date this agreement is executed.

– For every one thousand class A shares that have been issued and are in circulation, owners have the right to receive 1,915 shares belonging to the new class of ordinary Company shares (in a 1-to-1,915 proportion), which means that the merger of the class A shares shall lead to the creation of as many shares belonging to the new class of ordinary Company shares after multiplying the number of class A shares that have been issued and are in circulation on the date this agreement is executed by the above equation, eliminating decimals from such figure, which would also be eliminated from the number of new shares to be given to the Company for which it is entitled to receive based on the class A shares it currently maintains in direct treasury stock. With respect to this excess, it shall be deemed that the Company has waived its interest in swapping the corresponding part of its shares, for the sole purpose that the overall number of shares belonging to the new class of ordinary shares of the Company given to the shareholders owning

class A shares as a result of the swap be a whole number and not a fraction of one.

As for the foregoing, it is agreed to set the amount of the reduction of the Company capital stock at the amount resulting from the difference between (i) the amount resulting from multiplying the number of class A Company shares that have been issued and are in circulation at the date of execution of this agreement by its unit par value of two euro cents (0.02); and (ii) the amount resulting from multiplying the number of new shares belonging to the new class of ordinary Company shares resulting from the application of the equation to swap the class A shares at their unit par value of two ten-thousandths (0.0002) of a euro, giving the Board of Directors the authority to set the exact amount of capital stock and consequently amend Article 6 of Abengoa's Bylaws.

To this end, the Company's Board of Directors, which has the power to substitute any of its members, is expressly authorized to, upon execution of these agreements, amend the article of the Bylaws which corresponds to capital stock, accordingly.

5.1.4 Capital reduction

It shall be understood that the Company's capital stock shall be reduced in the amount of the difference between the Company's capital stock on the date this agreement is executed by the Board of Directors and the amount of capital stock resulting from the application of the equations described in the abovementioned section 5.1.3 of this draft agreement.

The amount of the capital reduction shall be used to create a reserve pursuant to Article 335.(c) of the revised text of the Spanish Corporate Enterprise Law, approved by Legislative Royal Decree 1/2010, dated July 2 (hereafter the "**Spanish Corporate Enterprise Law**"), which may only be drawn upon subject to the same requirements established for the reduction of capital stock.

As for the foregoing, the reduction of Abengoa's capital stock referred to in this item of the agenda shall not grant the right of opposition of creditors.

As a result of the capital reduction, the class A shares that have been issued and are in circulation on the date this agreement is executed shall have a unit par value of two ten-thousandths (0.0002) of a euro, and be merged, along with the class B shares, into the new class of ordinary Company shares, in accordance with the provisions of Article 94 of the Spanish Corporate Enterprise Law, and becoming shares of the new class of ordinary Company shares for all purposes from the moment the capital reduction is recorded in the Mercantile Registry. The authority to fix the exact amount of capital stock and, consequently, to amend Article 6 of Abengoa's Bylaws is delegated to the Board of Directors.

5.1.5 Adjustments derived from the variation in the number of class A and class B shares between the date this draft agreement is prepared and the date it is executed by the Company's Board of Directors.

The number of class A and class B shares included in this draft agreement correspond with those that are found in the Company's current Bylaws. Nonetheless, the numbers

of class A and class B shares may be modified (reduced in the case of the class A shares and increased in the case of the class B shares) to match the number of class A Abengoa shares that have been issued and are in circulation that have been converted into class B shares during the period from between the date this draft agreement was prepared and the date it was executed by the Board of Directors, as a result of the agreements to reduce the Company's capital stock reduction which, if any, were executed by the Company's Board of Directors to cover the requests for voluntary conversion of class A shares into class B shares made by the shareholders during this period, under the provisions of Article 8.(A).(A.3) of the Company's Bylaws.

Furthermore, the number of class B shares may be increased by the number of new class B shares resulting from the execution of the agreements to increase the capital stock of the Company performed by the Board of Directors of the Company to cover requests for the conversion of convertible bonds into class B shares issued by the Company during the period between when this draft agreement is prepared and when it is executed by the Board of Directors.

To this effect, the Board of Directors is expressly authorized, with express authority to substitute any of its members and with respect to the performance of these agreements, to amend these agreements where necessary in order to adapt them to the number of class A and class B shares issued and in circulation and to the amount of the Company's capital stock at that time.

5.1.6 Coordination between the execution of this agreement and the execution of the agreements to increase the Company's capital stock submitted for approval at the Extraordinary Shareholders' Meeting in item two of its agenda.

In the event that both this agreement and the agreements to increase the Company's capital stock in item two of the agenda are approved at the Extraordinary Shareholders' Meeting, as a means of simplifying operational procedures, both may be performed in immediate succession such that once the capital stock increases and the Company's class A and class B shares have merged into a single new class of ordinary Company shares, they may be recorded in the Mercantile Registry, and the stock market implementation of these agreements may be processed collectively before Spain's National Securities Market Commission, Iberclear and the companies governing the Stock Markets of Barcelona and Madrid, such that they all take place in the market simultaneously and the shares issued under these capital stock increases that are admitted to trading are the shares belonging to the new class of ordinary Company shares, expressly authorizing the Company's Board of Directors, with express authority to substitute any of its members, to jointly execute the capital stock increases agreed on at this Special Shareholders Meeting and the agreements found in this draft agreement.

5.1.7 Delegation of authority

The Board of Directors is authorized, with the express power to substitute any of its members, to implement the swap process referenced in this agreement, in the terms it deems most convenient to the Company's interests, so that within one year from the date of this agreement, which cannot be prior to the date of issue of the New Class A and Class B Shares to be issued for the purpose of the capital increases submitted at the

Shareholders' Meeting in item two of the agenda, merging the shares into a single class of shares has been implemented upon the agreed terms, taking any steps that are necessary or merely convenient for such purposes before Spain's National Securities Market Commission, Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) and the Madrid and Barcelona Stock Markets, and specifically including the appointment and contracting of an "Odd-lot Broker " to participate in the operation if necessary.

Finally, the Board of Directors is expressly authorized to, in turn, delegate to its members, the Secretary to the Board of Directors or accredited representatives, the authority granted under this agreement which is legally subject to delegation and to grant any relevant powers to carry out these delegated powers to any of the Company's employees as deemed appropriate.

The Company's Board of Directors shall execute this agreement, pursuant to the delegation of authority, on the date in accordance with the Restructuring Agreement and, in any case, following the execution of the capital stock increase agreements submitted for approval at the Company's Extraordinary Shareholders' Meeting in item two of its agenda, notwithstanding the possibility established in section 5.1.6 above of this item of the agenda, of proceeding, if recommended, with the coordinated execution of this agreement with the aforesaid capital stock increases.

5.2 Amending Articles 8, 16, 17, 21, 24, 26, 28, 30, 32 and 48 of the Bylaws to introduce the changes necessary to adapt the content of the Bylaws to the circumstances resulting from the draft agreements referenced in section 5.1 of this item of the agenda.

5.2.1 Amending Bylaws

To introduce the amendments necessary to adapt the content of the Company's Bylaws to the circumstances resulting from the draft agreements referenced in section 5.1 of this agenda and, specifically, to regulate the system that will be applied to the Company shares that are to be merged, hereafter and until it is otherwise agreed at a Shareholders Meeting, shall be the only class of ordinary Company shares, including the voting and economic rights inherent in their ownership, it is agreed to approve the amendment of the text in Articles 8, 16, 17, 21, 24, 26, 28, 30, 32 and 48 of the Bylaws which, hereafter, shall read as follows:

"*Article 8 - Definition of a Shareholder*

Each Abengoa share grants its owner shareholder status, investing them with the rights and obligations set out in the regulations applicable to the Company that are in force at all times.

The Company shall grant shareholder status to whomever legitimately appears in the registry entries of the company charged with keeping the accounting records of account entries, and the Company shall presume that they are the legitimate owner and, consequently, they may demand that the Company honor the obligations through ownership of the share.

In the event that shareholder status is held by persons or entities through a trust company, trust account or other similar association, the Company may require that the shareholder provide data on the actual owners of the shares."

"*Article 16 - Increase in capital stock*

(a) Capital stock may be increased by agreement at a Shareholders' Meeting with the requirements established by law and according to the various modalities authorized thereby. The increase may be implemented by issuing new shares or by raising the par value of any pre-existing shares, and the offsetting value of the enhancement may consist of monetary or non-monetary contributions to company equity, including offsetting credits with the Company or converting reserves into capital stock. The increase may be partially carried out through new contributions and partially through reserves.

(b) Unless the agreement were to expressly provide otherwise, in the event that the increase in capital stock is not fully subscribed to within the term established to such effect, the capital stock shall be increased in the amount of the subscriptions made.

(c) At the Shareholders' Meeting, with the requirements established for the amendment of the Bylaws and within the limits and conditions established by law, the Board of Directors, with its delegated authority where applicable, may be authorized to increase the capital stock on one or more occasions. When this authority is delegated to the Board of Directors at the Shareholders' Meeting, the Board may also be invested with the power to exclude preferred subscription rights with respect to issuing shares that are subject to delegation, in the terms and subject to the requirements established by law.

(d) The authority to enforce a pre-adopted agreement to increase capital stock may also be delegated to the Board of Directors, with its power to substitute, at the Shareholders' meeting within the terms established by law, establishing the date or dates for its enforcement and determining the conditions of the increase in any matters not covered by the Shareholders Meeting. The Board of Directors may make full or partial use of such delegation, or even refrain from enforcing it in consideration of the conditions of the Company itself or any especially relevant fact or event justifying such decision, in its opinion, rendering accounts thereof to the first Shareholders' Meeting held upon concluding the term granted for its execution."

"*Article 17 - Capital stock reduction*

(a) Capital stock reduction may be performed by reducing the par value of the shares, amortizing them or grouping them to swap them and, in any case, may seek the return of the contributions, the condoning of outstanding payments, the creation or increase of reserves, the restoring of the balance between the capital stock and equity of the Company, reduced as a result of losses, or several of these purposes combined.

(b) When the capital stock reduction is to return contributions, payment to the shareholders may be made, in whole or in part, in accordance with the provisions of paragraph two of Article 49 below."

"*Article 21 - Types and Frequency of Shareholder Meetings*

Shareholder Meetings shall either be Annual or Extraordinary.

An Annual Shareholders' Meeting shall be held, upon call by the Board of Directors, within the first six months of each fiscal year, to censor the company endeavors, approve, as applicable, the accounts for the prior year, and to resolve upon the application of results.

Notwithstanding, at a Shareholders' Meeting, even if called as an Annual Meeting, any matter under its authority may be deliberated and decided upon as may be included in the call and upon compliance with the provisions of current law.

Shareholders representing at least three percent of the capital stock may request that a complement to the call to an Annual Shareholders' Meeting be published to include one or more items on the agenda provided the new items are accompanied by a justification or, as applicable, a justified draft resolution. By no means may this right be exercised with respect to calls for Extraordinary Shareholder Meetings.

Furthermore, shareholders representing at least three percent of the capital stock may present founded proposals for agreements on matters already included or that should be included on the agenda for the meeting called.

To exercise the rights described in the two preceding paragraphs, shareholders must do so by official notice to be received at the company offices within five days after the call has been published.

The complement and the founded proposals for agreements must be published at least 15 days before the date established to hold a Shareholders' Meeting by the same means used to publish the notice of the call to the Shareholders' Meeting."

"*Article 24 - Call*

Shareholder Meetings shall be called by the Board of Directors and, where applicable, by the Company liquidators.

The Board of Directors may call a Shareholders' Meeting whenever deemed convenient to the Company's interests and must do so when the meeting will be an Annual Shareholders' Meeting, as well as when requested by shareholders representing at least three percent of the capital stock.

Shareholder Meetings shall be called by notice published in Spain's Official Bulletin of the Commercial Registry, on the website of Spain's National Securities Market Commission and on the Company's website, with the requirements applicable thereto, at least one month prior to the date set for the meeting to be held, notwithstanding the provisions of the following section of this Article and the scenarios with regard to which the Law establishes a longer term in advance.

When the Company offers its shareholders the actual possibility of voting by an electronic means which is accessible to all, the Company's Extraordinary Shareholder Meetings may be called a minimum of 15 days in advance, upon prior agreement adopted at an Annual Shareholders' Meeting, in the terms applicable thereto in accordance with the regulations applicable to the Company.

The notice shall state the date of the meeting on first call and all of the matters to be addressed, as well as any issues that, where applicable, must be included therein in accordance with the provisions of the Regulations of the Shareholders' Meeting. The notice may further state the date on which the meeting shall be held on second call, where applicable. There must be at least 24 hours between the first and the second call.

In the case of an Annual Shareholders' Meeting and in all other cases established by law, the notice shall indicate whatever is applicable in terms of the right to examine at the company offices and to obtain immediately and free of charge the documents that are to be submitted for its approval and, where applicable, any legally provided reports.

Should the duly called Shareholders' Meeting not be held on first call, and the date of the second call were not specified in the notice, a meeting must be called, with the same agenda and with the same notification requirements as the first, within 15 days of the date of the Shareholders' Meeting that was not held and at least 10 days prior to the date of the next meeting.

Shareholders representing one percent of the capital stock may request the presence of a notary public to certify the minutes of the Shareholders' Meeting.

Shareholders representing three percent of the capital stock of the Company may call a Shareholders' Meeting to decide on the Company's action for liability against the administrators and exercise, without agreement at the Shareholders' Meeting for against it, the Company's liability action, and object to settling or waiving the right to exercise the Company's liability action."

"*Article 26 - Right of information*

Once the notice of the call to a Shareholders' Meeting is published and up to five days prior to being held, the shareholders may ask the administrators for the information or the clarifications they deem necessary, or present any questions in writing that they deem appropriate within the scope of the law.

The directors shall be required to provide the information requested in the form and within the terms established by law.

The right to information granted to the shareholders in Articles 197 and 520 of the Spanish Corporate Enterprise Law may be denied by the Chairman of the Board if the request is presented by shareholders representing less than twenty-five percent of the paid-in capital, and, in his/her opinion the release of such information is unnecessary to protect the rights of the partners, or there are objective reasons to consider that the information could be used for something other than company purposes or if the information could be detrimental to the Company or to related companies.

When all of the shares are registered shares, the administrative body may, in the cases permitted by Law, replace the legally established notices with a written notice to each shareholder or interested party, in all cases complying with the provisions of the Law."

"*Article 28* - *Incorporation and Quorum of Extraordinary Shareholder Meetings*

Extraordinary Shareholder Meetings shall be held when called by the Board of Directors, provided it is deemed in the company's interests, or when requested by a number of shareholders owning at least three percent of the capital stock, stating the items to be addressed at the meeting in the request.

In this case, the meeting must be called to be held within two months of the date on which the directors are so requested by notarized instrument to call the meeting. The directors shall establish the agenda, which must necessarily include the items specified in the request.

An Extraordinary Shareholders' Meeting shall be legally convened on first call when shareholders holding at least twenty-five percent of the subscribed capital with voting rights are present or represented thereat.

A meeting shall be legally convened on second call regardless of the capital represented thereat."

"*Article 30* - *Attendance*

Shareholders owning three hundred and seventy-five (375) shares are entitled to attend Shareholder Meetings.

To exercise their right of attendance, shareholders must have their shares registered in their name in the relevant registry of account entries five days before the date on which the Shareholders' Meeting is to be held. Shareholders' right of attendance must be accredited by the appropriate attendance card, which shall indicate the number, class and series of the shares they own, and the number of votes they may issue, a certificate of legitimacy or other valid means of accreditation as admitted by the Company.

Shareholders with the right to attend may vote by distance on the proposals relating to items on the agenda of any type of Shareholders' Meeting by postal or electronic correspondence that, duly guaranteeing the identity of the shareholder exercising the right to vote, is determined by the Board of Directors, as applicable, concerning the call to each Shareholders' Meeting, as provided in the Regulations of the Shareholders' Meeting.

A vote issued by distance communication media shall only be valid when received by the Company before twelve o'clock midnight on the day immediately preceding that set for the Meeting on first or second call or when, under the provisions of an agreement adopted by the Company's Board of Directors to such effect, the Company allows the shareholders to attend the Shareholders' Meeting and exercise their voting rights through telematic media allowing their connection with the location or locations where the Shareholders' Meeting is held in real time, the possibility of doing so, where

applicable, shall be reported to the shareholders upon publication of the notice of the call for the Shareholders' Meeting. In cases other than those mentioned above, the vote shall be deemed to have not been issued.

The Board of Directors, according to the provisions of the Regulations of the Shareholders' Meeting, may develop the provisions above establishing the rules, media and procedures that are appropriate to the state of technology as concerns the casting of votes and the granting of representation by distance communication media, adapting them, as applicable, to the rules for such purpose. The rules of development adopted as part of the provisions of this section shall be published on the Company's website.

Personal attendance by a shareholder or his/her representative at a Shareholders' Meeting shall have the effect of revoking any vote he/she made by postal or electronic correspondence or by other distance communication media."

"*Article 32* - *Location and Extension*

Shareholder Meetings shall be held in Seville on the date specified in the call, but their sessions may extend over one or more consecutive days.

An extension may be agreed upon proposal of the Board of Directors or at the request of shareholders representing at least 25 percent of the capital present or represented at the meeting.

For a meeting to be held, a list of attendees shall be prepared, pursuant to the Spanish Corporate Enterprise Law."

"*Article 48* - *Distribution of Results*

The liquid profits shown on each yearly closing Balance Sheet, after the applicable overhead and amortizations have been deducted, and setting aside for the legal reserve established in Article 274 of the Spanish Corporate Enterprise Law, and those corresponding to the mandatory Reserve Funds, shall be distributed by resolution of the Shareholders' Meeting, as proposed by the Board of Directors, as follows:

1. *From the first leftover balance, an amount equal to four percent of the paid-in capital shall be set aside to be distributed among the shareholders, as a minimum dividend on their respective shares.*

2. *From the remaining amount, if so decided at the Shareholders' Meeting, a minimum of five percent and a maximum of 10 percent shall be set aside to be distributed among the members of the Board of Directors, as agreed at the Shareholders' Meeting, as compensation for their respective services.*

3. *The Board of Directors may propose at the Shareholders' Meeting to either to distribute the remaining leftover balance as complementary dividends, in whole or in part, or to establish special Reserves or Funds, or to carry them forward to the following year as a new account balance.*"

5.2.2 Approval of revised text of the Bylaws incorporating the amendments approved in section 5.2.1 above

After amending the Articles of the Bylaws approved within the framework of section 5.2.1 above, it is agreed to approve the revised text of the Bylaws incorporating the approved amendments and attached to this draft agreement as an**Appendix**.

5.3 Interdependence of the proposed agreements

The proposed agreements included in this item on the Company's agenda are inseparably linked to each other, as they form part of a more complex operation having as its ultimate purpose the merger of the Abengoa class A and class B shares into a single class of ordinary Company shares, in compliance with the commitments undertaken by the Company as part of the Restructuring Agreement. Consequently, the effectiveness of the agreements adopted under sections 5.1 and 5.2 of this draft agreement is fully subject to the passage of each and every one of them, and all of them must be executed simultaneously insofar as possible.

Moreover, although submitting the agreements included in sections 5.1 and 5.2 above at the Extraordinary Shareholders' Meeting is an obligation of the Company according to the Restructuring Agreement, the result of the vote thereby does not condition the effectiveness (on their own terms) of the remaining proposed agreements at the Extraordinary Shareholders' Meeting nor in the Restructuring Agreement.

Proposed amendment of the Bylaws of Abengoa, S.A.

(*Corresponding to **item five** of the agenda of the Extraordinary General Shareholders' Meeting called to be held on 21 and 22 November 2016, on first and second call, respectively*)

ABENGOA

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Company Bylaws of Abengoa, S.A.

Part I.
Name, Registered Address, Purpose and Duration

Article 1. Name.

The company known as "Abengoa" was incorporated in Seville on January 4, 1941 as a limited liability company before becoming a public limited company on March 20, 1952. The legal name of the existing surviving company is "Abengoa, S.A.".

Article 2. Registered address.

The company's registered address is Campus Palmas Altas, calle Energía Solar n° 1, 41014 Sevilla, although it may open and close branches or offices, agencies, warehouses, depots and other supplementary establishments in any other location in Spain and abroad with the agreement of the company's board of directors, which may also decide to change the company's registered address to another location within the municipality of Seville.

The General Shareholders' Meeting may agree to change the company's registered address to another municipality if previously proposed by the board of directors in accordance with the prevailing provisions at the time of the resolution.

Article 3. Corporate purpose.

The principal purpose of the company is to undertake and operate any businesses related to projects and the construction, manufacture, import, export, acquisition, repair, installation, assembly, contracting, sale and supply of all types of electrical, electronic, mechanical and gas apparatus, for any type of application, and the materials that are complementary to this branch of industry, as well as the complementary civil engineering works for these installations, and also the complementary civil engineering works of all the other businesses related to it, including those related to electrical power plants: nuclear, hydraulic, thermal, solar and wind, transformer and rectifier substations; the design and manufacture of control panels, low, medium and high voltage cabinets, panels and equipment for nuclear power stations, busbars, rectifying equipment, engine control centers, low voltage distribution panels, power panels and transformer centers; distribution networks, electrification of industrial facilities, mining facilities, commercial and residential buildings, water pumping stations, water regulation and control systems, irrigation systems, water treatment systems; river management,

operation of water distribution systems; treatment of municipal and industrial waste (solid, liquid and gaseous), automatic hydrological data systems, seawater desalination plants, ventilation and control facilities for road traffic tunnels, installations in airports and ports that are electrical and for cordoning, signaling and control, installations on oil platforms, heating and cooling facilities, fire protection facilities, studies and healthcare medical services, hard landscaping, landscaping and street furniture; industrial, artistic, building and sports lighting, highway lighting, control and process automation, security, manufacturing, development, sales and maintenance of security apparatus, especially by installing and maintaining physical, electronic, visual, acoustic or instrumental surveillance and protection systems, and in particular with connections to alarm monitoring centers, as well as the advice, project design, construction, maintenance and planning of security facilities; electrical power for shipyards, highway signaling, electrical transport lines, electrical traction, electrification and signaling for all types of railways, fixed installations for mobile material such as rails and tracks, telephony, telematics, telecommunications and radio-communications in general, computer and IT systems for all types of installations and buildings, and all their applications, as well as their maintenance, review and repair; fully recognizing its legal independence to unconditionally acquire, sell and encumber all types of personal and real property and intangible rights.

The corporate purpose also includes the study, promotion and execution of all types of civil engineering works for construction, restoration, improvements and maintenance, both public and private, including all types of industrial constructions, civil engineering works, infrastructures, hard landscaping, the construction of residential housing, buildings and properties of all kinds.

The corporate purpose shall also include activities relating to the acquisition, holding, administration, provision and sale of all types of personal and real property, intangible rights and transferable securities, with the sole exclusion of activities subject to special laws, shares, fixed income securities, equity or stakeholder units (listed on stock markets or otherwise) of any corporation, mercantile company, entity or organization, public or private, national or foreign, at the time of their incorporation or afterwards, regardless of their activities or the rights or interests inherent in them.

Article 4. Duration.

The company has been incorporated for an indefinite period of time and shall only be wound up at the request of an Extraordinary General Shareholders' Meeting under the circumstances and requirements specified in Articles 29 and 50 of these bylaws.

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Article 5. Company activity.

The business of the original company "Abengoa, S.L." has been continued by "Abengoa, S.A." without interruption.

Part II.
Share capital, shares and shareholders' rights and obligations

Article 6. Shares and share capital.

Abengoa's share capital is one million eight hundred thirty five thousand four hundred and sixty five euros with eighty three euro cents (1,835,465.83€) represented by nine hundred and forty one million seven hundred seventy one thousand nine hundred and fifty two (941,771,952) shares, fully subscribed and paid up, belonging to two different share classes:

– Eighty three million one hundred eighty seven thousand four hundred and forty six (83,187,446) Class A shares with two euro cents (0.02) par value each, belonging to the same class and series, which confer one hundred (100) votes each and are the Company's Class A shares ("Class A shares").

– Eight hundred and fifty eight million five hundred eighty four thousand five hundred and six (858,584,506) Class B shares with a par value of two tenthousandths euro cents (0.0002) each, belonging to the same class and series, which confer one (1) vote each and are shares with the privileged financial rights specified in Article 8 of these bylaws ("Class B shares" and together with the Class A shares comprise the "Voting Shares").

The shares are represented by book entries and are governed by the Spanish Securities Market Act (LMV) and other applicable legal provisions.

Article 7. Securities register.

The company responsible for maintaining the share register is Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear), under the terms established in current legislation.

Article 8. Shareholder status.

Each share of Abengoa confers upon its holder the status of shareholder, and vests such holder with the rights and obligations established by law in force at any given time.

The company shall acknowledge as a shareholder the person whose name appears entitled thereto in the entries of the records of the entity in charge of the book-entry registry, who shall be deemed the legitimate holder thereof and, therefore, may request from the company the benefits to which the shares entitle such person.

In the event of persons or entities formally holding the shareholder status under a fiduciary agreement, trust, or any other similar title, the company may require the shareholder to provide the particulars of the beneficial owners of the shares.

Article 9. Joint share ownership.

The company's shares are indivisible. Consequently, co-owners of a share must appoint one owner to exercise the shareholder's rights and who will be jointly and severally liable to the company for obligations that arise from the position of shareholder.

Article 10. Usufruct rights over shares.

In the event of a usufruct right over shares, the bare owner continues to be the shareholder although the holder of the usufruct will have the right in all cases to the dividends agreed by the company for the usufruct period. All other shareholder rights belong to the bare owner.

If the usufruct right is over shares that are not fully paid up, the bare owner shall be liable to the company for the pending contributions. Once payment has been made, the bare owner shall have the right to demand interest at the legal interest rate on the invested amount from the holder of the usufruct up to the amount of the earnings. If this requirement has not been fulfilled, the holder of the usufruct may pay this amount five days prior to the due date and claim this payment from the bare owner at the end of the usufruct period.

Article 11. Pledged shares.

The owner of the pledged shares may exercise the shareholder's rights, while the pledgee must allow these rights to be exercised, presenting the shares to the company when required. If the owner of the shares does not pay any pending contributions, the pledgee may pay these amounts instead or proceed to enforce the pledge.

Article 12. Pending shareholder contributions.

Shareholders must provide the company with their proportion of pending capital in the form, quantity and within the time frame agreed by the General Shareholders' Meeting or, if appropriate, as delegated to the board of directors.

If shareholders fail to pay the contributions requested by the General Shareholders' Meeting, the company may adopt any of the following decisions, at its discretion:

(a) Initiate legal proceedings to enforce the obligation, plus any legal interest and, if appropriate, any damages or losses caused by late payment.

(b) Take enforced collection action against the shareholder's assets in order to settle the unpaid capital and interest. The enforcement order may proceed on the basis of a certificate issued by the company accrediting the shareholder as a debtor and with a resolution from the board of directors to enforce demands for pending contributions.

(c) Sell the shares, with the intervention of an official witness, on behalf of and at the expense of the shareholder in default, replacing the original share certificate with a duplicate. If, for any reason, the sale cannot be executed, the company's contract with the shareholder in default shall be terminated and the shares will be annulled with the corresponding capital reduction. Any amounts already received by the company for the shares shall revert to the company.

Article 13. Assignments of shares.

Recipients of assigned shares that are not fully paid up shall be jointly and severally liable, together with all preceding assignors (at the discretion of the board of directors), for payment of called but pending contributions. Assignors shall be liable for three years from the date of the assignment.

Article 14. Share transfers

The shares are fully transferable, without restriction, by any means allowed by law.

Article 15. Acquisition of treasury stock.

The company may purchase treasury stock in the cases and with the restrictions and requirements established under Part XIV, Chapter IV (Article 509) of the Capital Companies Act.

Article 16. Capital increases.

(a) The share capital may be increased by agreement of the General Shareholders' Meeting under the requirements established by law, in accordance with the different legally permissible methods. An increase may be carried out by issuing new shares or by increasing the par value of existing shares. The amount of the

increase may be realized through monetary or non-monetary contributions to the company's equity, including the offsetting loans with the company or by converting reserves into share capital. The increase may be carried out with a proportion charged to new contributions and another against reserves.

(b) Unless the resolution expressly states to the contrary, if a capital increase is not fully subscribed within the time frame established for that purpose, the share capital will only be increased by the amount of subscriptions made.

(c) The General Shareholders' Meeting, with the requirements established for amending the bylaws and within the limits and conditions established by law, may authorize the board of directors, with the authority to sub-delegate if applicable, to increase the share capital once or several times. When the General Shareholders' Meeting delegates this power to the board of directors, it may also grant the power to exclude pre-emptive subscription rights with regards to issues of shares subject to the delegation, under the terms and with the requirements established by law.

(d) The General Shareholders' Meeting may also authorize the board of directors, with the authority to sub-delegate if applicable, to execute the previously adopted resolution to increase the share capital, within the time frames established bylaw, and to indicate the date or dates of its execution and determine the conditions of the increase for any aspects not defined by the General Shareholders' Meeting. The board of directors may use this delegation of authority partially or fully, or even abstain from executing it depending on the conditions in the market or in the company itself or due to some fact or event of particular relevance that justifies its decision, informing the first General Shareholders' Meeting that is held following the end of the period for executing the resolution, of its decision.

Article 17. Capital reductions.

(a) A capital reduction may take place by decreasing the par value of the shares, redeeming shares or grouping them in order to exchange them. In all cases, the purpose of a reduction should be to return contributions, cancel pending contributions, create or increase reserves or to re-establish a balance between the company's share capital and its assets, which may have diminished due to losses, or a combination of the aforementioned reasons.

(b) In the event of a capital reduction by returning shareholder contributions, shareholders may be partially or totally paid in accordance with the second paragraph of Article 49 below.

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Part III.
Bonds and Debentures

Article 18. Issues of debentures, including convertible and/or exchangeable debentures, and other marketable securities.

The company may issue debentures under the terms and conditions established by law.

The company may issue convertible and/or exchangeable debentures with a fixed (determined or determinable) or variable conversion or exchange ratio.

The company may issue promissory notes, warrants, preferred participating securities or other marketable securities other than those established in the previous sections.

The General Shareholders' Meeting, under the terms defined by law, may authorize the board of directors to issue simple or convertible and/or exchangeable debentures, warrants or other marketable securities defined in the previous sections, including the power to exclude pre-emptive subscription rights, if applicable. The board of directors may use this delegated power once or several times during a maximum period of five (5) years.

The General Shareholders' Meeting may also authorize the board of directors to determine the appropriate time to carry out the agreed issue and to set any other conditions not defined by the Shareholders' Meeting. The company may also guarantee any securities issued by its subsidiaries.

Part IV.
Administration of the Company

Article 19. Administrative bodies.

The company shall be governed and administered by the General Shareholders' Meeting and a board of directors.

Section One. General Shareholders' Meetings

Article 20. General Shareholders' Meetings.

The General Shareholders' Meeting, legally constituted, represents all shareholders and exercises all of the rights that correspond to the company.

Its resolutions, adopted in accordance with these bylaws, are binding on all shareholders, including those that vote against resolutions, those absent or those that cast a blank vote.

The General Shareholders' Meeting will be responsible for discussing and agreeing the following subjects:

(a) Approval of the annual financial statements, the appropriation of earnings and approval of the management of the company.

(b) The appointment and dismissal of directors, administrators and, if appropriate, the accounts auditors, as well as bringing any shareholder derivative actions against any of these persons.

(c) Amendments of these bylaws.

(d) Approval and amendments of the Regulations of the General Shareholders' Meeting.

(e) Capital increases or reductions.

(f) Exclusions or restrictions of pre-emptive rights.

(g) The acquisition or divestment of essential assets or their contribution to another company. Essential assets are defined as those in which the amount of the transaction exceeds 25% of the value of the assets that appear in the latest approved balance sheet.

(h) The transformation, merger, split or full assignment of assets and liabilities, as well as transferring the company's registered address abroad.

(i) Liquidation of the company.

(j) Approval of the final liquidation balance sheet.

(k) The transfer of essential activities carried out by the company, to subsidiary entities, even though the company retains full control over them. Activities and operating assets shall be defined as essential when the volume of the transaction exceeds 25% of the total assets on the balance sheet.

(l) Operations that are equivalent to winding up the company.

(m) The directors' remuneration policy.

The General Shareholders' Meeting shall also decide on any matter that is put to it by the board of directors, or by shareholders in the cases established by law, or those that are attributed to it by law and these bylaws, and in accordance with the law, these bylaws and its Regulations.

Article 21. Types and frequency of general meetings.

General Shareholders' Meetings may be ordinary or extraordinary.

The Ordinary General Shareholders' Meeting shall be held, once called by the board of directors, within the first six months of each financial year, in order to review the management of the company; to approve the financial statements for the previous year, if applicable; and to decide on the appropriation of earnings.

Nevertheless, although the General Shareholders' Meeting may have been called as an ordinary meeting, it may also discuss and decide on any matter within its area of competence that has been included in the notice of the meeting and complies with current legislation.

Shareholders that represent at least three percent of the share capital may request publication of a supplementary notice to the Ordinary General Shareholders' Meeting, to include one or more items on the agenda, provided that the new items are accompanied by a justification or, if appropriate, a duly justified proposed resolution. Under no circumstances may this right be exercised in relation to Extraordinary General Shareholders' Meetings.

Similarly, shareholders that represent at least three percent of the share capital may submit justified proposals for resolutions regarding subjects already included or which must be included on the agenda of the called meeting.

The rights described in the two preceding paragraphs may only be exercised by reliably notifying the company at its registered address during the five days following publication of the notice of the meeting.

Supplementary notices and justified proposals of resolutions must be published at least fifteen days prior to the date set for the General Shareholders' Meeting via the same means used to publish the original notice of the Meeting.

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Article 22. Universal General Meeting.

Notwithstanding the above, the General Shareholders' Meeting shall be deemed to have been called and validly convened for the purpose of discussing any issue, when all of the share capital is present or represented and those attending unanimously agree to hold a meeting and its agenda.

Article 23. Extraordinary General Shareholders' Meetings.

All other meetings shall be classified as Extraordinary General Shareholders' Meetings.

Article 24. Calling of meetings.

General Shareholders' Meetings must be called by the board of directors, or by the company's administrators, if applicable.

The board of directors may call a General Shareholders' Meeting whenever it deems it to be in the company's interests, and when the shareholders are required to meet to hold an Ordinary General Shareholders' Meeting, as well as when requested by shareholders that represent at least three percent of the share capital.

General Shareholders' Meetings shall be called by publishing an announcement in the Official Gazette of the Mercantile Register, in the website of the Spanish National Securities Market Commission and on the company's website with the corresponding requirements, at least one month prior to the date of the meeting, notwithstanding the provisions of the following section of this Article and cases in which the law requires a longer notice period.

When the company offers shareholders the possibility to vote via electronic means, made available to all shareholders, Extraordinary General Shareholders' Meetings may be called with a minimum notice period of 15 days, provided this has been agreed in advance by the Ordinary General Shareholders' Meeting under the corresponding terms of the regulations applicable to the company.

The announcement shall state the date of the meeting at first call, and all of the matters to be discussed and any other issues that, if applicable, must be included in the announcement pursuant to the Regulations of the General Shareholders' Meeting. It may also state the date on which, if appropriate, the meeting is to take place at second call. A minimum period of twenty four hours must exist between the first and second call of the meeting.

In the event of an Ordinary General Shareholders' Meeting and in the other cases established by law, the announcement must include the corresponding text regarding the right to examine the documents that are to be subject to the approval of the meeting, at the company's registered address, and to obtain these documents immediately and free of charge, including the legally required report(s).

If the duly called General Shareholders' Meeting is not held at first call, and the date of the meeting at second call was not stated in the announcement, the details of the second call must be announced, with the same agenda and with the same publication requirements as the first call, within fifteen days following the date of the failed meeting and at least 10 days prior to the holding of the meeting at second call.

Shareholders that represent one percent of the share capital may request the presence of a notary public to take the minutes of the General Shareholders' Meeting.

The shareholders that represent three percent of the company's share capital may call a General Shareholders' Meeting to decide on whether to take shareholder derivative actions against the directors, although they may take shareholder derivative actions without a resolution from the Meeting or act in opposition to a resolution, as well as oppose any compromise or waive the right to exercise a shareholder derivative action.

Article 25. Singular notice of meeting.

In the absence of the required notice of meeting, the shareholders may request the judge of the Mercantile Court of Seville to apply the provisions of Article 169 of the Capital Companies Act, following consultation of the board of directors and the issue being recorded in the meeting's minutes.

Article 26. Right to information.

From publication of the announcement of the General Shareholders' Meeting until five days prior to the date of the meeting, shareholders may request any information or clarifications that they deem appropriate, from the directors, or submit the questions they believe to be relevant within the scope established by law, in writing.

Directors must provide the requested information in the legally established form and time frames.

The shareholders' right to information recognized in Articles 197 and 520 of the Capital Companies Act may be denied by the chairman of the board of directors if the request is submitted by shareholders that represent less than twenty five percent of the paid-up capital and, in the chairman's opinion, publication of this information is unnecessary to

uphold the shareholder's rights, or if there are objective reasons to believe that the information could be used for purposes not related to the company or that its publication may damage the company or its related companies.

When all of the shares are registered shares, the board of directors may, in those cases permitted by law, replace the legally established publications with a single written communication to each shareholder or interested party, in accordance with the applicable legislation at all times.

Article 27. Quorum for attendance and voting.

The General Shareholders' Meeting shall be validly constituted at first call when the shareholders that are present or represented hold at least twenty five percent of the issued share capital with the right to vote.

The meeting will be validly constituted at second call regardless of the amount of capital present or represented.

Resolutions shall be adopted by a simple majority of the votes of the shareholders present or represented at the meeting, with resolutions being adopted when more votes by the capital present or represented are obtained in favor than against the resolution. Resolutions relating to the matters referred to in Article 29 shall be subject to the conditions described therein.

Article 28. Constitution and quorum of extraordinary shareholders' meetings.

Extraordinary General Shareholders' Meetings will be held when they are called by the board of directors, provided that the board believes it is in the company's interests, or when it is requested by a number of shareholders that own at least three percent of the share capital, who must state the points to be discussed by the meeting in their request.

In this case, the Meeting must be called for a date within two months following the date on which the directors would have been required by a notary public to call it. The directors shall prepare the agenda, including the points included in the request.

The Extraordinary General Shareholders' Meeting shall be validly constituted at first call when the shareholders that are present or represented hold at least twenty five percent of the issued share capital with the right to vote.

The meeting will be validly constituted at second call regardless of the amount of capital present or represented.

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Article 29. Special quorum.

For an ordinary or extraordinary Shareholders' Meeting to validly agree to a capital increase or reduction and any other amendment to the company's bylaws; to issue debentures; to suppress or limit the pre-emptive acquisition rights of new shares; as well as to transform, merge, split or fully assign assets and liabilities; and to transfer the company's registered address abroad, shareholders that represent at least fifty percent of the issued share capital with the right to vote must be present or represented at the meeting at first call. This percentage is reduced to twenty five percent of the issued capital when the meeting is held at second call.

To pass the resolutions referred to in this article, if the share capital that is present or represented exceeds fifty percent, a resolution can be passed by an absolute majority. However, when the shareholders that are present or represented represent twenty five percent or more of the issued capital with the right to vote, but less than fifty percent, at a meeting held at second call, two thirds of the capital present or represented at the meeting must vote in favor of a resolution in order to pass it.

Article 30. Attendance.

Shareholders must hold a minimum of three hundred and seventy five (375) shares to have the right to attend Shareholders' Meetings.

To exercise the right of attendance, shareholders' shares must be registered in their name in the corresponding book entry system five days prior to the date of the General Shareholders' Meeting. This situation must be accredited by the corresponding attendance card, which will indicate the number, class and series of shares owned, as well as the number of votes that can be cast; or by a certificate of authentication; or another valid means of accreditation that is accepted by the company.

Shareholders with the right to attend may cast their vote remotely with regards to the proposed resolutions relating to the items on the agenda of any type of General Shareholders' Meeting by postal or electronic correspondence or via any means of remote communication that duly guarantees the identity of the shareholder exercising the right to vote that may be established by the board of directors, as appropriate, for the purposes of each General Shareholders' Meeting, in accordance with the Regulations of the General Shareholders' Meeting.

Votes that are cast remotely will only be valid when they are received by the company prior to the twenty four hours of the day immediately preceding the date of the Meeting at first or second call or when, as agreed by a resolution adopted by the company's board of directors for such purposes, the company offers shareholders the possibility to attend the General Shareholders' Meeting and to execute their right to

vote via online means, which enables them to connect to the venue(s) where the General Shareholders' Meeting is being held, in real time. Shareholders must be informed of this possibility when the announcement of the holding of the General Shareholders' Meeting is published. In any other cases, the vote will be considered as not cast.

The board of directors, in accordance with the Regulations of the General Shareholders' Meeting, may implement the aforementioned conditions by establishing the relevant and state-of-the-art rules, means and procedures in order to implement the voting process and enabling remote representation via communications systems, adapting them to the corresponding regulations that may be applicable in such case. The implementing regulations that may be adopted in accordance with this section shall be published on the company's website.

A shareholder's presence at a General Shareholders' Meeting, or the presence of the shareholder's proxy, shall effectively annul any vote cast by postal or electronic correspondence or via other remote means of communication.

Article 31. Representation.

All shareholders that have the right to attend the General Shareholders' Meeting may be represented by another person, even if this person is not a shareholder, and therefore benefit from the right of attendance.

In all cases, representations must be conferred specifically for each meeting, in writing or via the following remote means of communication:

(i) By means of postal correspondence, sending the company the duly signed and completed attendance card and vote issued by the entity(s) responsible for maintaining the book entry system, or via any other written means that the board of directors allows as duly accrediting the granted proxy and the identity of the represented shareholder, by virtue of a resolution previously adopted for such purposes and duly published.

(ii) By electronic means or other remote means of communication that the board of directors may establish, if applicable, at the time of calling each General Shareholders' Meeting, provided that the document that grants the proxy includes the mechanisms that the board of directors considers suitable for ensuring adequate guarantees of authenticity of the granted representation and the identity of the represented shareholder, in accordance with a resolution previously adopted for such purposes and duly published.

Proxies granted by any of the aforementioned remote means of communication must be received by the company prior to the 24 hours of the day immediately preceding the date of the General Shareholders' Meeting at first or second call or within, as appropriate, a different period of time that may be defined by the company's board of directors and will be published at the time of the notice of the General Shareholders' Meeting, in accordance with a resolution previously adopted for such purpose.

The board of directors shall be authorized to implement the aforementioned conditions and to establish the relevant and state-of-the-art rules, measures and procedures in order to implement the process of granting proxies via electronic means, adapting them to the legal regulations that govern this system, the provisions of these bylaws and the Regulations of the General Shareholders' Meeting of the company, as applicable. These means and procedures shall be published on the company's corporate website, as applicable.

Representation may also be extended to items not included on the agenda but which may be discussed by the General Shareholders' Meeting in accordance with the law, in which the proxy-holder shall vote in the way that it deems to be most favorable to the interests of the represented party.

If the proxy is not accompanied by instructions to exercise the right to vote or if there are doubts about the intended representative or the scope of the proxy, unless the shareholder expressly indicates to the contrary, the delegated powers:

(i) Shall be granted in favor of the chairman of the board of directors;

(ii) Shall cover all of the items on the agenda of the notice of the General Shareholders' Meeting;

(iii) Shall include a vote in favor of all of the proposed resolutions put forward by the board of directors that are items on the agenda for the meeting; and

(iv) Shall also apply to any items not included on the agenda of the notice of the meeting that may be discussed by the General Shareholders' Meeting, according to law.

Prior to being appointed, the proxy-holder must inform the shareholder in detail about the existence of any conflicts of interest. If a conflict arises after the appointment has been made and the represented shareholder has not been notified of its potential existence, the proxy-holder must inform the shareholder immediately. In both cases, if new specific voting instructions have not been received for each of the matters on which the proxy-holder must vote on behalf of the shareholder, the proxy-holder must abstain from voting.

Legal persons, minors and those lacking the legal capacity may attend the General Shareholders' Meeting via their legal representatives, who must accredit their representation to the chairman of the Meeting, all without prejudice to family representation and the granting of general powers of attorney, regulated by Article 187 of the Capital Companies Act.

Article 32. Place of meeting and extension.

General Shareholders' Meetings shall be held in Seville on the day indicated in the notice of the meeting. These sessions of the Meeting may be extended over one or more consecutive days.

An extension may be agreed at the proposal of the board of directors or at the request of shareholders that represent at least twenty five percent of the share capital that is present or represented at the meeting.

A list of attendees will be drafted in order to constitute the meeting, in accordance with the Capital Companies Act.

Article 33. Chairman and secretary of the shareholders' meeting.

The chairman or the vice-chairman of the board of directors shall act as chairman of the General Shareholders' Meeting, as agreed by the board of directors, and the secretary shall be the secretary of the board. In the absence of the chairman and vice-chairman, the meeting shall be chaired by the shareholder appointed by the General Shareholder's Meeting itself. In the absence of the official secretary, the role will be performed by the person appointed by the meeting, as proposed by the chairman.

The chairman of the General Shareholders' Meeting shall chair the meeting and the discussions, controlling who may speak, determining the duration of the successive speakers and resolving any statutory doubts that may arise, by requesting (or not) the opinion of the board's legal adviser.

Article 34. Book of minutes.

The matters discussed and the resolutions adopted by General Shareholders' Meetings shall be recorded in a book of minutes, which may consist of loose leaf sheets previously stamped by the mercantile register, which must record the circumstances and requirements defined by the Capital Companies Act and the Regulations of the Mercantile Register, as a minimum. The minutes shall be signed in accordance with Articles 202 and 203 of the Capital Companies Act.

Article 35. Certificates of resolutions.

The resolutions passed by General Shareholders' Meetings and meetings of the board of directors, which are recorded in the book of minutes, shall be accredited by means of the appropriate certificates drafted in accordance with the law and Section 3 of Chapter 3 of Part II and other provisions of the Regulations of the Mercantile Register.

Article 36. Publication.

Shareholders may request a certificate of the resolutions of the General Shareholders' Meeting at any time.

The resolutions of the General Shareholders' Meeting and of the board of directors, attested by a notary public, shall be filed with the mercantile register, to be recorded and registered within the timeframes indicated by current regulations.

Article 37. Objections.

Resolutions of General Shareholders' Meetings and, if applicable, of meetings of the board of directors, that conflict with these bylaws or are detrimental to the interests of the company, may be challenged in accordance with the Capital Companies Act.

Section Two. The Board of Directors

Article 38. Governing body.

The board of directors, as the permanent governing body of the company, directs, governs and manages the company, with full authority to make decisions regarding its functioning, with the exception of those powers attributed to the General Shareholders' Meeting by these bylaws or by law.

Article 39. Composition.

The board of directors shall comprise a minimum of three and a maximum of sixteen members, elected by the General Shareholders' Meeting.

The following requirements apply to appointments of directors:

1. They must not be affected by any of the legally established grounds for incompatibility or prohibition.

2. They must not have interests that conflict or compete technically, commercially or financially with the company's activities. This prohibition also applies to representatives of entities in which any of the above circumstances arise.

Members of the Board shall be appointed for a period of four years, and may be re-elected once or several times for periods of equal duration. These appointments shall end when the Ordinary General Shareholders' Meeting following the end of this term has been held.

Directors may resign their office. In the event of vacancies that arise in between renewal dates, the board may appoint people to these positions subject to the same aforementioned requirements, until the next Ordinary General Shareholders' Meeting is held. Exceptionally, in the event that the vacancy arises after the Ordinary General Shareholders' Meeting has been called but prior to being held, the board of directors may appoint a director until the following Ordinary General Shareholders' Meeting takes place.

Directors shall cease to hold the role at the end of their mandate; or due to death or resignation; or by agreement of the General Shareholders' Meeting in the event of incapacity or dismissal.

The position of director is remunerated. Directors' remuneration shall consist of all or some of the following concepts, for a total combined amount that shall be agreed by the General Shareholders' Meeting, pursuant to the directors' remuneration policy and conditional, when required by law, on the prior approval of the General Shareholders' Meeting:

(a) A fixed fee

(b) Expenses for attendance

(c) A share of the profits, under the terms established in Article 48, Paragraph 2, of the company's bylaws.

(d) Variable remuneration based on general benchmark indicators or parameters

(e) Remuneration via the provision of shares or share options or amounts that are linked to the company's share price

(f) Severance payments, provided that the director is not relieved of office on grounds if failing to fulfil the responsibilities attributable to him/her, and

(g) Savings or pension systems considered to be appropriate.

Notwithstanding the obligations applicable to directors' remuneration policies under current legislation at any given time, this amount shall remain fixed until the General Shareholders' Meeting agrees to change it.

The specific amount to be paid for the above concepts for each director, including the payment method, shall be determined by the board of directors. This calculation shall take into account the role performed by each director on the main board, as well as membership and attendance of its various sub-committees.

Expenses incurred by directors in performing the activities entrusted to them by the board of directors shall be reimbursed.

The rights and responsibilities resulting from being a member of the board of directors shall be compatible with any other rights, obligations and compensation that may apply to the director for any other duties, including executive functions, which the director may perform in the company, as applicable. Directors' remuneration for performing executive functions, which is set by the company's board of directors and conditional upon the prior approval of the General Shareholders' Meeting, if applicable, may include but is not limited to any of the concepts indicated in the above points (a) to (g).

Directors' remuneration for performing executive functions shall be included in the contracts that they must sign with the company in accordance with Article 40 below.

Article 40. Delegation of powers by the board of directors.

Notwithstanding powers of attorney that may be granted to a particular person, the board of directors may appoint its members to be Chief Executive Officer (CEO) or to sit on one or several executive committees, defining the content, limits and formats of this delegation of powers.

The permanent delegation of powers of the board of directors to an executive committee or to the Chief Executive Officer and the appointment of directors to hold such positions, must be supported by a favorable vote by two thirds of the members of the board and shall not take effect until the resolution is registered in the mercantile register.

When a member of the board of directors is appointed as the CEO or when executive functions are attributed to a director by virtue of another title, a contract must be signed between this person and the company, which must be previously approved by the board of directors with a favorable vote from two thirds of its members, and which

must comply with the remuneration policy approved by the General Shareholders' Meeting. The director in question must abstain from participating in the corresponding discussions and vote. The contract must describe all the concepts used to remunerate the performance of the director's executive functions. The director may not receive any remuneration for performing executive functions unless the amounts payable and the corresponding concepts are detailed in this contract.

Article 41. Positions of the Board.

In the event of a vacancy, upon receipt of a report from the Appointments and Remuneration Committee, the directors meeting as the board of directors shall elect a chairman from among its members, who shall have the casting vote in the event of a tie. They shall also elect one or several vice-chairman, who may temporarily substitute the chairman of the board in the event that the chairman's position is vacant or the chairman is absent, ill or unable to attend. In the event that there is more than one vice-chairman of the board of directors, the vice-chairmen will be appointed as first vice-chairman, second vice-chairman, and so on, and shall substitute the chairman of the board in this order.

The position of chairman of the board of directors may be held by an executive director. In such a case, this appointment shall require a favorable vote by two thirds of the members of the board.

In the event that the chairman of the board is also an executive director, the board of directors, with the abstention of the executive directors, must appoint a lead director from among the independent directors, who shall have special authority to call meetings of the board or to include new items on the agenda of meetings that have already been called; coordinate and hold meetings of the non-executive directors; and direct, if applicable, the regular appraisal of the chairman of the board.

The board must also appoint a secretary, upon receipt of the report from the Appointments and Remuneration Committee, and optionally, one or more vice-secretaries, who if appointed, shall assist the secretary of the board in performing his/her duties and shall temporarily substitute the secretary in the event of a vacancy, absence, illness or an inability to attend. In the event that more than one vice-secretary exists, they will be appointed as first vice-secretary, second vice-secretary, and so on, and shall substitute the secretary of the board in this order.

The positions of secretary and vice-secretary of the board of directors may be held by non-directors.

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Article 42. Constitution of the board.

The board of directors shall be validly constituted to discuss and make decisions on any matter when half of its members, plus one other member, are present or represented at the session.

Members of the board of directors may only delegate their representation to another member of the board. In the case of non-executive directors, they may only be represented by another non-executive member of the board.

Representation must be conferred in writing and specifically issued for each meeting, informing the chairman of the board.

The board of directors shall meet as many times as necessary to correctly perform its duties and at least once every quarter and on the occasions established in the Regulations of the Board of Directors. Meetings of the board of directors shall be called by the chairman, or in the event of his death, absence, incapacity or inability to do so, meetings may be called by the vice-chairman whenever deemed necessary or appropriate.

If the chairman of the board does not call a meeting within one month of being requested to do so, without just cause, a meeting may also be called by one third of the directors, stating the agenda for the meeting, to be held in the town or city where the company has its registered address.

The notice of the meeting, which must always include the agenda and all of the information to be discussed, shall be sent by any means that enables it to be received by every member of the board that appears in the company's records, at least four days prior to the intended date of the meeting or with a shorter notice period in the event of urgent meetings.

A notice of meeting shall not be required if all of the members of the board have been invited to the next meeting at the previous session.

The board of directors shall be validly constituted without the need for a notice of meeting if all of its members, present or represented, unanimously agree to a meeting being held and the items to be discussed on the agenda.

The board of directors shall meet at the company's registered address unless another meeting place is indicated in the notice of the meeting.

Notwithstanding the above, meetings of the board of directors may be held in multiple locations, connected by systems that enable those attending to be recognized and identified, permanent communication between those attending regardless of their physical location, as well as the voting process to be carried out, all in real time. Those present at any of these locations shall be considered, for all purposes, to be attending the same single meeting. The meeting shall be deemed to be held where the majority of the directors are physically located, and in the event of a tie, it shall be where the chairman of the board is located or, in the chairman's absence, the person chairing the meeting.

Furthermore, if no director objects, the board of directors may vote in writing and without holding a meeting. In this case, directors may send their votes and the points that they wish to record in the minutes via any means that enables them to be received, to the secretary of the board, or to the person that assumes the secretary's functions, as appropriate. The resolutions adopted by this procedure shall be duly recorded as minutes in accordance with the law.

Agreements and resolutions shall be adopted by an absolute majority of the directors present or represented at the meeting, unless established to the contrary by law or these bylaws.

Article 43. Liability.

Directors are required to perform their duties with the diligence and assuming the liabilities established under current regulations applicable at any given time.

Article 44. Duties and powers of the board of directors.

The board of directors has the broadest powers possible for managing the company's interests, under the rules established by law and these bylaws, representing the company in law and otherwise, in all matters relating to its corporate purpose, holding all powers that are not expressly reserved for the General Shareholders' Meeting.

Therefore, the company's board of directors, holding the most extensive powers possible, shall be fully responsible for making decisions regarding the matters indicated below, which under no circumstances should be interpreted as an exhaustive list:

(a) Supervision of the effective functioning of the committees that it may have created, and of the actions of the delegated bodies and of the managers that it may have appointed.

(b) Determination of the company's general policies and strategies.

(c) Authorization or waiving of the obligations derived from the directors' duty of loyalty in unique cases, when applicable under the Capital Companies Act.

(d) Preparation of the financial statements and their presentation to the General Shareholders' Meeting.

(e) Preparation of any type of report that the board of directors is required to prepare by law, provided that the report in question cannot be delegated.

(f) Appointment and dismissal of the company's chief executive officer(s), as well as determining the conditions of his/her contract.

(g) Appointment and dismissal of the managers that report directly to the board, or of any of its members, as well as establishing the basic conditions of their contracts, including their remuneration.

(h) Decisions relating to the remuneration of directors, within the statutory framework, and in accordance with the remuneration policy approved by the General Shareholders' Meeting, if applicable.

(i) The notice of the meeting of the General Shareholders' Meeting, preparing the agenda and the proposed resolutions.

(j) The policy relating to treasury stock.

(k) Approval of the strategic or business plan, the management objectives and annual budget, the investment and financing policy, the corporate social responsibility policy and the dividend policy.

(l) Definition of the risk management and control policy, including tax risks, and supervision of the company's internal reporting and control systems.

(m) Definition of the corporate governance policy of the company and of the group to which it is the parent company; its organization and functioning; and in particular approval and modification of its regulations.

(n) Approval of the financial information that the company must periodically publish as a listed company.

(o) Definition of the structure of the corporate group of which the company is the parent.

(p) Approval of investments or operations of any type considered as strategic, or that have special tax risk, due to their significant value or special characteristics, except when this approval is the responsibility of the General Shareholders' Meeting.

(q) Approval to create or acquire shareholdings in special purpose entities or entities registered in countries or territories considered as tax havens, as well as any other similar transactions or operations that, due to their complexity, could reduce the transparency of the company and its group.

(r) Approval of transactions that the company or companies in its group carry out with directors or shareholders that individually or in collaboration with others have a significant shareholding, including shareholders represented by the board of directors of the company or of other companies that form part of the same group, or with persons associated with them. The directors that are affected, or that represent or are associated with the affected shareholders, must abstain from taking part in the discussion and voting of the resolution in question. The only transactions that shall be exempt from this approval shall be those that simultaneously fulfil the following three conditions:

  (i) They are carried out by virtue of agreements with standardized conditions that are applied in a general way to a large number of clients.

  (ii) They are carried out at rates or prices that, in general, are established by the person acting as the supplier of the good or service.

  (iii) The amount of the transaction does not exceed one percent of the company's annual revenues.

(s) Definition of the company's tax strategy.

(t) The powers that the General Shareholders' Meeting may have delegated to the board of directors, unless expressly authorized by the Meeting to sub-delegate them.

The General Shareholders' Meeting shall also decide on any matter within its area of competence in accordance with the law and these bylaws, and pursuant to the aforementioned points and its Regulations.

When urgent situations arise, that are duly justified, decisions corresponding to the aforementioned matters may be taken by the delegated bodies or persons, which must then be ratified in the first meeting of the board of directors that is held after these decisions are made.

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Article 44 bis. Committees of the Board of Directors.

1. The board of directors may create committees with delegated powers, or other kinds of committees, and appoint the people that will sit on these committees from among the board's members, according to its own forecasts or legally established requirements. It may therefore define the regulations or internal rules that govern their functions and scope of application, composition, functioning, etc.

2. The board of directors is required to create and maintain a permanent Audit Committee, which shall be governed by the following provisions:

   (a) The Audit Committee shall always consist of a minimum of three directors, appointed by the board, all of which must be external directors. At least two of the members of the Audit Committee must be independent directors and at least one of them shall be appointed due to their knowledge and experience in relation to accountancy, audit or both these areas. The board of directors shall also appoint the chairman of the committee from among the independent directors that form part of it. The position of secretary of the Audit Committee shall be held by the secretary of the board of directors or by the person that is appointed to this role by the board, as appropriate.

   (b) The directors that form part of the Audit Committee shall only perform this role while they remain directors of the company's board, unless the board of directors agrees otherwise. The renewal, re-election and dismissal of directors that sit on the Audit Committee shall be decided by the board of directors. The position of chairman of the Audit Committee shall be held for a maximum period of four years. Previous chairmen of the committee may not be re-elected until a period of one year has passed from the end of their previous mandate, notwithstanding their continuity or re-election as an ordinary member of the Committee.

   (c) Notwithstanding any other roles that may be assigned to the Committee by the board of directors at any given time, and by virtue of the current regulations, the Audit Committee shall perform the following functions in all cases:

      (i) Inform the General Shareholders' Meeting about issues that arise in relation to matters in the Committee's area of competence.

      (ii) Supervise the effectiveness of the company's internal control, internal audit and risk management systems, including the tax systems, as well

as discussing with the accounts auditor any significant weaknesses in the internal control system detected during the course of the audit.

(iii) Supervise the process of preparing and presenting the obligatory financial information.

(iv) Make proposals to the board of directors to select, appoint, re-elect and replace the external auditor, as well as the conditions for engaging the auditor, including regularly reviewing information relating to the audit plan and its execution with the auditor, as well as ensuring its independence in the performance of its duties.

(v) Establish appropriate relations with the external auditor in order to receive information about any issues that may threaten its independence, so that these may be examined by the Audit Committee, and any other matters related to the process of auditing the accounts, as well as any other communications required under accounts auditing legislation and audit regulations. The Committee must always receive the external auditor's annual declaration of independence in relation to the entity(s) directly or indirectly associated with it, as well as information about any type of additional services provided by it and the corresponding fees received by the external auditor from these entities or by the persons or entities associated with it, in accordance with accounts auditing legislation.

(vi) Annually issue, prior to issuance of the audit report of the financial statements, a report expressing an opinion about the independence of the accounts auditor. This report must contain, in all cases, an assessment of the provision of the additional services referred to in the above point (v), considered both individually and collectively, other than the statutory audit services, and in relation to the system of independence or the regulating audit legislation.

(vii) Inform the board of directors, in advance, about all of the issues required by law, the company's bylaws and the Regulations of the Board of Directors, and in particular:

– The financial information that the company must periodically publish

– The creation or acquisition of shareholdings in special purpose entities or entities registered in countries or territories that are considered as tax havens, and

– Transactions with related parties.

(viii) Any matters within its area of competence that may be requested by the chairman of the board of directors.

(ix) Any other function attributed to it by the board of directors in its corresponding regulations.

The conditions established in points (v), (vi) and (vii) above are notwithstanding the legislation regulating the auditing of accounts.

(d) The functioning of the Audit Committee shall be governed by the rules determined by the board of directors in its corresponding Regulations.

3. The board of directors is also required to create and maintain a permanent Appointments and Remuneration Committee, which shall be governed by the following provisions:

(a) The Appointments and Remuneration Committee shall consist of a minimum of three directors, proposed by the chairman of the board based on a prior report from the Committee and appointed by the board of directors, all of whom must be external directors. At least two members of the Appointments and Remuneration Committee must be independent directors. The board of directors shall also appoint the chairman of the Committee from the independent directors that form part of it. The position of secretary of the Appointments and Remuneration Committee shall be held by the person responsible for remuneration matters within the Company or by the person that is appointed to this role by the board, if applicable.

(b) The directors that form part of the Appointments and Remuneration Committee shall only perform their role while they remain directors of the company's board, unless the board of directors agrees otherwise. The renewal, re-election and dismissal of directors that sit on the Appointments and Remuneration Committee shall be governed by the board of directors.

(c) Notwithstanding any other roles that may be assigned to the Committee by the board of directors at any given time, and by virtue of the current regulations, the Appointments and Remuneration Committee shall perform the following functions in all cases:

(i) Assess the skills, knowledge and experience required by the board of directors. The Committee shall define the functions and skills required

by candidates for each vacancy and assess the time and dedication required for the role to be performed correctly.

(ii) Establish a representation target for the under-represented gender on the board of directors and prepare guidelines of how to achieve this goal.

(iii) Submit proposals to the board of directors to appoint independent directors so that they may be appointed by co-optation or for the decision to be submitted to the General Shareholders' Meeting, as well as proposals for re-elections or dismissals of these directors, also to be submitted to the General Shareholders' Meeting.

(iv) Submit proposals to appoint the remaining directors so that they may be appointed by co-optation, or for the decision to be submitted to the General Shareholders' Meeting, as well as proposals for re-elections or dismissals also to be submitted to the General Shareholders' Meeting.

(v) Make proposals to appoint or dismiss members of the senior management team and the basic conditions of their contracts.

(vi) Analyze and organize the succession of the chairman of the board of directors and the Company's CEO, and make proposals to the board of directors so that this succession occurs in an organized and planned way, as appropriate.

(vii) Propose to the board of directors the remuneration policy for directors and general managers or those people that perform senior management functions reporting directly to the Board; members of executive committees or CEOs; as well as the individual remuneration and other contractual conditions of executive directors, ensuring that these conditions are fulfilled.

(viii) Any matters within its area of competence that may be requested by the chairman of the board of directors.

(ix) Any other function attributed to it by the board of directors in its corresponding Regulations.

(d) The functioning of the Appointments and Remuneration Committee shall be governed by the rules determined by the board of directors in its corresponding Regulations.

4. The Board of Directors is also required to create and maintain a permanent Investments Committee, which shall be governed by the following provisions:

   (a) The Investments Committee shall consist of a minimum of three directors, proposed by the Chairman of the Board based on a prior report from the Committee and appointed by the Board of Directors, and the majority of whom must be external directors. The Board of Directors shall also appoint the Chairman thereof from among the independent directors that form part of such Committee. The position of secretary of the Investments Committee shall be held by the person holding the position of Technical General Secretary of the Company or by the person that is appointed to this role by the Board of Directors for such purposes, if applicable.

   (b) The directors that form part of the Investments Committee shall only perform this role while they remain directors of the company's board, unless the Board of Directors agrees otherwise. The renewal, re-election and dismissal of directors that sit on the Investments Committee shall be governed by the decisions of the Board of Directors.

   (c) Notwithstanding any other roles that may be assigned to the Committee by the Board of Directors at any given time, the Investments Committee shall be responsible for:

      (i) Control and monitoring of capex commitments. Capex is defined as the investment in capital or equivalent instruments in projects that involve the outflow of funds from the Company. For such purposes, it is responsible for proposing any commitment to invest capex in new projects, prior to approval thereof by the Board of Directors. Only the Committee shall have the power to propose new capex investments in new projects to the Board, with the Board abstaining from approving capex investment projects that have not been proposed to it by the Committee.

      (ii) Monitoring the budget and external capex goals that the Company establishes from time to time.

      (iii) Reporting on commitments to increase and reduce financial debt, and monitoring the Company's financial deleveraging policy.

      (iv) Reporting on the dividend distribution policy and changes thereto.

(d) The Investments Committee may function in accordance with the rules that may be determined by the Board of Directors in a specific regulation.

Article 45. Meeting at second call.

The chairman of the board of directors may hold a meeting of the board at second call when the board has been unable to meet at first call due to a lack of attendance.

The meeting shall be held after a period of twenty four hours from the meeting at first call.

Part V.
Financial Year, Balance Sheet and Appropriation of Earnings

Article 46. Financial Year.

The financial year shall coincide with the calendar year.

Article 47. Financial statements.

The board of directors shall prepare the financial statements, which shall comprise the balance sheet, the income statement, a statement that reflects the changes in equity during the year, a statement of cash flows and the report. These documents, which form a single unit, must be clearly prepared and accurately reflect the company's assets, financial situation and results in accordance with the law and the Code of Commerce.

The structure and content of the documents that comprise the financial statements must comply with the formats approved by the regulations and for their supplementary documentation, under the terms and within the timeframe is established by law, so that once reviewed and reported by the auditors, they will be submitted to be approved by the General Shareholders' Meeting.

Article 48. Appropriation of earnings.

The net profits recorded in each end-of-year balance sheet shall be distributed as proposed by the board of directors and agreed by the General Shareholders' Meeting, once the corresponding general expenses and amortizations have been deducted, as well as the amount for the legal reserve pursuant to Article 274 of the Capital Companies Act, and the amounts corresponding to other obligatory reserves, in the following way:

1. From the initial amount, a quantity equal to four percent of the paid-up capital shall be deducted, which will be distributed among the shareholders as the minimum dividend for their respective shares.

2. Of the remaining amount, a minimum of five percent and a maximum of ten percent will be deducted, if decided by the General Shareholders' Meeting, which shall be distributed among the members of the board of directors, as agreed by the General Shareholders' Meeting, as remuneration for their respective services.

3. Lastly, the board of directors may propose to the General Shareholders' Meeting to partially or fully distribute the remaining amount as a supplementary dividend, or to allocate it to reserves or special funds or to carry it over to the following year.

Article 49. Dividends.

Dividends may only be distributed in the cases and in accordance with the conditions established by the applicable prevailing regulations at any given time.

The General Shareholders' Meeting may agree that the dividend is paid fully or partially in kind.

The board of directors shall pay the dividend within a period of two months following approval by the General Shareholders' Meeting of the financial statements for the year.

The board of directors may agree to distribute interim dividends in accordance with the legally established requirements.

Dividends that are unclaimed during a period of five years from their initial payment date shall be considered as waived in favor of the company.

Part VI.
Dissolution and Winding Up

Article 50. Dissolution.

The company shall be dissolved on the grounds determined by law and by resolution of the Extraordinary General Shareholders' Meeting adopted in accordance with the law.

Article 51. Liquidation.

If the General Shareholders' Meeting agrees to dissolve the company, it shall proceed to appoint administrators at the same time, which shall always be of an odd number, with the legally established powers and any other powers that may have been granted by the General Shareholders' Meeting upon appointing them.

[*ENGLISH TRANSLATION FOR INFORMATION PURPOSES. SPANISH VERSION SHOULD PREVAIL*]

Members of the board of directors may be appointed as administrators.

The General Shareholders' Meeting, at the proposal of the board, may also appoint arbitrators to resolve any issues or discrepancies that may arise during the liquidation proceedings.

The resolution to dissolve the company shall be recorded in the mercantile register and published in accordance with Article 369 of the Capital Companies Act.

The corresponding legal provisions shall be observed during the liquidation period, especially those established in Chapter II of Part X of the Capital Companies Act.