

# ABENGOA

**Report by the Board of Directors of Abengoa, S.A., for purposes of the provisions of Section 529 *decies* of the Capital Companies Act (*Ley de Sociedades de Capital*), in connection with the resolution for ratification and appointment of Mr. José Domínguez Abascal as a proprietary director, appointed on an interim basis (cooption) on September 23, 2015, to be submitted to the shareholders at the Extraordinary General Shareholders' Meeting called to be held on October 10 or 11, 2015, on first and second call, respectively**

Section 529 *decies* of the Capital Companies Act, as amended by Law 31/2014, of December 3, provides in paragraph four that the proposal for appointment or re-election of members of the board of directors falls within the purview of the appointments and remuneration committee in the case of independent directors, and within the purview of the board itself in all other cases. Paragraph five then provides that the proposal must be accompanied in all cases by a report from the Board of Directors that provides a rationale for the proposal and assesses the capacity, experience and qualifications of the nominee, which report must be attached to the minutes of the General Shareholders' Meeting or of the meeting of the board.

In order to comply with the provisions of paragraph 5 of the aforementioned section, the Board of Directors of Abengoa, S.A. has prepared this report regarding the proposal for ratification and appointment of Mr. José Domínguez Abascal as a member of the Company's Board of Directors and in the capacity of proprietary director (*consejero dominical*), for submission to the Extraordinary General Shareholders' Meeting of the Company.

Mr. José Domínguez Abascal was appointed as a director, with the status of proprietary director and by means of the procedure of interim appointment to fill vacancies (cooption), on September 23, 2015.

In order to prepare the aforementioned proposal, the Board of Directors has assessed the report of the Appointments and Remuneration Committee pursuant to the provisions of Section 529 *quindecies*, and has reviewed the current composition and needs of the Board within the framework of the Company's specific shareholding

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profile. In particular, given that Mr. Domínguez is classified as a proprietary director, the Board of Directors has taken into account that Abengoa is a company in which there is a controlling shareholder.

In addition, it has assessed the desirability of appointing a person with a deep knowledge of the Company and its group like Mr. José Domínguez Abascal as a proprietary director of Abengoa.

As a result of the foregoing, the Board of Directors of Abengoa believes that Mr. José Domínguez Abascal is the appropriate person to hold the position of proprietary director, and in view of the fact that he has been appointed on an interim basis, he should be ratified and appointed as an executive director by the shareholders at the General Shareholders' Meeting.

The proposed resolution unanimously submitted to the shareholders for approval at the General Shareholders' Meeting reads as follows:

"Upon a proposal of the Board of Directors, after a report from the Appointments and Remuneration Committee, the ratification and appointment as proprietary director for a four-year period of Mr. José Domínguez Abascal, of legal age, a Spanish citizen, holder of ID number 28403865-S, residing in Seville, at c/ Energía Solar 1, who was appointed on an interim basis (cooption) on September 23, 2015, is hereby approved.

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 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 drafted and approved by the Board of Directors during its meeting held on 23 September 2015.

<b>Mr. José Domínguez Abascal</b>
Proprietary director

Professor of Structural Mechanics at the Engineering School of the University of Seville, he has been, since 2008 and until his appointment as director and chairman, Chief Technology Officer of Abengoa; he was also adviser to the Chairman on R&D and technology and head of R&D and innovation of the company. As such, during such period, he was responsible for the coordination of Abengoa's technology development divisions.

He was awarded a post-doctorate Fulbright scholarship in 1978 at the Massachusetts Institute of Technology (MIT), where he was also an associate researcher (1979). José has been Vice-chancellor of the University of Seville (1990-1992) and Director of its Engineering School (1993-1998). In 2004 he was awarded the "Leonardo Torres Quevedo" national engineering research award and in 2006 the national award for the restoration of cultural assets.