

**Report issued by the Board of Directors of Abengoa, S.A. for the purposes of complying with Section 529 *decies* of the Spanish Companies Act, in relation with the proposal to ratify and appoint Mr. Joaquín Fernández de Piérola as executive director to be submitted to the shareholders at the Ordinary General Shareholders' Meeting called to be held on June 29 or 30, 2016, on first and second call, respectively**

Section 529 *decies* of the Spanish Companies Act, as amended by Spanish Act 31/2014, of December 3, provides at paragraph 4 that the proposal to appoint or re-elect a director is a matter for the appointments and remunerations committee, in the case of independent directors, and otherwise for the board itself. Paragraph 5 then provides that the proposal should be accompanied in all cases by a report by the Board reviewing the competence, experience and merits of the nominee, and that the report shall be attached to the minutes of the General Meeting or the Board.

In order to comply with such provisions in paragraph 5, the Board of Directors of Abengoa, S.A. has prepared this report regarding the proposal to ratify and appoint Mr. Joaquín Fernández de Piérola as a member of the Board of Directors of the Company and, specifically, to serve as an executive director, for submission to the Annual General Meeting.

Mr. Joaquín Fernández de Piérola was appointed as a director, with the status of executive director, on November 27, 2015 by means of the procedure of interim appointment to fill vacancies (cooption), following the resignation of Mr. Santiago Seage Medela, due to his appointment as managing director of Abengoa Yield plc. Likewise, on March 7, 2016, the Board of Directors appointed Mr. Joaquín Fernández de Piérola Marín first vice chairman of Abengoa.

The Board of Director has reviewed the proposal submitted by the Appointments and Remunerations Committee, as directed by Section 529 *decies*, and has conducted an analysis of the current composition and needs of the Board within the framework of the Company's specific shareholding profile. Specifically the

Board has considered appropriate to designate Mr. Fernández de Piérola Marín as first vice chairman and CEO taking into account his professional career and knowledge of the Company and its group.

The Board of Directors has also valued highly, as required by the aforementioned legislation, the capacity, proven qualifications and experience of the nominee shown during his career.

Specifically the Board has taken into account the experience of Mr. Fernández de Piérola Marín in different managing positions within the group and his deep knowledge of the same. Before being appointed director of Abengoa in 2015 he had been vice-chairman of Business Development for Middle East and Asia of the engineering and construction business of Abengoa and afterwards chairman of Abengoa México as well as Country Manager of Abengoa en México. All these positions have been valued for the issuance of this report.

As a result, the Board of Directors believes that Mr. Fernández de Piérola Marín is the right individual to serve as executive director and that, in light of his appointment by the interim procedure (cooptación), he should be ratified and appointed as executive director by the General Shareholders Meeting.

The proposal to be submitted –unanimously– for approval by the General Meeting is then as follows:

### “3.2 Ratification and appointment of Mr. Fernández de Piérola Marín

Upon a proposal of the Appointments and Remunerations Committee, the ratification and appointment of Mr. Fernández de Piérola Marín, of legal age, a Spanish citizen, holder of ID number 16,587,705-J, residing for these purposes in Sevilla C/Energía Solar 1, 41014, as executive director designated through the interim procedure on November 27, 2015, is hereby approved for a four-year period.

This proposal is supported by the report of the Board of Directors provided for in Section 529 decies of the Capital Companies Act, which has been made available to

# ABENGOA

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

the shareholders since the publication of the announcement of the call to the General Shareholders' Meeting and which is attached to these minutes.”

The curriculum vitae of the nominee is attached to this report.

This Report has been approved by the Board of Directors in the meeting held on 25 May 2016.

## **Mr. Joaquín Fernández de Piérola**

### **Executive director, CEO and first vice-chairman**

Joaquín Fernández de Piérola Marín holds a Bachelor of Science in Economics and Business by the University of Zaragoza. He later specialized in Market Research at the University of West England (Bristol, U.K.) and coursed the General Management Program at IESE Business School (Barcelona, Spain).

Prior to joining Abengoa Mr. Fernández de Piérola worked in the Economic and Commercial Offices in the Spanish Embassies in Riad (Saudi Arabia) and Bagdad (Iraq). After years in the public sector, he was International Director for infrastructure at gHT. In 2003, he joined Befesa Agua (former environmental infrastructure company in Abengoa), holding different positions in commercial and concessions fields. Afterwards, he became Business Development Vice President for Middle East and Asia in Abengoa Engineering and Construction business unit before being President and General Manager of Abengoa Mexico, as well as country manager of Abengoa in Mexico.

In November 2015, he was appointed as General Manager of Abengoa and, in March 2016, became CEO of the company and Vice-President of its Board of Directors.