

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. Ricardo Martínez Rico as independent 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 re-elect Mr. Ricardo Martínez Rico 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.

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 this re-election to maintain the number of independent directors in the Board 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.

Specifically the Board has taken into account the intense dedication and valuable contributions of Mr. Martínez Rico during the years of the mandate that now expires, which have been valued for the issuance of this report by the Board of Directors. Mr. Ricardo Martínez Rico is founding partner and executive chairman since 2008 of Equipo Económico, a strategic consultancy firm, and previously he managed the Economic and Commercial Bureau of Spain in Washington.

As a result, the Board of Directors believes that Mr. Ricardo Martínez Rico is the right individual to serve as independent director and that, in light of the expiration of his appointment, he should be re-elected as independent director for the 4-year term in the by-laws.

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

“3.3 Re-election of Mr. Ricardo Martínez Rico

Upon a proposal of the Appointments and Remunerations Committee and following the expiry of the 4-year mandate conferred by the General Shareholders Meeting held in 2012, the re-election as independent director of Mr. Ricardo Martínez Rico, of legal age, a Spanish citizen, holder of ID number 14,593,727-C, residing for these purposes in Seville, c/Energía Solar 1, 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 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.

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

Mr. Ricardo Martínez Rico

Independent director

Ricardo Martinez-Rico is President & CEO of the Madrid-based consulting firm Equipo Economico (2006) and its Chief Executive since 2008. Under his leadership the company provides its clients with strategic consultancy services thanks to professional and tailor-made consultancy based on in-depth knowledge on economic, financial, tax and regulatory issues.

From 2005-2006 he was Head of Spain's Economic and Commercial Office in Washington, D.C. and took part directly in trade negotiations, analysis of the US economy and assisting Spanish firms with accessing the US market, especially by means of investments. He was also responsible for relations with multinational financial institutions: International Monetary Fund, World Bank and Inter-American Development Bank.

After successfully holding different senior positions in the Spanish Ministry of Economy and Finance, at the start of 2003 Ricardo was appointed Deputy Finance Minister. In this capacity he managed and supervised one of the broadest portfolios of the Spanish Government, with a total budget of more than 250 billion euros, and oversaw a department of more than 3000 people. He drove forward the enacting of four essential laws for the consolidation of Spanish budgetary balance. At the same time he promoted policies for liberalization, privatizations, private financing of infrastructures and structural reforms of the Spanish economy, with very positive effects on Spanish economic growth. Ricardo Martinez-Rico was also Spain's spokesman on the European Budgetary Council and European Council for Regional Policy.

He plays an active part in debates on international economics and economic policy in the media, journals and specialized seminars and Spanish and US business schools. Ricardo is one of the main drivers behind the RCC at Harvard Executive Program on building a competitive advantage in the global market. The program is held every year at Harvard Business School and is currently up to its 12th annual meeting. He also sits on the Board of Directors of several Spanish companies.

He is a public sector economist (currently on voluntary leave of absence). After graduating with honors from the German schools in Bilbao and Valencia, he took a B.A. in Business Administration from the University of Zaragoza, also with honors. He has also undertaken additional training courses at the London School

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of Economics, Harvard Kennedy School of Government and Wharton Business School.