

**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 re-elect Mr. Antonio Fornieles Melero as independent director to be submitted to the Annual General Meeting to be held in March 2015**

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 re-elect Mr. Antonio Fornieles Melero as a member of the Board of Directors of the Company and, specifically, to serve as an independent director, for submission to the Annual General Meeting.

Mr. Antonio Fornieles Melero was made ("*por cooptación*") a director on February 9, 2015, following resignation by former board member Aplidig, S.L. (represented by Mr. José Terceiro Lomba). At the same meeting the Board appointed him second vice chairman and lead director 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 add a new independent director to the Board, as a replacement for an executive director, thereby significantly reinforcing the total weight of the independent directors when compared to the total number of directors, which is particularly relevant in light of the nature of Abengoa as a company where a single controlling shareholder holds more than 50% of the voting rights.

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.

# ABENGOA

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Specifically the Board has taken into account Mr. Fornieles' remarkable experience on corporate auditing. Mr. Fornieles entered the Spanish Institute of Chartered Accountants in 1987 and was made a partner at KPMG in 1994. Subsequently, he was appointed to the Board of the firm as partner responsible for KPMG España's auditing function and Chief Operating Officer of KPMG's worldwide auditing functions. Before joining the Board of Abengoa, Antonio Melero Fornieles was responsible for the middle market program for all offices of KPMG Spain.

As a result, the Board of Directors believes that Mr. Antonio Fornieles Melero is the right individual to serve as independent director and that, in light of the fact that he was appointed by the Board itself ("*por cooptación*"), his appointment as director should now be submitted for confirmation by the General Meeting.

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

*" The ratification and appointment of Mr. Antonio Fornieles Melero, of legal age, of Spanish nationality, married, economist, with address in Madrid, Paseo de la Castellana 43 and with Tax ID 27257168Y, by the Board of Directors, with the condition of independent director, for a period of four years."*

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

## **Mr. Antonio Fornieles Melero**

**Independent director, second vicechairman and lead director**

Born on July 11, 1959.

Degree in Economics

### **Career**

Antonio Fornieles Melero joined Abengoa in 2015 having spent almost his entire career in the audit sector. He joined the Spanish Institute of Chartered Accountants in 1987 and was made a partner in KPMG in 1994.

He was subsequently appointed to the board of the firm, responsible for the audit function of KPMG España and COO of the audit function globally. Prior to joining Abengoa, Antonio Fornieles Melero was responsible for the middle market program for all KPMG España offices.

In January 2015 he was appointed second vice-chairman and lead director of Abengoa, a position that he currently holds.

He graduated in economics and business studies from Universidad Complutense de Madrid and completed a senior management diploma in business management from the Instituto Internacional San Telmo business school.

He has been a lecturer in the faculty of economics and business studies at the University of Cádiz, and a regular speaker and lecturer in various universities and corporations about issues related to financial reporting, business management and corporate governance and ethics.