JUSTIFIED PROPOSAL BY THE APPOINTMENTS AND REMUNERATION COMMITTEE AND THE BOARD OF DIRECTORS IN RELATION TO THE AMENDMENT OF THE 2014-2019 SHARE/PERFORMANCE SHARE DELIVERY PLAN TO ENABLE THE PAYMENT OF THE RELEVANT INCENTIVE THROUGH THE DELIVERY OF OTHER COMPANY ASSETS.

(ITEM 4.2. ON THE AGENDA)

Introduction

In accordance with Article 37 of the Regulations governing the Board of Directors of Acciona, S.A. ("**Acciona"** or the "**Company"** and, together with the companies belonging to its group, the "**Acciona Group"),** the Appointments and Remuneration Committee is responsible for evaluating the system and amount of annual remuneration paid to board members and senior executives and, in particular, for periodically reviewing the variable remuneration programs, assessing their suitability and performance. In accordance with Recommendation 50 of the Code of Good Governance for Listed Companies, Acciona's Appointments and Remuneration Committee periodically reviews the Company's share-based remuneration systems.

In addition, according to the provisions of articles 529 quindecies 3 g) of the revised Companies Act, passed by Royal Legislative Decree 1/2010 of 2 July 2010 ("**LSC")**, 40 ter. k) of the Bylaws and 32 B) of the Company Board of Director Regulations, the Appointments and Remuneration Committee is in charge of proposing the individual remuneration and other contractual conditions applicable to executive directors and other conditions of their contracts to the Board of Directors.

Furthermore, as established in Technical Guidelines 1/2019 on Appointments and Remuneration Committees ("**Technical Guidelines 1/2019**"), the Appointments and Remuneration Committee annually reviews the remuneration policy to ensure that it is in line with the company's short, medium and long-term situation and strategy and with market conditions, as well as to determine whether it contributes to the long-term creation of value and the correct control and management of risks.

Accordingly, the Appointments and Remuneration Committee has prepared this justified proposal to amend the Company's current share and performance share plan ("**2014-2019 LTIP"**) in order to enable the payment of the accrued incentive to those beneficiaries entitled to receive Company shares, be it annual or pluri-annual, by means of other assets owned by Acciona, such as shares in Bestinver Investment Funds, listed shares in other companies in which Acciona has a significant holding, or any other assets that the Board of Directors may consider appropriate, as well as in cash.

This proposal is also issued for the purposes of the 2014-2019 LTIP Regulations, section 1.7 of which states that the decisions of the Board of Directors in relation to the plan must be taken after considering the report and proposal prepared accordingly by the Appointments and Remuneration Committee.

Approval of the 2014-2019 LTIP

On 4 June 2009, under item six on the agenda, the General Shareholders' Meeting of Acciona approved a remuneration plan for certain executives of the Acciona Group and directors performing executive functions, consisting in the payment of part of their variable remuneration in ordinary Company shares, with the possibility of replacing part of the shares with options purchase ordinary Company shares.

At said General Shareholders' Meeting held on 4 June 2009, it was also agreed to delegate the broadest possible powers to the Board of Directors to perform, interpret, remedy and enforce the resolutions adopted at General Shareholders' Meetings.

The Acciona General Shareholders' Meetings held on 9 June 2011, 24 May 2012 and 6 June 2013 subsequently approved the extension of the term of the "2009-2011 Acciona Share/Performance Share Delivery Plan" to 2012, 2013 and 2014, respectively.

Finally, the General Shareholders' Meeting held on 24 June 2014 resolved to extend and amend the share delivery plan. It was therefore agreed to extend the term of the share delivery plan from 2014 to 2020.

The General Shareholders' Meeting held on 24 June 2014 expressly empowered the Company's Board of Directors to amend the plan's regulations as broadly as required by law and, at the initiative of the Appointments and Remuneration Committee, amend the regulations of the plan under the terms and conditions it deemed appropriate, establishing the conditions and terms of delivery, vesting periods, assignation criteria and limits and all other issues considered relevant in order to more closely align the long-term interests of Acciona Group executive directors and executives with those of the shareholders and strengthen their motivation to achieve greater long-term value and stability for the Acciona Group, as well as consolidating loyalty and permanence.

Justification of the proposal

According to the provisions of article 529 novodecies 5 LSC, all remuneration received by the directors for performing executive functions shall be in accordance with the directors' remuneration policy in force from time to time, except for remuneration expressly approved at a general meeting of shareholders.

In addition, the current Company remuneration policy for 2018, 2019 and 2020, approved at the Company's General Shareholders' Meeting held on 18 May 2017 (the "**Remuneration Policy**"), although not providing for the possibility of payment under the 2014-2019 LTIP by means of assets other than Company shares, section 7 expressly states that, according to the provisions of said article 529 novodecies 5 LSC and articles 31.5 of the Bylaws and 54.4 of the Board of Directors' Regulations, a general shareholders' meeting may approve other forms of director remuneration, even if not provided for in the remuneration policy.

Furthermore, the 2014-2019 LTIP that was approved by the Board of Directors by delegation at the General Shareholders Meeting on 24 June 2014, already establishes that, in general for the beneficiaries of the Plan, at the initiative of the Appointments and Remuneration Committee, the delivery of treasury stock envisaged under the plan may be replaced by other securities, instruments or financial assets or other payment procedures for all or part of the beneficiaries, notwithstanding the fact that, in the case of executive directors, the aforementioned provisions of the remuneration policy must be observed.

The Appointments and Remuneration Committee, within the framework of its functions and pursuant to article 529 novodecies 5 LSC, has therefore resolved to propose that the Board of Directors submit the amendment of the 2014-2019 LTIP to the General Shareholders' Meeting, for the purpose of expressly providing for the possibility of replacing Company's shares required in settlement of the 2014-2019 LTIP by other Company assets.

The proposal is justified by its main purposes, which are (i) to avoid affecting the market liquidity of Company shares; (ii) to avoid remunerating executive directors who hold a significant position in the Company with Acciona shares; and (iii) to free-up Company assets that may be considered as non-strategic.

With respect to the first point, the payment of the 2014-2019 LTIP by assets other than Company shares would help to ensure that the liquidity of the Company's shares in the market is not affected unnecessarily, which is essential for the proper functioning of the Plan and enables Acciona shareholders (especially minority shareholders) to easily buy and sell securities. It has therefore always been a Company objective to maintain optimum liquidity of its shares, given its share capital structure of highly stable significant holdings.

Furthermore, although related to the above, it should be taken into account that the possibility of payment under the Plan being in assets other than Acciona shares is particularly relevant in the case of executive directors that hold a significant position in the Company. In this regard, within the framework of the principles and recommendations on good corporate governance that they regularly issue, the main asset managers and voting advisors have expressed their opposition to the payment of remuneration in the form of Company shares to executive directors who are also significant Company shareholders, in the understanding that in such cases, the advantages inherent to a remuneration system no longer exist, since the interests of the directors are already aligned with those of the Company. Along the same lines, it should be pointed out that the proposal to amend the Recommendations of the Good Governance Code published by the CNMV in January of this year incorporates the amendment of Recommendation 62, as it "*also considers it appropriate to amend the wording of the recommendation in order to clarify that it is no longer necessary to meet the minimum term requirement to be able to transfer or exercise such shares or financial instruments when the director has financial exposure to the variation in the price of the shares at a market value that is equivalent to at least twice his/her annual fixed remuneration*".

Finally, the possibility of payment of the 2014-2019 LTIP in assets other than Company shares would enable the Company to divest itself of assets that may not be essential to the Acciona Group, an issue that has been addressed at certain meetings with investors.

In addition to the above, it should be noted that this proposal to amend the LTI 2014-2019 Plan is part of the proposal also submitted to the General Shareholders' Meeting for approval of a new remuneration policy for 2021, 2022 and 2023, which for the first time provides for variable remuneration linked to the value of the Company's shares and therefore not to payment in shares.

In short, the Appointments and Remuneration Committee considers that this proposal is justified by corporate interests and responds to the aim of aligning the long-term interests of the executive directors and executives of the Acciona Group more closely with those of the shareholders, to the extent that the payment of the 2014-2019 LTIP by other Company assets could prevent the liquidity of Acciona shares in the market from being affected, would bring the remuneration into line with international recommendations on corporate governance and enable the Company to dispose of assets it considers to be non-strategic.

Agreement proposal

The resolution proposed by the Appointments and Remuneration Committee to the Board of Directors for submission to the Company's General Shareholders' Meeting, in accordance with article 529 novodecies LSC, is as follows

"To amend the share and performance share delivery plan of Acciona, S.A. ("Acciona" or the "Company"), approved at the General Shareholders' Meeting held on 24 June 2014, to enable payment of the incentive to beneficiaries entitled to receive Company shares, whether annual or pluri-annual, by means of other assets owned by the company, such as shares in Bestinver Investment Funds, listed shares in other companies in which Acciona has a significant holding or any other assets that the Board of Directors may consider appropriate at market value based on an independent expert's valuation, as well as in cash, all other terms and conditions provided for in the 2014-2019 Plan remaining in force".

This justified proposal was approved by the Appointments and Remuneration Committee and the Board of Directors of Acciona, S.A. at their meeting held on 24 April 2020.

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