

C.2.3. State, if applicable, the existence of regulations of the board committees, where such regulations may be consulted, and the amendments made during the financial year. Also indicate whether a report was voluntarily prepared on the activities of each committee.

Both the Audit Committee as well as the Appointments and Remunerations Committee have their own internal operations rules and regulations available on the company's webpage.

During the financial year, Article 3 of the Appointments and Remunerations Committee was modified to include the functions relating to regulatory compliance. The following functions were specifically added:

“(xviii) Supervise the duty of compliance performed by the Director in charge of said department. The Committee shall have full access to the Compliance Director, who, shall regularly attend the meetings of the Committee to be abreast of the latest in matters of regulatory compliance.

(xix) To review the policies, internal procedures and compliance programs of the Company, in the execution of the compliance functions, so as to prevent inappropriate conducts and to identify possible policies or procedures that may be more effective in the promotion of the highest sustainable company standards.

(xx) To review and validate the plan of activities for the function of compliance, ensuring that said function has the resources necessary for the performance of its duties.”

These Committees prepare annual reports on activities. The reports on the activities undertaken in 2017 was made available to shareholders together with the call to convene the Ordinary General Meeting of Shareholders held on 25th June 2018. That of the Audit Committee was also made public, forming part of the annual report for the 2017 financial year.

D. Related-party transactions and intragroup transactions

D.1. Explain, if any, the procedures and competent organs for approving related-party and intragroup transactions.

Procedure for reporting the approval of related-party transactions.

The procedure for approving transactions with related parties is set forth in Articles 44 and 44 bis of the bylaws, and 4 and 27 of the Board of Directors regulations.

Before the Board of Directors takes the relevant decisions, the audit committee must inform said Board of the transactions with related parties.

Upon prior receipt of the Audit Committee report, the Board of Directors is required to approve the transactions carried out between the Company or companies in its group with Directors, or with shareholders, individually or in partnership with others, involving a share legally considered as significant, including shareholders represented on the Company's Board of Directors or the Board of Directors of other companies belonging to the same group or with related parties.

The affected board members or those representing or connected to affected shareholders should abstain from the deliberation and voting process of the agreement in question. Only transactions that simultaneously meet the following three characteristics shall be exempt from this approval:

- (i) They are governed by standardized agreements that are applied on across-the board bases to a high number of clients;
- (ii) they go through at prices or rates generally set by the person supplying the goods or services in question; and
- (iii) their amount does not exceed 1% of the company's annual revenue.

Only in duly justified circumstances of urgency may decisions be taken on previous matters by the delegated bodies or individuals. In this case, they should be ratified in the first Board meeting that is held following the taking of the decision.

The Audit Committee shall prepare an annual report on the transactions with related parties, which should be published on the Company's web-page before the Ordinary Shareholders' Meeting is held.

D.2. Describe the transactions deemed significant due to the amount or subject matter thereof between the company or entities of its group and the company's significant shareholders:

Personal or corporate name of the significant shareholder	Personal or corporate name of the company or entity of the group	Nature of the relationship	Type of transaction	Amount (Thousands of Euros)
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D.3. Describe those transactions that are significant due to the amount or subject matter thereof between the company or entities of its group and the company's directors or officers:

Not applicable

Personal or corporate name of the directors or executives	Personal or corporate name of the related party	Relation	Nature of the relationship	Amount (Thousands of Euros)
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D.4. Report the significant transactions made by the company with other entities belonging to the same group, provided they are not eliminated in the preparation of the consolidated accounts and they are not part of the ordinary course of business of the company as to their purpose and conditions.

In any case, report any intragroup transaction with entities established in countries or territories considered to be tax havens:

Not applicable

Corporate name of entity within group	Brief description of the transaction	Amount (Thousands of Euros)
Observations		

D.5. Outline the significant transactions entered into with the company or entities within the group and with other related parties, which are not reported in headings above.

Corporate name of related party	Brief description of the transaction	Amount (Thousands of Euros)
Atlantica Yield	Sale of 25 %	514,670
Atlantica Yield	Algonquin Power & Utilities bought a total of 16,503,348 shares of AY (representing 16.47 of the share capital)	To be established
AAGES	Abengoa Perú reached an agreement with AAGES to transfer ATN3.	To be established
Atlantica Yield	Second Omnibus de Solana.	To be established
Atlantica Yield	Sale of Solana and Mojave lands.	To be established
Atlantica Yield	Omnibus de Mojave.	To be established
Algonquin	Agreement in which Abengoa warrants and undertakes to compensate Algonquin in the event that there is reduction in the annual dividend shared by Atlantica Yield derived from the performance of the Solana and Kaxu plants.	To be established
Atlantica Yield	Sale of certain credit rights against solar plants owned by Atlantica Yield.	To be established.
Atlantica Yield	Estoppel Agreement	To be established

D.6. Describe the mechanisms used to detect, determine, and resolve potential conflicts of interest between the company and/or its group, and its directors, officers, or significant shareholders.

In accordance with the provisions of the Board of Directors' Regulations, directors are obliged to inform the board of any situation of potential conflict in advance, and to abstain until the conflict is resolved.

D.7. Is more than one company of the group listed in Spain?

No

Identify the other companies listed in Spain and their relationship with the company:

Not applicable

Identity and relation with other listed companies of the group

State whether they have publicly and accurately defined their respective areas of activity and any possible business relationships among them, as well as those between the listed dependent company and the other companies within the group;

Not applicable

Describe the possible business relationships between the parent company and the listed subsidiary, and between the subsidiary and the other companies within the group

Not applicable

Identify the mechanisms established to resolve possible conflicts of interest between the listed subsidiary and the other companies within the group:

Not applicable

Mechanisms for the resolution of possible conflicts of interest

E. Risk control and management systems

E.1. Explain the scope of the company's Control and Risks Management System, including the system for managing tax risks.

Abengoa's Risk Management System is a global and dynamic system. The scope of action of this system covers the entire organization and its whereabouts on a more permanent basis, and compliance with it is compulsory for all the Company's employees, managers and directors. It works comprehensively and continuously, consolidating this management according to the area, business unit or activity, subsidiaries, geographical areas and support areas at corporate level.

Abengoa's risk management system is designed to mitigate all the risks to which the Company may be exposed as a result of its activities. The structure of Abengoa's risk management is based on three pillars:

- › The common management systems specifically designed to mitigate business risks.
- › Internal control procedures aimed at mitigating risks derived from the elaboration of the financial report and at improving the reliability of such report, designed in accordance with the SOX Act (Sarbanes-Oxley Act)
- › The universal risk model which is the methodology that Abengoa uses to identify, compress and assess the risks that affect the Company. Its purpose is to obtain an integral vision of these risks, designing an efficient system of response that is in line with the business objectives.

These elements form an integrated system that allows for appropriate management of the risks and their mitigating controls at all the levels of the organization.

The internal auditing unit is in charge of ensuring compliance with and the proper functioning of these systems.

E.2. Identify the decision-making bodies of the company responsible for preparing and implementing the Control and Risks Management System, including the system for managing tax risks.

The determination of the control and risks management policy, including tax risks and the supervision of internal reporting and control systems, is a faculty of the Board of Directors of Abengoa that cannot be delegated, in compliance with the provisions set out in the Corporate Enterprises Act.