



**PROPOSAL OF THE APPOINTMENT AND REMUNERATION COMMITTEE  
IN RELATION TO THE PROPOSAL FOR RENEWAL OF THE BOARD OF  
DIRECTORS OF ACCIONA, S.A. TO BE SUBMITTED TO THE 2019  
ORDINARY GENERAL SHAREHOLDERS' MEETING FOR APPROVAL**

**(ITEM 4 OF THE AGENDA)**

This report includes the proposal for the appointment and re-election of independent Directors for the purposes set forth in Section 529 decies of the Spanish Companies Act and in accordance with the provisions of Acciona's Policy for the Selection of Directors.

The proposals for the appointment and re-election of Directors are based on an analysis of the needs of the Board of Directors, whose composition should favour the diversity of knowledge, experience and gender, the Directors' performance and dedication in the case of re-election, and their professional profile and independence.

The report includes making available to the General Shareholders' Meeting the following information regarding the Directors whose re-election and appointment is proposed: (i) professional and biographical profile; (ii) category of the Director; (iii) other Boards of Directors to which he/she belongs, as well as other remunerated activities; (iv) date of his/her first appointment as a Director of Acciona and subsequent re-elections; (v) shares in Acciona and stock options held by the Director.

With regard to the Director whose re-election is submitted to the 2019 General Shareholders' Meeting for approval, the Appointment and Remuneration Committee judged the quality of his work and dedication to the position during his term of office to be positive, both on the Board and on the Committees of which he is a member and in the positions held by him. Likewise, in the various evaluations of the performance of the Board and its Committees carried out internally and externally (by means of an external expert) during the Director's term of office, his performance was judged and acknowledged as positive.

With regard to the proposal for the appointment of a new Independent Director, the Appointment and Remuneration Committee has verified that she meets the requirements of commercial and professional integrity and appropriate knowledge and experience, and has also taken into account the diversity in the composition of the Board and that she is not subject to any cause of incompatibility, prohibition or conflict of interest.

Thus, this Committee **proposes** to the Board of Directors that the General Shareholders' Meeting of the Company, to be held on 29 May at first call or on 30 May 2019 at second call, **re-elect and appoint the following independent Directors:**

**1.- Re-election of Mr. Juan Carlos Garay Ibargaray**, with the category of Independent Director. This Committee considers that Mr. Juan Carlos

Garay is suitable to hold the position in view of his training and extensive experience in finance, accounting, auditing and risk management, especially in the business sector, as shown in his professional profile included below. Mr. Juan Carlos Garay has held the office of Independent Director since 6 June 2013, is Chairman of the Audit Committee and of the Appointment and Remuneration Committee and also serves as Coordinating Independent Director on the Board of Directors.

The Committee has also verified the performance and dedication of the Director, whose average attendance at meetings of the Board and Committees throughout his term of office since his first appointment was 100%. The Committee has verified his true willingness to continue providing the required dedication to the performance of his duties and, in the various evaluations of the Board carried out both internally and externally, his performance has earned the express recognition of all his fellow Board members.

Based on the information provided by the Director in his declaration of assets and activities as well as on his Curriculum Vitae, the Committee has also verified that the Director, Mr. Juan Carlos Garay Ibargaray, can continue to perform his duties as he has been doing to date without being conditioned by his relations with the Company, its significant shareholders or its officers, which makes him worthy of the status of independent director.

Mr. Juan Carlos Garay Ibargaray therefore meets the requirements of commercial and professional integrity, appropriate knowledge and experience and ability to exercise good governance of the Company.

**Professional profile:**

Mr. Juan Carlos Garay Ibargaray was born in Spain in 1950. He graduated as an Attorney and Economist from the University of Deusto, Bilbao.

He also took studies at the University of Southern California, Marshall School of Business and holds a Master's Degree in Business Administration. He took studies at Duke University, Fuqua School of Business under the Senior Executive Program.

As part of his professional career, he worked at Citibank (1980-1989) where he was President of Citibank and Citicorp's Chief Executive Officer for Spain and Portugal.

In 2000 he was appointed CEO of Deutsche Bank for the Iberian Peninsula and head of the Personal Banking Division for all of Europe, except Germany. From 2005 to 2008, he was Chairman of Deutsche Bank for Spain.

**Other directorships and remunerated activities:**

Mr. Juan Carlos Garay Ibargaray is not a member of any management body.

**Shares in Acciona and stock options held by the Director:**

None.

**Date of first appointment as a Director of Acciona y subsequent re-elections:**

6 June 2013. 10 May 2016.

**2.- Appointment of Ms. Sonia Dulá,** with the category of Independent Director. This Committee considers that Ms. Dulá is suitable to hold the position in view of her training and extensive international experience, especially in the financial and business sectors, as shown in her professional profile included below.

Based on the information provided by the new Director in her declaration of assets and activities as well as on her Curriculum Vitae and other publicly-available information, the Committee has also verified that Ms. Sonia Dulá, who is being nominated for the position in view of her personal and professional qualities, can carry out her duties independently and without being conditioned by her relations with the Company, its significant shareholders or its officers, which makes her worthy of the status of independent director in accordance with the provisions of paragraph 4, Section 529 duodecies of the Spanish Companies Act.

Ms. Sonia Dulá therefore meets the requirements of commercial and professional integrity, appropriate knowledge and experience and ability to exercise good governance of the Company.

**Professional profile:**

Ms. Sonia Dulá studied economics at Harvard, earning Magna Cum Laude, and obtained an MBA from Stanford Graduate School of Business. She began her career in Mexico where she worked at Pemex. She spent nine years at Goldman Sachs, where she conducted major privatisations in Spain, Italy and Mexico and led global debt and equity issues for Latin American companies. She later served as CEO of Telemundo Studios Mexico and Internet Group do Brasil, where she was also a co-founder of Obsidiana and Grupo Latino de Radio, a company with more than 500 radio stations in Latin America and the United States.

Until March 2018, she was Vice President of Bank of America Merrill Lynch. Prior to this position, she was head of Private Banking for Latin America at Merrill Lynch and led the Corporate and Investment Banking Division for Latin America. In this role, she oversaw all investment banking businesses, including mergers and acquisitions, public equity and debt issues, and corporate lending.

Ms. Dulá is a life member of the Council on Foreign Relations and a member of the Latin America Strategic Advisory Board of Banco ITAU (Brazil). She

has served on the Boards of Directors of Council of the Americas, Women's World Banking and The Adrienne Arsht Center for the Performing Arts. She was a member of the Young Presidents Organization (YPO) and of Bank of America's Global Diversity and Inclusion Council.

**Other directorships and remunerated activities:**

Promotora de Informaciones, S.A.

**Shares in Acciona and stock options held by the Director:**

None.

**REPORT OF THE BOARD OF DIRECTORS ON THE PROPOSAL FOR THE RE-ELECTION AND APPOINTMENT OF DIRECTORS**

This report is prepared by the Board of Directors of Acciona S.A. (the "Company") in accordance with the provisions of paragraph 5, Section 529 decies of the Spanish Companies Act, as amended. Its purpose is to justify the proposal submitted for approval by the General Shareholders' Meeting of the Company to be held on 29 May 2019 at first call, and on 30 May 2019 at second call, respectively, under item 4 of the agenda.

Pursuant to the provisions of the aforementioned Section, the proposal for the appointment or re-election of the members of the Board of Directors who are not considered independent directors shall be made by the Board of Directors, following a report from the Appointment and Remuneration Committee, and shall be made by the Committee itself in the case of independent directors.

The Board of Directors understands that, in order to adequately exercise its supervisory and control function as established in the Policy for the Selection of Directors, all of its members must adequately combine sufficient skills and competences, among others, in the following areas:

- a)** knowledge of the sectors in which the Company operates;
- b)** experience and knowledge in economic and financial aspects, in the management of highly qualified human resources and in policy and regulatory frameworks;
- c)** international experience; and
- d)** experience and knowledge in business management, leadership and strategy.

Likewise, in accordance with the Policy for the Selection of Directors, the Appointment and Remuneration Committee has evaluated the skills, knowledge and experience required from Board members, taking into account their diversity in composition, origin, nationality and gender, and consequently defined the functions and skills required from the candidates

to fill each vacancy, and the time and dedication required for them to properly perform their duties.

In this regard, the professional profile of the Directors whose appointment or re-election is submitted to the General Shareholders' Meeting for approval as proposed by the Appointment and Remuneration Committee and endorsed by the Board, proves that they have the required integrity, suitability, professional competence, experience, training, availability and commitment, which guarantees the contribution of plural points of view to the discussion of matters on the Board of Directors.

The Board understands that with the proposed re-election and appointment it will maintain the diversity in knowledge, skills and experience necessary for the better performance of the functions entrusted to it.

\*\*\*\*\*