

**Comisión Nacional del Mercado de Valores**  
(Spanish Securities and Exchange  
Commission)  
Ref.: Material facts  
Approved Resolutions of the Ordinary General Meeting

Seville, April 2, 2012

Dear Sirs

In compliance with current legislation requiring companies that issue securities and that are listed for 27 February 2012 relating to the calling of the company's Ordinary General Shareholders' Meeting, we hereby inform you that all the resolutions proposed and hereby attached were adopted at the meeting held on 1 April 2012 on second call :

**One.** Examination and approval, if given, of the Annual Financial Statements and the Directors' Report corresponding to the 2011 fiscal year for the Company and its Consolidated Group, along with the management and remuneration of the Board of Directors during the aforementioned company fiscal year.

**Two.** Examination and approval, if given, of the Proposed Application of Results for the 2011 fiscal year.

**Three.** Ratification, appointment and re-election, as applicable, of directors.

**Four.** Re-election or appointment, as applicable, of the Accounts Auditor of the Company and its Consolidated Group.

**Five.** Modification to the General Shareholders' Meetings Regulation (adaptation to Act 25/2011).

**Six.** Special report on Company Director Remuneration Policy for presentation before the General Shareholders' Meeting on a consultative basis.

**Seven.** Delegation of powers on the Board of Directors to increase the capital stock by issuing new shares of any of share classes A and/or B and/or C, pursuant to the terms of Article 297.1(b), within the limits laid down in the Act, with express empowerment to delegate exclusion of preferential subscription rights pursuant to the terms of Article 506 of the Capital Companies Act, revoking and rescinding the sum pending resulting from previous powers delegated by the General Meeting. Delegation of powers on the Board of Directors and each of its members to establish the conditions for the capital increase, to perform all actions required for execution thereof, to adapt the text of the corresponding articles of the Company Bylaws in accordance with the new figure of the capital stock and to execute any public and private instruments required for execution of the capital increase.

Application before the competent national and foreign bodies for the new shares to be listed for trading on any securities market.

**Eight.** Delegation of powers on the Board of Directors to issue debentures or other similar fixed or variable income securities, simple or guaranteed, convertible into shares or otherwise, with express delegation of the power to exclude preferential subscription rights pursuant to the terms of Article 511 of the Capital Companies Act, either directly or through Group Companies, in accordance with the regulations in force, rescinding the sum pending resulting from previous powers delegated by the General Meeting.

**Nine.** Delegation of powers on the Board Directors for the derivative acquisition of treasury stock either directly or through group companies, in accordance with the regulations in force, rescinding all previous authorizations granted for the same purpose by the General Meeting.

**Ten.** Delegation of powers on the Board of Directors for the interpretation, rectification, execution, formalization and registration of the resolutions passed.

**Eleven.** Approval of the Minutes in any of the legally established manners.

Very truly yours.

Miguel Ángel Jiménez- Velasco Mazarío  
General Secretary

## Resolutions approve by the Ordinary General Shareholders' Meeting of April 1, 2012.

### Resolution One: Approval:

1. The Annual Financial Statements (comprising the Balance Sheet, the Income Statement, the Statement of Changes in Net Worth for the Fiscal Year, the Statement of Cash Flows and the Explanatory Notes) and the Directors' Report of Abengoa, S.A., for the 2011 fiscal year.
2. The Annual Financial Statements of the Consolidated Group (comprising the Balance Sheet, the Income Statement, the Consolidated Statement of Changes in Net Worth for the Fiscal Year, the Consolidated Statement of Cash Flows and the Consolidated Explanatory Notes) and the Consolidated Directors' Report for the 2011 fiscal year.
3. The management undertaken by the Board of Directors during the fiscal year in question and the remuneration of its members, as set out in the Annual Financial Statements.

### Resolution Two: Approval:

1. The following distribution of results from the 2011 fiscal year, the dividend of 0.35 euros gross per share being distributed as follows:

- An initial dividend of 0.15 euros gross per share payable on April 11, 2012
- A second supplementary payment of 0.20 euros gross per share payable on July 4, 2012

	Euros
Balance of the Income Statement	71,398,802.37
Application:	
To Mandatory Reserves	7,139,880.24
To Voluntary Reserves	26,594,533.83
To Dividend	37,664,388.30
Total	71,398,802.37

2. To empower Mr. Felipe Benjumea Llorente, Mr. José B. Terceiro, Mr. Manuel Sánchez Ortega and the Secretary of the Board of Directors, Mr. Miguel Ángel Jiménez-Velasco Mazarío, in order that any of them without distinction might file the Annual Financial Statements and Directors' Report of the Company and of the Consolidated Group with the Companies Registry under the legally established terms, identifying them by signature and indicating the destination thereof.

**Resolution Three: Approval the ratification, appointment and re-election, as applicable, of directors.**

The re-election as a director, proposed by the Appointments and Remunerations Committee, following expiration of the four-year mandate conferred by the General Shareholders' Meeting of 2008, and for a further period of four years, of Ms. Alicia Velarde Valiente.

To ratify the appointment of Mr. Ricardo Martínez Rico as independent director, appointed by co-option, for a period of four years.

To ratify the appointment of Mr. Claudio Santiago Ponsa, appointed by co-option, for a period of four years.

They present expressly declare their acceptance and that they are not subject to any legally established grounds for disqualification, their personal details being included in the minutes.

**Resolution Four: Re-election or appointment of the Accounts Auditor of the Company and its consolidated group for the 2012, 2013 and 2014 fiscal years.**

To appoint as Accounts Auditor of the Company and its corporate group, for a period of three years, namely the 2012, 2013 and 2014 fiscal years, Deloitte SL:

Deloitte, S.L

Registered office: Plaza Pablo Ruiz Picasso 1, Edificio Torre Picasso, 28020 Madrid

Tax Identification Number: B-79104469

Registered with the Madrid Companies Registry. Volume 13650, page 194, sheet number M-54414

**Resolution Five: Approval the adaptation of the General Shareholders' Meetings Regulation in line with the Capital Companies Act.**

The new Operational Regulation for General Shareholders' Meetings as a result of adaptation of the numbering corresponding to articles of the Public Limited Companies Act to those corresponding to the Capital Companies Act now in force, the text thereof subsequently being as included.

## Operational Regulation for General Shareholders' Meetings

**This "Operational Regulation for General Shareholders' Meetings" was approved by resolution of the Board of Directors on February 21, 2011, to be presented for approval at the following General Shareholders' Meeting.**

### Article 1. General Meetings

The legally constituted General Shareholders' Meeting represents all shareholders and exercises in full all rights vested in the Company.

Its resolutions, passed in accordance with this Regulation and the Company Bylaws, are binding on all shareholders, including those in disagreement, those absent and any casting spoiled ballots.

### Article 2. Attendance.

Every three hundred and seventy-five (375) Class A shares or thirty-seven thousand five hundred (37,500) class B shares, or a combination of both classes of shares the par value of which is equivalent to three hundred and seventy-five (375) euros provided that prior to the General Shareholders' Meeting being staged the shareholder has been legally registered, as demonstrated by means of the corresponding named attendance card, indicating the number, class and series of shares owned, along with the number of votes which the shareholder may cast. This card shall be issued by the Entity responsible for the Account Register on behalf of those shareholders who can provide proof of their registration in the aforementioned Register five days prior to the date when the General Meeting is to be held at the first call.

### Article 3. Representation

Any shareholder entitled to attend may be represented at the General Meeting by another natural person, who must be a shareholder entitled to attend on his or her own behalf.

Powers of representation must be conferred in all cases in writing on a specific basis for each General Meeting.

Legal persons, legal minors and those legally declared incapacitated may attend by means of their legal representatives, who shall demonstrate their status as such before the Chairman of the General Meeting, all the above notwithstanding family representation and the granting of general powers of attorney as governed by Article 187 of the Capital Companies Act.

### Article 4. Classes and Frequency of General Meetings

General Shareholders' Meetings may be Ordinary or Extraordinary.

The Ordinary General Meeting shall, having been called by the Board of Directors, meet within the first six months of each fiscal year in order to scrutinize corporate management and, if applicable, approve the accounts for the previous fiscal year, and rule as to the application of results.

This notwithstanding, the General Meeting, even if called on an Ordinary basis, may also debate and rule as to any other matter lying within its competency and included in the notice of call, provided that the terms of the laws in force have been fulfilled.

## Article 5. Notice of Call

The notice of call issued by the Board of Directors for both Ordinary and Extraordinary General Shareholders' Meetings shall be performed by means of an announcement published in the Official Gazette of the Companies Registry and in one of the newspapers of the province of Seville at least one month prior to the General Meeting being staged. It may likewise be published on the company's website in accordance with the legally established terms.

The contents of the notice of call shall include the references required in accordance with the first section of Chapter V of the Act.

It may also specify the date when, if applicable, the Meeting is to be held at the second call. A period of at least 24 hours must be left between the first and second calls.

## Article 6. Universal General Meeting

Notwithstanding the above terms, the General Shareholders' Meeting shall likewise be deemed to have been called and validly constituted to discuss any matter provided that all the capital stock is present or represented and those in attendance unanimously agree both to the General Meeting being staged and to the order of business.

## Article 7. Extraordinary General Meetings

All other General Meetings shall be classified as Extraordinary.

## Article 8. Quorum

The General Shareholders' Meeting, shall be deemed validly constituted when convened at the first call provided that the shareholders present or represented should hold at least 25% of the subscribed capital with voting rights.

When convened for the second time, it shall be validly constituted whatever the capital represented thereat.

## Article 9. Constitution and Quorum of Extraordinary General Meetings.

Extraordinary General Shareholders' meeting shall be held whenever called by the Board of Directors, whenever it should so deem appropriate in the corporate interest, or when so requested by a number of shareholders holding at least five percent of the capital stock, their request stating the matters to be discussed at the General Meeting.

In this case, a General Meeting shall be called in order to be held within the next thirty days following receipt by the directors of the request, by notarial means. The directors shall draw up the Order of Business and shall necessarily include the issues set out in the request.

The Extraordinary General Shareholders' Meeting, shall be deemed validly constituted when convened at the first call provided that the shareholders present or represented should hold at least 25% of the subscribed capital with voting rights.

When convened for the second time, it shall be validly constituted whatever the capital represented thereat.

## Article 10. Exceptional Notice of Call

Should the required notice of call not be issued, the shareholders, following discussion with the Board of Directors, recorded in minutes, may call on the judge of the Court of First Instance of Seville to apply the terms of Article 169 of the Capital Companies Act.

## Article 11. Special Quorum

In order that an Ordinary or Extraordinary General Shareholders' Meeting may validly adopt resolutions as to rights issues, an increase or reduction in capital, the transformation, merger or demerger of the Company and, in general, any modification of the Company Bylaws, shareholders holding at least 50% of the subscribed capital with voting rights must be present or represented at the first call.

At the second call, it shall be sufficient that 25% of the aforementioned capital stock be in attendance. If shareholders representing less than fifty percent of the subscribed capital stock with voting rights are in attendance, the resolutions may validly be passed only with a vote in favor of two thirds of the capital stock present or represented at the General Meeting.

## Article 12. Venue and Extension

General Shareholders' Meetings shall be held in Seville on the date stated in the notice of call, although sessions may be extended for one or more consecutive days.

An extension may be agreed at the proposal of the Board of Directors or at the request of shareholders representing at least 25% of the capital stock present or represented at the General Meeting.

In order for the General Meeting to be constituted, a list of attendees must be drawn up in accordance with the terms of Articles 192.1 and 192.2 of the Capital Companies Act.

## Article 13. Chairman and Secretary of the General Meeting

The Chairman of the General Meeting shall be the Chairman or Vice-Chairman of the Board of Directors, as decided by the Board of Directors, the Secretary being the Secretary of the Board. In the event of the absence of the Chairman and of the Vice-Chairman, the General Meeting shall be chaired by the shareholder appointed by the assembly itself. In

the absence of the incumbent Secretary, this position shall be held by the individual appointed by the General Meeting at the proposal of the Chairman.

The Chairman of the General Meeting shall be responsible for administering the meeting and debates, granting the floor, establishing the duration of the successive contributions and settling any regulatory queries which may arise, requesting an opinion from the Board's Legal Advisor or otherwise.

## Article 14. Right of Information

The right of information granted to shareholders under Articles 197 and 527 of the Capital Companies Act may be permanently or temporarily suspended by the Chairman of the Board if the request is presented by shareholders representing less than 25% of the paid-up capital stock and publication of the data would, in his judgment, jeopardize the company's interests.

## Article 15. Register of Minutes

The matters debated and the resolutions passed at General Shareholders' meeting shall be recorded in a Register of Minutes, which may be loose sheets previously legalized by the Companies Registry, recording at least the circumstances and requirements demanded both by the Public Limited Companies Act and the Companies Registry Regulation. The minutes, approved in accordance with Article 178 of the Capital Companies Act, shall be signed by the parties laid down in Articles 202 and 203 thereof.

## Article 16. Certification of Resolutions

The resolutions passed at General Shareholders' Meetings and meetings of the Board of Directors, as recorded in the Register of Minutes, shall be confirmed by means of the relevant certificate issued in accordance with the terms of the Act and Section Three of Chapter III and all further provisions of the Companies Registry Regulation.

## Article 17. Publication

Shareholders may at any time request that a certificate of the resolutions passed by the General Shareholders' Meeting be issued.

A notarial record of the resolutions passed by the General Meeting and the Board of Directors shall be filed with the Companies Registry for annotation or registration, within the periods indicated in the provisions in force.

## Article 18. Challenges

The resolutions of General Shareholders' Meetings and, as applicable, of the Board of Directors, may, if they run counter to the Company Bylaws or jeopardize the interests of the Company, be challenged before the Court of First Instance of Seville, in accordance with the terms of Articles 204 and following of the Capital Companies Act and all other applicable regulations, or any which may replace these as applicable.



**Resolution Six: Reading for the purpose of information and, if applicable, approval of the Special Report on the Directors' Remuneration Policy.**

Report on the Directors' Remuneration Policy (see Attached I).

**Resolution Seven: Authorizations granted by the General Shareholders' Meeting to the Board of Directors.**

Delegation of powers on the Board of Directors, with express entitlement for substitution on behalf of any member thereof, in accordance with the terms of Article 279 of the Capital Companies Act, to increase the capital stock, on one or more occasions, up to the figure of 45,320,554 euros, equivalent to 50% of the capital stock at the time of this authorization, through the issuance and release of any form of new shares, of class A and/or B and/or C, pursuant to the terms of Article 297.1(b) of the Capital Companies Act, and within the legally established limits, which may be with or without voting rights, ordinary or privilege shares, including redeemable shares, or any other type permitted in law, the consideration paid in exchange for which will be financial contributions, with or without a share premium, the occasion and sum thereof being as established by the Board, without the need for prior consultation of the General Shareholders' Meeting. Likewise, pursuant to the terms of Article 506 of the aforementioned Act, the Board of Directors is expressly vested with the power to agree to the exclusion or otherwise, as applicable, of preferential rights with regard to any issues which may be agreed to under the terms of this resolution, provided that the circumstances set out in the aforementioned article apply regarding the corporate interest, and provided that, in the case of an exclusion, the par value of the shares to be issued plus, as applicable, the sum of the share premium, corresponds to the fair value based on the report issued by the company's accounts auditor as drawn up for this purpose at the behest of the Board of Directors. The Board Directors is likewise authorized to redraft Article 6 of the Company Bylaws, regarding the capital stock, following execution of the increase, in accordance with the sums actually subscribed and paid up.

The Board of Directors is likewise to be authorized, with regard to the shares issued in accordance with the resolutions passed above, and whenever deemed appropriate by the Board of Directors, to request and administer with the National Securities Market Commission, the Stock Exchange Governing Corporation or competent bodies, and through the mediation of any securities agency and company, the listing for trading on any Securities Exchanges of the aforementioned securities, in accordance with all legal and regulatory requirements in force.

Pursuant to the terms of Article 27 of the Official Trading Markets Regulation, the declarations of the shareholders regarding this resolution are to be placed on record in the Minutes.

2. To request listing for trading of any shares which may be issued in accordance with this resolution on national or foreign Securities Markets on which the shares in the Company are listed at the time when each capital increase is performed, following compliance with any applicable regulations, the Board of Directors being empowered for this purpose, with express entitlement for substitution on behalf of any member thereof and the secretary, to execute any documents and perform any actions required for this purpose, including any action, declaration or procedure before the competent authorities of the United States of America in order for shares represented by ADSs to be listed for trading, or before any other competent authority.

## **Resolution Eight: Authorizations granted by the General Shareholders' Meeting to the Board of Directors**

Delegation of powers on the Board of Directors of the Company, in accordance with Article 319 of the Companies Registry Regulation and the general regulations governing rights issues, for a period of five (5) years, and with express entitlement for substitution on behalf of any member thereof, to issue, on one or more occasions, any fixed income securities or analogous debt instruments (including, but not confined to, promissory notes or warrants), in addition to fixed income or other types of security (including warrants) convertible into Company shares and/or exchangeable for shares in the Company or other companies within or outside the Company's group, up to a maximum limit of Five Billion Euros (€ 5bn). Delegation of powers, with express entitlement for substitution on behalf of any of the members, to set the criteria establishing the bases and systems for the conversion, exchange or exercise of the entitlement to increase the capital stock by the sum required in order to meet the corresponding applications for conversion or exercise thereof, in addition to the right to exclude shareholders' preferential subscription rights, pursuant to the terms of Article 511 of the Capital Companies Act and all other applicable regulations.

The delegation of these powers on the Board of Directors of the Company shall be performed in accordance with the following conditions:

**Securities subject to the issue.** The securities referred to in the powers here delegated may be debentures, bonds or other fixed income securities or analogous debt instruments in any legally permitted form, including but not confined to promissory notes or warrants or other analogous securities which may directly or indirectly entitle the bearer to subscribe or acquire shares in the Company, either newly issued or already in circulation, to be settled by means of physical handover or by differences. The delegation of this power likewise includes fixed income securities and warrants convertible into shares in the Company and/or exchangeable for shares in the Company or other companies within or outside the Company's group.

**Period.** The issue of securities may be performed on one or several occasions, at any time within a maximum period of five (5) years from the date when this resolution is passed.

**Maximum sum delegated.** The overall maximum sum of the securities issue or issues agreed to under the terms of the powers here delegated shall be Five Billion (5,000,000,000) euros, or the equivalent thereof in another currency.

For the purpose of calculating the above limit, in the case of warrants consideration shall be given to the sum total of the premiums and strike prices of the warrants under each issue approved under the terms of the powers here delegated. Meanwhile, in the case of fixed income securities, calculation of the above limit shall take into consideration the outstanding balance of those issued under the terms thereof.

It is here placed on record that, pursuant to Article 111 bis of Securities Market Act 24/1988, of July 28, 1988, the Company is not subject to the limitation set out in the Capital Companies Act with regard to the issuing of debentures or other securities acknowledging or creating debt.

**Scope of the powers delegated.** The powers delegated by means of this resolution shall, to the broadest extent required in law, apply to the definition of the various aspects and conditions of each issue. In particular, and purely by way of example, the Board of Directors of the Company

shall enjoy powers including but not limited to definition for each issue of the sum thereof, at all times within the stated overall quantitative limits; the place of issue (either domestic or foreign) and the currency or coinage, and if this is a foreign currency the equivalent sum in euros; the denomination, either as bonds or debentures or any other legally permitted designation (including subordinates); the date or dates of issue; if the securities are not convertible, the possibility that they may be exchangeable in whole or in part for pre-existing Company shares or shares in other companies within or outside the Company's group, and whether their convertible or exchangeable status is to be mandatory or voluntary, and in this latter case whether the decision lies with the holder of the securities or with the Company, or the inclusion of a purchase or subscription option right over the aforementioned shares; the interest rate, dates and coupon payment procedures; the perpetual or amortizable nature thereof, and in this latter case the amortization period and maturity date; the rate of reimbursement, premiums and batches, guarantees, including by mortgage; the formal representation, by means of titles or book entries; the number of securities and their par value which, in the case of convertible and/or exchangeable securities, shall be no lower than the par value of the shares; any applicable preferential subscription rights and the subscription system; the applicable legislation, whether domestic or foreign; any possible application to be listed for trading on official or unofficial secondary markets, whether organized or not, domestic or foreign, with regard to the securities issued in accordance with the requirements laid down in the applicable regulations in the case in question; and, in general, any other condition regarding the issue, along with any relevant appointment of the commissioner for the corresponding syndicate of holders of any securities which may be issued, and approval for the fundamental rules to govern the legal relationship between the Company and the aforementioned syndicate, should this exist where applicable.

The delegation of powers likewise includes entitlement on the part of the Board of Directors to decide as to the amortization conditions of the securities issued by employing this authorization, being entitled for this purpose to employ any of the provisions laid down in this regard in the Public Limited Companies Act. The Board of Directors is likewise entitled, whenever it should deem appropriate, and dependent on any official authorizations required being obtained, and where applicable the approval of the assemblies of the corresponding relevant syndicates of holders of any securities which may be issued under the terms of this authorization, to modify the terms and conditions of those securities.

Bases and systems for conversion. In the case of issues of fixed income securities convertible into shares (in this latter case, whether shares in the Company or shares in companies belonging to or outside the Company's group), and for the purpose of establishing the bases and systems for conversion, the following principles are hereby laid down:

Any securities issued under the terms of this resolution may be convertible into newly issued shares in the Company or shares in companies belonging to or outside the Company's group in accordance with a fixed (determined or determinable) or variable conversion ratio, the Board of Directors being empowered to decide if they are convertible, and to decide whether the conversion will be mandatory or voluntary, and in the event that it is voluntary, whether the decision lies with the holders or with the Company, in accordance with the frequency and during the period for which the issue resolution is established, which may be no more than fifteen (15) years from the corresponding date of issue.

For the purposes of the conversion, fixed income securities shall be valued at their par value, and fixed exchange rate shares as established by agreement of the Board of Directors making use of the powers here delegated, or the exchange rate determinable on the date or dates indicated in the resolution of the Board of Directors itself, and in accordance with the listed

value on Spanish stock exchanges of the Company's shares for the date(s) or period(s) established as the benchmark in the resolution itself, with or without a discount. It may likewise be agreed to issue convertible fixed income securities with a variable conversion ratio. In this case, the price of the shares for the purposes of conversion shall be the arithmetic mean of the closing prices of the Company's shares on the Continuous Market during a period to be established by the Board Directors. The premium or discount may be different for each conversion date of each issue (or, as applicable, each tranche of one issue).

The Board of Directors may, in the event that the securities subject to the corresponding issue are convertible, establish that the Company is to reserve the right to opt at any time for conversion into new shares in the Company, the nature of the shares to be handed over to be specified at the time when the conversion or exchange is performed, likewise with entitlement to opt for the handover of a combination of newly issued and pre-existing Company shares.

Should conversion apply, any fractions of shares which are to be handed over to the holder of the securities shall be rounded down to the next integer below, with each holder being entitled to receive, if so established by the Board of Directors, any difference which may arise in this regard in cash.

Under no circumstances may the value of the share for the purposes of the ratio of conversion of securities to shares be less than the par value. Likewise, pursuant to the terms of the Capital Companies Act, the convertible fixed-income securities may not be issued for a sum below their par value, nor may such securities be converted into shares if the par value of the former is lower than that of the latter.

When approval is given for an issue of convertible securities under the terms of the authorization vested by the General Shareholders' Meeting in the Board of Directors, it shall issue a report developing and specifying, on the basis of the principles set out above, the bases and systems for conversion specifically applicable to the issue in question, to be accompanied by the corresponding report by the accounts auditors, both as laid down in the Capital Companies Act.

Rights of holders of convertible or exchangeable securities. To the extent that the conversion and/or exchange of any securities issued into shares is permitted, the holders thereof shall enjoy all rights accorded to them in accordance with the legislation in force.

Capital increase, exclusion of preferential subscription right in convertible securities. The powers here delegated on the Board of Directors likewise include, without being confined to, the following entitlements:

The power for the Board of Directors, under the terms laid down in the Capital Companies Act, to exclude in whole or in part shareholders' preferential subscription rights, if so required in order to capture financial resources on international markets, to employ demand prospecting techniques or in any other manner justified by the Company's interests. In any event, should the Board of Directors decide to cancel the right of preferential subscription regarding any specific issue of convertible securities which it may ultimately decide to perform under the terms of this authorization, it shall, when approving the issue, and pursuant to the terms of the Capital Companies Act, issue a report detailing the specific grounds of corporate interest justifying this measure, along with the corresponding report issued by the accounts auditor as referred to in the aforementioned article. These reports shall be made available to the shareholders and presented at the first General Shareholders' Meeting held after the corresponding issue resolution.

Pursuant to the terms of the Capital Companies Act, entitlement to increase the capital stock by the sum required in order to meet applications for the conversion of convertible securities issued in accordance with the powers here delegated. This power may be exercised only to the extent that the Board of Directors does not by means of such increases, together with any other capital increases which may be performed on the basis of other powers delegated to increase the capital stock held by it, exceed the limit of one half of the sum of the capital stock, calculated at the time of this authorization. This authorization to increase the capital stock includes the right to issue and place in circulation, on one or more occasions, shares representing this as required in order to perform the conversion, in other words the entitlement to redraft the article of the Company Bylaws regarding the sum of the capital stock and, where applicable, to cancel that part of the capital increase not required for conversion into shares. Pursuant to the terms of the Capital Companies Act, in the capital increase performed by the Board of Directors in order to meet such conversion applications there shall be no preferential subscription right on the part of the Company's shareholders.

The entitlement to develop and specify the bases and systems for the conversion and/or exchange, taking into consideration the principles set out above and, in general, and in the broadest terms, the definition of all particulars and conditions which may prove necessary or desirable for the issue. The Board of Directors shall, at subsequent General Shareholders' Meetings staged by the Company, inform the shareholders of any use made up to that point of the powers delegated to issue convertible and/or exchangeable fixed income securities.

Warrants: The rules set out in the above sections shall, mutatis mutandis, apply in the event of the issue of warrants or other analogous securities which may directly or indirectly create the right to subscribe newly issued shares in the Company or shares in the Company already in circulation, the powers delegated covering the fullest entitlements, to the same scope as set out in the above paragraphs, to decide all appropriate aspects regarding this class of securities.

Listing for trading. The Company shall, where applicable, request that the securities issued under the terms of the powers here delegated be listed for trading on official or unofficial secondary markets, whether organized or not, domestic or foreign, the Board of Directors being entitled to perform all actions and procedures required before the bodies responsible for the various domestic or foreign securities markets in order for them to be listed for trading.

Guarantee of fixed security securities issues performed by group companies. The Board of Directors of the Company is likewise entitled to guarantee on behalf of the Company, and within the limits set out above, new securities issues (including convertible or exchangeable securities) which may be performed by companies belonging to its group during the period of validity of this resolution.

Entitlement to delegate, substitute and grant powers of attorney. The Board of Directors is likewise authorized in turn to delegate on any of its members and/or the Secretary of the Board of Directors those powers granted under the terms of this resolution which may be delegated, and to issue on behalf of employees of the Company as deemed appropriate any relevant powers of attorney in order to implement the aforementioned delegated powers.

**Resolution Nine: Authorizations granted by the General Shareholders' Meeting to the Board of Directors.**

Approval the authorization to the Board of Directors for the derivative acquisition by purchase of Company treasury stock either directly or through subsidiary or investee companies up to the maximum limit laid down in the regulations in force at a price of between one eurocent (0.01 euros) as a minimum and sixty euros (60 euros) as a maximum, with express entitlement for substitution on behalf of any of its members, with the right to make use of this power during a period of eighteen (18) months from today's date, subject to the terms of Articles 144 and following of the Capital Companies Act.

For these purposes the authorization vested in the Board of Directors for the same purposes on the basis of the resolution passed by the Ordinary General Shareholders' Meeting held on April 10, 2011 is rescinded.

**Resolution Ten: Powers delegated on the Board of Directors.**

Expressly to empower Mr. Felipe Benjumea Llorente, Mr. José B. Terceiro, Mr. Manuel Sánchez Ortega and Mr. Miguel Ángel Jiménez-Velasco Mazarío, in order that any of them, without distinction, as special representatives of this General Meeting, might appear before a Notary, execute the required public deeds and, where applicable, proceed to register with the Companies Registry any resolutions passed which may legally be so required, formalizing all documents needed in order to execute those resolutions.

Likewise to authorize the Board of Directors, with powers of substitution, in order that it might freely interpret, apply, execute and develop the resolutions passed, including rectification and performance thereof, and furthermore to proceed to delegate on any of its members powers to execute any deed of correction or addition required in order to rectify any error, defect or omission which might prevent registration of any resolution in the Register, to the full extent of performance of all requirements which may legally apply in order for the aforementioned resolutions to be enforceable.

## Annual report on the remuneration of Board Members (RAR)

### Financial Year 2011

#### 1.- Background

This report on the Policy on Remuneration of Administrators for the 2011 financial year was prepared by the Appointments and Remunerations Committee pursuant to the stipulations of Article 28 of the Regulations governing the Board of Directors of Abengoa SA.

This report includes Abengoa SA's remuneration policy for the members of its Board of Directors. It is subject to the principles of transparency and information, and it fixes the salaries of the company's Top Management executive board members separate from the salaries of the non-executive board members, incorporated in the general remuneration policy applicable to the whole staff.

#### 2.- Basic Principles

Abengoa deems it crucial to maintain policies geared towards proposing long-term professional careers in the Group. Given the extremely competitive nature of Abengoa's sphere of activities, the achievement of its goals and objectives greatly depends on the quality of the persons holding key posts and leading the organization, their work capacity, dedication to, and knowledge of, the business.

These premises determine the group's policy of remuneration in general, that of the Board Members in particular, and especially that of the executives, and it should make it possible to attract and retain the best amongst the professionals.

Consequently, the aim of the policy of Remuneration of Board Members is as follows:

- Remuneration for the performance of mere board-member duties that is appropriate enough to reward the necessary dedication, qualification, and responsibility required for the correct performance of such post.
- For Executive Board Members, for the performance of executive duties, it ensures that:
  - (i) The overall remuneration package and its structure are competitive in comparison with the international sector and compatible with our vocation of leadership.



- (ii) The maintenance of an annual variable component linked to the achievement of specific and quantifiable objectives that are in line with the interests of shareholders

### **3.- Structure of Board Members Remuneration**

The structure of board members remuneration, adapted to comply with the stipulations of the Law (specifically, articles 217 and following of the Corporations Act), the Bylaws (article 39) and the Regulations of the Board of Directors, is comprised of the following elements:

- Remuneration for non-executive board member post

The post of board member is remunerated following the stipulations of article 39 of the Bylaws. The salary may consist of a fixed amount set by the General Meeting, not necessarily equal amounts for all members. It could also be an allotment of a share in the Company's profits, between 5 and 10 percent maximum of the annual profit after subtracting the dividend, for the financial year at hand, plus reimbursement of duty and Board-related travel expenses.

This remuneration is linked to EAT (Earnings After Tax); it may also include rewards for belonging to Board of Directors Committees and, as the case may be, for Chairmanship.

- Remunerations for the performance of other non-board member Company duties

These include remunerations to board members for performing duties, as executive board members or otherwise, other than those of supervision and decisions executed on the Board or on its Committees.

These remunerations are compatible with the perception of the bylaws and per diems they may be paid for their mere condition as members of the Board of Directors.

Executive-duty salary packages include the following basic elements:

- (a) Fixed Remuneration

This amount must be competitive in comparison to those on the market in line with the leadership position Abengoa strives for. It must be determined through market studies by external consultants. The fixed salary consists of the following:



- 1) Salary Level. This is the basic fixed monthly salary, stipulated for each category or level.
- 2) Special Responsibility Allowance (SRA). This complement is freely set by the Company's Management and paid on monthly basis, and it is therefore linked to and conditioned by the exercise of a specific duty or the performance of a given responsibility.

(b) Variable annual remuneration (bonus)

Variable annual remuneration (or bonus) for executive board members is basically linked to the fulfilment of objectives. Said objectives are in reference to gross cash flows / EBITDA for some board members or to earnings after tax (EAT) for others. Based on these criteria, a range of total variation of the variable remuneration of executive board members is estimated at the start of financial year.

The fixed remuneration therefore includes the salary level amount and the special responsibility allowance, payable monthly.

The variable remuneration is the annual bonus payable in bulk.

## 4.- Total remuneration of the Board of Directors for the 2011 financial year

The total remuneration of board members for the 2011 financial year follows:

**Salary scale for Board of Directors in the 2011 Financial Year  
(Amount in thousands of Euros)**

Name	Type	Salaries	Short-term variable remuneration	Per diem	Remuneration for serving on Committees	Remuneration of Board of Directors of other Companies of group	Other items	2011 Total	2010 Total
Felipe Benjumea Llorente	Executive	586	3804	93	-	-	-	4483	3483
Aplidig, S.L. (1)	Executive	-	2804	180	-	-	-	2984	2984
Manuel Sánchez Ortega	Executive	586	3024	93	-	-	-	3703	126
José B. Terceiro Lomba	Executive	-	-	-	-	-	-	-	25
Carlos Sebastián Gascón	Independent	-	-	166	110	7	-	283	310
Daniel Villalba Vilá (2)	Independent	-	-	100	72	9	-	181	310
Mercedes Gracia Díez	Independent	-	-	127	61	-	-	188	154
Miguel Martín Fernández	Independent	-	-	-	-	-	-	-	154
Alicia Velarde Valiente	Independent	-	-	110	66	-	-	176	154
Jose Borrell Fontelles	Independent	-	-	200	100	-	-	300	300
Ricardo Martínez Rico (3)	Independent	-	-	28	-	12	-	40	-
José Luis Aya Abaurre	Proprietary	-	-	110	44	-	-	154	154
José Joaquín Abaurre Llorente	Proprietary	-	-	110	44	-	-	154	154
María Teresa Benjumea Llorente	Proprietary	-	-	78	-	24	-	102	102
Javier Benjumea Llorente	Proprietary	-	-	78	-	-	177	255	268
Ignacio Solís Guardiola	Proprietary	-	-	78	-	-	-	78	78
Fernando Solís Martínez-Campos	Proprietary	-	-	78	-	-	-	78	78
Carlos Sundheim Losada	Proprietary	-	-	78	-	-	-	78	78
		<b>1172</b>	<b>9632</b>	<b>1707</b>	<b>497</b>	<b>52</b>	<b>177</b>	<b>13,237</b>	<b>8912</b>

Note:

(1) Represented by José B. Terceiro Lomba

(2) From 25.07.11

(3) From 24.10.11

The Appointments and Remunerations Committee, in the exercise of the duties conferred thereupon, periodically reviews the policy of remuneration of the Board of Directors, updating it with proposals deemed relevant both with regards to concepts as well as to amounts.

## **5.- Reference Benchmarks and Bases for the Annual Variable Remuneration System (or Bonus)**

As regards the ongoing financial year, the criteria for determining the variable part of the remuneration for executive board members will be based on the following:

- Market references based on the information provided by top world consultants on remuneration.
- The essential reference for the variable annual remuneration will be the evolution of earnings after tax (EAT) and gross cash flows / EBITDA, whether for Abengoa in general or, for executive board members holding non-general responsibilities, commensurate with the degree of responsibility.
- When the financial year ends, other qualitative elements, which may vary from one year to another, and which may allow the modulation of the decision on the actual amount of the variable remuneration at that moment, will be considered together with this basic quantitative element.

## **6.- The company's remuneration policy approved for the Board of Directors**

The Board of Directors of Abengoa, S.A. have agreed to maintain the 2012 financial year remuneration policy in line with that of the preceding 2011.

The remuneration policies for future financial years, which will still contain fixed and variable components, shall consider market studies done by first rate consultancies specialized in compensation.

## **7.- Approval of this Report**

This Report was approved by the Board of Directors of Abengoa SA in its session held on 23<sup>rd</sup> January 2011, on the proposal of the Appointments and Remunerations Committee.