

**REPORT ON THE AMENDMENT OF THE REGULATIONS
OF THE BOARD OF DIRECTORS**

(ITEM 9 OF THE AGENDA)

1. Introduction: reason for the reform of the Regulations of the Board of Directors

The essential purpose of the reform of the Regulations of the Board of Directors is to adapt their content to the recommendations contained in the CNMV's technical guide on Audit Committees of Public Interest Entities. Following the recommendations in the aforementioned technical guide, the Board of Directors has approved the amendment of its Regulations in order to channel the needs for resources through the Secretary of the Board and the Committees so that the Committees may carry out their functions, in addition to providing for the possibility of the Committees having their own regulations.

The amendments to the Regulations were approved at the meeting of the Board of Directors held on 15 November 2018.

2. Summary of amendments

Article 21. Secretary

The function of the Secretary is to channel the need for sufficient resources so that the Committees may carry out their duties.

Article 27. Chief Executive Officer, Managing Director, Executive Committee and Committees

This article is amended to include the possibility that the different Board committees may have their own specific regulations, which must be approved by the Board of Directors and always favour independence in its functioning, as well as dialogue with the management structure, advice to the Board of Directors and the formulation of proposals in the matters of their respective competence.

Article 28. Internal organisation of the Executive and other Committees

It is clarified that the Secretary and, if applicable, the Deputy Secretary of the Board of Directors will also serve in the same positions on the Committees.

The new wording of the amended articles is as follows:

Article 21. Secretary

1. The Secretary of the Board of Directors may or may not be a director and shall be appointed by the Board of Directors, following a report from the Appointment and Remuneration Committee.
2. The Secretary of the Board of Directors shall attend the meetings of the Board of Directors with the right to speak but not to vote.
3. The Secretary shall have the following duties:
 - To assist the Chairman so that the directors receive the relevant information for the performance of their duties sufficiently in advance and in the appropriate format;
 - to ensure the proper functioning of the Board of Directors, taking special care to provide directors with the necessary advice and information, in particular, so that in its actions and decisions the Board of Directors takes into account the recommendations on good governance contained in the Good Governance Code that are applicable to the Company;
 - to retain corporate records;
 - to duly reflect in the minute books the conduct of the Board of Directors' meetings, including any statements requested to be recorded in the minutes;
 - to certify the resolutions adopted by the Board and other relevant circumstances of the Company's bodies;
 - to act as secretary of the Executive Committee if this body is created, **and of the Committees**; and
 - to channel the need for sufficient resources so that the Committees can carry out their functions.
4. It shall be the responsibility of the Secretary:
 - to ensure that the actions of the Board of Directors comply at all times with formal and material legality;
 - to ensure that the actions of the Board of Directors comply with the Articles of Association, these Regulations and any other regulations that Acciona may establish from time to time;
 - to promote knowledge of and compliance with the provisions issued by regulatory bodies and consideration of their recommendations affecting the Board of Directors, the directors and the Executive Committee, as the case may be.

5. The Secretary shall be subject to the duty of confidentiality that is binding on directors.
6. The Board of Directors may appoint, following a report from the Appointment and Remuneration Committee, a Deputy Secretary, who may or may not be a director. While performing his/her secretarial duties, he/she shall be subject to the regime established for the Secretary.
7. The Deputy Secretary shall assist the Secretary of the Board of Directors and shall replace him/her in the performance of his/her duties in the event of absence, inability to act or vacancy.
8. A Deputy Secretary who is not a director may be invited by the Chairman to attend the meetings of the Board of Directors, with the right to speak but not to vote, in order to assist the Secretary in drawing up the minutes of the meeting.
9. The Secretary and the Deputy Secretary shall leave their position by their own decision at any time or when so resolved by the Board of Directors, following a report from the Appointment and Remuneration Committee.

[...]

Article 27. Chief Executive Officer, Managing Director, Executive Committee and Committees

1. To better perform its functions, the Board of Directors:
 - a) shall delegate the broadest decision-making and representation powers to its Chairman as chief executive;
 - b) may appoint a Managing Director, entrusting him/her with the effective management of the business and granting him/her the fullest management and administrative authority, so that he/she may assist the Chief Executive Officer;
 - c) may set up an Executive Committee, even if it has appointed a Chief Executive Officer or a Managing Director or both, with broad delegated powers, so that it may assist the Chairman and, where appropriate, the Managing Director in the discharge of their responsibilities and in the performance of the tasks specifically entrusted by the Board of Directors to the Executive Committee;
 - d) may set up committees with advisory and proposal functions, and in any event, shall set up an Audit Committee and one or two separate Appointment and Remuneration Committees (the "Committees" and, together with the Sustainability Committee and the Management Committee referred to below, the "Committees"), whose respective **composition and functions shall be those legally established and described in the Articles of Association, in these Regulations and, where appropriate, in their specific regulations approved by the Board of Directors. Such regulations shall always favour independence in the functioning of the Committees**, as well as dialogue with the management structure, advice to the Board

of Directors and the formulation of proposals in the matters of their respective competence. None of the Committees referred to in this section shall have powers to represent Acciona vis-à-vis third parties; and

- e) may set up a Management Committee made up of executive directors and other officers of Acciona or its main subsidiaries, with the function of coordinating the business and monitoring day-to-day activities, as explained below.
2. The Board of Directors may delegate powers, including general powers, to one or more of its Vice-Chairmen and to other directors.
 3. The Board of Directors shall determine the number of members of the Executive Committee, if any, and of each Committee, within the limits indicated in these Regulations, and shall appoint the directors making up the Committees.
 4. The appointment of the Managing Director and of the members of the Executive Committee, as well as the permanent delegation of powers to them, to the Chief Executive Officer or to any other director shall be made by the Board of Directors by means of a resolution adopted with the affirmative vote of two-thirds of the number of members of the Board of Directors fixed by the General Meeting, even if that number is not filled or vacancies have occurred. The structure of participation of the different categories of directors in the Executive Committee shall be similar, if possible, to that of the Board of Directors.
 5. The appointment of the members of the Committees shall be made by the Board of Directors by means of a resolution adopted with the majority generally required for the approval of resolutions.
 6. Any restriction that the Board of Directors may decide to impose on the Chairman, the Managing Director, the Executive Committee or any other directors when exercising the general powers delegated to them shall only be effective internally and shall not restrict their capacity to act vis-à-vis third parties, without prejudice to their liability to the Company if they violate any such restriction.
 7. In no event may the Board of Directors delegate:
 - a) those powers that the General Shareholders' Meeting has attributed or delegated to the Board of Directors, unless the General Shareholders' Meeting expressly authorises the Board of Directors to delegate such powers to any of its members or to the Executive Committee;
 - b) the powers that cannot be delegated by law, by the Articles of Association or by these Regulations.
 8. The Audit Committee and the Appointment and Remuneration Committee may carry out, in addition to their own functions, other tasks entrusted to them by the Board of Directors if the Board of Directors considers that they deserve specific attention or a case-study.

Article 28. Internal organisation of the Executive Committee and the Committees

1. The Executive Committee shall have one Chair or two Co-Chairs. If there are two Co-Chairs, one of them shall be the Chairman of the Board of Directors. The Co-Chairs shall act in accordance with the regime that they mutually agree upon or, failing that, jointly.

Each Committee shall appoint a Chair from among its members. The Chairs of the Audit Committee and the Appointment and Remuneration Committee shall be independent directors. The appointment of the Chairs shall be made by the Board of Directors.

2. The Audit Committee, the Sustainability Committee and the Appointment and Remuneration Committee shall be made up exclusively of external directors. When appointing their members, the Board shall take into account the knowledge, skills and experience of the directors and the functions of each Committee. The Board shall deliberate on the proposals and reports of the Committees and the Committees shall report to the Board on their activity at the first Board plenary following their meetings and shall be accountable for the work carried out.

The Secretary and Deputy Secretary of the Board of Directors shall serve as Secretary and, where appropriate, Deputy Secretary of the Executive Committee and of **the Committees**.

3. Meetings shall be held on the dates set by the Committee itself as its calendar of meetings, and whenever convened by its Chair, either on his/her own initiative or at the request of two of the members.

In the case of the Audit Committee, it shall suffice for one of its members to request its Chair to call the meeting.

4. Notice of meetings shall be given by the Chair himself/herself or by the Secretary following instructions from the Chair.

If the Chair is absent or unable to act, the notice shall be given by the Secretary at the request of any of the members.

5. The Executive Committee or the relevant Committee shall be quorate when at least half of its members are present or represented at the meeting.

6. Members may attend the meeting via videoconference, telephone or other means of telecommunication. Members participating in the meeting in such a way shall be deemed to be present and the provisions governing the Board of Directors in this respect shall be applicable.

7. The Executive Committee and the Committees shall adopt their resolutions by an absolute majority of the members attending the meeting, either by themselves or by proxy.

8. The Secretary shall take minutes of each meeting of the Executive Committee, the Audit Committee and the Appointment and Remuneration Committee.

The Board of Directors may at any time access the minutes of the meetings of the Executive Committee and the Committees.

9. The Executive Committee and the Committees may request, by agreement of the Executive Committee or Committee itself, or by decision of their respective Chair or, in the case of the Executive Committee, of the Managing Director, participation in their meetings by

the executive directors or by any officer of Acciona or of a company over which Acciona exercises significant influence, when so expressly agreed by the members of the Executive Committee and the Committees.

The Executive Committee and the Committees may also request participation in their meetings by external advisors or by the statutory auditors of Acciona itself or of any company over which Acciona exercises significant influence, the cost of which shall be borne by Acciona.
