

ANNUAL CORPORATE GOVERNANCE REPORT

LISTED CORPORATIONS

ISSUER'S IDENTIFICATION DETAILS

DATE OF FINANCIAL YEAR END: 12-31-2009

T.I.N.: A01011253

Trade Name:

GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

ANNUAL CORPORATE GOVERNANCE REPORT FORM FOR LISTED CORPORATIONS

A OWNERSHIP STRUCTURE

A.1 Complete the following table on the company's share capital:

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
05-28-2004	41,360,983.68	243,299,904	243,299,904

Indicate whether there are different classes of shares having different rights associated to them:

Yes No

Class	Number of shares	Par Value	Number of voting rights	Other rights

A.2 Provide details of direct and indirect holders of significant shareholdings in your company at the end of the financial year, excluding directors:

Name or trade name of significant shareholder	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
LOLLAND, S.A.	0	12,164,995	5.000
BLACKROCK, INC.	0	21,920,306	9.010

(*) Through:

Name or trade name of direct holder of shares	Number of direct voting rights	% of total voting rights
Casa Grande de Cartagena, S.L.	12,164,995	5.000
Blackrock Investments Management (UK)	21,920,306	9.010

See note (A.2 a) in section G contained herein.

State the most significant changes in shareholding structure during the financial year:

Shareholder's name or trade name	Date of operation	Description of operation
Marsico Capital Management LLC	03/03/2009	Increased its shareholding from 3.103% to 5.127%
Marsico Capital Management LLC	03/04/2009	Reduced its shareholding under 5%, from 5.127% to 4.953 %
Marsico Capital Management LLC	03/09/2009	Increased its shareholding over 5%, from 4.953% to 5.037%
Marsico Capital Management LLC	03/13/2009	Reduced its shareholding under 5%, from 5.037% to 4.813%
Iberdrola, S.A.	06/02/2009	Reduced its participation from 24.105% to 14.105%
Morgan Stanley	06/02/2009	Acquired a shareholding of 5.050%
Morgan Stanley	06/03/2009	Reduced its shareholding under 5%, from 5.050% to 4.409%
Morgan Stanley	06/05/2009	Reduced its shareholding under 3% reaching 0.192%
AllianceBernstein L.P.	07/17/2009	Increased its shareholding over 3% reaching 3.054%
AllianceBernstein L.P.	10/15/2009	Reduced its shareholding under 3% reaching 2.749%
Marsico Capital Management LLC	10/23/2009	Reduced its shareholding under 3% reaching 2.709%
Barclays Global Investors UK Holdings Ltd	12/01/2009	Reduced its shareholding under 3% reaching 0.00%
Blackrock, Inc.	12/01/2009	Increased its shareholding over 5% reaching 9.010%

See note (A.2. b) in section G contained herein.

A.3 Complete the following tables on the members of the Company's Board of Directors who hold voting rights through shares in the Company:

Name or trade name of the director	Number of direct voting rights	Number of indirect voting rights (*)	% of total voting rights
Iberdrola, S.A.	34,316,359	0	14.105%
Arregui Ciarsolo, Juan Luis	0	131,030	0.054%
Bergareche Busquet, Santiago	3,850	0	0.002%
Velasco Gómez, Pedro	500	0	0.000%
Fernández-Lerga Garralda, Carlos	500	0	0.000%
Rodríguez-Quiroga Menéndez, Carlos	300	0	0.000%
Calvet Spinatsch, Jorge	100	0	0.000%
Lada Díaz, Luis	100	0	0.000%
Fernández Martínez, Pascual	30	0	0.000%
Vázquez Egusquiza, José María	0	0	0.000%

(*) Through:

Name or trade name of direct holder of shares	Number of direct voting rights	% of total voting rights
RETOS OPERATIVOS XXI, S.L.	131,030	0.054%

% of voting rights in the hands of the Board of Directors	14.161%
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Complete the following tables on the members of the Company's Board of Directors holding stock option rights in the Company:

Name or trade name of the director	Number of direct stock option rights	Number of indirect stock option rights	Number of equivalent shares	% of total voting rights

See note (A.3) in section G contained herein.

A.4 State details of any family, commercial, contractual or corporate relationships existing between the holders of significant shareholdings in as far as they are known by the company, except those which are scarcely relevant or arise from the normal course of business:

Name or trade name of related shareholders	Type of relationship	Brief description

A.5 State details of any family, commercial, contractual or corporate relationships existing between the holders of significant shareholdings and the company and/or its group, except those which are scarcely relevant or arise from the normal course of business:

Name or trade name of related shareholders	Type of relationship	Brief description
IBERDROLA, S.A.	CONTRACTUAL	SEE SECTION C.2

A.6 State if the company has been notified of any shareholders' agreements affecting it pursuant to the provisions set forth in Article 112 of the Securities Market Law (*Ley del Mercado de Valores, LMV*). If so, describe them briefly and list the shareholders bound by the agreement:

Yes

No

Parties to the shareholders' agreement	% of share capital affected	Brief description of the agreement

State whether the company is aware of any concerted actions among its shareholders. If so, provide brief details:

Yes

No

Parties to concerted action	% of share capital affected	Brief description of the concerted action

Should any amendment or breach of the aforementioned agreements or concerted actions have come about during the financial year, indicate them expressly:

A.7 State whether there are any individuals or legal persons that exercise control over the company pursuant to Article 4 of the Securities Market Law (*Ley del Mercado de Valores, LMV*) If so, identify them:

Yes

No

Name or trade name

Comments

A.8 Complete the following tables on the company's treasury stock:

At the end of the financial year:

Number of shares held directly	Number of shares held indirectly (*)	% total of share capital
1,774,238	1,204,498	1.224%

(*) Through:

Name or trade name of direct holder of shares	Number of shares held directly
BANCO SANTANDER, S.A.	1,204,498
Total:	1,204,498

Provide details of any significant changes that have taken place during the financial year pursuant to Royal Decree 1362/2007:

Date of disclosure	Total number of direct shares acquired	Total number of indirect shares acquired	% total of share capital

Gains / (Losses) on treasury stock divested during the period	0
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See note (A.8) in section G contained herein.

A.9. Provide details on the conditions and term of the mandate in force, so that the Board of Directors may acquire and transfer treasury stock.

On the date this report was approved, the authorization granted by the Company's General Shareholders' Meeting held on May 29, 2009 empowering the Board of Directors to acquire treasury stock was in effect. A literal transcription of the resolution adopted by the aforementioned Meeting for the eighth item on the Agenda appears below:

"To expressly authorise the Board of Directors, with the express power of delegation, as per the dispositions in article 75 of the Spanish Public Limited Companies Law for the derivate acquisition of the Gamesa Corporación Tecnológica, Sociedad Anónima's own shares in the following conditions:

- a.- The acquisitions may be made directly by Gamesa Corporación Tecnológica, Sociedad Anónima or indirectly by any of the companies in which it has a controlling holding.
- b.- The share acquisitions, which must be fully paid up and free of charges or costs, will be made through sales, swaption or any other legally permitted operations.
- c.- The acquisitions may be made at any time and up to the legally allowed maximum figure, whereby including those the Company already holds, these will not surpass 5% of the company capital.
- d.- The minimum share price will be their nominal value and the maximum will be 5% above their market quotation value on the date of acquisition.
- e.- That the liabilities section of the Company Balance Sheet is endowed with a non-disposable reserve fund equivalent to the sum of the Company shares entered as assets. This reserve fund must be maintained until the shares have been transferred or capitalised.
- f.- The shares acquired may subsequently be transferred in freely decided conditions.
- g.- The present authorisation is awarded for a maximum period of 18 months, expressly repealing the unused part of the authorisation awarded by the Company Shareholders' Ordinary General Meeting held on May 30, 2008.

For the purposes conceived in article 75, point 1, paragraph two of the Revised Text of the Spanish Public Limited Companies Law, to award express authorisation for acquisition of the Company's shares by any of its acquired companies in the same terms as those of the present agreement.

Lastly, and in relation to the dispositions in article 75, point 1, last paragraph of the Spanish Public Limited Companies Law, in its rewritten text given by Law 55/1999, of 29th December, it is stated that the shares that are acquired under the present authorisation, may be used by the Company for, amongst other purposes, giving to Company employees or administrators either directly or deriving from the exercise of option or other rights contemplated in incentive plans of which they are holders and/or beneficiaries as considered in the relevant legislation, statutes or regulations."

A.10 State any legal or bylaw constraints on exercising voting rights, as well as any legal constraints on the acquisition or transfer of shareholdings.

State whether there are any legal constraints on exercising voting rights.

Yes **No**

Maximum percentage of voting rights that a shareholder may exercise due to legal constraints	
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State whether there are any bylaw constraints on exercising voting rights.

Yes **No**

Maximum percentage of voting rights that a shareholder may exercise due to bylaw constraints	
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Description of legal and bylaw constraints on exercising voting rights

State whether there are any legal constraints on the acquisition or transfer of shareholdings.

Yes **No**

Describe any legal constraints on the acquisition or transfer of shareholdings

A.11 State whether the General Shareholders' Meeting has resolved to adopt any measures to neutralize takeover bids pursuant to the provisions set forth in Law 6/2007.

Yes **No**

If so, explain the measures approved and the terms under which the constraints would turn out to be ineffectual.

B STRUCTURE OF THE COMPANY'S MANAGEMENT

B.1 Board of Directors

B.1.1 State the maximum and minimum number of directors set forth by the bylaws:

Maximum number of directors	15
Minimum number of directors	3

B.1.2 Complete the following table with details on the Board Members:

Name or trade name of the director	Represented by	Office in the Board	Date of first appointment	Date of last appointment	Procedure of appointment
Calvet Spinatsch, Jorge		Chairman and CEO	10-07-2005	10-08-2009	General Shareholders' Meeting
Rodríguez-Quiroga Menéndez, Carlos		Director and Secretary to the Board	09-27-2001	05-25-2007	General Shareholders' Meeting
Fernández-Lerga Garralda, Carlos		Director and Vicesecretary to the Board	10-07-2008	10-07-2008	General Shareholders' Meeting
Arregui Ciarsolo, Juan Luis		Director	01-28-1976	05-25-2007	General Shareholders' Meeting
Bergareche Busquet, Santiago		Director	11-02-2005	05-25-2007	General Shareholders' Meeting
Fernández Martínez, Pascual		Director	05-25-2007	05-25-2007	General Shareholders' Meeting
Vázquez Egusquiza, José María		Director	05-25-2007	05-25-2007	General Shareholders' Meeting
Velasco Gómez, Pedro		Director	11-16-2007	11-16-2007	General Shareholders' Meeting
Iberdrola, S.A.	Alcolea Cantos, José Miguel	Director	06-26-2008	06-26-2008	General Shareholders' Meeting
Lada Díaz, Luis		Director	10-23-2009	10-23-2009	Board of Directors Cooptation

Total Number of Directors	10
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State the directors who left the Board of Directors during the period:

Name or trade name of director	Status of director at the moment of relinquishing office	Date of leaving office
Ulacia Arnaiz, Guillermo	Executive Director	10-08-2009

B.1.3 Complete the following table on the Board Members and their status:

EXECUTIVE DIRECTORS

Director's name or trade name	Committee that proposed his/her appointment	Office held in the company's organization chart
Calvet Spinatsch, Jorge	Appointments and Remuneration Committee	Chairman and CEO
Rodríguez-Quiroga Menéndez, Carlos	Appointments and Remuneration Committee	Secretary to the Board and Director

Total number of executive directors	2
% total of the Board	20%

NON-EXECUTIVE DIRECTORS REPRESENTING SIGNIFICANT SHAREHOLDERS

Director's name or trade name	Committee that proposed his/her appointment	Name or trade name of the significant shareholder he/she represents or has put forward his/her appointment
Arregui Ciarsolo, Juan Luis	Appointments and Remuneration Committee	IBERDROLA, S.A.
Velasco Gómez, Pedro	Appointments and Remuneration Committee	IBERDROLA, S.A.
IBERDROLA, S.A.	Appointments and Remuneration Committee	IBERDROLA, S.A.

Total number of directors representing significant shareholders	3
% total of the Board	30%

NON-EXECUTIVE INDEPENDENT DIRECTORS

Name or trade of director	Background
<p align="center">Bergareche Busquet, Santiago</p>	<p>Born in Bilbao (Vizcaya), he holds the position of Member of the Board of Directors and of the Appointments and Remuneration Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p> <p>He holds a Degree in Law and Economics from the Commercial University of Deusto.</p> <p>He is currently Deputy Chairman of Grupo Ferrovial, S.A. (since January 25th, 2002), a Member of its Board of Directors (since February 1999), and of its Executive Committee and of its Appointments and Remuneration Committee; as well as Chairman of Dinamia Capital Privado SCR, S.A. (since December 12th, 2002); individual representing Bycomels Prensa, S.L. in the performance of the post of Member of the Board of Directors and of the Executive Committee in the company Vocento, S.A.; and Chairman of the Board of Directors and Chairman of the Nominations and Compensation Committee of Compañía Española de Petróleos, S.A. (CEPSA).</p> <p>He was the General Manager of Banco Bilbao Vizcaya Argentaria, S.A., Chairman of Metrovacesa, S.A., Chairman of Ferrovial Agroman, S.A. and CEO of Grupo Ferrovial, S.A.</p>
<p align="center">Fernández Martínez, Pascual</p>	<p>Born in Albacete. He is currently a member of the Board of Directors and Chairman of the Appointments and Remuneration Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p> <p>He holds a PhD in Economics and Business Studies and has developed his professional career mainly in the Public Administration, teaching and researching in the Universities of Madrid (Autónoma and Rey Juan Carlos I) and Valladolid, as well as performing management tasks for the Regional Government of Castilla y León and Madrid and at the Ministry of the Economy and Public Finance as well as the Ministry of Environment.</p> <p>He is currently a tenured university professor of Applied Economics at the University Juan Carlos I; Professor of Executive Master in Public Administration (EMPA) in the Instituto de Empresa Business School and in the Master in Infrastructure and Public Services Management of the School of Civil Engineers and the Polytechnic University of Madrid; Director of the "Economía Madrid" Study Center attached to the Rey Juan Carlos University; Chairman of the Economy and the Environment Committee of the Madrid College of Economists; member of l'Association D'Instituts Européens de Conjoncture Economique (AICE); and Adviser member of the Program CYTED, Science and Technology with Latin America.</p>

	<p>He has formed part of the Board of Directors of several companies, including Sodical, RENFE, Instituto de Crédito Oficial (ICO) and Grand Telescopio de Canarias.</p> <p>He presently belongs to the Board of Directors of Grupo Empresarial Ence, S.A.</p>
Lada Díaz, Luis	<p>He was born in Asturias. He currently holds the position of Member of the Board of Directors and of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p> <p>He holds a Degree in Telecommunications Engineering from the Polytechnic University of Madrid. He is "Ad Honorem" Professor and permanent member of the Royal Academy of Engineering.</p> <p>After a short period in the Superior Board of Scientific Investigations (Consejo Superior de Investigaciones Científicas) he joined, in 1973, the Center of Investigations and Studies of Telefonica, company where he mostly has developed his professional career. In 1984, he was appointed as Responsible for Planning and Technology. Between 1989 and 1993 he worked for the Amper Group, as General Director of Planning and Control, and after that he returned to Telefónica as Responsible of its Group of Subsidiaries and Participated Companies. In 1994 he was appointed Chairman of Telefonica Moviles in Spain. In August, 2000, he became member of the Board of Directors of Telefonica, S.A., member of its Executive Committee and Executive Chairman of Telefonica Moviles, S.A. In August, 2003, he assumed the General Directorate of Development, Planning and Regulation of the Telefonica Group. Between December 2005 and July 2006 he was Executive Chairman of Telefonica de España.</p> <p>Currently, he is General Director of Ribafuerte, S.L. and advisor of Telefónica, member of the Board of Directors of Indra Sistemas (as well as member of its Delegated Committee), of Telefónica O2 Czech Republic, of Telcel (Telefónica Venezuela), of Telefónica I+D, of Ydilo AVS and of SIDA; member of the Circulo de Empresarios and of the Advisory Boards of Telefónica España, Telefónica Latinoamérica, Teldat, Y&R España and ASSIA, of the Scientific Advisory Board of Telefónica I+D and of the "Fundación de la Innovación Bankinter".</p> <p>He has been member of the Government Board and Vice Chairman of the Spanish Telecommunications Engineers Association, as well as member of the Board of Directors of several companies of the Information Technology field. He has been awarded with different professional and business honours.</p>
Vázquez Egusquiza, José María	<p>He was born in Bilbao (Vizcaya). He currently holds the position of Member of the Board of Directors and Chairman of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p>

	<p>He holds an Industrial Metallurgic Engineering Degree and an Economics Degree from the University of País Vasco, having completed his training with various Masters in the USA and Sweden.</p> <p>His professional career has been developed mainly in the metallurgic sector. He started at Babcock & Wilcox as an engineer of materials and weld in the valves for the nuclear power station department, holding afterwards management positions at different companies of the País Vasco within the metallurgic sector, equipments, shipping and construction.</p> <p>He is currently, among others, Chairman of the Confederación Empresarial de Bizkaia (CEBEK), Chairman of Construcciones Sobrino, S.A. (headline company in the País Vasco of Grupo Obrascon Huarte y Laín, S.A.), Chairman of the Board of Directors of GIROA (Grupo Dalkia), Director of Bilbao's Port Authority and member of the Patronato del Centro de Estudios e Investigaciones Técnicas de Gipuzkoa (CEIT).</p> <p>He has performed, among others, tasks of President of the Industrial Politics Committee of CONFEBASK, member of the Board of Directors of CEOE, President of the Technological Innovation Committee of CEOE, member of the Corporate Comité for CEOE's Information Company, Director of Centro de Diseño Industrial of Bizkaia, member of the Board of Directors of Asociación Española para el Desarrollo de la Soldadura and member of the Board of Directors of SEOPAN.</p> <p>He has developed an intensive educational and disclosed work.</p>
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Total number of independent directors	4
% total of the Board	40%

OTHER NON-EXECUTIVE DIRECTORS

Director's name or trade name	Committee that proposed his/her appointment
Fernández-Lerga Garralda, Carlos	Appointments and Remuneration Committee

Total number of other non-executive directors	1
% total of the Board	10%

State the reasons why they cannot be considered as directors representing significant shareholders or independent directors and their links, either with the company, its management staff or its shareholders.

Name or trade name of the director	Reasons	Company, management staff member or shareholder with whom he/she is linked
Fernández-Lerga Garralda, Carlos	Receipt of economic amounts for services rendered to GAMESA CORPORACIÓN TECNOLÓGICA, S.A., as holding the post of Vice secretary to the Board of Directors and the post of Secretary non member of the Audit and Compliance Committee and of the Appointments and Remuneration Committee.	GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

State any changes that have come about during the period regarding the type of each director:

Name or trade name of the director	Date of change	Former classification	Current classification

See note (B.1.3) in section G contained herein.

B.1.4 State the reasons, if any, for the appointment of directors representing significant shareholders at the proposal of shareholders whose stake is below 5% of share capital:

Name or trade name of significant shareholder	Reason

State if any formal requests have been rejected for a presence on the Board made by shareholders whose stake is equivalent to or greater than that of other shareholders who have had directors to represent them appointed. If so, explain the reasons why such requests have been rejected:

Yes

No

Name or trade name of significant shareholder	Explanation

B.1.5 State if any director has relinquished office before the end of his/her term of office, whether he/she has explained the reasons for doing so and how he/she has notified the Board. If he/she has done so in writing to the whole Board, explain the reasons he/she has given below:

Name of director	Reason for relinquishing office
Ulacia Arnaiz, Guillermo	Personal reasons

B.1.6 State, if any, the powers of attorney granted to the CEO(s).

Name or trade name of the director	Brief description
Calvet Spinatsch, Jorge	GAMESA CORPORACIÓN TECNOLÓGICA S.A.'s Board of Directors unanimously resolved, with a previous favourable report of the Appointments and Remuneration Committee, to appoint Mr. Jorge Calvet Spinatsch as Chairman of the Board and CEO of the company, at its meeting held on October 8, 2009 and delegated all the powers that correspond to the Board of Directors to him pursuant to the Law and the Corporate Bylaws, apart from those that cannot be delegated. Mr. Calvet accepted the appointment at the same meeting.

B.1.7 Name the board members, if any, who hold positions as administrators or managers in other companies forming part of the listed company's group:

Name or trade name of the director	Trade name of the company belonging to the group	Office
Calvet Spinatsch, Jorge	GAMESA TECHNOLOGY CORPORATION, Inc.	Single Administrator

See note (B.1.7) in section G contained herein.

B.1.8 Name any directors of your company who are known by your company to be members of the board of other companies listed on official Spanish stock markets other than companies in your group:

Name or trade name of the director	Trade name of the listed company	Office
Arregui Ciarsolo, Juan Luis	IBERDROLA, S.A.	Deputy Chairman
	GRUPO EMPRESARIAL ENCE, S.A.	Chairman
	CARTERA INDUSTRIAL REA, S.A.	First Deputy Chairman
Bergareche Busquet, Santiago	GRUPO FERROVIAL, S.A.	Deputy Chairman
	DINAMIA CAPITAL PRIVADO, SCR, S.A.	Chairman
	COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.	Chairman
Fernández Martínez, Pascual	GRUPO EMPRESARIAL ENCE, S.A.	Director
Calvet Spinatsch, Jorge	AFIRMA GRUPO INMOBILIARIO, S.A.	Director
Fernández-Lerga Garralda, Carlos	INMOBILIARIA COLONIAL, S.A.	Director
Lada Díaz, Luis	INDRA SISTEMAS, S.A.	Director

B.1.9 State and, if necessary, explain whether the company has laid down any rules concerning the number of boards in which its directors may sit:

Yes

No

Explanation of the rules

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B.1.10 Concerning recommendation number 8 of the Unified Code, state the company's overall policies and strategies that the Board as a whole has reserved for its approval:

	Yes	No
The investment and financing policy	X	
Defining the group of companies' structure	X	
The corporate governance policy	X	
The corporate social responsibility policy	X	
The strategic or business plan, as well as annual management targets and budget	X	
The senior management remuneration and performance assessment policy	X	
The risk control and management policy, as well as the regular monitoring of internal information and control systems	X	
The dividend policy, as well as the treasury stock policy and, in particular, its constraints.	X	

See note (B.1.10) in section G contained herein.

B.1.11 Complete the following tables on the directors' total remuneration during the financial year:

a) Remuneration from the reporting company:

Remuneration item	Figure in thousands euros
Fixed remuneration	1,839
Variable remuneration	2,777
Allowances	328
Bylaw items	181
Stock options and/or other financial instruments	
Others	
TOTAL:	5,125

Other Benefits	Figure in thousands euros
Advances	
Loans granted	
Pension Schemes and Funds: Contributions	
Pension Schemes and Funds: Liabilities contracted	
Life insurance premiums	28
Guarantees extended by the company to directors	

b) Remuneration earned by the company's directors from other boards of directors and/or as senior executives of group companies:

Remuneration item	Figure in thousands euros
Fixed remuneration	
Variable remuneration	
Allowances	
Bylaw items	
Stock options and/or other financial instruments	
Others	
TOTAL:	

Other Benefits	Figure in thousands euros
Advances	
Loans granted	
Pension Schemes and Funds: Contributions	
Pension Schemes and Funds: Liabilities contracted	
Life insurance premiums	
Guarantees extended by the company to directors	

c) Total remuneration by type of director:

Type of director	From company	From group
Executive directors	3,903	
Non-executive directors representing significant shareholders	414	
Non-executive independent directors	733	
Other non-executive directors	103	
Total	5,153	

d) Remuneration in relation to profits attributed to the parent company:

Directors' total remuneration (in thousands euros)	5,153
Total directors' remuneration/profits attributed to parent company (expressed in%)	4.49

See note (B.1.11) in section G contained herein.

B.1.12 Identify the members of senior management who are not simultaneously executive directors, and state the total remuneration due to them during the financial year:

Name or trade name	Office
Blanco Lucas, Amalia	General Manager of Communication and External Relations
Cortajarena Manchado, José Antonio	General Secretary
Fernández Martín del Campo, Juana María	General Manager of Human Capital Management
Giménez Sainz de la Maza, Iñigo	Chief Operational Officer
Iñarritu Ibarreche, Juan Ramón	General Manager of Management Control
Kymal, D. Ramesh	Chairman and CEO for India
Larretxi Burgos, José Ignacio	General Manager of Business Excellence Unit
Malumbres García, José Antonio	General Manager of Technology
Matthys, Dirk	Chairman and CEO for North America

Monzón Arribas, Teodoro	General Manager of Wind Farm Promotion and Sales
Pardo López, Luis	General Manager of Operations
Perea Sáenz de Buruaga, Javier	General Manager of Commercial, Construction and Services
Zaldua Lasa, Jesús	Chairman and CEO for China
Zarza Yabar, Félix	Manager of Internal Audit

Total senior management remuneration (in thousands euros)	5,088
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See note (B.1.12) in section G contained herein.

B.1.13 State in general terms if guarantee or golden handshake clauses exist in favor of the company's or its group's senior management members in the event of dismissal or changes of control, including executive directors. State whether such agreements have been notified to and/or approved by the governing bodies of the company or of its group:

Number of beneficiaries	11
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	Board of Directors	General Shareholders' Meeting
Body authorizing the clauses	X	

	YES	NO
Is the General Shareholders' meeting informed about the clauses?	X	

See note (B.1.13) in section G contained herein.

B.1.14 Describe the process for setting board members' remuneration and cite the relevant clauses of the bylaws.

**Process for setting the remuneration of members of
the Board of Directors and the Bylaw clauses**

1. The remuneration of the members of the Board of Directors according to the internal regulation of the company:

The internal regulation of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. rules the remuneration of the members of the Board of Directors in the following articles:

- Article 15.4d) of the Board of Directors Regulation
- Article 26 of the Board of Directors Regulation
- Article 25 of the Bylaws

2. Application of the internal regulation of the company in the remuneration of the Board of Directors in the fiscal year 2009:

According to the "Report regarding the remuneration policy of the Board of Directors in the fiscal year 2009 and its application in the fiscal year 2008", prepared by the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., and placed at the shareholder's disposal for the call of the Shareholders' General Meeting that took place on May 29, 2009, we proceed to detail the remuneration system that was effectively applied by GAMESA CORPORACIÓN TECNOLÓGICA, S.A. and, more precisely, during the fiscal year 2009.

Remuneration of the members of the Board of Directors for their activity as Directors:

The remuneration of the members of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. for their activity as Directors is an annual fixed remuneration for their membership of the Board of Directors and of the Audit and Compliance Committee and the Appointments and Remuneration Committee (hereafter, the Committees) and an allowance for attending the meetings of the Board of Directors and the meetings of the above-mentioned Committees.

The Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., on proposal of the Appointments and Remuneration Committee, approved the freeze, for the fiscal year 2009, of the fixed remuneration and of the attendance allowances of the meetings of the Board of Directors and of the Committees.

Remuneration of the Chairman and Chief Executive Officer and of the rest of Executive Directors, if applicable:

According to the Articles of Association and the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., the remuneration of the Directors for the performance of his activity is independent to the remuneration that, with a general or singular character, is recognized to the members of the Board of Directors that fulfil executive duties or professional orders.

a) Remuneration of the Chairman and Chief Executive Officer:

The remuneration that the President and CEO shall receive for the performance of his executive duties covers the following concepts:

- Fixed remuneration
- Variable remuneration: annual and/or long term.

On initiative of the Chairman and CEO, the Appointments and Remuneration Committee proposed and the Board of Directors approved the freeze of the fixed remuneration and maximum annual variable remuneration to receive, for the fiscal year 2009.

The Shareholders' General Meeting of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. held on May 29, 2009 approved the implementation of a Long Term Incentive Plan through the delivery of shares of the company (hereinafter, the "Plan") aimed to the Executive Directors, Senior Managers, Managers and employees of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. and, if applicable, of the dependent companies, bound to the achievement, by the end of the duration period of the program, of certain targets bound to the Business Plan 2009-2011.

b) Remuneration of the Member-Secretary-Legal Adviser of the Board of Directors:

According to the Articles of Association and the Board of Directors Regulations, the remuneration that a Executive Director receives for his activity as member of the Board of Directors is independent and compatible with the remuneration that belongs to the professional services rendered that are entrusted by the Company, those as the running of the Secretariat of the Board of Directors, relations with the supervisory body for issued companies and the performance of legal adviser functions to the Board of Directors. On the contrary, the remuneration policy of the Board of Directors does not include the payment of a Variable Remuneration being limited this variable remuneration to the President and CEO of the Company.

On initiative of Member-Secretary-Legal Adviser, the Appointments and Remuneration Committee proposed and the Board of Directors approved the freeze of the annual fixed remuneration and the remuneration for the professional services contract, for the fiscal year 2009.

State whether the Board as a whole has reserved the approval of the following decisions for itself:

	Yes	No
At the proposal of the company's chief executive, appointing and relieving senior managers of office, along with their compensation clauses.	X	
Directors' remuneration, as well as any additional remuneration for executive directors due to their executive functions and other conditions that their contracts must comply with.	X	

See note (B.1.14) in section G contained herein.

B.1.15 State whether the Board of Directors approves a detailed remuneration policy and specify the matters on which it takes decisions:

Yes

No

	Yes	No
Amount of fixed items with a breakdown, should it be the case, of allowances for taking part in Board and Committee Meetings and an estimate of the fixed annual remuneration from which these arise	X	
Variable remuneration items	X	
Main features of social welfare schemes, along with an estimation of their amount or annual equivalent cost	X	
Conditions which the contracts of any individuals performing senior management functions as executive directors must comply with, among which they will be included	X	

B.1.16 State whether the Board brings a report on the directors' remuneration policy before the General Shareholders' Meeting's for its approval as a separate item on the agenda. If so, explain the aspects of the aforementioned report on the remuneration policy approved by the Board for the coming years, the most significant changes made to such policies compared to the policy applied during the financial year and an overall summary of how the remuneration policy was applied during the financial year. Provide details on the role played by the Remuneration Committee, whether external advice has been used and identify any external consultants that have provided such advice:

Yes

No

Matters on which the remuneration policy report takes a stance
<p>The remuneration policy report declares essentially the fixed remuneration and the amount of allowances that correspond to each member of the Board of Directors according to his post and to his membership to the Committees.</p> <p>It declares also the Remuneration of the Chairman and CEO and of the other Executive Directors, if applicable.</p> <p>In the section B.1.14 of this document the detailed information about the content of the report about the remuneration policy and its application for the fiscal year 2009 is to be found.</p>

Role played by the Remuneration Committee
Suggest to the Board of Directors the system and the amount of fixed remuneration and allowances of the Directors, as well as the remuneration of the Executive Directors and the rest of the conditions of their contracts, according to the internal regulations of the company. Likewise it informs the Board of Directors, for its approval, about the multi-year incentive systems, according to the Article 15.4.i) of the Board of Directors Regulations.

	Yes	No
Has external advice been used?	X	
Identity of the external consultants	Towers Perry	

See note (B.1.16) in section G contained herein.

B.1.17 Indicate any directors who are also simultaneously board members, executives or employees of companies owning significant shareholdings in the listed company and/or in companies belonging to its group:

Name or trade name of the director	Trade name of significant shareholder	Office
Arregui Ciarsolo, Juan Luis	IBERDROLA, S.A.	Deputy Chairman
Velasco Gómez, Pedro	IBERDROLA, S.A.	Manager of Non-Energy Businesses and Assets

Provide details of any relevant relationships of the members of the Board of Directors, other than the ones described in the preceding paragraph, which link them to significant shareholders and/or companies belonging to your group:

Name or trade name of the linked director	Name or trade name of the linked significant shareholder	Describe relationship
Rodríguez-Quiroga Menéndez, Carlos	IBERDROLA, S.A.	Provision of legal counseling services through a law firm
Fernández-Lerga Garralda, Carlos	IBERDROLA, S.A.	Provision of legal counseling services through a law firm

See note (B.1.17) in section G contained herein.

B.1.18 State whether any amendments to the Board regulations have come about during the financial year:

Yes

No

Description of amendments

B.1.19 Describe the procedures to appoint, reappoint, assess and dismiss directors. Specify the competent bodies, the formal steps to be taken and the criteria used in each of the procedures.

Appointment procedure:

Pursuant to Article 17 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Bylaws and Article 18 of the Board of Directors Regulations, the Members of the Board are *"appointed by the General Shareholders' Meeting"*. However, *"should vacancies arise during the term for which they were appointed, the Board may appoint the individuals to fill such vacancies from among the shareholders until the next General Shareholders' Meeting is held"* and always in accordance with the provisions contained in the Corporations Law (*Ley de Sociedades Anónimas*) and the Bylaws.

According to Articles 15.4. a) and 18.2 of the Board of Directors Regulations any proposals for the appointment of Directors the Board of Directors may bring before the General Shareholders' Meeting for its consideration and any appointment decisions said body may take by virtue of the powers of cooptation legally attributed to it shall be preceded by the respective proposal issued by the Appointments and Remuneration Committee in the case of Non-Executive Independent Directors, and by a relevant report of the mentioned Committee in the case of the rest of Directors. The Board of Directors is entitled to reject a proposal or report from the Appointment and Remuneration Committee, but shall set forth the reasons for its decision and certify same in the minutes.

Article 19 of the same Regulations additionally states that *"the Board of Directors and the Appointments and Remuneration Committee shall make an effort within the sphere of their competencies to ensure that the proposal and appointment of candidates shall fall on individuals of renowned honorability, solvency, competence and experience. They shall take special care regarding the individuals called upon to fill the positions of Independent Directors."*

"In the case of Directors who are legal persons, the individual who represents them to exercise the functions of the position shall be subject to the conditions of honorability, solvency, competence and experience set forth in the preceding paragraph and shall be personally required as regards the Directors' duties set forth in these Regulations."

Finally, the Article 15.4 m) of the Board of Directors Regulations confers the Appointments and Remuneration Committee the responsibility of ensuring that when new vacancies on the Board of Directors are filled, the selection procedures do not suffer from any implicit discriminatory biases due to any reason whatsoever.

Appointments occurred:

According to the Significant Event number 109164 sent to the CNMV on date May 29, 2009, the Shareholders' General Meeting of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. approved the ratification of the appointment as member of the Board of Directors, under the category of external proprietary, of IBERDROLA, S.A., appointed by cooption by the Board of Directors, prior favorable report of the Appointments and Remuneration Committee in his meeting held on June 26, 2008.

According to the Significant Event number 109164 sent to the CNMV on date May 29, 2009, the Shareholders' General Meeting of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. approved the ratification of the appointment as member of the Board of Directors, under the category of "Other External Directors", of Mr. Carlos Fernández-Lerga Garralda, appointed by cooption by the Board of Directors, prior favorable report of the Appointments and Remuneration Committee in his meeting held on October 7, 2008.

According to the Significant Event number 115354 sent to the CNMV on date October 23, 2009, the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., approved, on proposal of the Appointments and Remuneration Committee, the appointment by cooption of Mr. Luis Lada Díaz as member of the Board of Directors under the category of external independent.

Reappointment procedure:

In relation with the reappointment of the members of the Board of Directors, the Article 20 of the Board of Directors Regulations establishes that *"any proposals for the reappointment of Directors that the Board of Directors may resolve to bring before the General Shareholders' Meeting shall have to comply with a formal assessment process, of which a report issued by the Appointment and Remuneration Committee shall form part, in conformance with the Regulations herein."*

Assessment procedure:

Regarding the assessment the Article 16.6 of the Board of Directors Regulations states that *"before the end of each year, the Board of Directors shall draw up an annual agenda for regular meetings. The Board shall devote at least one meeting per year for evaluating (i) the quality and efficiency of its operation, (ii) the Chairman's and CEO's performance of their responsibilities, working from a report prepared by the Appointment and Remuneration Committee and (iii) the functioning of the Committees, working from reports that they provide to the Board of Directors."*

In the exercise of that regulatory measure the Appointments and Remuneration Committee presented to the Board of Directors a report about the assessment, each made separately, of the Chairman and CEO of the company, of the Board of Directors, and of the proper Appointments and Remuneration Committee, report that was examined and approved by the Board of Directors in his meeting of January 29, 2009. In the same way, the Audit and Compliance Committee presented to the Board of Directors a report about his operation that was examined and approved by the Board of Directors of February 25, 2009.

Vacation procedure:

The vacation of directorships is governed by Article 22 of the Board of Directors Regulations which sets forth that *"Directors shall relinquish their office once the term for which they were appointed has elapsed, without prejudice to the possibility of their reappointment when the General Shareholders' Meeting may so resolve. The Board may likewise propose a Director's dismissal to the General Shareholders' Meeting"*.

The formal steps and criteria to be followed for the vacation of office shall be those set forth in the Corporations Law (*Ley de Sociedades Anónimas*) and in the Companies Registry Regulations (*Reglamento del Registro Mercantil*).

Additionally the section 2 of the Article 22 of the Board of Directors regulations, contains the circumstances in which the Directors shall place their position at the Board of Directors' disposal and formally tender their resignation, if the Board sees fit after a report is issued by the Appointment and Remuneration Committee (see section B.1.20 of the present document).

See note (B.1.19) in section G contained herein.

B.1.20 State the circumstances in which directors are obliged to stand down.

According to Article 22.2 of the Board of Directors Regulations, *"Directors shall place their position at the Board of Directors' disposal and formally tender their resignation, if the Board sees fit after a report is issued by the Appointments and Remuneration Committee under the following circumstances:*

- a) *Concerning Proprietary Directors, whenever these or the shareholder they represent cease being the holders of significant stable stakes in the Company, as well as whenever such shareholders withdraw their representation.*
- b) *Concerning Executive Directors, whenever the Board may deem fit.*
- c) *Concerning External Directors, whenever they join the Company's management or the management of any of the Group's companies.*
- d) *Concerning Independent Directors, when for any other reason any of the circumstances set forth in Article 7.1 of these Regulations apply, causing an incompatibility with the condition of being an Independent Director.*
- e) *Whenever they are involved in a conflict of interest or prohibition as set forth in prevailing legislation, the Bylaws or these Regulations.*
- f) *Whenever they are brought to trial or if a court ruling on the initiation of a court hearing against him/her is issued for any of the offences set forth in Article 124 of the Corporations Law (Ley de Sociedades Anónimas), or whenever they are involved in disciplinary proceedings for a serious offense by the supervisory authorities.*

- g) *When they reach the age of 70 years. The Chairman, the Deputy Chairmen, the CEO, the Board Secretary and Deputy Secretary shall relinquish office at the age of 65, but may carry on as Directors. Standing down as a Director and from the position shall come about during the first Board of Directors' Meeting held after the General Shareholders' Meeting in which the annual accounts are approved for the financial year in which the Director reaches the aforementioned age.*
- h) *Whenever they may stand down from executive positions linked to their appointment as a Director.*
- i) *Whenever they are issued a serious admonishment by the Audit and Compliance Committee or are severely punished by a public authority for having breached their duties as a Director.*
- j) *Whenever their permanence on the Board may place the Company's interests at risk, or whenever the reasons for their appointment have ceased to exist.*

Resignations occurred:

According to the Significant Event number 114669 sent to the CNMV on date October 8, 2009, in the meeting of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. held on the same day, the executive Director Mr. Guillermo Ulacia Arnaiz resigned, for personal reasons, as member of the Board of Directors and consequently as Chairman of the Board of Directors and as Chief Executive Officer.

B.1.21 State whether the role of the company's chief executive officer is linked to the office of Chairman of the Board. If so, state the measures that have been taken to limit the risks of accumulating too much power in the hands of a single person:

Yes X

No

Measures to limit risks
<p>Several precautionary measures have been adopted by GAMESA CORPORACIÓN TECNOLÓGICA, S.A. in order to reduce the risks of concentrating too much power in the hands of a single person, measures that are described as follows:</p> <p>1. <u>Appointment of one of the Non-Executive Independent Directors of the Company as Deputy Chairman</u></p> <p>Pursuant to the provisions set forth in Article 10 of the Board of Directors Regulations, the Deputy Chairman shall replace the Chairman should he be unable to perform his functions or in his absence.</p> <p>Likewise, pursuant to the provisions set forth in Article 6.2.c) of the Board of Directors Regulations, the Board shall adopt all the necessary measures to ensure that a single individual or a small group of people shall not hold decision-making powers that are not subject to checks and balances.</p>

The Article 9.4 of the Board of Directors Regulations states that *"should the Chairman of the Board also be the Company's CEO, the Board of Directors may empower the Deputy Chairman, should he/she be an Independent Director, or one of the Independent Directors, so that they may coordinate and reflect the concerns of External Directors and request the Chairman to call a Board of Directors meeting when they see fit, as well as to direct the Board's assessment of its Chairman."*

Consequently, the presence of the Deputy Chairman, as being an Independent Director, means a limit to concentrate too much power in a single person.

In the meeting of the Board of Directors of July 27, 2006 it was approved, with a previous report from the Appointments and Remuneration Committee, the appointment as Deputy Chairman of the Board of Directors of Mr. Jorge Calvet Spinatsch, Non-Executive Independent Director of the company. Mr. Jorge Calvet Spinatsch held this post until October 8, 2009, date of his appointment as Chairman of the Board of Directors and Chief Executive Officer of the company, consequently resigning as independent Deputy Chairman of the Board of Directors in compliance with the internal regulations of the company and the best practices in corporate governance. Therefore since the above mentioned date the post of Deputy Chairman is vacant.

2. Absence of the Chairman and CEO in the meetings of the delegated Committees of the Board of Directors

The Board of Directors Regulations states in the Articles 14.1 and 15.1 that the Audit and Compliance Committee and the Appointments and Remuneration Committee are comprised of three External Directors.

Consequently, because of the executive category of the CEO he can not be a member of any of the delegated Committees of the Board of Directors, as it is expressly prohibited in the Bylaws, the Board of Directors Regulations and in the Audit and Compliance Committee Regulations.

3. Functions reserved to the Board of Directors

Following the Article 5 of the Board of Directors Regulations is transcribed and from its content its section 6 is to be emphasized as it states that *"any powers that may not be delegated pursuant to the Law, the Bylaws or expressly set forth in an internal rule as such shall be exclusively reserved for the Board of Directors' consideration."*

The above mentioned Article states the following:

Article 5. Mission and Functions of the Board

1. The mission of Gamesa's Board of Directors is to promote the Company's interests, to represent the Company and its shareholders in the management of its assets, to manage the business and to direct the business' administration.
2. Apart from the matters reserved for the competence of the General Shareholders' Meeting, the Board of Directors is the highest representative and decision-making body in the Company. It has no substantial constraints apart from those laid down in legislation and the Bylaws, and particularly in the corporate purpose.

3. The Board's policy is to delegate the Company's day-to-day management to executive bodies and the management team, thereby focusing its activity on exercising general oversight and setting overall strategies.
4. Without prejudice to the powers and functions delegated to the Audit and Compliance Committee and to the Appointment and Remuneration Committee, the Board shall deal with all matters of relevance to the Company and shall specifically assume the obligation of directly exercising the following responsibilities:
 - (i) Approving the Company's overall policies and strategies and in particular:
 - a) The strategic or business plan, as well as annual management targets and budgets.
 - b) Defining the group of companies' structure.
 - c) The corporate social responsibility policy.
 - d) The risk identification, control and management policy, as well as the implementation and regular monitoring of internal information and control systems.
 - (ii) Concerning general management:
 - a) Setting general regulations and proposing the appointment of individuals to represent the Company, either as its administrators or as individuals representing them, in the Group companies' governing bodies as well as in those of its subsidiaries and of any companies in which it holds a stake, as long as the Board of Directors should so decide due to the relevance of any of these.
 - b) As regards Senior Management, approving:
 - The appointments, dismissals –if applicable- and remuneration of the Company's Senior Management, including any compensation in the event of dismissal or removal from office;
 - Remuneration policy and performance assessments;
 - Organizing Senior Management's structure, organization chart and job descriptions.

All of the foregoing shall be carried out at the proposal of (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer and/or (iii) the Board of Directors Committees, depending on the individual or body to which Senior Management may report and after having received a report from the Appointment and Remuneration Committee.

 - c) Overseeing Senior Management's and Executives' management activities and, if necessary, adopting any disciplinary measures for them should they breach their Corporate Governance obligations and/or the Internal Code of Conduct Regarding the Securities Markets.

- d) After having received a report from the Audit and Compliance Committee, authorizing operations or transactions that may involve Conflicts of Interest (i) with the Company or the Group's companies, (ii) with Directors or their Related Parties, (iii) with shareholders owning significant stakes or represented on the Board and their Related Parties, (iv) with Senior Management and Executives, as well as (v) any other relevant transaction concerning the same, except when it is not necessary pursuant to the provisions set forth in Article 35.5 contained herein.
 - e) Approving waivers and other authorizations concerning Directors' duties which lie within its competence according to these Regulations.
 - f) Approving policies concerning treasury stock within the framework the General Shareholders' Meeting may lay down.
 - g) Drawing up dividend policy to be brought before the General Shareholders' Meeting and taking resolutions on interim dividend amounts.
 - h) Approving specific, multi-year incentive schemes after having received a report from the Appointment and Remuneration Committee.
 - i) In general terms, approving operations that involve substantial amounts of the Company's assets, along with investments and operations of all kinds that, due to their large amounts or special characteristics, are of strategic importance according to the requirements or criteria the Board may set at the time.
- (iii) Concerning the General Shareholders' Meeting:
- The Board of Directors shall bring the following operations before the General Shareholders' Meeting for its approval:
- i) The transformation of the Company into a holding through subsidiarization or the incorporation of essential activities performed up to that time by the Company itself into subsidiaries, even when the Company maintains full control over them.
 - ii) Acquisition or divestment transactions involving essential operating assets, whenever they involve an effective modification of the corporate purpose.
 - iii) Operations whose effect would be equivalent to liquidating the Company.
- (iv) Concerning the Board's organization and running and after having received a proposal or report from the Appointment and Remuneration Committee:
- a) (i) Appointing Directors to cover vacancies produced in the Board through cooptation and (ii) proposing to the General Shareholders' Meeting the appointment, ratification, reappointment and relieving of office of Directors, without prejudice to the entitlements granted to Shareholders pursuant to prevailing legislation.

- b) Appointing and dismissing the Chairman, the CEO, the Secretary and, if necessary, the Deputy Chairman and Deputy Secretary, along with the members that should form part of each of the Committees set up within the Board.
 - c) Proposing the most appropriate number of directors in order to duly ensure the body is representative and runs smoothly.
 - d) Approving remuneration schemes (compensation, allowances, pension schemes, life insurance, liability insurance, etc.) for Directors that are legally within its competence and in accordance with the Bylaws, as well as additional remuneration schemes for Executive Directors due to their executive functions and the other conditions their contracts must fulfill, including any compensation in the event of dismissal or removal from office after having received the Appointment and Remuneration Committee's report.
 - e) Approving amendments to these Regulations under the terms set forth in Article 3.
- (v) Concerning the annual accounts, transparency and veracity of the information:
- a) Drawing up the annual accounts and management report, and proposing how both individual and consolidated profits are to be allocated, and submitting them before the General Shareholders' Meeting, along with the quarterly and half-yearly financial statements, should it be the case.
 - b) Setting shareholder, market and public reporting and communications policies and contents, and more specifically that of the Company's corporate Website, where the shareholders' entitlement to information shall be attended, and disclosing relevant information. All of the foregoing shall be done pursuant to prevailing legislation.
 - c) Ensuring that information that has to be disclosed to the public is transparent, including the Directors' and Senior Management's remuneration.
 - d) Pursuant to the provisions set forth in Article 37 of the Regulations, drawing up, approving, informing about and publishing the Annual Corporate Governance Report with the contents and under the terms that may be legally laid down by prevailing legislation at any one time.
 - e) Approving the Internal Rules of Conduct for the Securities Markets.
 - f) Drawing up and approving the Company's Sustainability Report or Social Responsibility Report pursuant to Article 39 of the Regulations, with the regularity it may deem appropriate and, should it be the case, defining and promoting corporate social responsibility actions.
5. The Board shall also have the functions the Law may attribute to it, those which the General Shareholders' Meeting may delegate to it, those contained in the General Shareholders' Meeting Regulations and the ones specifically set forth herein.

6. Any powers that may not be delegated pursuant to the Law, the Bylaws or expressly set forth in an internal rule as such shall be exclusively reserved for the Board of Directors' consideration.

4. Assessment of the Chairman and CEO

The Article 16.6 of the Board of Directors regulations states that *"before the end of each year, the Board of Directors shall draw up an annual agenda for regular meetings. The Board shall devote at least one meeting per year for evaluating (i) the quality and efficiency of its operation, (ii) the Chairman's and CEO's performance of their responsibilities, working from a report prepared by the Appointments and Remuneration Committee and (iii) the functioning of the Committees, working from reports that they provide to the Board of Directors."*

Consequently, the performance of his functions by the Chairman and the CEO, besides of being under the censorship of the shareholders, is under the control of the Board of Directors and the Appointments and Remuneration Committee.

State and, if necessary, explain whether rules have been laid down empowering one of the independent directors to request the calling of a Board meeting or the inclusion of additional points on the agenda in order coordinate and address the concerns of non-executive directors and to direct assessments by the Board of Directors.

Yes X

No

Explanation of the rules

Article 9.4 of GAMESA CORPORACIÓN TECNOLÓGICA's Board of Directors Regulations sets forth that *"should the Chairman of the Board also be the Company's CEO, the Board of Directors may empower the Deputy Chairman, should he/she be an Independent Director, or one of the Independent Directors, so that they may coordinate and reflect the concerns of External Directors and request the Chairman to call a Board of Directors meeting when they see fit, as well as to direct the Board's assessment of its Chairman."*

B.1.22 Are reinforced majorities other than the statutory majorities required for any kind of decision?

Yes X

No ≥

Indicate how Board of Directors' resolutions are adopted, stating at least the minimum quorum and the type of majority required to adopt resolutions:

Adoption of resolutions		
Description of the resolution	Quorum	Type of Majority
All except the circumstances under which another quorum has been specifically set forth (Article 17.3 of the Board of Directors Regulations)	The Board shall be duly constituted when half plus one of the Directors are either present or duly represented (Article 17.1 of the Board of Directors Regulations).	Resolutions shall be adopted by an absolute majority of the directors attending (either present or by proxies) (Article 17.3 of the Board of Directors Regulations)

B.1.23 Explain whether there any specific requirements to be appointed as chairman other than those applicable to directors.

Yes

No

Description of the requirements

B.1.24 State whether the chairman has a casting vote:

Yes

No

Matters on which there is a casting vote

B.1.25 State whether the bylaws or the Board regulations set any age limit for directors:

Yes

No

Age limit for Chairman 65

Age limit for CEO 65

Age limit for directors 70

B.1.26 State whether the bylaws or the Board regulations lay down a limit for the independent directors' term of office:

Yes

No

Maximum number of years for term of office	
---	--

B.1.27 In the event of the number of directors being insufficient or none, explain the reasons why and the initiatives taken to correct such a situation.

Explanation of reasons and initiatives
During the year 2009 active search initiatives of female candidates has been adopted. Search initiatives of female candidates that, combining the necessary profile and the criteria established in the Article 19 of the Board of Directors Regulation, shall accept an eventually appointment as member of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

In particular, state whether the Appointments and Remuneration Committee has set forth procedures so that selection processes do not suffer from implicit biases that may hinder the selection of directors and may deliberately seek candidates that meet the required background:

Yes

No

State the main procedures
The Appointments and Remuneration Committee, according to the Article 19 of the Board of Directors Regulations, has established as recruitment procedures of Directors, those of honorability, reliability, competence and experience, assuring that female candidates, that fulfill the mentioned profile, are included in the recruitment process.

B.1.28 State whether there are formal procedures for voting by proxy at Board of Directors' meetings. If so, provide brief details.

Pursuant to Article 27.2 b) of the Board Regulations, *"Directors shall perform their functions with the diligence of an orderly businessperson and of a loyal representative and shall be specifically obliged to take part in the meetings of the bodies of which they form part and to actively participate in deliberations, so that their perspective makes an effective contribution to decision-making. Should a Director not be able to attend the meetings to which he/she has been called for justifiable reasons, he/she shall issue instructions to the Director who shall represent him/her if at all possible, assuring that said representation and vote are left in the hands of a Director operating under the same conditions."*

It shall be remarked that regarding the previous text of the Board of Directors Regulations of April 28, 2004, in the current version of the text approved by the Board of Directors on January 24, 2008 it states the novelty that the Director shall assure that the delegation of representation and vote is made to a Director that posses his same category.

For these purposes, all documents calling the Board of Directors meetings include a specific proxy form for the meeting in question and, should it be necessary, voting instructions should the director granting the proxy wish to use them. Hence, pursuant to Article 18 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Bylaws *"any Director may especially grant written authorization of proxy to another Director for each meeting by giving notice thereof to the Chairman or the Board Secretary through any of the means described in paragraph 2 of this Article"*.

The two Directors, that during the year 2009, did not attend a meeting of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A, as it is included in the section B.1.30 of the present document, did use the delegation faculty previously described, according to the Board of Directors Regulations and the Bylaws of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

B.1.29 State the number of Board of Directors meetings held during the financial year. Similarly, state the number of times the Board has held a meeting without the chairman's presence, if any:

Number of Board meetings	12
Number of Board meeting without the Chairman's presence	0

State the number of meetings the Board's various committees have held throughout the year:

Number of meetings of the Executive or Delegated Committee	N/A
Number of meetings of the Audit Committee	10
Number of meetings of the Appointments and Remuneration Committee	8
Number of meetings of the Appointments Committee	N/A
Number of meetings of the Remuneration Committee	N/A

See note (B.1.29) in section G contained herein.

B.1.30 State the number of Board of Directors meetings held during the financial year without the presence of all of its members. Any proxies made without specific instructions shall be construed as a lack of attendance.

Number of non-attendances by directors during the financial year	2
% of non-attendances compared to the total of votes during the financial year	1.66%

B.1.31 State whether the individual and consolidated annual accounts that are brought before the Board for its approval are previously certified:

Yes

No

If so, name the person/people who has/have certified the Company's individual or consolidated annual accounts to be drawn up by the Board:

Name	Office

B.1.32 Explain the mechanisms, if any, that the Board of Directors has set to avoid the annual individual and consolidated accounts drawn up by it from being brought before the General Shareholders' Meeting with qualifications in the auditor's report.

Article 22 of the Corporate Bylaws sets forth, among others, the following competencies for the Audit and Compliance Committee:

"d) Know the financial information process, revise the information which the Company must periodically and/or compulsorily supply to the markets and its supervision bodies, in sufficient detail to ensure it is correct, accurate, sufficient and clear, and know the Company's internal control systems, as well as check their suitability and integrity, supervising the identification, measuring and control of risks.

e) Maintain relations with the External Auditors in order to receive information about issues that may put their independence at risk, and anything else relating to the development of the account auditing, as well as those other communications set out in the account audit legislation and in the auditing technical rules, and to serve as a communication channel between the Board of Administration and the auditors, assess the results of each audit and the replies from the management team and its recommendations and mediate in the cases of disagreement between them in relation to the principles and criteria applicable to the preparation of the financial balances.

f) Revise the content of the audit reports before they are issued, ensuring that the said content and the opinion about the annual accounts is drafted clearly and precisely, as well as supervising performance of the audit contract.

g) Monitor compliance with the legal requirements and the correct application of the generally accepted accounting principles, and inform the Board of any significant change in the accounting criteria and of the balance and other risks."

For its part, Article 14.5.e) of the Board of Directors Regulations sets forth that the Audit and Compliance Committee's basic responsibilities include *"assessing the results of each audit and the responses of the management team to its recommendations, and mediating should there be discrepancies between them regarding the applicable criteria in the drawing up of the financial statements"*.

Along the same lines, Article 6 of the Audit and Compliance Committee Regulations, in his version approved on October 21, 2008 (hereafter, the Audit and Compliance Committee Regulations) sets forth among this Committee's main functions regarding external audits:

"e) Serving as a communications channel between the Board of Directors and the External Auditor, evaluating the results of each audit as well as the management team's responses to its recommendations. Mediating in cases of discrepancies between the External Auditor and the management team, in relation to the principles and criteria applicable to the preparation of the financial statements, independently of the Company financial management's relation with the External Auditor, and of the direct interlocutory and reporting role that said management should maintain with the Committee as to issues mentioned in the present Article.

f) Reviewing the audit reports before they are issued, making sure that the content and opinions concerning the annual accounts are expressed clearly, precisely, and without qualifications by the External Auditor."

In practice, such work is continuously performed by this Committee throughout the financial year by submitting reports to the Board of Directors concerning the Company's economic and financial situation, which are filed on a quarterly basis to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

One of the main aims of the Audit and Compliance Committee's reports, which are submitted before the Board of Directors in full prior to their approval, is to reveal any aspects that could lead to qualifications in the auditor's report on GAMESA CORPORACIÓN TECNOLÓGICA, S.A. and its consolidated group. Should this be the case, any relevant recommendations are formulated to avoid such qualifications.

It also shall be remarked that the External Auditor has appeared in the Audit and Compliance Committee in three occasions during the financial year ending on December 31, 2009:

- appearance on February 24, 2009 related to the preparation of the annual accounts referring to the financial year ending on December 31, 2009.
- appearance on July 28, 2009 related to the limited revision about the intermediate financial statements of June 30, 2009.
- appearance on December 15, 2009, related to the most relevant aspects, identified in its preliminary stage, about the annual accounts of the financial year ending in December 31, 2009.

Lastly, according to Article 43.5 of the Board of Directors Regulations, this body *"shall endeavor to definitively draw up the accounts in such a manner so as to ensure that there are no auditor's qualifications. Nonetheless, should the Board see fit to maintain its criteria, it shall publicly explain the contents and scope of the discrepancy."*

B.1.33 Does the Secretary to the Board also hold a directorship?

Yes X

No

See note (B.1.33) in section G contained herein.

B.1.34 Explain the procedures to appoint and relieve the Secretary to the Board of office, stating if a report on his/her appointment and relieving of office has been issued by the Appointments Committee and approved by the Board.

Procedure for appointment and relieving of office
Pursuant to Articles 5.4. iv) b), 11 and 15 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., the appointment and relieving of the Secretary to the Board shall be approved by the Board of Directors with a previous report, in both cases, of the Appointments and Remuneration Committee.

	Yes	No
Does the Appointments Committee issue a report about the appointment?	X	
Does the Appointments Committee issue a report about the relieving of office?	X	
Does the Board as a whole approve the appointment?	X	
Does the Board as a whole approve the relieving of office?	X	

Has the Secretary to the Board been specifically charged to oversee the recommendations of good governance?

Yes X

No ≥

Comments
<p>Article 11.3 of the GAMESA CORPORACIÓN TECNOLÓGICA S.A. Board of Directors Regulations sets forth that <i>"the Secretary shall at all times ensure the substantive and material formality of the Board's actions and specially oversee that the Board's actions:</i></p> <ul style="list-style-type: none"> <i>a) Comply with the wording and spirit of the Law and its regulations, including those approved by regulatory bodies.</i> <i>b) Comply with all Company Bylaws and with the Board and General Shareholders' Regulations, along with any others the Company may have.</i> <i>c) Take into consideration any recommendations on good governance issued by regulatory authorities that the Company may have accepted in its Bylaws and/or Regulations."</i>

B.1.35 State whether any mechanisms have been established by the company to ensure the independence of the auditor, financial analysts, investment banks and rating agencies.

Pursuant to the provisions set forth by Article 22 e) of the Bylaws, Article 14.5 e) of the Board of Directors Regulations and Article 6 of the Audit and Compliance Committee Regulations, one of this committee's functions is *"maintaining relationships with External Auditors to receive information on any matters that could place their independence at risk and regarding any other matters concerning the performance of the account auditing process, as well as of any other disclosures laid down by account auditing legislation and technical auditing standards, and serving as a channel of communications between the Board of Directors and the auditors, assessing the results of each audit and the management team's response to its recommendations, and mediating in the event of discrepancies between them regarding the principles and criteria applicable in the drawing up of financial statements"*. As Article 6 e) of the Audit and Compliance Committee Regulations lays down, this should be construed *"independently of the Company financial management's relation with the External Auditor, and of the direct interlocutory and reporting role that said management should maintain with the Committee as to issues mentioned in the present Article."*

In the functions previously detailed, that are entrusted to the Audit and Compliance Committee by the Board of Directors, is to *"assure"* the independence of the External Auditor and to that effect assure that the company and the External Auditor respect the current law about other services rendered than auditing work, the limits of concentration of the business of the External Auditor and, in general, others rules established to assure the independence of the External Auditors.

In this context the Audit and Compliance Committee requests the External Auditors a written statement of their independence for the performance of the auditing work of the annual accounts, as well as a complementary statement, if necessary, declaring that the performance of other services different than auditing the annual accounts did not mean a non-fulfillment related to their rules of independence.

Regarding the information provided to financial analysts and investment banks, the submission of results and other relevant documents issued by the Company is performed simultaneously for all of them after they are duly sent to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores - CNMV*).

In particular, pursuant to the CNMV Recommendation of December 22, 2005, GAMESA CORPORACIÓN TECNOLÓGICA, S.A. gives seven days' prior notice of any meetings to be held with analysts and investors, indicating the date and time set for such meetings, in addition to the technical means (teleconference, webcast) through which any interested party may follow them live.

Any documents that will serve as support to the meetings are made available through the company's website (www.gamesacorp.com) shortly before the meeting begins.

In addition, a direct Spanish/English translation service is made available to participants.

Lastly, a recording of the meeting is made available to investors on the company's website (www.gamesacorp.com) for a month.

Road shows are also regularly conducted in the most important countries and financial centers. Individual meetings with all such market players are held during these events. Their independence is protected by the existence of a specific counterpart dedicated to dealing with them, thereby guaranteeing objective, fair and non-discriminatory treatment.

See note (B.1.35) in section G contained herein.

B.1.36 State whether the company changed its external auditor during the financial year. If so, identify both the former and current auditor:

Yes

No

Former auditor	Current auditor

If there have been any disagreements with the former auditor, explain their contents:

Yes

No

Explanation of disagreements

B.1.37 State whether the auditing firm performs other work for the company and/or its group other than auditing work. If so, state the amount of the fees received for such work and the percentage it represents as regards the fees invoiced to the company and/or its group:

Yes

No

	Company	Group	Total
Amount of work other than auditing work (thousands euros)		414	414
Amount of work other than auditing work / total amount invoiced by the auditing firm (%)		22.76%	22.76%

B.1.38 State whether the auditor’s report on the Annual Accounts of the preceding financial year contains any reservations or qualifications. If so, state the reasons given by the Chairman of the Audit Committee to explain the contents and scope of said reservations or qualifications.

Yes

No

Explanation of the reasons

B.1.39 State the number of years which the current auditing firm has uninterruptedly audited the annual accounts of the company and/or its group. Likewise, state the percentage represented by the number of years audited by the current auditing firm in relation to the total number of years in which the annual accounts have been audited:

	Company	Group
Number of consecutive years	19	19

	Company	Group
Number of years audited by the current auditing firm / Number of years the company has been audited (in %)	100%	100%

B.1.40 State the shareholdings members of the company's Board of Directors hold in the share capital of companies having the same, analogous or complementary type of activity as the corporate purpose of both the company and the group, of which the company has been notified. Likewise, indicate the positions and functions the aforementioned directors hold:

Name or trade name of the director	Name of company in which shares are held	% shareholding	Position or functions
Arregui Ciarsolo, Juan Luis	IBERDROLA, S.A.	0.577%	Deputy Chairman, Member of the Executive Committee and of the Appointments and Remuneration Committee
IBERDROLA, S.A.	IBERDROLA RENOVABLES, S.A.	80%	None
	IBERDROLA GENERACIÓN, S.A.	100%	Single Administrator
	IBERDROLA ENERGÍA, S.A.	100%	Single Administrator
	IBERDROLA INGENIERÍA Y CONSTRUCCIÓN, S.A.U.	100%	None
	SCOTTISH POWER, LIMITED	100%	None
Velasco Gómez, Pedro	IBERDROLA, S.A.	0.000%	Manager of Non-Energy Businesses and Assets
Fernández-Lerga Garralda, Carlos	IBERDROLA RENOVABLES, S.A.	0.000%	None

See note (B.1.40) in section G contained herein.

B.1.41 State whether there is a procedure so that directors may benefit from external advice and, if so, provide details:

Yes

No

Details of the procedure

Pursuant to the provisions set forth in Article 25 of the Board of Directors Regulations, in the version approved on January 24, 2008, *"in order to be aided in the performance of their duties, External Directors may request the contracting of legal, accounting and financial experts, as well as other experts at the Company's cost.*

The commission must necessarily be related to specific problems of a certain relevance and complexity that arise during the course of the duties' performance.

The request to contract such experts must be made to the Company's Chairman and can be vetoed by the Board of Directors should it find that:

- a) it is not necessary in order to properly perform the functions External Directors are entrusted with;*
- b) its cost is unreasonable with a view to the problem's importance and the Company's assets and revenues;*
- c) the professional advice requested can be properly given by in-house experts and technicians;*
- d) it may entail a risk to the confidentiality of the information that has to be handled."*

Likewise, Article 21 of the Audit and Compliance Committee Regulations sets forth the mechanisms and limits for the external professional advice that can be requested.

Concerning the Appointments and Remuneration Committee, it may *"request external professional advice, and in such an event, the provisions set forth in these Regulations shall apply"*, in order to improve the performance of its functions pursuant to Article 15.9 of the Board of Directors Regulations.

B.1.42 State whether there is a procedure so that directors may count on having the necessary information to prepare for governing body meetings sufficiently in advance:

Yes

No

Details of the procedure

Article 18 of the Corporate Bylaws states that *"the Board of Administration will be called, and all of the documentation necessary for it and any other exchange of document between the members of the Board of Administration, by letter, fax or telegram. They can also be done by any other electronic, telematic, computerised or similar method that allows for the sending and receipt of letters and documents."*

Similarly, Article 27.2.a) of the Board of Directors Regulations sets forth that *"Directors should inform and prepare themselves properly for the meetings of the Board and the governing bodies to which they may belong"*.

Additionally, Article 24 of the Board of Directors Regulations empowers Directors *"to request any information about the Company they may reasonably need, as long as it is required for the performance of their duties. The entitlement to information shall also cover the Group's Spanish and foreign companies and subsidiaries."*

In order not to disturb the Company's day-to-day management when exercising the entitlement to information, such requests shall be channeled through the Chairman, the Chief Executive Officer or the Secretary to the Board, who shall respond to the Director's request by directly providing him/her with the information, indicating the appropriate person within the organization to deal with the request or putting into place measures so that the Director may conduct the verification or inspection tasks he/she may need on site.

Should the person responsible for responding to the Director's request have refused to provide the information requested considering that it could prejudice the Company's interests, it shall be the Board of Directors' responsibility to resolve the issue pursuant to the provisions laid down in the Corporations Law (Ley de Sociedades Anónimas)".

At last we remark that the Article 16.2 of the Board of Directors Regulations establishes that the *"Board of Director meetings may be called by means of a letter, fax, telegram or email, and shall be authorized by the signature of the Chairman or the Secretary by order of the Chairman. The meeting notification shall be issued with at least three (3) days notice. The notification shall include the meeting agenda, as well all relevant information, duly summarized and prepared."*

B.1.43 State whether the company has laid down rules that oblige directors to report circumstances that could harm the company's good standing and reputation and, if necessary, resign. If so, provide details:

Yes

No

Explain the rules
<p>As was indicated in Section B.1.20 above, Article 22 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. lays down the circumstances in which Directors must place their office at the Board's disposal and tender their resignation should the Board deem it suitable.</p> <p>Harming the company's good standing and reputation is one of these reasons.</p> <p>More specifically, Directors should proceed as above whenever:</p> <ul style="list-style-type: none"> a) <i>"They are involved in a conflict of interest or prohibition as set forth in prevailing legislation, the Bylaws or these Regulations"</i>(Article 22.2.e). b) <i>"Whenever they are brought to trial or if a court ruling on the initiation of a court hearing against him/her is issued for any of the offences set forth in Article 124 of the Corporations Law (Ley de Sociedades Anónimas), or whenever they are involved in disciplinary proceedings for a serious offense by the supervisory authorities."</i> (Article 22.2.f) c) <i>"Whenever they are issued a serious admonishment by the Audit and Compliance committee or are severely punished by a public authority for having breached their duties as a Director"</i>(Article 22.2.i). d) <i>"Whenever their permanence on the Board may place the Company's interests at risk"</i> (Article 22.2.j). <p>Likewise it should be pointed out that the members of the Board of Directors shall inform the Board of Directors of any criminal proceedings in which they are involved as suspects, as well as about any subsequent procedural events, according to the Article 22.3 of the Board of Directors Regulations.</p>

B.1.44 State whether any member of the Board of Directors has informed the company that he/she has been brought to trial or that a ruling has been issued for the initiation of a court hearing against him/her for any of the offences set forth in Article 124 of the Corporations Law (*Ley de Sociedades Anónimas*):

Yes

No

Name of director	Criminal trial	Comments

State whether the Board of Directors has analyzed the case. If the response is yes, explain the grounds for the decision taken on whether or not the director should continue in office.

Yes >

No >

Decision taken	Grounds
Should retain office / Should not retain office	

B.2. The Board of Directors' Committees

B.2.1 List all of the Board of Directors' Committees and their members.

EXECUTIVE OR DELEGATE COMMITTEE

Name	Office	Type

AUDIT AND COMPLIANCE COMMITTEE

Name	Office	Type
Vázquez Egusquiza, José María	Chairman	External Independent
Velasco Gómez, Pedro	Member	External Proprietary
Lada Díaz, Luis	Member	External Independent
Fernández-Lerga Garralda, Carlos	Secretary (Non-Member)	Other External Directors

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Office	Type
Fernández Martínez, Pascual	Chairman	External Independent
Arregui Ciarsolo, Juan Luis	Member	External Proprietary
Bergareche Busquet, Santiago	Member	External Independent
Fernández-Lerga Garralda, Carlos	Secretary (Non-Member)	Other External Directors

APPOINTMENTS COMMITTEE

Name	Office	Type

REMUNERATION COMMITTEE

Name	Office	Type

_____ COMMITTEE

Name	Office	Type

See note (B.2.1) in section G contained herein.

B.2.2 State whether the functions set out below correspond to the Audit Committee:

	Yes	No
Overseeing the process of drawing up financial information on the company and its integrity and, if so, of the group, checking compliance with regulatory requirements, the appropriate delimitation of the consolidation boundary and the correct application of accounting standards	X	
Regularly checking internal control and risk management systems, so as to ensure the main risks are identified, managed and adequately known	X	
Overseeing the independence and efficiency of internal auditing functions; proposing the recruitment, appointment, reappointment and dismissal of the head of internal auditing; proposing this service's budget; receiving regular information on its activities; and ensuring that senior management takes into consideration the conclusions and recommendations contained in its reports	X	
Setting and overseeing a mechanism that allows employees to confidentially and, if deemed appropriate, anonymously report any irregularities that could be potentially important, especially financial and accounting irregularities they may notice within the company	X	
Bringing before the Board proposals to recruit, appoint, reappoint and replace the external auditor, along with their contracting conditions.	X	

NOTICE. The present document is a translation of a duly approved document in Spanish- language, and it is only provided for informational purposes. Shall a discrepancy between the present translation and the original document in Spanish-language appear, the text of the original Spanish-language document shall always prevail.

Receiving information from the external auditor about the auditing plan on a regular basis, in addition to the results of its performance, and checking to ensure senior management takes its recommendations into account	X	
Ensuring the external auditor's independence	X	
In the case of groups, making sure the group's auditor takes on responsibility for the audits of the companies making up the group.	X	

B.2.3 Briefly describe the rules for organizing and running the Board's committees, as well as the responsibilities attributed to each of the committees.

Audit and Compliance Committee

As set forth by Article 1 of its Regulations, "according to Article 22 of the Corporate Bylaws (hereunder, the Bylaws) and Article 13 of the Board of Directors Regulations (hereunder, the Board Regulations), the Audit and Compliance Committee of Gamesa Corporación Tecnológica, S.A. (hereunder, Gamesa, or the Company) is a consultative and informative internal body of the Board of Directors having powers of information, consulting and proposal making. The Audit and Compliance Committee shall be governed by the present Rules of Procedure (or Rules), as well as by all applicable laws, bylaws, and Board Regulations."

Organization

In accordance to Article 14 of the Board of Directors Regulations and Article 12 of the Audit and Compliance Committee Regulations, the rules of organization of the Audit and Compliance Committee can be summarized as follows:

- a) The Audit and Compliance Committee shall be comprised of three (3) External Directors appointed for a period of four (4) years by the Board of Directors, on proposal of the Appointments and Remuneration Committee, among the External Directors.
- b) The Audit and Compliance Committee chooses a Chairman and a Secretary.
- c) The members of the Committee shall leave their position:
 - a) When they cease to be Directors.
 - b) Upon decision of the Board of Directors.

Operational rules

In accordance to Article 13 and 14 of the Audit and Compliance Committee Regulations, the operational rules of the Audit and Compliance Committee can be summarized as follows:

- a) At the beginning of each fiscal year the Audit and Compliance Committee approves the meetings ordinary calendar, at least four (4), with the aim of fulfilling the entrusted duties.
- b) The Committee shall be validly constituted when more than half of its members are either present or represented.
- c) Decisions shall be adopted by absolute majority of the Committee members attending the meeting, notwithstanding the concept of majority vote required by law or by Company Bylaws.

Committee deliberations and decisions shall be entered into a book of minutes, signed by the Chairman and the Secretary or those acting in their stead, and shall be approved by the Committee at the end of the meeting or at the following meeting.

- d) When the issues to be addressed at a Committee meeting directly affect one of its members or their related parties and when, in general, said Director finds him or herself in a situation of conflict of interest, that Director must leave the meeting until a decision has been reached. Said member shall not be counted when determining the quorum or majority in voting on the issue at hand.

Responsibilities

Article 22 of the Corporate Bylaws, Article 14 of the Board of Directors Regulations and Article 5 of the Audit and Compliance Committee Regulations establish the main duties of the Audit and Compliance Committee.

The Audit and Compliance Committee shall have at least the following basic responsibilities:

- o Responsibilities related to External Audit: Propose the Board of Directors the appointment of the External Auditor, maintain the Relationships with the External Auditors, serve as communication channel between the Board of Directors and the Auditors and review the audit reports before they are issued.
- o Responsibilities related to Internal Audit: The Internal Audit Unit has as main duty to inform, advice and report directly to the Audit and Compliance Committee about the matters related to internal control system, financial information and those other matters of his competence regarding the external audit, the annual corporate governance report and the corporate social responsibility report, transactions with third parties that may suppose a conflict of interests or transactions with significant shareholders, etc.

- Preparation process of the economic-financial information: Supervise the process of preparation and the integrity of the financial information of the Company and its Group; check the information which the Company may send periodically and/or compulsorily to the markets and its supervising bodies, with the necessary depth to verify its correctness, reliability, sufficiency and clearness; as well as assure that the periodic financial information is been formulated with the same accountancy criteria as the financial information.
- Internal control systems and risk management: Supervise the internal control systems of the Company and its adaptation and integrity, oriented to the relevant risks of the business.
- Corporate Governance and other duties: Proceed to its self evaluation; inform about the transactions that involve or may involve a Conflict of Interests or the transactions with Shareholders that own a significant shareholding, as well as approve a transaction that involves a Conflict of Interest or a transaction with a shareholder owner of a significant shareholding, when so entrusted by the Chairman of the Board of Directors; to look after the fulfilment of the Rules of Procedure in Securities Market, Board of Directors Regulations and, in general, of the government rules of the Company and propose the necessary proposals for its improvement; receive the information from the Regulatory Compliance Unit regarding the abovementioned matters and, if applicable, issue a report about the disciplinary measures to members of the Senior Management and Managers of the Company, for the non fulfilment of their duties of Corporate Governance and/or the Rules of Procedure in Securities Market, as well as resolve the matters regarding corporate governance and its fulfilment that the Regulatory Compliance Unit may raise, according to the Rules of Procedure in the Securities Market.
- Shareholders' General Meeting: Inform the Shareholders' General Meeting about the matters that the Shareholders may raise in its meeting regarding issues of its competence.

Appointments and Remuneration Committee

Pursuant to Article 13 of the Board of Directors Regulations, *"the Appointments and Remuneration Committee shall assess the background of the people most suited to form part of the different Committees and propose to the Board of Directors the members that should form part of each of these committees for its approval"*.

Organization

In accordance to Article 23 of the Bylaws of the company and Article 15 of the Board of Directors Regulations, the rules of organization of the Appointments and Remuneration Committee can be summarized as follows:

- a) The Appointments and Remuneration Committee shall be comprised of three (3) External Directors.
- b) The Appointments and Remuneration Committee shall elect a Chairman from among its members, who will be substituted every four years, but may be reelected once a year has passed since the end of the last term served.

- c) It shall likewise appoint the Secretary to the Committee, who may either be one of its members or the Secretary or Deputy Secretary to the Board of Directors, who does not have to be a Director, in which case he/she shall not be considered as a member of the Committee.

Operational rules

According to Article 23 of the Bylaws of the company and Article 15 of the Board of Directors Regulations, the operational rules of the Appointments and Remuneration Committee shall be summarized as follows:

- a) The Appointments and Remuneration Committee shall meet at least twice a year, and whenever a meeting is called by the chairperson, who will do so whenever the board or the board's chairperson request a report or the adoption of proposals and, in any case, whenever it is convenient for the proper fulfillment of its duties or when a meeting is requested by two members of the Committee.
- b) Concerning the way the Appointment and Remuneration Committee is run internally, particularly concerning the way its meetings are called and the way it adopts resolutions, it shall be governed by the provisions laid down for the Board of Directors in the Bylaws and the Board of Directors Regulations for matters not foreseen in its specific regulations, as long as they are compatible with the Committee's nature and functions.

Responsibilities

Article 15 of the Board of Directors Regulations sets forth that *"without prejudice to other responsibilities the Board may assign to it, the Appointment and Remuneration Committee shall have the following basic responsibilities:*

- a) *Informing about, or proposing to the Board of Directors the proposals the Board may bring before the General Shareholders' Meeting concerning appointments, reappointments to offices and the ratification or dismissal of Directors, with criteria as regards their suitability to the Company's interests. The Committee shall have the same functions in circumstances of cooptation. For these purposes, among other considerations, the necessary competence, knowledge and experience shall be taken into consideration and consequently the candidates' functions and abilities, as well as the time and dedication needed so that they may perform their duties.*
- b) *Informing the Board of Directors for its approval about the appointment of the Chief Executive Officer, the Chairman, the Deputy Chairman, the Secretary and the Deputy Secretary to the Board, as well as about the specific related-party schemes of the Chairman and the Chief Executive Officer.*
- c) *Proposing the members that should form part of each of the Board's Committees to the Board of Directors for its approval.*
- d) *Proposing the Directors' remuneration scheme and its annual amounts to the Board of Directors, as well as the individual remuneration for Executive Directors, along with the rest of their contract conditions. All the foregoing shall be in accordance with the provisions set forth in the Corporate Bylaws and these Regulations.*

- e) *Informing about the appointment of individuals who will represent the Company either as administrators or as representatives of the administrators before the bodies of the Company's subsidiaries and the companies in which it holds a stake that the Board may deem most relevant.*
- f) *Providing information concerning the Board's possible authorization or waiving thereof to Directors in the circumstance set forth in Article 29 contained herein.*
- g) *Informing the Board of Directors about the appointment and, should it be the case, the dismissal of the Company's senior management, and describing and organizing Senior Management's structure, organization chart and job descriptions. The former shall be carried out at the proposal of (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer and/or (iii) the Board's Committees, depending on the individual or body to which Senior Management may report.*
- h) *Approving the Company's Senior Management remuneration scheme and bands, as well as their remuneration, including any compensation in the event of dismissal or removal from office and other basic contract conditions and regularly reviewing remuneration schemes. All the foregoing shall be done at the request of (i) the Chairman of the Board of Directors or (ii) of the CEO, depending on the individual or body to which Senior Management may report.*
- i) *Informing the Board of Directors for its approval about multi-year incentive schemes.*
- j) *Ensuring observance of the remuneration policy set by the Company and transparency concerning remuneration, reviewing the information about the remuneration of Directors and Senior Management that the Board of Directors has to approve and include in publicly available information.*
- k) *Drawing up and keeping the list of offices that comprise Senior Management and Executive team updated, in keeping with the prevailing organization chart and job descriptions.*
- l) *Providing information on matters within its competence in the Company's Sustainability Report or its Social Responsibility Report for its approval by the Board of Directors.*
- m) *Ensuring that when new vacancies on the Board of Directors are filled, the selection procedures do not suffer from any implicit discriminatory biases due to any reason whatsoever.*
- n) *Examining and organizing the Chairman's and the Chief Executive Officer's succession so that they may be properly understood, and bringing proposals before the Board, so that such successions come about in an orderly, well-planned fashion."*

B.2.4 State any powers of providing advice, consultation and, if so, delegation that each of the committees has:

Name of Committee	Brief description
Audit and Compliance Committee	See B.2.3
Appointments and Remuneration Committee	See B.2.3

B.2.5 State whether there are any regulations for the Board's committees, where they are available for consultation and any amendments that have been made to them during the financial year. Also state if any kind of voluntarily annual report on the activities of each committee has been drawn up.

The Audit and Compliance Committee has its own Regulations, which are available for consultation on the Company's website: www.gamesacorp.com

The Audit and Compliance Committee Regulations were approved by the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Board of Directors on 29 September, 2004, and were modified in the meeting of the Board of Directors of October 21, 2008.

According to Article 14.5 m) of the Board of Directors Regulation and Article 169 of the Audit and Compliance Committee, the Committee prepares an Annual Report covering the Committee's Activities during the financial year, report that is at disposal of the shareholders after the approval of the Board of Directors, when the call of the General Shareholder's Meeting is made.

In the same way, according to Article 15.7 of the Board of Directors Regulations, the Appointments and Remuneration Committee prepares an Annual Report of his activities during the financial year, report that has to be approved by the Board of Directors.

B.2.6 State whether the composition of the executive committee reflects the participation in the Board of the different kinds of directors:

Yes ≥

No ≥

If not, explain the composition of your executive committee

C RELATED-PARTY TRANSACTIONS

C.1 State whether the Board as a whole has reserved for itself approving any transactions the company may make with directors, significant shareholders, shareholders represented on the Board or with individuals related to them after having received a favorable report from the Audit Committee or any other that may have be charged to do so:

Yes **X**

No

C.2 State any relevant transactions that involved a transfer of resources or obligations between the company and the companies belonging to its group to the company's significant shareholders:

Name or trade name of the significant shareholder	Name or trade name of the company or organization belonging to your group	Nature of the relationship	Type of transaction	Amount (thousand euros)
IBERDROLA, S.A.	GAMESA EÓLICA, S.L.U.	CONTRACTUAL	SALE OF GOODS (FINISHED OR NOT)	600,193
IBERDROLA, S.A.	GAMESA ENERGÍA, S.A.U.	CONTRACTUAL	SALE OF NON-CURRENT INVESTMENTS	185,788

C.3 State any relevant transactions that involved a transfer of resources or obligations between the company and the companies belonging to its group to the company's administrators or executives:

Name or trade name of the administrators or executives	Name or trade name of the company or organization belonging to your group	Nature of the transaction	Type of transaction	Amount (thousand euros)
SEE SECTION C.2	SEE SECTION C.2	SEE SECTION C.2	SEE SECTION C.2	SEE SECTION C.2

C.4 Provide details about any relevant transactions made by the company with other companies belonging to the same group, as long as they are not eliminated in the process of drawing up the consolidated financial statements and do not form part of the company's normal trade as regards its corporate purpose and conditions:

Trade name of the company belonging to your group	Brief description of the transaction	Amount (thousand euros)

C.5 State whether the members of the Board of Directors have been involved in any kind of conflict of interest situation during the financial year in accordance with Article 127 of the Corporations Law (*Ley de Sociedades Anónimas*).

Yes X No ≥

Name or trade name of the director	Description of the situation of conflict of interest
IBERDROLA, S.A.	According to the procedure established in Article 30 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., in those meetings of the mentioned body in which agreements about operations with IBERDROLA, S.A. and/or companies of its group, have been deliberated or, if applicable, have been adopted, the person representing Iberdrola, S.A. has absent from the meeting and, consequently, has not participated in the deliberations, voting, decision making and execution of the respective agreement.
Velasco Gómez, Pedro	According to the procedure established in Article 30 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., in those meetings of the mentioned body and of the Audit and Compliance Committee in which agreements about operations with IBERDROLA, S.A. and/or companies of its group, have been deliberated or, if applicable, have been adopted, I have been absent from the meeting and I have not participate in the deliberations, voting, decision making and execution of the respective agreement.
Arregui Ciarsolo, Juan Luis	According to the procedure establishes in Article 30 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., in those meetings of the mentioned body in which agreements about operations with IBERDROLA, S.A. (significant shareholder that has promoted my appointment as Director) and/or companies of its group, have been deliberated or, if applicable, have been adopted, I have been absent from the meeting and, consequently, I have not participate in the deliberations, voting, decision making and execution of the respective agreements.

C.6 State the mechanisms put into place to detect, determine and resolve any possible conflicts of interest between the company and/or its group and its directors, executives and significant shareholders.

Mechanisms:

a) Possible conflicts of interests between the company and/or its group, and its Directors:

Article 30 of the Board of Directors Regulations sets forth that any Director finding himself/herself in a situation of conflict of interest or who notices the possibility thereof shall notify it to the Board of Directors through its Chairman and abstain from attending and intervening in the deliberations, voting, decision-making and execution of transactions affecting the matters in which he/she finds himself/herself in a situation of conflict of interests. The votes of Directors affected by conflicts of interest and who must abstain shall be subtracted for the purposes of calculating the majority of votes that may be necessary.

The Audit and Compliance Committee shall draw up a report on the transaction that may be subject to a possible conflict of interest. Said report shall contain a proposal for the Board of Directors for adopting a specific resolution.

The Board of Directors or the Audit and Compliance Committee, in order to draw up its report under the circumstances set forth in section 4 above, may:

- a) obtain a report from the Chief Executive Officer containing (i) a justification for the transaction (ii), an alternative to the Director or Related Party bringing about the transaction; and
- b) should the assets or the transaction's complexity so require it, the Board may request the advice of outside professionals, in conformance with the procedure for this as set out in these Regulations.

The Board of Directors as well as the Audit and Compliance Committee shall use the following criteria when deliberating whether to approve the transaction in question or an alternative proposal:

- (i) the regular and ongoing nature of the operation, along with its economic importance and the amounts involved;
- (ii) the need to set up control mechanisms covering the operation, due to its characteristics or nature;
- (iii) criteria of equality, objectivity, confidentiality and transparency in the awarding and supply of information, when the alternative includes an offer directed at a group; and
- (iv) the transaction price and maximizing value for shareholders.

The Company report shall include information about any operations carried out by Directors or their Related Parties that have been authorized by the Board of Directors pursuant to this article, that occur during the year to which the annual accounts refer.

b) *Possible conflicts between the company and/or its group, and its executives:*

The executive personnel and any other personnel of the Company and its group that, because of their activity (hereafter, Related Parties), are included by the Regulatory Compliance Unit, are submitted to the rules included in the Rules of Procedure in the Securities Market of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., wording that was approved by the Board of Directors on July 22, 2003, and was modified by the Board of Directors on October 21, 2008.

The Rules of Procedure in the Securities Market states on Article 14 that the rest of Related Parties must immediately disclose any situations that could represent potential conflicts of interest to the Regulatory Compliance Unit, as well as continually updating such information. Such situations are those that may arise from a person's other activities outside the Company and/or group, family relations, personal assets or for any other reason. This all stands without prejudice to the application of the Company's Code of Conduct as well as all rules of conduct applying to group employees.

It is remarkable that during the year 2009 the Regulatory Compliance Unit, according to its review and updating duties of the Code of Conduct, established in the point 4 of the Code of Conduct of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., has prepared a specific development regulation of the points 3.7 (corruption and bribery) and 3.8 (conflicts of interest) of the Code of Conduct, named "Standard on the Prevention of Conflicts of Interests and/or Corruption and/or Bribery" (hereinafter, the Standard). The Standard has the aim of the necessary prevention and the establishment of the measures to be taken at the appearance of a "Conflict of Interests" and/ or "Corruption and/or Bribery".

c) *Possible conflicts of interests between the company and/or its group and the Significant Shareholders:*

Shall a conflict of interests with a significant shareholder appear, the Article 35 of the Board of Directors Regulations states that *"the Board of Directors formally reserves the knowledge of any Company transaction with a shareholder holding a significant stake, after receiving a report from the Audit and Compliance Committee."*

d) *Relationships of the Directors and/or Significant Shareholders with companies belonging to the Group:*

Article 36 of the Board of Directors Regulations states that the obligations set out in Chapter IX of these Regulations pertaining to Company Directors and shareholders owning a significant stake shall be understood as applying also to their possible relations with companies belonging to the Group.

C.7 Is more than one Group Company listed in Spain?

Yes

No

List the subsidiaries that are listed in Spain:

Listed subsidiaries

State whether the respective areas of activity and any possible business relationships between such subsidiaries have been publicly and accurately defined.

Yes

No

State any possible business relationships between the parent company and the listed subsidiary, and between the latter and other Group companies

State any mechanisms that have been laid down to resolve any possible conflicts of interest between the listed subsidiary and other Group companies:

Mechanisms to resolve any possible conflicts of interest

D RISK CONTROL SYSTEMS

D.1 Describe the overall risk policy of the company and/or its group, providing details and assessing the risks covered by the system, along with a justification of these system's appropriateness for the profile of each kind of risk.

GAMESA CORPORACION TECNOLÓGICA, S.A. has a Risks and Opportunities Control and Management System in the whole organization (areas, departments, companies) and in the different geographic areas in which it operates, developing a global and all-round vision in this system, that contributes to the achievement of the Business objectives, to the value creation for the different stakeholders and to the sustainable and profitable development of the organization.

The Risk and Opportunities Control and Management Policy of Gamesa is the basis to this system, approved by the Board of Directors, which establishes the basis and general context on which all the risk control and management components lay down, delivering discipline and structure in relation to those components; management philosophy, risk/opportunities identification, evaluation, measurement and control, accepted risk level, communication, report and supervision executed by the Board of Directors, integrity, ethic values, competencies and assignment of duties.

This policy has the following main objectives:

- comply with applicable laws, regulations, standards and contracts;
- attain the objectives established by the Board of Directors within tolerance limits defined as acceptable;
- provide the maximum level of assurance to shareholders;
- protect the Corporation's results, assets and reputation;
- practice an optimum control over the Corporation business areas and companies ensuring the reliability and integrity of information systems;
- defend the interests of shareholders, customers, employees, suppliers, other stakeholders interested in the running of GCT and society in general;
- guarantee the corporate stability and the financial solidity in a sustained form in time.

To achieve these objectives the policy of Gamesa is complemented by an organization, procedures, information models and a model that allows identifying, evaluating, prioritizing and managing the risks and opportunities to which it is exposed.

- **Organization:**
Gamesa has a structured organization and it is geared to provide value working in the risk management and control. This structure includes: Board of Directors (Approve the risk identification, management and control policy); the Audit and Compliance Committee (supervising the risk identification, measurement and control); the different General, Corporate and Geographic Directorates (owners of the risks/opportunities linked to the developed activities, processes and projects) with the support of the Risk Controllers Network (appointed persons in each Directorate in which processes with Risks identified as priority exist; that coordinates the risk identification actions fast and continual); the Corporate Risk Control department (defines the guidelines and coordinates activities) coordinating with geographical risk control responsible persons; Internal Audit, which reports to the Audit and Compliance Committee (independent supervision).

- Procedures, from which stand out:
 - Risks/Opportunities Management and Control Procedure, as general management and control tool.
 - Management Integrated System of Procedures, according to the Regulations ISO 9001, ISO 140001 y OHSAS 18001.
 - Regulations for the specific diagnosis making and benchmarking activities.
 - Insurance Manual.
 - Internal Audit Manual.
- Risks Management and Control Model:

The Risks and Opportunities Control and Management Model starts from the risks classification according to the universal model "Business Risk Model (BRM)", which considers and groups the risks in the following categories:

- Setting Risks. Appear as a consequence of factors that are external and independent from the management of the company and that may influence directly or not in a significant way in the achievement of its objectives and strategies.
- Processes Risks. The risks derived from the corresponding activity of the company. At the same time they are classified in Operational Risks, Management Risks, Technological Risks/Information Processes, Integrity Risks and Financial Risks.
- Decision Making Information Risks. The risks that the information for the operational, financial or strategic is not reliable and/or complete.

To identify, evaluate, prioritize and control the risks/opportunities to which Gamesa is exposed and decide in which measure those risks/opportunities are accepted, mitigated/strengthened, transferred/shared or avoided, there is a Risks/Opportunities Management and Control Procedure. This procedure is made up of the BRM model and the good practices of methodologies and international approved referential as COSOII, ISO 31000, among others.

The applied methodology entails a map of corporate risks/opportunities. The map includes the financial, tax risks and the key processes with risks/opportunities to monitor. So, Gamesa works out a permanent monitoring of the most relevant risks/opportunities, which means, those that may compromise the achievement of the business objectives, and that may affect the economic profitability, the financial solvency, the corporate reputation, the employees and the environment integrity and the legislation compliance.

- The financial (interest rate, exchange rate, taxes, credit, liquidity and commodities) and tax risks are controlled through specific policies, regulation and procedures in an integrated way in the responsibilities of each department. The information about coverage and control of these risks is included along the legal report.
- In this context and in the financial information internal control system frame a model is being Developer. This model has a "top-down" error risks identification for the financial information approach, starting from the most significant accounts from the financial statements, which means considering the impact on the financial statements (material aspect).

- Likewise an adequate segregation of functions in the administrative-accountancy and financial processes is available, as a consequence of the organizational structure that contemplates different responsibilities and controls on each activity level and on a corporate level.
- On the other hand, those estimates, assumptions, critic judgements and projections with a significant effect on the financial information that has been spread to the securities market are reviewed and evaluated by the Management and the Audit and Compliance Committee, prior to the financial statements drawing up, responsibility of the Board of Directors, through the meetings held with the Financial Management, External Auditor and the Internal Audit Director.
- A detail of the significant aspects (recognition of income/advance grade, deterioration of assets-commerce funds and intangible assets-, wind generators guarantee provision, accounts receivable recovery, contingent liability, differed taxes, assets and tax credits) is included along the legal report.
- On the other hand, the BRC network monitors the key processes with risks/opportunities, evaluating the risks/opportunities according to its potential impact (economic, in the health and safety of the persons, in the environment, in the image, in the CSR values, scope), of its probability of happening and of the control degree, for decision making establishing the most adequate actions which allow to put the risks in more acceptable control levels and capitalizing the opportunities.

To guarantee the homogeneous application of the procedure, the Business Risk Control Department maintains a continuous coordination with the Internal Audit and with the BRC network (Business Risk Control), made up by the Responsible BRC of USA and China departments, and the Risk Controllers.

In 2009 the map of risks/opportunities has been updated having monitored in this period the following:

Risks Classification (BRM):	Process with risk/opportunity	Aspects to control:
Setting Risks (External)	SETTING SURVEILLANCE AND MONITORING	The process to monitor and answer fast to the setting factors with the aim of increase the influence capacity, basically centred in Clients, the Regulation and the Markets.
Procedures Risks (Internal)	SAFETY AND HEALTH	To obtain the excellence in Labour Safety and Health (zero incidents, zero professional illnesses in each work post), and the fulfilment of all the regulatory demands.
	FINANCIAL SUSTAINABILITY	The financial management of the clients and suppliers (financial, of supplies, etc.) so that the long term organization continuity is assured.
	FLEXIBILITY	The adaptation of the planning and manufacturing to satisfy the quantity, quality, cost and period.
	INNOVATION AND TECHNOLOGY	The adequate selection of the market and of the product characteristics, compliance with the "time to market" and minimizing the costs.
	CLIENT VALUE CREATION	The fulfilment of the requirements of the products by the client (regulatory demands, product specifications, on time delivers, etc.).
	HUMAN CAPITAL MANAGEMENT	The possibility/capability of attract motivate, hold and/or develop talent and knowledge that brings value.
	GLOBAL SUPPLY NETWORK (LEADER)	The obtaining of materials in volume, deadline, on the lowest total cost, answering the flexibility necessity and with a high level of competitiveness.
	SERVICES	The turnkey activities, assembly and maintenance and the fulfilment of the different defined objectives.
	CODE OF CONDUCT	The knowledge, respect and fulfilment of the Code of Conduct and the Social Responsibility Principles of Gamesa.
	ENVIRONMENT	The obtaining of excellence in the management of environmental aspects of processes, products and services and fulfilment of all regulatory demands.
	INFORMATION SECURITY	The appropriate use of information and/or knowledge of authorized persons.
	PARTICIPATED	The evolution of the expected value in each Project (alliance, joint ventures, collaboration agreements, externalization, buy or sell).
NEW BUSINESS LINES	The permanent knowledge of new and different technologies, new use of actual Technologies and the evolution of the line of product along the life cycle.	
Decision Making Information Risks	ASSETS PROFITABILITY	The authorization, awards, implementation, monitoring and/or evaluation of the investments.
	FINANCIAL/ACCOUNTANCY INFORMATION LIABILITY	The liability (with quality and on time) and transparency of the financial-accountancy information.

This system means active management of the whole life of the risk cycle, from the previous analysis until its extinction. The correspondent evaluation is made to each different geographical areas.

The risks map is reviewed periodically with the aim of keeping it updated, including the resulting modifications of the activities and the setting of the organization evolution. The different areas participate in the specific risks identification, as well as in its valuation. In the general balance of 2009 it is observed and showed an improvement of the control degree in the majority of the processes and a progressive dynamic of mitigation of specific risks and the achievement of opportunities, with the closing of some priority risks for 2010.

It should be pointed out that along 2009 different development and maintenance activities of the Risk and Opportunities Control and Management System have been carried out and the following shall be remarked:

- Updating of the organization risks/opportunities map.
- Updating of the Risks/Opportunities Management and Control Procedure and training of it to the BRC network.
- Participation in external seminars in Spain and benchmarking activities.
- Different action plans to answer the specific risks/opportunities management and control.
- Starting up of the Risks and Opportunities Control Committee, defined in 2008.
- Execution of auditing/specific diagnoses of certain of the risks/opportunities included in the map and geographical risks.
- Supervision from the Audit and Compliance Committee.
- Implementation of new monitoring and control systems to prevent conflicts of interests in critical groups, and guarantee the corporate ethics.

D.2 State whether any of the different kinds of risks (operating, technology, financial, legal, reputation-related, tax, etc. risks) affecting the company and/or its group have come about during the financial year:

Yes X **No ≥**

If the response is yes, indicate the circumstances which have led to them and whether the control systems laid down have worked properly.

Risk that has come about during the year	Circumstances that have led to it	Functioning of the control systems
<p>Setting Risk - Market: Deferment of the approval of projects in Spain and slowing down of the United States market recovery.</p>	<ul style="list-style-type: none"> • The financial crisis has made it more difficult to the promoters to have access to financing and has required a restraint in the investments and in the indebtedness of the strategic clients, having the result of a slow down in the investment decisions. • Decrease of the fossil fuel prices that increases the relative cost of the renewable energies. 	<ul style="list-style-type: none"> • The control processes and systems in the different areas have worked adequately. It has basically its translation in: <ul style="list-style-type: none"> • Adaptation of the manufacturing to the deliveries. • Optimizing program of costs contributing to the margins improvement.
<p>Setting Risk – Market: Protectionism increase in China.</p>	<ul style="list-style-type: none"> • Government decisions orientated to cover the local demand with manufacturers established in China. 	<ul style="list-style-type: none"> • The processes and systems have worked adequately reorientating the construction and commercial activity to collaboration agreements with important energy local companies.

<p>Setting Risk - Regulation: Stop to the activity in Spain in the second half of the year, because of the regulatory insecurity created by the economic applicable regime for the on going projects.</p>	<ul style="list-style-type: none"> The Spanish Government has changed the access rules to the economic system of the RD 661/2007 with the Register of Pre-Assignment of the RDL 6/2009, as a measure to rationalize renewable setting ups during the period 2009-2012 and limit the rate deficit. 	<ul style="list-style-type: none"> The control processes and systems in the different areas have worked adequately, demonstrating that the international dimensioning strategy of Gamesa in new markets was a success.
<p>Setting Risk - Regulation: Regulatory development in the United States because of the deferment in the approval of the Energy Law.</p>	<ul style="list-style-type: none"> Budget deficits caused by the macroeconomic crisis makes the government supports difficult to materialize. 	<ul style="list-style-type: none"> The control processes and systems in the different areas have worked adequately, demonstrating that the international dimensioning strategy of Gamesa in new markets was a success.

D.3 State whether there is any kind of committee or governing body in charge of setting and overseeing these control mechanisms:

Yes X

No

If the response is yes, provide details on their functions.

<p>Name of Committee or Body</p>	<p>Description of functions</p>
<p>Board of Directors</p>	<p>The Company's highest decision-making and oversight body which examines and authorizes all relevant operations. It exercises the responsibility of supervision, which cannot be delegated, and is ultimately responsible for identifying the main risks affecting the Company. Is also responsible for the approval of the general politics and strategies of the Company and in particular, the identification, control and management risk politic, as well as for the implementation and periodic monitoring of the main internal control and information systems.</p>
<p>Chairman and CEO</p>	<p>The Chairman and CEO controls and authorizes any operations within his/her sphere of competence. He/she is responsible for the effective management of the Company's business in accordance with the decisions and criteria adopted by the General Shareholders' Meeting and the Board of Directors within their respective spheres of competence. The aforementioned operations shall be brought before the Board of Directors by the CEO, if necessary. Watches any risk situation and investigates any irregularity in the management of the Company of which he may have been aware.</p>

<p>Audit and Compliance Committee</p>	<p>The Audit and Compliance Committee is entrusted by the Board of Directors, with the functions, among others, of supervising the preparation process of the economic-financial information, assessing the appropriateness and integrity of the Company's internal control systems, and it assures that the politic of control and management risk identifies the diverse types of risks including the financial or economic, the contingent liabilities and others out of the balance sheet, the fixation of the acceptable risk level and the previewed measures to mitigate the impact of risks, supervising the risk identification, measurement and control. The Committee is supported by Internal Auditing when it comes to assessing and improving existing internal controls.</p>
<p>Management Committee</p>	<p>It approves the risks given priority by the different business hubs, as well as the risk policies, procedures, indicators and limits put forward. It guarantees the fulfillment of the procedures related to the risk management and control and that the personnel of every hub know the risk environment and control in every process.</p>
<p>Regulatory Compliance Unit</p>	<p>This Unit supervises and oversees compliance with the Rules of Procedure in the Securities Market and in general terms the Company's rules of Governance.</p>
<p>Internal Auditing Unit</p>	<p>The Internal Auditing Unit focuses on ongoing assessments of and improvements to existing risk controls that could have a bearing on the Company meeting its strategic objectives and performs its functions in accordance with the International Institute of Internal Auditors' professional criteria and standards.</p>
<p>Risk Control Unit (BRC)</p>	<p>Assures the control and management of those risks that may affect the achievement of the objectives of the Company, because of the existence of politics, control mechanisms and adequate indicators, developing and implementing the model and frame of reference in risk management in the group. Implements tools of risk control; leads the measuring process of its fulfillment.</p>
<p>Risk and Opportunities Control Committee</p>	<p>Qualified first level authority, in which main aspects related with the risk control and business opportunities is analyzed and approved, driving the development and general implementation in GCT of the Control and Risk/Opportunities Management Model, with the vocation of contributing to the achievement of the business goals, to the shareholders' value creation and to the sustainable development of GCT.</p> <p>In this Comittee take part the BRC network (integrated by the Risk Control Department, the responsible of BRC in USA and China, and the Risk Controllers), and the Departments of Internal Audit and Business Performance.</p>

D.4 Identify and describe the processes to comply with different the regulations affecting your company and/or its group.

Gamesa's activities are either directly related to its activity of promoting and selling wind farms or indirectly to the generation of special scheme electric power through its activity of manufacturing wind generators. This is a sector subject to significant regulatory activities that are undergoing notable changes. Likewise, the Company's activities are present in many countries subject to different regulatory schemes and legislation.

Gamesa has specialized departments, with duties and persons responsible appointed for the control of the different regulations that affect its activity in the different geographic areas and the diverse companies it comprises. Their responsibilities include:

- Compliance with prevailing legislation and regulations
- Keeping knowledge about regulations updated
- Laying down homogenous policies and procedures for action throughout the organization
- Providing advice to the whole organization

Additionally the Company counts with the support of the Legal Affairs Department through the legal advice of lawyers appointed to each General Directorate and Corporate Directorate according to its specific needs.

The Company's Board of Directors can count on the backing provided by the Secretary to the Board in his actions to deal with all its legal aspects, to check its statutory regularity, the fulfillment of all the regulation coming from the regulatory bodies and to watch for the observance of the Corporate Governance principles. Additionally, as set forth in its Bylaws, the Audit and Compliance Committee oversees compliance with legal requirements, with the Professional Codes of Conduct and Good Governance Codes that may approve the Board of Directors.

E GENERAL SHAREHOLDERS' MEETING

E.1 State and, if necessary, provide details if there are any differences concerning the minimum quorums laid down in the Corporations Law (*Ley de Sociedades Anónimas – LSA*) as regards convening the General Shareholders' Meeting

Yes No

	% of quorum different from that set forth in Art. 102 of the Corp. Law (<i>LSA</i>) for general circumstances	% of quorum different from that set forth in Art. 103 of the Corp. Law (<i>LSA</i>) for the special circumstances set forth in Art. 103
Quorum required for 1st call		
Quorum required for 2nd call		

Description of the differences

E.2 State and, if necessary, provide details if there are differences from the scheme laid down in the Corporations Law (*Ley de Sociedades Anónimas – LSA*) regarding adopting corporate resolutions:

Yes No

Describe how it differs from the scheme set forth in the Corporations Law (*LSA*):

	Reinforced majority other than that set forth in Art. 103.2 of the Corp. Law (<i>LSA</i>) for the circumstances laid down in Art. 103.1	Other circumstances for a reinforced majority
% set forth by the company for adopting resolutions		
Describe the differences		

E.3 List any shareholder rights concerning general meetings that differ from those laid down by the Corporations Law (LSA):

There are no shareholder rights in the Company other than the ones set forth in the Corporations Law (LSA) concerning general meetings.

In this regard, shareholder rights are set forth in detail in the General Shareholders' Meeting Regulations, which were approved by it at its meeting held on May 28, 2004 and amended by the General Shareholders' Meeting held last May 25, 2007. The full text is publicly available on the Company's website (www.gamesacorp.com).

E.4 Indicate, if any, the measures adopted to promote shareholder participation at general meetings:

It should be highlighted that in general terms owning a minimum number of shares is not required in order to vote and take part in General Shareholders' Meetings in accordance with the drafting of the General Shareholders' Meeting Regulations of May 25, 2007. The principle of "one share, one vote" applies.

GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s Board of Directors Regulations set forth the obligation of this body to promote informed shareholder participation at General Meetings and to adopt any suitable measures to facilitate the General Shareholders' Meeting exercising the functions it holds pursuant to the Law and the Corporate Bylaws.

More specifically, the Board of Directors shall adopt the following measures:

- a) It shall make an effort to place at the shareholders' disposal all the information that may be legally required before the meeting;
- b) It shall diligently respond to any written request for information made by shareholders before the Meeting under the terms set forth by prevailing legislation;
- c) It shall likewise respond with all due diligence to any questions and requests for information raised by the shareholders at the meeting under the terms laid down in prevailing legislation.

The Board of Directors shall likewise set appropriate mechanisms to interchange information on a regular basis with institutional investors holding a stake in the company, without the relationship between the Board of Directors and institutional shareholders becoming a conduit for any information that could give them a privileged or advantageous situation compared to other shareholders.

In compliance with the obligations laid down by the regulations and in order to promote the participation of its shareholders at General Meetings, GAMESA CORPORACIÓN TECNOLÓGICA, S.A., posts on its website information about the General Shareholders' Meeting, its agenda, the announcement of the meeting, the proposals drawn up for resolutions, as well as about the existing channels of information between the Company and its shareholders and through which they may request details about the Meeting.

More precisely, on April 24, 2009 the following documents were published in the corporate website of the company:

- General Shareholders Meeting Call Advert,
- Agenda,
- Proposal of agreements,
- Annual accounts, management report and audit report, individual and consolidated,
- Liability statement,
- Report about the ratification of the appointment of IBERDROLA, S.A. as External Proprietary Director,
- Report about the ratification of the appointment of Mr. Carlos Fernández-Lerga Garralda as "Other External Director",
- Explanatory Report of additional information included in the Management Report as per article 116 bis of the Spanish Stock Market Law,
- Report regarding the remuneration policy of the Board of Directors,
- Corporate Governance Annual report 2008,
- Sustainability Report 2008,
- Annual Report of the Audit and Compliance Committee 2008,
- Regulations on exercising the rights of remote information, vote and proxies.

The above mentioned documents were at disposal of the shareholders in Spanish, legal requirement, and in English, in coherence with the international character of our shareholders.

The same bilingual character may be predicated from the electronic vote system. In 2009, as it was done in the previous year for the first time, this mechanism was at disposal of the shareholders, in Spanish and in English, from the very same moment of the publication of the General Shareholders Meeting Call.

In order to make it easier for shareholders to exercise their entitlement to vote and designate proxies, as well as their right to receive information through remote means of communication, the Board of Directors has approved, on the occasion of the call of the General Shareholders Meeting, the Regulations on Exercising the Rights of Remote Information, Voting and Proxies for Gamesa Corporación Tecnológica, S.A.'s General Shareholders Meetings pursuant to the provisions laid down in Article 105 of the Revised Text of the Corporations Law (*Texto Refundido de la Ley de Sociedades Anónimas*), Articles 13 and the following in the Corporate Bylaws and Articles 10 and the following of the General Shareholders' Meeting Regulations. These Regulations have the main objective of preciseness, precision and clarification of aspects related to the instruments of information of the shareholders and the exercise of the voting rights and the designation of proxies by remote means of communication.

Finally, in order that the financial intermediaries can appear legitimated as shareholders, but acting on behalf of diverse clients, can vote according to the instructions of these, the Article 24.8 of the Rules of the General Meeting of Shareholders states that "*whenever legally permissible and when the necessary guarantees of transparency and protection exists, and when the board of directors so decides, the vote may be fractioned in order that the financial intermediaries who appear legitimized as shareholders but who act on behalf of different clients may fraction their vote in accordance with the instructions of said clients.*"

E.5 State whether the office of Chairman of the General Shareholders' Meeting coincides with the office of Chairman of the Board of Directors. Give details of any measures, if any, adopted to ensure the independence and smooth running of the general meeting:

Yes X

No

Give details on the measures
The Board of Directors has, at its own initiative, customarily requested the presence of a Notary Public at the General Meeting to attend and certify the meeting (Articles 18.5 and 18.6 of the General Shareholders' Meeting Regulations).
Concerning the verification that the meeting is validly convened, the Company is equipped with the necessary systems to control and count by computer means proxies and remote votes, as well as to draw up the list of those attending –either in person or through proxies– the General Meeting and to tally the quorum for convening the meeting and adopting resolutions.

E.6 State any modifications made to the General Shareholders' Meeting regulations during the financial year, if any.

During the financial year 2009 there have been no modifications of the General Shareholders' Meeting Regulations of GAMESA CORPROACIÓN TECNOLÓGICA, S.A. Its current wording is the one approved by the General Shareholders Meeting of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. on May 25, 2007.

The full text of the General Shareholders' Meeting Regulations is available on the company's website (www.gamesacorp.com).

E.7 Provide details about the attendance of the General Shareholders' meeting held during the financial year to which the report refers:

Date of General Meeting	Attendance details				Total
	% attending in person	% by proxy	% remote voting		
			Electronic voting	Others	
05-29-2009	26.92%	44.98%	0.00%		71.90%

See note (E.7) in section G contained herein.

E.8 Briefly state the resolutions adopted at the General Shareholders' Meetings held during the financial year to which this report refers and the percentage of votes with which each resolution was adopted.

Point One on the Agenda: Examination and approval, if applicable, of the individual annual accounts (balance sheet, profit and loss account, statement of changes in shareholders' equity, statement of cash flows and annual report) of Gamesa Corporación Tecnológica, Sociedad Anónima, and of the consolidated annual accounts with its dependent companies (balance sheet, profit and loss account, statement of changes in shareholders' equity, statement of cash flows and annual report), for the fiscal year ended on December 31, 2008.

Votes in favour	Votes against	Abstentions
95.78 %	0.01 %	4.21 %

Point Two on the Agenda: Examination and approval, if applicable, of the proposal for the allocation of profit/losses and the distribution of dividends of Gamesa Corporación Tecnológica, Sociedad Anónima for the fiscal year ended on December 31, 2008.

Votes in favour	Votes against	Abstentions
99.79 %	0.01 %	0.20 %

Point Three on the Agenda: Examination and approval, if applicable, of the individual Management Report of Gamesa Corporación Tecnológica, Sociedad Anónima, and of the consolidated Management Report with its dependent companies for the fiscal year ended on December 31, 2008.

Votes in favour	Votes against	Abstentions
99.61 %	0.01 %	0.38 %

Point Four on the Agenda: Examination and approval, if applicable, of the management and actions of the Board of Directors of Gamesa Corporación Tecnológica, Sociedad Anónima during the fiscal year ended on December 31, 2008.

Votes in favour	Votes against	Abstentions
99.42 %	0.20 %	0.38 %

Point Five on the Agenda: Ratification of appointment as Director of Iberdrola, S.A. made by cooption after the holding of the last Shareholders' General Meeting, as an External Proprietary Director.

Votes in favour	Votes against	Abstentions
97.62 %	2.08 %	0.30 %

Point Six on the Agenda: Ratification of the appointment as Director of Mr. Carlos Fernández-Lerga Garralda made by cooption after the holding of the last Shareholders' General Meeting, as "Other External Directors".

Votes in favour	Votes against	Abstentions
97.61 %	2.09 %	0.30 %

Point Seven on the Agenda: Re-election of the Auditor of the Company and its Consolidated Group for the fiscal year 2009.

Votes in favour	Votes against	Abstentions
94.01 %	5.85 %	0.14 %

Point Eight on the Agenda: Authorization to the Board of Directors, with the express power of delegation, for the derivate acquisition of the Company's own shares by the Company itself or by its subsidiaries, up to a maximum of five (5) percent of the share capital and, if applicable, to proceed with their transfer, pursuant to applicable law, for which purpose the authorization granted by the shareholders at the Shareholders' General Meeting of May 30, 2008, is hereby deprived of effect to the extent of the unused amount.

Votes in favour	Votes against	Abstentions
99.79 %	0.02 %	0.19 %

Point Nine on the Agenda: Examination and approval, if applicable, of a Long Term Incentive Program through the delivery of shares of the company bound to the achievement of the key targets of the Strategic Plan 2009-2011 aimed to the Executive Directors, Senior Management, Managers and employees of Gamesa Corporación Tecnológica, Sociedad Anónima, and if applicable, of its dependent companies, and the delegation to the Board of Directors to implement, develop, formalize and execute the remuneration system.

Votes in favour	Votes against	Abstentions
95.70 %	4.05 %	0.25 %

Point Ten on the Agenda: Delegation of powers to formalize and execute all resolutions adopted by the shareholders at the Shareholders' General Meeting, for conversion thereof into a public instrument, and for the interpretation, correction and supplementation thereof or further elaboration thereon until the required registrations are made.

Votes in favour	Votes against	Abstentions
99.30 %	0.51 %	0.19 %

E.9 State whether there are any bylaw constraints setting a minimum number of shares to attend the General Meeting:

Yes

No

Number of shares needed to attend the General Meeting	1
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E.10 State and justify the policies followed by the company concerning proxy voting at the General Meeting.

According to Article 13 of the Bylaws and 15 of the General Shareholders Meeting Regulations, shareholders with the right to attend may give a proxy to another shareholder or exercise their right to vote by post, by sending the attendance card obtained in accordance with the Bylaws and the General Shareholders Meeting Regulations.

Likewise, they may also exercise the above mentioned rights by means of electronic communications or other distance communication means provided this is so resolved by the Board of Directors due to the necessary technical conditions being in place. In such a case, the Board must specify on the company website the means which can be used to that end, which must meet the necessary security conditions to guarantee the Shareholders' identity, the effectiveness of their rights and the proper carrying out of the Meeting.

The voting and representation rights must in any event be exercised by means of the distance communication means resolved by the Board of Directors and indicated on the website.

As it is stated in Article 15.2 of the General Shareholders Meeting Regulations, the Board of Directors is expressly authorised so that, prior to the publication of the General Meeting call announcement it can agree the procedure, requirements, systems and periods for the exercise of vote via email or other remote communication methods. The Company's Webpage will have to contain that agreed by the Board of Administration for these purposes.

It is to highlight that the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. puts on disposal of the shareholders on the moment of the General Shareholders Meeting call, a document including the Regulations on Exercising the Rights of Remote Information, Voting and Proxies for GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s General Shareholders Meetings, pursuant to what was done at call of the General Shareholders Meeting that took place on May 29, 2009.

Any proxies granted to anyone not entitled to it pursuant to the Law shall not be valid.

The proxy should be granted in writing or by the remote means of communication that meet the requirements set forth in Article 105 of the Corporations Law (*Ley de Sociedades Anónimas*) and in any other legislation that may apply in order to exercise the right to remote voting for each Meeting.

Proxies may always be revoked and shall be considered thus revoked should the person granting the proxy attend the Meeting in person.

E.11 State whether the company is aware of the policies of institutional investors concerning taking part or not in the company's decisions:

Yes No

Describe the policy

Although a uniform politic for the diverse institutional investors does not exist, through the permanent communication with the Department of Investors Relations, that is intensified in the previous period to the celebration of the General Shareholders Meeting, it is possible to know the participation and criteria for the votes about the proposals of agreements of the Board of Directors, either by following the indications of the companies of recommendation of vote, or by the application of self criteria related to the good corporate governance, as well as good business management practices or financial practices, not achieving this knowledge, obviously, of the total free float of the company.

E.12 State the URL and means of accessing corporate governance contents on your website.

The contents that must be published pursuant to Law 26/2003 of July 17 on the Transparency of Listed Corporations (which was developed by Order ECO/3722/2003 of December 26 on Annual Corporate Governance Reports and Other Disclosure Instruments for Listed Corporations and Other Organizations, and Circular 1/2004 of March 17 issued by the National Securities Market Commission on Annual Corporate Governance Reports of Listed Corporations and Other Organizations Issuing Negotiable Securities in Official Secondary Securities Markets and Other Disclosure Instruments) are directly accessible at the URL <http://www.gamesacorp.com/en/investors/documents/information-for-investors-and-shareholders>

The website of the company does not only content the information required in the legal regulation (Law 26/2003 of July 17 and Order ECO/3722/2003 of December 26 and its development in the Circular 1/2004 of March 17 issued by the National Securities Market Commission on Annual Corporate Governance Reports of Listed Corporations and Other Organizations Issuing Negotiable Securities in Official Secondary Securities Markets and Other Disclosure Instruments)but also substantial information of interest for the shareholders and investors and as many news referring the activity of the company.

During the financial year 2009 the website of Gamesa has continued with its improvement process with the purpose of strengthen its use as an information mechanism distinguishing the obligatory information from the non obligatory.

In relation to the obligatory information it is aimed that the addressees of it, shareholders and investors, can access easily to the information that according to the regulation of the Securities Market has to be accessible and, basically, that the information is permanently updated.

To those effects, the company has implemented the following novelties during the year 2009:

- In coordination with the Investors Relations area, all the Significant Events that shall be communicated to the CNMV (*Comisión Nacional del Mercado de Valores*) have been translated to English, and they have been included in the Significant Event section on the corporate website with the Spanish original version. This measure assures that the information is available to all shareholders, national or international, in a clear and fast way.
- On the occasion of the call of the Shareholders' General Meeting the proposed agenda is included in the corporate website but this time with an interactive mode, so that it is possible to have a direct access from each point of the agenda to its correspondent proposal of agreement and to its reports.
- The Annual Report is included in the corporate website but with an interactive character, in order to make the access to it faster and more precise to the shareholders and investors. It is possible to surf through the three documents: Legal Report, Annual Corporate Governance Report and Sustainability Report, and there is a direct access to each section of each document, through an index.

During the year 2009, like it was done the previous year, the company has prepared (in fulfillment of the internal regulation about the monitoring and updating of the corporate website) a monthly revision of the obligatory contents, proceeding, if applicable, with the updating in the maximum period of twenty days.

Additionally, the Internal Audit Unit (with annual regularity and always after the celebration of the General Shareholders Meeting) prepares a report about the corporate website, report that is passed to the Audit and Compliance Committee. Specifically in the meeting of the Audit and Compliance Committee of November 11, 2009 the Internal Audit Director presented the above mentioned report with an Action Plan prepared and presented on the Committee by the General Secretariat in coordination with the Internal Audit Unit.

In relation with the accessibility to the obligatory information it must be highlighted that the access to it is included in the front page or initial page of the website under the name: "Information for investors and shareholders". After this title it is contained an index of sections that corresponds exactly with those that according to the Circular 1/2004, above mentioned, must be included in the websites of the listed companies.

F LEVEL OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the company's level of compliance regarding the Unified Code of Good Governance.

In the event of failing to comply with any of the recommendations, explain the recommendations, regulations, practices or criteria the company applies.

- 1. The Bylaws of listed companies should not place a limit on the maximum number of votes the same shareholder may cast nor contain other constraints that limit the company's control through the acquisition of shares in the market.**

See sections: A.9, B.1.22, B.1.23, E.1 and E.2.

Complies Explain

- 2. When the parent company and a subsidiary are listed, both should accurately define in public the following:**
 - a) Their respective areas of activity and any possible business relationships between them, as well as those of the subsidiary with other group companies;**
 - b) The mechanisms set forth to resolve any possible conflicts of interest that may arise.**

See sections: C.4 and C.7

Complies Partially complies Explain Not applicable

3. Although corporate legislation may not expressly require it, any transactions involving a structural modification to the company should be brought before the General Shareholders' Meeting's for its approval, particularly the following:

- a) The transformation of listed companies into holdings through subsidiarization or the incorporation of essential activities performed up to that time by the company itself into subsidiaries, even when the company maintains full control over such subsidiaries;**
- b) The acquisition or divestment of essential operating assets, whenever it involves an effective modification of the corporate purpose;**
- c) Operations whose effect would be equivalent to liquidating the company.**

Complies X Partially complies Explain

4. Detailed proposals on the resolutions to be adopted by the General Shareholders' Meeting, including the information referred to in Recommendation 28, should be made public the moment the announcement for the Meeting is published.

Complies X Explain

5. Any matters that are substantially independent should be voted on separately at the General Shareholders' Meeting, so that shareholders may exercise their voting preferences separately. This rule should particularly apply to:

- a) The appointment or ratification of directors, which should be voted individually;**
- b) In the case of amendments to the Bylaws, each article or group of articles that are substantially different.**

See section: E.8

Complies X Partially complies Explain

6. Companies should allow the vote to be split, so that financial brokers duly authorized as shareholders but acting on behalf of different clients, may cast their votes in keeping with their instructions.

See section: E.4

Complies X Explain

- 7. The Board should perform its functions as a whole and with independent criteria, treat all shareholders in the same way and be guided by the company's interests, which should be construed as maximizing the company's economic value in a sustained manner.**

In its dealings with stakeholders, the Board should likewise ensure that the company complies with the law and regulations, fulfills its obligations in good faith, respects the good uses and best practices of the industries and territories in which it performs its activities, and accepts any additional social responsibility principles it may have voluntarily accepted.

Complies Partially complies Explain

- 8. The Board should take responsibility for approving the company's strategy and the organization needed to put it into practice as its core mission, in addition to overseeing and controlling that Management meets the targets laid down and respects the company's corporate purpose and interests. And, to such a purpose, the Board as a whole should reserve the competence of approving:**

a) The company's overall policies and strategies and in particular:

- i) The strategic or business plan, as well as annual management targets and budget;**
- ii) The investment and financing policy;**
- iii) Defining the group of companies' structure;**
- iv) The corporate governance policy;**
- v) The corporate social responsibility policy;**
- vi) The senior management remuneration and performance assessment policy;**
- vii) The risk control and management policy, as well as the regular monitoring of internal information and control systems;**
- viii) The dividend policy, as well as the treasury stock policy and, in particular, its constraints.**

See sections: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions:

- i) At the proposal of the company's chief executive, appointing and relieving senior executives of office, along with their compensation clauses;**

See section: B.1.14.

- ii) **Directors' remuneration, as well as any additional remuneration for executive directors due to their executive functions and other conditions that their contracts must comply with;**

See section: B.1.14.

- iii) **Financial information which the company is obliged to publish on a regular basis due to its condition as a listed company;**
 - iv) **Investments and transactions of all kinds that are of a strategic nature due to their large amount or special characteristics, unless their approval lies within the General Shareholders' Meeting's competencies;**
 - v) **The setting up or acquiring of stakes in special-purpose entities or those domiciled in countries or territories deemed to be tax havens, as well as any other transactions or operations of an analogous nature which could erode the group's transparency due to their complexity.**
- c) **Any operations that the company may carry out with directors, significant shareholders or shareholders represented on the Board, or with people related to them ("related-party transactions").**

Such authorization from the Board shall, however, not be deemed necessary for any related-party transactions that simultaneously meet the three conditions set forth below:

- 1.) When they are carried out by virtue of contracts whose conditions are standard and applied en masse to many customers;**
- 2.) When they are carried out at generally applicable prices or fees set by whoever may act as the supplier of the goods or services in question;**
- 3.) When their amount does not exceed 1% of the company's annual income.**

It is recommended that the Board should approve related-party transactions after having received a favorable report from the Audit Committee or, should it be the case, from any other that may have been charged with such function. Any directors thus affected should leave the meeting room while the Board deliberates and votes on such transactions, in addition to not exercising or delegating their entitlement to vote.

It is recommended that the competencies attributed to the Board herein should not be subject to delegation, apart from those mentioned in paragraphs b) and c), which may be adopted for reasons of urgency by the Management Committee and subsequently be ratified by the Board as a whole.

See sections: C.1 and C.6

Complies X Partially complies Explain

9. The Board should be properly sized in order to run smoothly and promote participation, which suggests that it should not have less than five or more than fifteen members.

See section: B.1.1

Complies X Explain

10. Non-executive directors representing significant shareholders and independent directors should make up an ample majority of the Board and the number of executive directors should be as few as are necessary, taking into account the group's complexity and the shareholdings held by executive directors in the company's share capital.

See sections: A.2, A.3, B.1.3 and B.1.14.

Complies X Partially complies Explain

11. Should there be a non-executive director that cannot be considered as representing a significant shareholder or independent director, explain such a circumstance and his/her relationships with either the company and its executives or the shareholders.

See section: B.1.3

Complies X Explain Not applicable

12. Among the non-executive directors, the relation between the number of directors representing significant shareholders and independent directors should reflect the existing proportion between the company's capital represented by directors representing significant shareholders and the rest of its capital.

This criterion of strict proportionality may be attenuated, so that the weight of directors representing significant shareholders may be greater than the total percentage of the capital they represent:

1.) In highly capitalized companies in which shareholdings that can legally be considered significant are scarce or non-existent, but have shareholders with stakes having a high absolute value;

2.) In companies having a wide variety of shareholders represented on the Board, which have no relationships among themselves.

See sections: B.1.3, A.2 and A.3

Complies Explain

13. The number of independent directors should account for at least a third of the total number of directors.

See section: B.1.3

Complies Explain

14. The status of each director should be explained by the Board before the General Shareholders' Meeting that will have to effectuate or ratify their appointment. This should be confirmed and, if necessary, revised annually in the Corporate Governance Report after having been verified by the Appointments Committee. The aforementioned report should also explain the reasons behind the appointment of directors representing significant shareholders at the request of a shareholder whose stake is below 5% of share capital. Likewise, the reasons for the rejection of any formal requests for a presence on the Board from a shareholder whose stake is equivalent to or greater than others who have had directors representing them appointed should be explained.

See sections: B.1.3 and B.1.4

Complies Partially complies Explain

15. When the number of directors is small or there are none, the Board should explain the reasons thereof and any initiatives taken to correct such a situation and, in particular, the Appointments Committee should ensure that when any vacancies are filled:

- a) The selection procedures do not suffer from any implicit biases that may hinder the selection of directors;**
- b) The company deliberately seeks and includes women who meet the professional background required on the shortlist of candidates.**

See sections: B.1.2, B.1.27 and B.2.3.

Complies X Partially complies Explain Not applicable

16. The Chairman, who holds responsibility for the Board's smooth running, should ensure that directors receive sufficient information in advance, he/she stimulates debate and the directors' active participation at Board meetings, as well as safeguards their right to freely take a stance and express their opinions. He/She should also organize and coordinate regular assessments of the Board with the Chairmen of the relevant Committees and, if necessary, with the CEO or chief executive.

See section: B.1.42

Complies X Partially complies Explain

17. When the Chairman of the Board is also the company's CEO, one of the independent directors should be empowered to request the calling of Board meetings or the inclusion of new points on the agenda in order to coordinate and reflect the concerns of non-executive directors and to manage the Board's assessment of its Chairman.

See section: B.1.21

Complies X Partially Complies Explain Not applicable

18. The Secretary to the Board should particularly ensure that the Board's actions:

- a) **Comply with the wording and spirit of the Law and its regulations, including those approved by regulatory bodies;**
- b) **Comply with the company's Bylaws and with the Board and General Shareholders' Meeting Regulations, along with any others the company may have;**
- c) **Take into consideration the good governance recommendations contained herein, which the company has accepted.**

And, in order to safeguard the independence, impartiality and professionalism of the Secretary, his/her appointment and removal from office should be reported on by the Appointments Committee and approved by the Board as a whole. Such appointment procedure should be reflected in the Board Regulations.

See section: B.1.34

Complies X Partially complies Explain

19. The Board should meet as often as is necessary to efficiently perform its functions, following the scheduling of dates and matters set at the start of the financial year. Each director may propose to include other points on the agenda that were not initially foreseen.

See section: B.1.29

Complies X Partially complies Explain

20. Lack of attendance by directors should be limited to unavoidable cases and should be quantified in the Annual Corporate Governance report. Should proxies be unavoidable, instructions should be issued.

See sections: B.1.28 and B.1.30

Complies X Partially complies Explain

21. When directors or the Secretary express concerns about a proposal or when directors express concerns about the company's situation and they are not resolved at the Board Meeting, such concerns should be reflected in the minutes at the request of whoever may have expressed them.

Complies X Partially Complies Explain Not applicable

22. Once a year, the Board as a whole should assess:

- a) The quality and efficiency with which the Board runs;**
- b) Based on the report submitted to it by the Appointments Committee, the performance of their functions by the Chairman of the Board and the company's CEO;**
- c) Based on the reports submitted by its Committees, how they run.**

See section: B.1.19

Complies X Partially complies Explain

23. All directors should be able to exercise their right to seek any additional information they may deem necessary on matters lying within the Board's competence. Unless the Bylaws or Board Regulations set forth otherwise, they should submit their request to the Chairman or the Secretary to the Board.

See section: B.1.42

Complies X Explain

24. All directors should be entitled to obtain the advice they may need from the company in order to fulfill their functions. The company should also lay down appropriate channels to exercise this right, which may include external advice in special circumstances to be incurred by the company.

See section: B.1.41

Complies X Explain

25. Companies should set up an orientation program that rapidly provides new directors with sufficient knowledge about the company, as well as of its corporate governance rules. They should also offer programs to directors to update their knowledge when circumstances so suggest.

Complies X Partially complies Explain

26. Companies should require directors to dedicate the time and effort needed to perform their functions efficiently and, consequently:

- a) Directors should inform the Appointments Committee about their other professional obligations in case they could interfere with the level of dedication required;**
- b) Companies should lay down rules regarding the number of boards of directors of which directors may form part.**

See sections: B.1.8, B.1.9 and B.1.17

Complies Partially complies X Explain

Explanation: As it is convinced of the involvement and dedication of the members of its Board of Directors, GAMESA CORPORACIÓN TECNOLÓGICA, S.A. has not considered it necessary to lay down any rules regarding the number of boards of which its directors may form part.

27. Any proposals for the appointment or reappointment of directors brought before the General Shareholders' Meetings, as well as any provisional appointments by cooptation, should be approved by the Board:

- a) At the proposal of the Appointments Committee in the case of independent directors;**
- b) After having received a report from the Appointments Committee in the case of the other directors.**

See section: B.1.2

Complies X Partially complies Explain

28. Companies should publicly disclose the following information about their directors through their website and keep it updated:

- a) Professional background and biography;**
- b) Other Boards of Directors to which they belong, whether or not they are listed companies;**
- c) An indication as to the category of director to which they belong and, in the case of directors representing significant shareholders, the shareholder they represent or with which they have a relationship;**
- d) The date they were first appointed as a director of the company, as well as subsequent appointments; and**
- e) Shares and they hold in the company, as well as any stock options.**

Complies X Partially complies Explain

29. Independent directors should not remain as such for a continuous period exceeding 12 years.

See section: B.1.2

Complies X Explain

30. Directors representing significant shareholders should tender their resignation once the shareholder they represent sells its entire stake. They should also do so by the relevant number when such a shareholder reduces its stake in the company up to a point that would require a reduction in the number of directors representing a significant shareholder.

See sections: A.2, A.3 and B.1.2

Complies X Partially complies Explain

31. The Board of Directors should not propose relieving any independent director of office before the term of office for which he/she has been appointed has elapsed, except when the Board sees a just reason for doing so after having received a report from the Appointments Committee. More particularly, it will be deemed that a just reason exists when the director has not fulfilled the duties inherent to the office or has been involved in any of the circumstances set forth in paragraph 5, section III of this Code's definitions.

Relieving independent directors of office may also be proposed as a result of takeover bids, mergers and other similar corporate operations that involve a change in the structure of the company's capital, whenever such changes in the Board arise from the criterion of proportionality set forth in Recommendation 12.

See sections: B.1.2, B.1.5 and B.1.26

Complies X Explain

32. Companies should lay down rules that oblige directors to inform and, if necessary, resign in any circumstances that could harm the company's good standing and reputation. In particular, these rules should oblige directors to inform the Board of any criminal proceedings in which they are involved as suspects, as well as of any subsequent procedural events.

Should a director be brought to trial or if a court ruling on the initiation of a court hearing against him is issued for any the offences set forth in Article 124 of the Corporations Law (*Ley de Sociedades Anónimas*), the Board should examine the case as soon as possible on the basis of specific circumstances and decide whether or not the director should continue in office. The Board should report all of the above in the Annual Corporate Governance Report in a reasoned manner.

See sections: B.1.43 and B.1.44

Complies X Partially complies Explain

33. All directors should clearly state their opposition whenever they may consider a proposal that is brought before the Board goes against the company's interest. They should do the same, particularly independent directors and other directors not involved in a potential conflict of interest, whenever decisions are being dealt with that could prejudice the interests of shareholders not represented on the Board.

Whenever the Board adopts significant or reiterated resolutions about which a director has expressed serious reservations, such director should glean the appropriate conclusions and, if he/she chooses to resign, should explain his/her reasons in the letter referred to in the following Recommendation.

This Recommendation also covers the Secretary to the Board, although he/she may not be a director.

Complies X Partially Complies Explain Not applicable

34. When a director stands down before his/her term of office expires, either through resignation or for other reasons, he/she should explain his reasons for doing so in a letter to be sent to all members of the Board. Without prejudice to the fact that such an event should be notified as a relevant disclosure, the reasons for standing down should be included in the Annual Corporate Governance report.

See section: B.1.5

Complies X Partially Complies Explain Not applicable

35. The remuneration policy approved by the Board should at least cover the following matters:

- a) The amount of fixed items with a breakdown, should it be the case, of allowances for taking part in Board and Committee Meetings and an estimate of the fixed annual remuneration from which these arise;**
- b) Variable remuneration items, particularly including:
 - i) The kinds of directors to which they apply, as well as an explanation of the relative importance of variable remuneration items as regards fixed items;**
 - ii) The results assessment criteria on which any entitlement to remuneration in shares, stock options or any other variable item is based;**
 - iii) The essential parameters and grounding of any annual bonus scheme or of any other type of remuneration in kind; and**
 - iv) An estimate of the absolute amount of variable remuneration arising from the remuneration plan proposed based on the level of achievement of the reference hypotheses or targets.****
- c) The main features of social welfare schemes (for instance, complementary pension schemes, life insurance and similar), containing an estimate of their amount or equivalent annual cost;**
- d) Conditions which the contracts of any individuals performing senior management functions as executive directors must comply with, among which the following should be include:
 - i) Term;**
 - ii) Term of prior notice; and**
 - iii) Any other clauses concerning hiring bonuses, as well as compensation or golden handshake clauses for the early termination or end of the contractual relationship between the company and the executive director.****

See section: B.1.15

Complies X

Partially complies

Explain

36. Remuneration through the handing over of shares in the company or in group companies, stock options or instruments referenced to share prices, as well as variable remuneration linked to the company's performance or social welfare schemes should be limited to executive directors.

This Recommendation shall not cover the handover of shares when it is conditional upon the directors keeping them until they relinquish office as a director.

See sections: A.3 and B.1.3

Complies X Explain

37. Non-executive directors' remuneration should be sufficient to remunerate the dedication, qualifications and responsibility required by the office, but should not be so high so as to compromise their independence.

Complies X Explain

38. Any remuneration linked to the company's results should take into account any qualifications contained in the external auditor's report that could reduce such results.

Complies X Explain Not applicable

39. In the case of variable remuneration, remuneration policies should incorporate precise technical precautionary measures to ensure such remuneration is in keeping with the professional performance of its beneficiaries and not simply a result of the general evolution of the markets, the industry in which the company performs its activities or similar circumstances.

Complies X Explain Not applicable

40. The Board should submit to the General Shareholders' Meeting's vote a report on the directors' remuneration policy as a separate point on the agenda. Such report should be placed at the disposal of shareholders, either separately or in any other way the company may deem appropriate.

The aforementioned report should particularly focus on the remuneration policy approved by the Board for the current year, as well as the one foreseen for future years, should it be the case. It should deal with all the matters referred to by Recommendation 35, except any that could involve the disclosure of sensitive commercial information. It should underline any significant changes made to such policies as regards the policy applied up the financial year prior to which the General Shareholders' Meeting refers. It should also include an overall summary of how the remuneration policy was applied in the preceding financial year.

The Board should likewise inform about the role played by the Remuneration Committee in drawing up the remuneration policy and whether it has relied on external advice and the identity of the external consultants that may have given such advice.

See section: B.1.16

Complies Partially complies X Explain

Explanation: The Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., according to article 26.3 paragraph two of the Board of Directors Regulations, prepared in 2009 a report on the remuneration policy for the current year and the application of the current remuneration policy in the previous year. This report was placed at the shareholders' disposal for the announcement of the General Shareholders' Meeting.

41. The Report should breakdown the individual remuneration of the directors for the financial year, including:

- a) **A breakdown of each director's remuneration, which should include the following, if necessary:**
 - i) **Attendance allowances and other fixed remuneration as a director;**
 - ii) **Additional remuneration as the Chairman or member of any of the Board's committees;**
 - iii) **Any remuneration due to a share in profits or bonuses, and the reasons why they were granted;**
 - iv) **Contributions made in favor of the director to fixed-contribution pension schemes; or an increase in the director's consolidated rights in the case of defined-benefit pension schemes;**
 - v) **Any compensation packages agreed upon or paid out in the event of being relieved of office;**

- vi) **Remuneration received by directors from other group companies;**
 - vii) **Executive directors' remuneration for performing senior management duties;**
 - viii) **Any other remuneration item other than the above, whatever their nature may be or whatever the group paying it out may be, particularly so whenever it is deemed as a related-party transaction or whenever its omission would distort the reliable image to the total remuneration received by the director.**
- b) **The individualized breakdown of any possible handover to directors of shares, stock options or any other instrument referenced to the share price, detailing the following:**
- i) **Number of shares or stock options granted in the year, and conditions for exercising them;**
 - ii) **Number of stock options exercised during the year, indicating the number of shares affected and the price;**
 - iii) **Number of stock options pending being exercised at the end of the year, with an indication of their price, date and other requirements for exercising them;**
 - iv) **Any changes made during the year to the conditions for exercising already granted stock options.**
- c) **Information about the relation between the remuneration obtained by executive directors and the results or other company performance measures in the aforementioned prior financial year.**

Complies Partially complies X Explain

Explanation: Total remuneration broken down by items and types of directors pursuant to prevailing legislation is provided in both the Report accompanying the Annual Accounts, as well as in the Annual Corporate Governance Report.

42. When there is a Delegate or Executive Committee (hereinafter, "Delegate Committee"), the structure of the different kinds of directors should be similar to that of the Board, and its secretary should be the Board Secretary.

See sections: B.2.1 and B.2.6

Complies Partially complies Explain Not applicable X

43. The Board should always be aware of the matters dealt with and the resolutions adopted by the Delegate Committee, and all Board members should receive a copy of the minutes of Delegate Committee meetings.

Complies

Explain

Not applicable X

44. In addition to the Audit Committee required by the Law on the Securities Market (*Ley del Mercado de Valores*), the Board of Directors should set up an Appointments and Remuneration Committee, or two committees on such matters, within its midst.

The rules on the composition and running of the Audit Committee and the Appointments and Remuneration Committee(s) should be contained in the Board Regulations and include the following:

- a) That the Board appoints the members of such Committees, taking into account the knowledge, capacity and experience of the directors and the tasks entrusted to each Committee; that the Board should also deliberate on their proposals and reports and that such Committees must report on their activities and take responsibility for the work before the Board at the first meeting held after their own meetings;
- b) That such Committees should be exclusively comprised by non-executive directors and have a minimum of three members. The foregoing should be construed to be without prejudice to the attendance of executive directors and senior executives whenever the Committee's members expressly resolve the need for their attendance;
- c) That the Chairmen of such Committees should be independent directors;
- d) That such Committees may seek external advice whenever they see fit to perform their functions;
- e) That minutes should be drafted on each meeting, a copy of which should be send to all Board members.

See sections: B.2.1 and B.2.3

Complies X

Partially complies

Explain

45. Oversight on compliance with internal codes of conduct and the rules of corporate governance should be attributed to the Audit Committee, the Appointments Committee or, should they exist separately, to the Compliance or Corporate Governance Committee.

Complies X

Explain

46. The members of the Audit Committee, and more particularly its Chairman, should be appointed by taking into account their knowledge and experience in accounting, auditing or risk management matters.

Complies X Explain

47. Listed companies should have an internal auditing unit to ensure, under the Audit Committee's supervision, that the information and internal control systems work properly.

Complies X Explain

48. The person in charge of the internal auditing unit should submit its annual work plan to the Audit Committee and directly inform it about any incidents in its performance. The unit should also submit an activity report to such Committee at the end of each financial year.

Complies X Partially complies Explain

49. The risk control and management policy should at least contain the following:

- a) The different kinds of risks (operating, technology, financial, legal, reputation-related, etc. risks) faced by the company, including contingent liabilities and other out-of-balance risks among financial risks;**
- b) Setting the risk level which the company considers acceptable;**
- c) The measures foreseen to mitigate the impact of any risks identified should they come about;**
- d) The information and internal control measures used to control and manage the aforementioned risks, including contingent liabilities and out-of-balance risks.**

See section: D

Complies X Partially complies Explain

50. The following should comprise the Audit Committee's responsibilities:

1.- Concerning information and internal control systems:

- a) Overseeing the process of drawing up financial information on the company and its integrity and, if so, of the group; checking compliance with regulatory requirements, the appropriate delimitation of the consolidation boundary and the correct application of accounting standards;**

- b) Regularly checking internal control and risk management systems, so as to ensure the main risks are identified, managed and adequately known;
- c) Overseeing the independence and efficiency of internal auditing functions; proposing the recruitment, appointment, reappointment and dismissal of the head of internal auditing; proposing this service's budget; receiving regular information on its activities; and ensuring that senior management takes into consideration the conclusions and recommendations contained in its reports;
- d) Setting and overseeing a mechanism that allows employees to confidentially and, if deemed appropriate, anonymously report any irregularities that could be potentially important, especially financial and accounting irregularities they may notice within the company.

2.- Concerning the external auditor:

- a) Bringing before the Board proposals to recruit, appoint, reappoint and replace the external auditor, along with their contracting conditions;
- b) Receiving information from the external auditor about the auditing plan on a regular basis, in addition to the results of its performance, and checking to ensure senior management takes its recommendations into account;
- c) Ensuring the external auditor's independence and to such a purpose:
 - i) Making sure the company notifies a change of auditor as a relevant disclosure to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores – CNMV*), attaching thereto a statement on any disagreements, if any, with the outgoing auditor and their contents;
 - ii) Making sure that the company and the external auditor comply with prevailing legislation on the provision of services other than auditing services, the concentration constraints on the auditor's business and, in general terms, any other rules laid down to ensure auditors' independence;
 - iii) In the event of the external auditor standing down, looking into the circumstances that may have led to such a decision;
- d) In the case of groups, making sure the group's auditor takes on responsibility for the audits of the companies making up the group.

See sections: B.1.35, B.2.2, B.2.3 and D.3

Complies X Partially complies Explain

51. The Audit Committee should be able to call any of the company's employees or executives to declare and even rule that they do so without the presence of any other executive.

Complies X Explain

52. The Audit Committee should inform the Board on the following matters set forth in Recommendation 8 prior to the Board taking any resolutions on such matters:

- a) **Financial information which the company is obliged to publish on a regular basis due to its condition as a listed company. The Committee should ensure that any interim accounts are drawn up using the same accounting criteria as the annual accounts and, to such a purpose, should consider the possibility of a limited review by the external auditor;**
- b) **The setting up or acquiring of stakes in special-purpose entities or those domiciled in countries or territories deemed to be tax havens, as well as any other transactions or operations of an analogous nature which could erode the group's transparency due to their complexity;**
- c) **Related-party transactions except when the prior reporting function has been attributed to another supervisory and control committee.**

See sections: B.2.2 and B.2.3

Complies X Partially complies Explain

53. The Board of Directors should attempt to bring the annual accounts before the General Shareholders' meeting without any reservations or qualifications in the auditor's report, and in any exceptional circumstances in which they may exist, both the Chairman of the Audit Committee and the external auditors should clearly explain the contents and scope of such reservations and qualifications to the shareholders.

See section: B.1.38

Complies X Partially complies Explain

54. The majority of the members of the Appointments Committee (or of the Appointments and Remuneration Committee should it be a single committee) should be independent directors.

See section: B.2.1

Complies X Explain Not applicable

55. In addition to the foregoing Recommendations, the Appointments Committee should be responsible for the following:

- a) Assessing directors' competence, knowledge and experience and thus defining the functions and aptitudes needed by the candidates to fill each vacancy, as well as assessing the time and dedication needed to properly perform the tasks entrusted to them;**
- b) Examining and organizing the Chairman's and the chief executive's succession, so that they may be properly understood, and bringing proposals before the Board, so that such successions come about in an orderly well-planned fashion;**
- c) Informing about the appointment and dismissal of senior executives the chief executive may bring before the Board;**
- d) Informing the Board about gender the equality matters set forth in Recommendation 14 contained herein.**

See section: B.2.3

Complies Partially Complies Explain Not applicable

56. The Appointments Committee should consult with the company's Chairman and chief executive, especially when it is dealing with matters having to do with executive directors.

Any director may request the Appointments Committee to take into consideration the potential candidates he/she may deem ideal to fill vacant directorships.

Complies Partially Complies Explain Not applicable

57. In addition to the foregoing Recommendations, the Appointments Committee should be responsible for the following:

- a) Proposing to the Board of Directors:**
 - i) Directors' and senior executives' remuneration policy;**
 - ii) The individual remuneration for executive directors, along with their contract conditions;**
 - iii) Basic contract conditions for senior executives.**
- b) Ensuring the remuneration policy laid down by the company is observed.**

See sections: B.1.14 and B.2.3

Complies Partially Complies Explain Not applicable

58. The Remuneration Committee should consult with the company's Chairman and chief executive, especially when it is dealing with matters having to do with executive directors and senior executives.

Complies X

Explain

Not applicable

G OTHER INFORMATION OF INTEREST

If you consider that there are any other principles and aspects applied by your company that have not been addressed by this report, state and explain their contents below.

Any other information, clarification or nuance related to the foregoing sections of the report may be included in this section.

More specifically, state if your company is subject to corporate governance legislation of countries other than Spain and, if so, include any information it may be obliged to disclose that is different from the information required herein.

(A.2.a)

In order to complement the information supplied in the Section A.2. it should be pointed out that on February 4, 2010 the company BLACKROCK, INC. communicated to the National Securities Market Commission (CNMV) having exceeded the threshold of 5% in the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. reaching 9.010%. According to the communication submitted to the National Securities Market Commission (CNMV) BLACKROCK, INC. acquired on December 1, 2009 the business of BARCLAYS GLOBAL INVESTORS (BGI).

In order to complement the information supplied in the Section A.2. it should be pointed out that the company IBERDROLA, S.A. communicated to the National Securities Market Commission (CNMV) that on February 12, 2010 acquired 970,021 shares of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. reaching 14.503% of the share capital of the company.

(A.2.b)

In order to complement the information supplied in the Section A.2. it should be pointed out that the company MORGAN STANLEY communicated to the National Securities Market Commission (CNMV) on June 2, 2009, through a Significant Event, his ownership of approximately 4.91% of the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Likewise it should be pointed out that MORGAN STANLEY notified on June 10, 2009 the National Securities Market Commission (CNMV) that on June 2, 2009 the company exceeded the threshold of 5% in the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. reaching 5.050%.

In order to complement the information supplied in the Section A.2. it should be pointed out that, regarding the most significant shareholders structure movements occurred during the fiscal year 2009, the significant shareholding that BARCLAYS GLOBAL INVESTORS UK HOLDINGS LTD has owned until December 1, 2009 has not experienced, during the fiscal year 2009, any more significant changes than the ones pointed out, because the ownership changes inside the corporate structure BARCLAYS (that motivated the communications made to the CNMV on March 20, 2009) did not affect his significant shareholding.

In order to complement the information supplied in Section A.2, it should be pointed out that the companies BARCLAYS PLC, BARCLAYS GLOBAL INVESTORS UK HOLDINGS LTD, MORGAN STANLEY, ALLIANCEBERNSTEIN L.P. and MARSICO CAPITAL MANAGEMENT LLC are not significant shareholders of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. anymore, from the date indicated in the Section A.2, having reduced its shareholding under the minimum limit of three per cent (3%) that is established in the Royal Decree 1362/2007.

(A.3)

In order to complement the information supplied in Section A.3, it should be pointed out that:

- a) Mr. Guillermo Ulacia Arnaiz that, until his resignation on October 8, 2009, was the Chairman of the Board of Directors and Chief Executive Officer of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., is the holder of nineteen thousand one hundred (19,100) shares of the company.
- b) Mr. José Miguel Alcolea Cantos, representative person of IBERDROLA, S.A. in the Board of Directors of GAMESA COPORACIÓN TECNOLÓGICA, S.A., is not the holder of any share of the company.

(A.8)

In order to complement the information supplied in Section A.8, it should be pointed out that GAMESA CORPORACIÓN TECNOLÓGICA, S.A. acquired 174,238 shares of the company on March 5, 2009, purchase that was not communicated to the National Securities Market Commission (CNMV) because it did not represent a significant variation of the treasury stock according to the Royal Decree 1362/2007.

In order to complement the information supplied in Section A.8, it should be pointed out that GAMESA CORPORACIÓN TECNOLÓGICA, S.A. acquired 5,764 shares of the company on February 15, 2010, purchase that was not communicated to the National Securities Market Commission (CNMV) because it did not represent a significant variation of the treasury stock according to the Royal Decree 1362/2007.

(B.1.3)

In order to complement the information supplied in Section B.1.3, a brief profile of the Executive Directors, Directors Representing Significant Shareholders and Other Non-Executive Directors, appear below:

EXECUTIVE DIRECTORS

Jorge Calvet Spinatsch

Born in Madrid, he is Chairman and Chief Executive Officer of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. He joined Gamesa's Board of Directors in October 2005 as an independent Board member. In 2007, he was appointed Vice Chairman of the Corporation. Additionally, he has been President of the Audit and Compliance Committee.

He has a degree in Law and in Business Administration (ICADE). Additionally, he completed his education at the NYU Stern School of Management, where he obtained his MBA specializing in Finance.

His professional background is primarily in investment banking in New York, London and Madrid, where he held positions in the upper management of firms such as Morgan Stanley, UBS and Fortis. He was also the Head of Capital Markets at Banco Vizcaya and afterwards at Banco Bilbao Vizcaya during Pedro Toledo's mandate.

In 2005, he founded Noqca Partners, an independent financial advisory firm that has participated in relevant international corporate transactions in the Telecommunications and Industrial sectors. Amongst others, Noqca advised France Telecom in the acquisition of the Spanish telecommunications operator Amena.

He has sat on the Boards of Directors at Prensa Española, S.A.; Antena 3TV; TESA (Taller de Editores, S.A.) and France Telecom España, S.A. Since February 2008 he has been an independent Board member at Afirma Grupo Inmobiliario.

Carlos Rodríguez-Quiroga Menéndez

Born in Madrid. He currently holds the position of Member of and Secretary to the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

He holds a Law Degree from the Complutense University of Madrid.

Diploma-holder of Employment Law from the Legal Practice School of Madrid.

Diploma-holder in Comparative Industrial Relations and in European Community Relations from the Secretariat of State for Relations with the European Community.

Practicing lawyer.

Over the last few years, he has performed the tasks of Director of or Secretary to the Board of Directors, among other positions, in the following companies: Audiovisual Española 2000, S.A., DTS Distribuidora de Televisión Digital, S.A., Sky Service Aviation, S.A., Diver Karting, S.L. and Rodríguez-Quiroga Abogados, S.L.

Member of and General Secretary to the Governing Board of the Fundación Africa and Member of the Fundación España-Guinea Ecuatorial.

DIRECTORS REPRESENTING SIGNIFICANT SHAREHOLDERS:

Juan Luis Arregui Ciarsolo

Born in Mallavia (Vizcaya). He is currently a member of the Board of Directors and of the Appointments and Remuneration Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

He holds a Technical Engineering Degree from the Bilbao School of Engineering, holds a degree in Numerical Control from Wandsdorf, Germany and has a Master in Micromechanics from Besançon, France.

He is the Chairman of Viña Izadi, S.A. since 1987 and of Foresta Capital, S.A., since 2002, having taken part in founding both companies. He is also the President of Grupo Empresarial Ence, S.A. since 2006, Director of GRL Aceite since 2000, First Deputy Chairman of Cartera Industrial Rea, S.A. since 2008, and Director of Iberdrola, S.A. since 1993, holding the posts of member of the Audit Committee (1999-2001), member the Executive Committee since 2002, member of its Appointment and Remuneration Committee since 2004 and Deputy Chairman of the Board of Directors since 2006.

He also held the positions of Chairman of Gamesa until 1995, of which he was founder in 1976, Chairman of Corporation Eólica Cesa, S.L., Co-Chairman of Grupo Guascor (1995-2003) and member of Gestora de Proyectos y Contratos, S.A., of which he was founder.

Pedro Velasco Gómez

Born in Madrid. He currently holds the position of Member of the Board of Directors and of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

He holds a degree in Economics from the Universidad Complutense of Madrid.

He completed his training at the Universidad Complutense where he took an Operative Investigation Course and postgraduate at Euroforum and IESE.

His professional career has been performed in the financial banking sector, in which he has held different tasks such as Deputy Managing Director of Banco Urquijo (1989), Deputy Managing Director of Corporate Banking at Banco Hispano Americano, Chief Executive Officer of Hispamer (1992-1995) and Deputy Managing Director of Banco Santander Central Hispano (1997-2002).

Since 2004 he holds the position of Director of non-Energetic and Asset Business of Iberdrola.

He is also a member of other Board of Directors such as Iberdrola Inmobiliaria, Corporación IBV, VINZEO and NEO SKY.

José Miguel Alcolea Cantos

Born in Albacete. He is currently representing Iberdrola, S.A., Member of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

He has a degree in Law from the University of Complutense of Madrid and specialized in Business from C.U. San Pablo CEU. He is a servant lawyer since 1996. He has complemented his training with Doctorate Courses at such as University of Complutense of Madrid (1999-2000) and IESE (Madrid, 2007)

He started his career in the field of Servant Lawyer where he has been in charge of several departments. Actually he has been Chief of Legal Advisory of Economic Estate Secretary, responsible of legal advisory of Assurance and Pension Funds General Management and Servant Lawyer in the Legal Service Tax Agency and in the Public Legal Authority of Catalonia, and Secretary of the Regional Economic-Administrative Tribunal of Catalonia.

He has been Secretary to the Board of Directors of Agencia EFE S.A. and of Desafío Español 2007, S.A. and Director of several public companies like the Consorcio de Compensación de Seguros and SEIASA.

He has developed an important career in teaching.

Nowadays he is the Director of Legal Services of Business of Iberdrola S.A. (since February 2004), he is Director of Scottish Power Ltd., Iberdrola Usa, Inc. and Iberdrola Ingeniería y Construcción, S.A., among other companies of the Iberdrola Group.

OTHER NON-EXECUTIVE DIRECTORS

Carlos Fernández-Lerga Garralda

Born in Pamplona (Navarra). He is currently Vice-Secretary of the Board of Directors and Secretary (non Member) of the Audit and Compliance Committee and of the Remuneration and Appointments Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

He holds a Law degree from the University of Navarra, a Master in European Studies from the University of Louvaine in Belgium and did doctorate courses in Law at the Complutense University in Madrid and specialized in Corporate Law at the Bank of Spain's Training Center.

He finished his studies in International Law at the Hague International Academy of Law, in Comparative Law and International Organizations at Strasbourg and the Collège Universitaire d'Etudes Fédéralistes in Nice, Val d'Aosta.

He is a practicing lawyer and currently holds several positions, including member of the Board of Directors of Inmobiliaria Colonial, S.A. and Société Foncière Lyonnaise (SFL), General Director of La Caixa, General Secretary of the Autor Foundation, Member of the Executive Committee of the Real Instituto Elcano de Estudios Internacionales y Estratégicos, Patron of the Spain-United States Foundation, Patron of the Spain-China Foundation and Patron of the Euroamerica Foundation.

He has held several positions throughout his professional career. He was an advisor to the Minister and to the Secretariat of State for Relations with the European Community (negotiating Spain's accession to the European Community, May 1978 - December 1983), General Manager of Asesoramiento Comunitario, S.A. belonging to Grupo Banco Hispano Americano (1984-1985), member of the Board of Directors of Abantia Corporación; member of the World Federalist Youth Secretariat (Amsterdam, The Netherlands), Secretary of the European League for Economic Cooperation (LECE), Secretary of the Fundación para el Progreso y la Democracia, Treasurer of the Madrid Bar Association.

He also taught at the Political Sciences Department of the Complutense University and the Institute for European Studies of the University of Alcalá de Henares, among others.

He is the author of numerous works and has published many articles on economics and general information in the press.

He has also given many talks in Spanish at foreign universities and institutions, as well as delivered papers in Congresses.

He has been awarded the Encomienda de la Orden de Mérito Civil (a Spanish civil distinction).

(B.1.7)

In order to complement the information supplied in Section B.1.7, it should be pointed out that during 2009 and until his resignation on October 8, 2009, the post of Single Administrator in GAMESA TECHNOLOGY CORPORATION, Inc. belonged to Mr. Guillermo Ulacia Arnaiz.

(B.1.8)

In order to complement the information supplied in the Section B.1.8 it should be pointed out that according to the Significant Event nº 103278 sent by the company Vocento, S.A. to the National Securities Market Commission (CNMV) on February 2, 2009, Mr. Santiago Bergareche Busquet is not longer a member of the Board of Directors of Vocento, S.A., and has been appointed individual representing the company Bycomels Prensa, S.L. in the performance of the function of member of the Board of Directors and of the Executive Committee of Vocento, S.A.

(B.1.10)

In order to complement the information supplied in Section B.1.10., Article 19 of the corporate Bylaws and Article 5 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. are transcribed below:

CORPORATE BYLAWS

Article 19.- Powers

The Board of Directors is vested with the most wide-ranging powers to administer, govern and represent the Company in all matters having to do with the Company's business without any constraints other than those reserved by the Law or these Bylaws for the General Shareholders' Meeting.

The Board of Directors shall take responsibility for approving the Company's strategy and the organization needed to put it into practice as its core mission, in addition to overseeing and controlling that Management meets the targets laid down and respects the Company's corporate purpose and interests. To such an end, the Board of Directors' competencies include but are not limited to:

- a.- Drawing up the Annual Accounts and the Management Report for the Company and its Consolidated Group, as well as the proposal on the allocation of profits.
- b.- Approving the financial information the Company has to report on a regular basis due to its condition as a listed company.
- c.- The strategic or business plan, as well as annual management targets and budget.
- d.- Appointing Directors through cooptation, and proposing to the General Shareholders' Meeting the appointment, ratification, reappointment and relieving of office of Directors, without prejudice to the entitlements granted to Shareholders pursuant to prevailing legislation.
- e.- Appointing and relieving offices within the Board of Directors.
- f. Appointing and relieving members of the Board of Directors' Committees of office.
- g.- Approving the Company's Senior Management appointments and dismissals, along with setting any compensation for them in the event of dismissal and the rest of their basic contract conditions.
- h.- Approving investments and transactions of all kinds that are of a strategic nature due to their large amount or special characteristics in accordance with the requirements or criteria the Board may set at any time.
- i.- Approving operations or transactions that may involve a Conflict of Interest with Directors, significant shareholders or shareholders represented on the Board.

k.- Approving remuneration schemes (compensation, allowances, pension schemes, life insurance, liability insurance, etc.) for Directors that are legally within its competence and in accordance with the Bylaws, as well as additional remuneration schemes for Executive Directors due to their executive functions and the other conditions their contracts must fulfill, including any compensation in the event of dismissal or removal from office.

l.- Approving the Corporate Governance Policy, the Board Regulations, as well as the Corporate Social Responsibility Policy.

m.- Approving the treasury stock policy and its constraints within the scope of its competence.

n.- Drawing up the dividend policy to be brought before the General Shareholders' Meeting and taking resolutions on interim dividend amounts.

o.- Any other matters that the Board may deem to lie within its competence and in the Company's interest, or which the Board Regulations may have entrusted to it.

All the aforementioned actions shall be carried out by the Board of Directors either at the Board's own initiative or at the initiative of the Corporate Body that may have entrusted them to it and, if necessary, after having received a report from the relevant Committee. Such actions shall be in accordance with these Bylaws and the rest of the Company's internal rules.

The Board shall perform its functions as a whole and with independent criteria, treat all shareholders in the same way and be guided by the company's interests, which shall be construed as maximizing the company's economic value in a sustained manner. In its dealings with stakeholders, the Board shall likewise ensure that the company complies with the law and regulations, fulfills its obligations in good faith, respects the good uses and best practices of the industries and territories in which it performs its activities, and accepts any additional social responsibility principles it may have voluntarily accepted.

BOARD OF DIRECTORS REGULATIONS

Article 5. The Board's Mission and Functions

1. The mission of Gamesa's Board of Directors is to promote the Company's interests, to represent the Company and its shareholders in the management of its assets, to manage the business and to direct the business' administration.
2. Apart from the matters reserved for the competence of the General Shareholders Meeting, the Board of Administration is the highest representative and decision-making body in the Company. It has no substantial constraints apart from those laid down in legislation and the Bylaws, and particularly in the corporate purpose.
3. The Board's policy is to delegate the Company's day-to-day management to executive bodies and the management team, thereby focusing its activity on exercising general oversight and setting overall strategies.
4. Without prejudice to the powers and functions delegated to the Audit and Compliance Committee and to the Appointments and Remuneration Committee, the Board shall deal with all the matters of relevance to the Company and shall particularly take on the obligation of directly exercising the following responsibilities:

- (i) *Approving the company's overall policies and strategies and in particular:*
- a) The strategic or business plan, as well as annual management targets and budget.
 - b) Defining the group of companies' structure.
 - c) The corporate social responsibility policy.
 - d) The risk identification, control and management policy, as well as the implementation and regular monitoring of internal information and control systems.
- (ii) *Concerning general management*
- a) Setting general regulations and proposing the appointment of individuals to represent the Company, either as its Administrators or as individuals representing them, in the Group companies' governing bodies as well as in those of its subsidiaries and of any companies in which it holds a stake, as long as the Board of Directors should so decide due to the relevance of any of these.
 - b) As regards Senior Management, approving:
 - The appointments, dismissals and remuneration of the Company's Senior Management, including any compensation in the event of dismissal or removal from office;
 - The remuneration policy and performance assessments;
 - Organizing Senior Management's structure, organization chart and job descriptions.

All the foregoing shall be carried out at the proposal of (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer and/or (iii) the Board of Directors' Committees, depending on the individual or body to which Senior Management may report and after having received a report from the Appointments and Remuneration Committee.

- c) Overseeing Senior Management's and Executives' management activities and, if necessary, adopting any disciplinary measures for them should they breach their Corporate Governance obligations and/or the Internal Code of Conduct Regarding the Securities Markets.
- d) After having received a report from the Audit and Compliance Committee, authorizing operations or transactions that may involve Conflicts of Interest (i) with the Company or the Group's companies, (ii) with Directors or their related parties, (iii) with shareholders holding significant stakes or represented on the Board and their related parties, (iv) with Senior Management and Executives, as well as (v) any other relevant transaction concerning the same, except when it is not necessary pursuant to the provisions set forth in Article 35.5 contained herein.

- e) Approving waivers and other authorizations concerning Directors' duties which lie within its competence according to these Regulations.
- f) Approving policies concerning treasury stock within the framework the General Shareholders' Meeting may lay down.
- g) Drawing up the dividend policy to be brought before the General Shareholders' Meeting and taking resolutions on interim dividend amounts.
- h) Approving specific incentive schemes covering several years after having received a report from the Appointments and Remuneration Committee.
- i) In general terms, approving operations that involve substantial amounts of the Company's assets, as well as investments or transactions of all kinds that are of a strategic nature due to their large amount or special characteristics in accordance with the requirements or criteria the Board may set at any time

(iii) Concerning the General Shareholders' Meeting

The Board of Directors shall bring the following operations before the General Shareholders' Meeting for its approval:

- iv) The transformation of the Company into a holding through subsidiarization or the incorporation of essential activities performed up to that time by the company itself into subsidiaries, even when the company maintains full control over them.
- v) Acquisition or divestment transactions involving essential operating assets, whenever they involve an effective modification of the corporate purpose.
- vi) Operations whose effect would be equivalent to liquidating the Company.

(iv) Concerning the Board's organization and running and after having received a proposal or report from the Appointments and Remuneration Committee:

- a) (i) Appointing Directors to cover vacancies produced in the Board through cooptation and (ii) proposing to the General Shareholders' Meeting the appointment, ratification, reappointment and relieving of office of Directors, without prejudice to the entitlements granted to Shareholders pursuant to prevailing legislation.
- b) Appointing and dismissing the Chairman, the CEO, the Secretary and, if necessary, the Deputy Chairman and Deputy Secretary, along with the members that should form part of each of the Committees set up within the Board.
- c) Proposing the most appropriate number of directors in order to duly ensure the body is representative and runs smoothly.

- d) Approving remuneration schemes (compensation, allowances, pension schemes, life insurance, liability insurance, etc.) for Directors that are legally within its competence and in accordance with the Bylaws, as well as additional remuneration schemes for Executive Directors due to their executive functions and the other conditions their contracts must fulfill, including any compensation in the event of dismissal or removal from office after having received the Appointments and Remuneration Committee's report.
 - e) Approving amendments to these Regulations under the terms set forth in Article 3.
- (v) *Concerning the annual accounts, transparency and veracity of the information:*
- a) Drawing up the annual accounts and management report, and proposing how both individual and consolidated profits are to be allocated, and submitting them before the General Shareholders' Meeting, along with the quarterly and half-yearly financial statements, should it be the case.
 - b) Setting shareholder, market and public reporting and communications policies and contents, and more specifically the Company's corporate Website, where the shareholders' entitlement to information shall be attended, and disclosing relevant information. All of the foregoing shall be done pursuant to prevailing legislation.
 - c) Ensuring that information that has to be disclosed to the public is transparent, including the Directors' and Senior Management's remuneration.
 - d) Pursuant to the provisions set forth in Article 37 of the Regulations, drawing up, approving, informing about and publishing the Annual Corporate Governance Report with the contents and under the terms that may be legally laid down by prevailing legislation at any one time.
 - e) Approving the Internal Rules of Conduct for the Securities Markets.
 - f) Drawing up and approving the Company's Sustainability Report or Social Responsibility Report pursuant to Article 39 of the Regulations with the regularity it may deem appropriate and, should it be the case, defining and promoting corporate social responsibility actions.
5. The Board shall also have the functions the Law may attribute to it, those which the General Shareholders' Meeting may delegate to it, those contained in the General Shareholders' Meeting Regulations and the ones specifically set forth herein.
6. Any powers that may not be delegated pursuant to the Law, the Bylaws or expressly set forth in an internal rule as such shall be exclusively reserved for the Board of Directors' consideration.

(B.1.11)

In order to complement the information supplied in Section B.1.11, it should be pointed out that:

(a) the information included in the above-mentioned section coincides with the information appearing on Note 17 of the Individual Report and Note 30 of the Consolidated Report, which forms part of the 2009 Annual Report.

(b) the Board of Directors agreed the freeze of all the remunerations for the fiscal year 2009. Nevertheless, in the fiscal year 2009 the leaving Chairman received the amount corresponding to the long term incentive for the fulfilment of the objectives of the Business Plan 2006-2008, as well as a compensation for non concurrence linked to the extinction of his contract.

At last it should be pointed out that "the Board of Directors shall draw up a report on the remuneration policy for the current year on an annual basis and on the application of the remuneration policy in force in the previous financial year. The report shall be placed at the shareholders' disposal in the form that the Board may deem appropriate for the announcement of the General Shareholders' Meeting." (Article 26.3 of the Board of Directors Regulations)

(B.1.12)

In order to complement the information supplied in Section B.1.12, it should be pointed out that during the fiscal year 2009 the following persons have joined the Senior Management of the company:

- Ms. Amalia Blanco Lucas, General Manager of Communication and External Relations.
- Mr. Juan Ramón Iñarritu Ibarreche, General Manager of Management Control.
- Mr. Dirk Matthys, Chairman and CEO for North America
- Mr. Jesús Zaldua Lasa, Chairman and CEO for China.
- Mr. D. Ramesh Kymal, Chairman and CEO for India.

In order to complement the information supplied in Section B.1.12, it should be pointed out that on January 27, 2010 the following persons have joined the Senior Management of the company:

- Mr. Ricardo Chocarro Melgosa, as General Manager of Operations.
- Mr. Pedro López García, as General Manager of Services.

At last it should be pointed out that the Board of Directors, in its meeting held on February 24, 2010, has agreed the amendment of the Board of Directors Regulations that affect the second paragraph of the article 1 and that basically responds to the necessity of adapting the internal regulation of corporate governance to the new organizational structure, so that those that perform those duties under the direct dependence on those, that at the same time, depend directly on the Chairman of the Board of Directors, can join the Senior Management.

(B.1.12)

In order to complement the information supplied in Section B.1.12, it should be pointed out on initiative of the Senior Management, and at proposal of the Appointments and Remuneration Committee, it was agreed the freeze of its remunerations for the year 2009.

(B.1.13)

In order to complement the information supplied in Section B.1.13, it should be pointed out that on the moment of the call of the General Shareholders Meeting of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. of 2009, information of the guarantees or golden handshake clauses in favour of the members of the Senior Management was put at disposal of the shareholders. This information is held in the Explanatory Report of additional information included in the Management Report as complement to the Annual Report of the financial year ending on December 31, 2008, as per article 116 bis of the Spanish Stock Market Law.

In the above-mentioned report it is included the reference to the inclusion of agreements between the company and its administrator posts and directors or employees that set compensations when these resigned or are dismissed unfairly or if his labour relation comes to an end as a consequence of a takeover bid.

The information given to the shareholders in the report relating to golden handshake clauses is the one detailed below:

"The Chief Executive Officer and certain members of the Company's management team are contractually entitled to receive financial compensation in the event of the termination of relations on grounds attributable to the Company, and in certain cases due to the occurrence of objective circumstances, such as a change of control. The financial compensation agreed in relation to such termination consists, in general terms, of the payment of fixed and variable remuneration corresponding to different periods depending on the personal and professional circumstances of the officer concerned, and the time at which the contract was signed.

The employees, not included in the Company's management team, generally are not contractually entitled to receive any financial compensation, in the event of the termination of relations, other than such as may be established in the regulations apply."

(B.1.14)

In order to complement the information supplied in Section B.1.14, Article 5.4 (ii).b) of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. is transcribed below:

BOARD OF DIRECTORS REGULATIONS

Article 5 The Board's Mission and Functions

4. Without prejudice to the powers and functions delegated to the Audit and Compliance Committee and to the Appointments and Remuneration Committee, the Board shall deal with all the matters of relevance to the Company and shall particularly take on the obligation of directly exercising the following responsibilities:

(ii) Concerning general management

- b) As regards Senior Management, approving:

- The appointments, dismissals and remuneration of the Company's Senior Management, including any compensation in the event of dismissal or removal from office;
- The remuneration policy and performance assessments;
- Organizing Senior Management's structure, organization chart and job descriptions.

All the foregoing shall be carried out at the proposal of (i) the Chairman of the Board of Directors, (ii) the Chief Executive Officer and/or (iii) the Board of Directors' Committees, depending on the individual or body to which Senior Management may report and after having received a report from the Appointments and Remuneration Committee.

(B.1.14)

In order to complement the information supplied in Section B.1.14, Article 26 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. is transcribed below:

BOARD OF DIRECTORS REGULATIONS

Article 26. The Board's Remuneration

1. The Board shall be entitled to obtain the remuneration set for it pursuant to the Bylaws' provisions.

2. The Board shall make an effort to ensure its remuneration is moderate and based on the market's requirements and that significant part of it is linked to the Company's performance.
3. The Board of Directors shall draw up a remuneration policy that shall include all fixed items, variable remuneration items (indicating essential parameters and hypotheses or targets taken as a reference, along with assessment criteria), the main features of the social welfare schemes and the main conditions which the contracts of executive directors must fulfill.

The Board of Directors shall draw up a report on the remuneration policy for the current year and on the application of the prevailing remuneration policy in the preceding financial year on an annual basis. This report shall be placed at the shareholders' disposal in the form that the Board may deem appropriate for the announcement of the General Shareholders' Meeting.

4. The Board's remuneration shall be transparent and break down in the report, as an integral part of the Annual Accounts, the remuneration received by each Director on an individual basis either from the Company or from any of the companies belonging to its Consolidated Group. Such information shall be disclosed in the Annual Corporate Governance report under the terms and conditions required by the Law.
5. The Board shall determine the way and amounts in which the remuneration thus set shall be distributed among its members in each financial year, which may be done on an individual basis. The Board shall ensure that the amount of the Non-Executive Directors' remuneration is appropriate for their dedication and provides an incentive thereof, but without compromising their independence.
6. The remuneration set forth in this article shall be compatible with and independent of any other kind remuneration that may be generally or individually set for any members of the Board of Directors performing executive functions or entrusted with professional tasks, whatever their nature may be.

The competences that, according to the previous transcribed article, are reserved to the entire Board of Directors have to be put into relation with the competence of proposal and report that has the Appointments and Remuneration Committee (Articles 5 and 15 of the Board of Directors Regulations).

(B.1.16)

In order to complement the information supplied in Section B.1.16, it should be pointed out that according to Article 15.4.d) of the Board of Directors Regulations, without prejudice to other responsibilities the Board of Directors may assign to it, the Appointments and Remuneration Committee shall have the following basic responsibilities: "Proposing the Directors' remuneration scheme and its annual amounts to the Board of Directors, as well as the individual remuneration for Executive Directors, along with the rest of their contract conditions. All the foregoing shall be in accordance with the provisions set forth in the Corporate Bylaws and these Regulations."

(B.1.17)

In order to complement the information supplied in Section B.1.17, it should be pointed out that Mr. José Miguel Alcolea Cantos, individual representing IBERDROLA, S.A., member of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., holds the post of Director of the Legal Services of Business in IBERDROLA, S.A., significant shareholder of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

(B.1.19)

In order to complement the information supplied in Section B.1.19, it should be pointed out that according to the Significant Event number 114669 sent on October 8, 2009 to the National Securities Market Commission (CNMV), the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., after the resignation as Chairman and CEO of Mr. Guillermo Ulacia Arnaiz, agreed in its meeting of October 8, 2009, with the previous favourable report of the Appointments and Remuneration Committee, the appointment of the External Independent Director Mr. Jorge Calvet Spinatsch as Chairman of the Board of Directors. Mr. Jorge Calvet Spinatsch will also, and by delegation of the Board of Directors with the previous favourable report of the Appointments and Remuneration Committee, the duties belonging to the Board, except those that can not be delegated according to the Law and the Bylaws.

(B.1.29)

In order to complement the information supplied in Section B.1.29, it should be pointed out that the Appointments and Remuneration Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. apart from the 8 meetings that took place during the financial year 2009, approve an agreement without a meeting on February 25, 2009.

(B.1.33)

In order to complement the information disclosed in Section B.1.33, it should be pointed out that the Secretary to the Board of Directors also holds the office of Legal Counsel to the Board of Directors in keeping with his/her professional background as a lawyer. In accordance to the Article 11.3 of the Board of Directors Regulations: *"the Secretary shall at all times ensure the substantive and material formality of the Board's actions and specially oversee that the Board's actions:*

- a) *Comply with the wording and spirit of the Law and its regulations, including those approved by regulatory bodies.*
- b) *Comply with all Company Bylaws and with the Board and General Shareholders' Regulations, along with any others the Company may have.*

- c) *Take into consideration any recommendations on good governance issued by regulatory authorities that the Company may have accepted in its Bylaws and/or Regulations.”*

The Secretary Director of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., Mr. Carlos Rodríguez-Quiroga Menéndez, that has the category of Executive Director, was re-elected in his post on May 25, 2007.

(B.1.35)

In order to complement the information disclosed in Section B.1.35, Article 19 of the Audit and Compliance Committee Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. states that:

AUDIT AND COMPLIANCE COMMITTEE REGULATIONS

Article 19.- Relations with External Auditing

The Audit and Compliance Committee shall propose the appointment (and, when necessary, the renewal, annulment or non-renewal) of the External Auditor to the Board of Directors for submission before the General Shareholders Meeting. Said proposal shall also include the contract terms and scope of the Auditor’s professional responsibility. The Committee shall also monitor the fulfillment of the auditing agreement.

The Audit and Compliance Committee shall not propose to the Board of Directors the appointment of any auditing firm (and the Board, in turn, shall not make such a proposal to the General Shareholders Meeting) which (i) is subject to a cause of incompatibility pursuant to prevailing auditing law, or (ii) whose projected overall fees for the contract amount to over five (5) percent of their entire earnings over the previous year.

The External Auditor shall appear before the Audit and Compliance Committee at least twice – once in the preliminary stage of its work and again near the end. The purpose of these appearances shall be to inform the Committee about the progress of the Auditor’s work, and to present the results. The Committee may also require the External Auditor to attend its meetings.

In addition, the External Auditor shall present an “Annual Recommendations Memorandum” resulting from its work, to the Audit and Compliance Committee.

The Audit and Compliance Committee shall also require that the External Auditor confirm its independence from Gamesa and the companies in its Group. Said independence must apply not only to the auditing firm, but to each employee comprising its work team.

Any rendering of services to Gamesa on the part of the External Auditor apart from account audits shall require prior confirmation by the auditor before the Audit and Compliance Committee that the possible job respects all prevailing regulations concerning the rendering of such services by the auditor. As such, the External Auditor shall annually inform the Audit and Compliance Committee of any additional services of any kind that it has rendered to the Gamesa Group.

The Audit and Compliance Committee shall receive information concerning any hiring by Gamesa or its Group companies of an employee coming from the auditing firm.

The Audit and Compliance Committee shall notify the Spanish National Securities Market Commission of any change in the External Auditor, said communication qualifying as a significant event.

(B.1.40)

In order to complement the information supplied in section B.1.40, the following information is included in relation to Mr. José Miguel Alcolea Cantos, individual representing IBERDROLA, S.A., member of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.:

Name or trade name of the director	Name of company in which shares are held	% shareholding	Position or functions
Alcolea Cantos, José Miguel	IBERDROLA, S.A.	0.000%	Director of the Legal Services of Business
	IBERDROLA INGENIERÍA Y CONSTRUCCIÓN, S.A.U.	0.000%	Member of the Board of Directors (since February 12, 2009)
	SCOTTISH POWER, LIMITED	0.000%	Member of the Board of Directors

(B.2.1)

In order to complement the information supplied in Section B.2.1, we would like to state that the regularity with which meetings of the Board of Directors are held justifies the fact that there is no Executive Committee.

(B.2.1)

In order to complement the information supplied in Section B.2.1., the changes produced in the Committees of the Board of Directors during and since the close of the financial year are indicated below:

Audit and Compliance Committee

According to the Significant Event number 114669 sent to the CNMV on date October 8, 2009, Mr. Jorge Calvet Spinatsch accepted his appointment as Chairman of the Board of Directors, as well as the delegation of faculties, and consequently presented likewise his resignation as Deputy Chairman to the Board of Directors and as Chairman of the Audit and Compliance Committee.

According to the Significant Event number 115354 sent to the CNMV on date October 23, 2009, the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., on proposal of the Appointments and Remuneration Committee, approved the appointment, by cooption, of Mr. Luis Lada Díaz as member of the Board of Directors and of the Audit and Compliance Committee, under the category of External Independent.

According to the Significant Event number 116118 sent to the CNMV on date November 11, 2009, the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A, on its meeting held on the same day, was aware of the agreement of the audit. And Compliance Committee that, on its meeting of the same date, approved to appoint Mr. José María Vázquez Egusquiza, External Independent Direct and member of the Audit and Compliance Committee, as new Chairman of the abovementioned Committee, for a period of four years.

(B.2.6)

In order to complement the information supplied in Section B.2.6, it should be pointed out that GAMESA CORPORACIÓN TECNOLÓGICA, S.A. has no Executive Committee.

(C.5)

In order to complement the information disclosed in Section C.5, it should be pointed out that Mr. José Miguel Alcolea Cantos, individual representing IBERDROLA, S.A. has declared that according to the process established in Article 30 of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. in the meetings of the Board of Directors in which it has been deliberated and, if necessary, approved agreements in relation to operations with IBERDROLA, S.A. (company of which I am the individual representative in the Board of Directors) and/or its group, I did not attend the meeting and, consequently, did not participate in the deliberation, voting, decision making and execution of the agreement.

(E.7)

In order to complement the information disclosed in Section E.7, it should be pointed out that the electronic vote system was used in the General Shareholders Meeting of the financial year 2009 by five shareholders that were holders of a total of three thousand four hundred sixty three (3.463) shares.

Binding Definition of Independent Director:

Indicate whether any of the independent directors have or have had any relationship with the company, its significant shareholders or its executives which, had such relationship been sufficiently significant or important, would have determined that the director could not be considered as an independent director pursuant to the definition set forth in Section 5 of the Unified Code of Good Governance:

Yes No

Name of director	Type of relationship	Explanation

This annual corporate governance report was approved by the company’s Board of Directors at its meeting held on February 24, 2010.

State whether any Directors either voted against or abstained from voting to approve of this Report.

Yes No

Name or trade name of the director that has not voted in favor of approving this report	Reasons (against, abstention, non-attendance)	Explain the reasons