



REPORT BY THE BOARD OF DIRECTORS IN RELATION TO THE PROPOSAL TO AUTHORISE THE BOARD OF DIRECTORS TO INCREASE THE SHARE CAPITAL, WITH DELEGATION TO EXCLUDE PRE-EMPTIVE RIGHTS

(ITEM 3.1 ON THE AGENDA)

The Board of Directors of Acciona, S.A. (the "Company") hereby submits this report justifying the proposed delegation of powers by the General Shareholders' Meeting to the Board of Directors, authorizing it to increase the share capital pursuant to Article 297.1.b) of the Companies Act, including the delegation of the power to fully or partly exclude pre-emptive subscription rights in connection with the capital increases it may decide to make, pursuant to Article 506 of said Act and up to a limit of 20% of the share capital as at the date of this delegation. The proposal is submitted for approval at the 2020 Ordinary General Shareholders' Meeting under item 3.1 on its agenda.

Justification of the proposal

Article 297.1.b) of the Companies Act allows the General Shareholders' Meeting to delegate to the Board of Directors, in compliance with the requirements established for the amendment of the Bylaws, the power to resolve on one or more occasions to increase the share capital up to a certain amount, at the time and for the amount decided by the Board of Directors, without previously consulting a General Shareholders' Meeting. The share capital increases decided by the Board of Directors under the delegation of authority may not, under any circumstances, exceed half the amount of the Company's share capital at the time of the authorization and must be carried out by means of monetary contributions within a maximum term of five years as from the delegation resolution.

The Board of Directors considers that the activity, investments and suitable management of the Company's corporate interests make it advisable for the Board to be able to increase the share capital and provide the company with further equity, without the delays and costs involved in holding a General Shareholders' Meeting. This possibility considerably increases the room for maneuver and capacity to respond required in the Company's competitive environment, in which the success of a strategic initiative or financial transaction often depends on the possibility of carrying it out quickly. The dynamics of any commercial company and, in particular, large companies, requires their governing and administrative bodies to dispose at all times of the instruments that enable them to respond adequately within the law to their own needs, in view of the market circumstances.

In accordance with the provisions of article 506 of the Companies Act, the proposal also contemplates the delegation to the Board of Directors of the power to fully or partly exclude shareholders' pre-emptive rights when the corporate interests so require and up to a maximum amount of 20% of the Company's share capital, in accordance with the provisions of recommendation 5 of the Code of Good Governance of Listed Companies and article 57.7 of the Board of Directors' Regulations.

The renewal of the delegation proposed by the Board of Directors to the General Shareholders' Meeting is mainly due to the convenience of adapting it to the amount of share capital resulting from the share capital reduction carried out by the Board on 28 March 2019, in accordance with the delegation granted by the General Shareholders' Meeting on 30 May 2018 for the amortization of 2,402,897 company shares acquired under the Share Buyback Program, in accordance with Regulation

(EU) 596/2014 on market abuse and its delegation regulations, after which the share capital was established as 54,856,653.

Accordingly, it is proposed that the General Shareholders' Meeting revoke the authorization of the Board of Directors to increase the share capital resolved by the Shareholders' Meeting on 10 May 2016, to renew the delegation of the Board of Director's power to increase the Company's share capital up to a maximum of 27,428,326 euros, which is half of the current share capital of Acciona, S.A. and expressly authorize the Board of Directors to carry out all the procedures required to list the shares issued as a result of the resolution.

Furthermore, as explained above, in accordance with the Board of Director's Regulations and according to best corporate governance practices, the authorization provides for the possibility of fully or partly excluding pre-emptive subscription rights and will be limited to capital increases carried out under such authorization, as well as those performed under the authorization subject to point 3.2 on the agenda, up to the relevant maximum amount, in total, of 20% of the Company's current share capital.

The Board of Directors considers that the power to exclude pre-emptive rights, as a supplement to the power to increase the share capital, is justified for several reasons. Firstly, the removal of pre-emptive rights generally makes it possible to relatively reduce the costs associated to the transaction (including, in particular, the fees of the financial institutions involved) as compared to issues with pre-emptive rights. Secondly, with the power to exclude pre-emptive rights, the directors are in a position to significantly increase the speed and response often required in present financial markets, enabling the Company to take advantage of times when market conditions are most favorable, especially when the financial resources are to be raised on international markets or through the use of bookbuilding techniques. Lastly, the elimination of preemptive rights reduces distortion of the Company's shares during the issue period, which is generally shorter than an issue with rights.

In all, the exclusion of pre-emptive subscription rights is a power that the General Shareholders' Meeting delegates to the Board of Directors, which decides in each case whether or not to exclude such rights in view of the specific circumstances and in compliance with the legal requirements and, in any event, within the maximum limit of 20% of the share capital at the time of this delegation. If the Board of Directors decides to make use of the possibility of excluding pre-emptive subscription rights in relation to a specific capital increase that it may resolve to implement according to the authorization granted by the General Shareholders' Meeting, it must prepare a report at the time the increase is resolved, explaining the specific corporate interests that justify the decision to exclude such rights and also require the relevant report by an auditor other than the Company's auditor, pursuant to Article 308 of the Companies Act. The par value of the shares to be issued plus the amount of the share premium, if applicable, must correspond to the fair value specified in the auditor's report. Both reports shall be made available to the shareholders and submitted at the first General Meeting held after the share capital increase resolution.

Proposal:

The Board of Directors submits the following proposed resolution to the General Shareholders' Meeting for approval under item 3.1 on the agenda:

Delegation to the Board of Directors, for a period of five years and with the express power of substitution, of the power to increase the share capital on one or more occasions by means of monetary contributions up to a

maximum amount of 27,428.326, equivalent to half the current share capital, under the terms and conditions decided by the Board of Directors in each particular case, with the power to fully or partly exclude pre-emptive subscription rights up to a limit of 20% of the share capital at the time of this delegation and with express authorization to redraft, whenever appropriate, the relevant Bylaws, rendering the authorization granted by the Ordinary General Shareholders' Meeting of 10 May 2016 as null and void.

To delegate to the Board of Directors the power to increase, on one or more occasions, the Company's share capital by a maximum amount of up to half the share capital as at the date of this authorization, in other words, up to the maximum amount of 27,428,326 euros.

All capital increase(s) that may be agreed must be carried out within a maximum period of five years as from the date on which this resolution is adopted.

1. Monetary contributions: The share capital increase or increases may be carried out with or without a share premium, by issuing new ordinary or privileged shares, with or without voting rights, redeemable shares or any others permitted by law or in various forms at the same time, the counter value of the new shares consisting of monetary contributions.

2. Scope of the delegation. It is also resolved to empower the Board of Directors to establish the terms and conditions of the capital increases and the nature of the shares in all matters not provided for in this delegation resolution and to freely offer the new unsubscribed shares within the term(s) for exercising pre-emptive subscription rights. The Board of Directors may also establish that, in the event of incomplete subscription, the share capital will only be increased by the amount of the subscriptions made and redraft the corresponding article of the Bylaws in relation to the share capital and number of shares.

3. Calculation of the limit: The amount of the capital increases which, if applicable, are required to comply with the conversion of debentures, bonds and other fixed-income securities into newly issued shares, or the exercise of warrants or other financial instruments with the right to deliver newly issued shares that are resolved by the Board of Directors in the exercising of the powers delegated by the General Shareholders' Meeting shall be considered as included in the limit available at any given time of the above-mentioned maximum amount.

4. Exclusion of pre-emptive subscription rights: The Board of Directors is expressly empowered to fully or partly exclude pre-emptive subscription rights, in accordance with the provisions of Article 506 of the Companies Act, in relation to any or all of the issues it may decide pursuant to this authorization and the issue subject to the following point 3.2 on the agenda, up to a limit of 20% of the current share capital.

In any event, if the Board decides to exclude pre-emptive subscription rights in relation to any or all of the aforementioned capital increases, at the same time it adopts the corresponding resolution to increase the share capital, it shall issue a report detailing the specific corporate interests that justify such a measure, which will must be the subject of a report by an independent expert appointed by the Commercial Registry, other than the Company's auditors referred to in Article 308 of the Companies Act. These reports shall be made available to the shareholders and submitted at the first General Shareholders' Meeting held after the share capital increase resolution.

5. Admission to trading. By virtue of this authorization, the Board of Directors is also empowered to apply for the admission to trading on official or unofficial, organized or unorganized national or foreign markets of the shares issued by delegation, empowering the Board of Directors to perform the necessary arrangements and acts to obtain such admission to trading from the competent bodies of the different national or foreign securities markets.

6. Powers of substitution. According to the provisions of Article 249 bis of the Companies Act, the Board of Directors is expressly authorized to delegate the powers to develop, specify, execute, interpret and remedy the capital increase resolutions referred to herein to the Chairman and Deputy Chairman of the Board of Directors.

This delegation of powers to the Board of Directors replaces that granted at the Company's General Shareholders' Meeting held on 10 May 2016, which is no longer force.

This Report is approved by the Board of Directors at its meeting held on April 24, 2020.
