

# **REPORT ON THE MODIFICATION TO THE BOARD OF DIRECTORS OF THE RULES OF THE BOARD PROPOSES TAKING INTO ACCOUNT THE NEW CODE OF GOOD GOVERNANCE OF LISTED COMPANIES, THE BOARD OF THE COMMISSION ON THE NATIONAL SECURITIES MARKET APPROVED BY AGREEMENT ON FEBRUARY 18, 2015.**

## **1. Purpose of this report**

This report is prepared by the Board of Directors of SAETA YIELD, S.A. (the "**Company**"), in order to justify the proposed amendments to the Rules of the Board of Directors subject to approval by the Board held in writing without a meeting, under the third item on the agenda.

The Board of Directors of the Company issuing this report on the justification of the proposal to amend the Rules of the Board of Directors, which it has not been approved by the opposition of any member of the Board at its meeting in writing without meeting, the Board meeting was the date of receipt of the last of the votes of the members of the Board of Directors of the Company, that is, the May 21, 2015.

## **2. Justification and systematic of the proposal**

The reform proposed to the Board of Directors has, as its main purpose, the following objectives:

- a) Adapt the general obligations of Directors to the needs of the Company.
- b) Set to directors a limit to the number of Boards of Directors of which may become part.
- c) To incorporate technical improvements, in order to improve its drafting.

In order to facilitate Directors understanding of changes that led to this proposal and, consequently, to allow viewing of the scope of the amendment and the comparison between the new wording of the article proposed change and currently in force, it is included as **Annex I** to this report, a comparative version of the specific article that decides to change, no other value than the merely informative. Furthermore, the new article of the Rules of the Board of Directors of the Company are attached as **Annex II**.

## **3. Proposed amendments to the Regulations of the Board of Directors**

### **Modification of the title V "Duties of Directors".**

**Article 18.3** . It is modified in order to establish to the Directors a limit the number of boards of which may form part. Can not in any case exceed the limit of five boards for listed companies and five for unlisted, excluding the boards relatives or holding companies. In any case, it is considered one board of directors to all companies in the same group.

Madrid, May 21, 2015