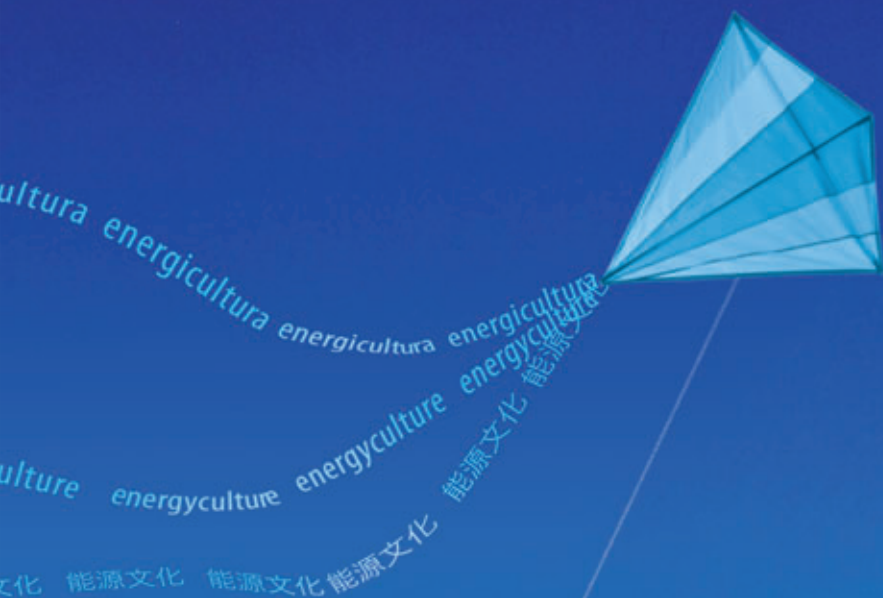


2008 Annual Corporate Governance Report



Gamesa





Annual Corporate Governance Report Listed Corporations

ISSUER'S IDENTIFICATION DETAILS

T.I.N.: A01011253

Trade Name:
GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

DATE OF FINANCIAL YEAR END: 12-31-2008

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 INVESTMENT MANAGEMENT (UK) LIMITED	0	8,188,269	3.366
MARSICO CAPITAL MANAGEMENT, LLC	0	7,549,862	3.103
BARCLAYS BANK PLC	0	7,327,765	3.012

(*) 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 Global Funds	7,370,487	3.029
Barclays Global Investors NA	4,666,492	1.918
Barclays Global Investors LTD	1,503,593	0.618
Barclays Global Fund Advisors	1,053,489	0.433
Barclays Global Investors (Deutschland) AG	104,619	0.043

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
Corporación Ibv, Participaciones Empresariales, S.A.	03/07/2008	Reduced its shareholding completely
Iberdrola, S.A.	03/07/2008	Increased its shareholding from 19.25% to 23.952%
Banco Bilbao Vizcaya Argentaria, S.A.	03/07/2008	Acquired a shareholding of 4.75%
Artisan Partners Limited Partnership	04/07/2008	Reduced its shareholding under 3%
Blackrock Global Funds	05/05/2008	Increased its shareholding over 3% reaching 3.029%
Barclays Bank Plc	07/14/2008	Increased its shareholding over 3% reaching 3.036%
Banco Bilbao Vizcaya Argentaria, S.A.	08/21/2008	Reduced its shareholding under 3%
Marsico Capital Management, LLC	10/08/2008	Increased its shareholding over 3% reaching 3.103%
Barclays Bank Plc	10/20/2008	Reduced its shareholding under 3%
Barclays Bank Plc	11/17/2008	Increased its shareholding over 3% reaching 3.012%

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.	58,276,348	0	23.952 %
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 %
Ulaia Arnaiz, Guillermo	100	0	0.000 %
Calvet Spinatsch, Jorge	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

24.008 %

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
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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
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See note (A.4) in section G contained herein.

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
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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
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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
1,600,000	1,204,498	1.153 %

(*) 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
11/12/2008	400,000	0	0.164 %

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 30, 2008 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 sixth item on the Agenda appears below:

"To expressly authorize the Board of Directors pursuant to the provisions set forth in Article 75 of the prevailing Revised Text of the Corporations Law (Texto Refundido de la Ley de Sociedades Anónimas) to carry out the derivative acquisition of shares in GAMESA CORPORACIÓN TECNOLÓGICA, S.A. under the following conditions:

- a. The acquisitions may be made directly by GAMESA CORPORACIÓN TECNOLÓGICA, S.A. or indirectly through its subsidiaries.*
- b. The acquisition of shares, which should be fully paid up and free from any charges and/or encumbrances, shall be made through purchases, swaps or any other kind of operations permitted by the Law.*
- c. Such acquisitions may be made at any time up to the maximum amount set forth by the Law, which shall not exceed 5% of the Company's share capital counting the shares it already holds.*
- d. The shares' minimum price shall be their par value and their maximum price may not exceed their list price on the date of acquisition by 5%.*
- e. That an unavailable reserve may be allocated on the Liabilities side of the Company's Balance equivalent to the amount of treasury stock entered in its Assets. This reserve shall be maintained as long as the shares are not divested or depreciated.*
- f. The shares thus acquired may subsequently be transferred under the conditions that may be freely set.*
- g. This authorization is granted for a maximum period of 18 months and expressly repeals the unused part of the authorization granted by the Company's General Shareholders' Meeting held on May 25, 2007*

For the purposes set forth in paragraph 2, number 1, Article 75 of the Revised Text of the Corporations Law (Texto Refundido de la Ley de Sociedades Anónimas), to expressly authorize the acquisition of the Company's shares by any of the company's subsidiaries under the same terms arising hereof.

Lastly and concerning the provisions set forth in the last paragraph of point 1, Article 75 of the Revised Text of the Corporations Law in its wording given by Law 55/1999 of 29 December, it is hereby indicated that any shares acquired by virtue of this authorization may be destined by the Company, among other ends, to the Company's employees or administrators either directly or as a result of exercising stock option or other rights as set forth in Incentive Plans of which they may be the holders and/or beneficiaries pursuant to the Law, bylaws and 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

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

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
Ulacia Arnaiz, Guillermo		Chairman and CEO	12-13-2005	05-25-2007	General Shareholders' Meeting
Calvet Spinatsch, Jorge		Deputy Chairman	10-07-2005	05-25-2007	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	Board of Directors Cooptation
Arregui Ciarso, 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	Board of Directors Cooptation
Total Number of Directors					10

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
Corporación IBV, Servicios y Tecnologías, S.A.	Non-executive director representing a significant shareholder	06-26-2008
Carvajal Argüelles, Juan	Non-Executive Independent	10-07-2008

See note (B.1.2) in section G contained herein.

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
Ulacia Amaiz, Guillermo	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 Ciarso, 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

Director's name or trade name	Background
Calvet Spinatsch, Jorge	<p>Born in Madrid. Holds the offices of Deputy Chairman of the Board of Directors and Chairman of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p> <p>He holds degrees in Law and Business Administration (ICADE), having completed his training at New York University, where he was granted a Master in Finance.</p> <p>His professional career has mainly taken place in the commercial banking sector and he has held positions at institutions like UBS WARBURG, where he was the CEO and Country Head of the UBS Group in Spain. He has also held the offices of CEO of UBS WARBURG, S.V., Chairman and CEO of UBS España, S.A., was a member of Ibersuiza's Investment Board of Directors, and the Chairman of Inova, S.A. (1995-2001).</p> <p>Between 2001 and 2005, he was the Chairman of Fortis Bank for Spain and Portugal, the Managing Director of Beta Capital MeesPierson and a member of the Fortis Management Board.</p> <p>He has likewise formed part of other Boards of Directors such as those of Prensa Española, S.A. (1998-2002), Antena 3TV (1998-2003), T-Systems España (2001-2004), TESA (Talleres de Editores, S.A.) and France Telecom España, S.A. From February 2008 he is member of the Board of Directors, as Non-Executive Independent Director, of AFIRMA GRUPO INMOBILIARIO, S.A., Chairman of his Appointments and Remunerations Committee, and member of his Audit and Compliance Committee.</p>
Bergareche Busquet, Santiago	<p>Born in Bilbao, Biscay. He holds the offices of Member of the Board of Directors and of the Appointments and Remuneration Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p> <p>He holds degrees in Law and Economics from the University of Deusto.</p> <p>He is currently the Deputy Chairman of Grupo Ferrovial, S.A. (since January 25, 2002) and a Director (since February 23, 1999) and member of its Executive Committee and its Appointments and Remuneration Committee; as well as the Chairman of Dinamia Capital Privado SCR, S.A. (since December 12, 2002); individual responsible of representing Bycomels Prensa, S.L. as member of the Board of Directors an member of the Executive Committee of Vocento, S.A.; and Chairman of Compañía Española de Petróleos, S.A. (CEPSA).</p> <p>He was the General Manager of Banco Bilbao Vizcaya Argentaria, S.A. (BBVA), the Chairman of Metrovacesa, S.A., Chairman of Ferrovial Agroman, S.A. and CEO of Grupo Ferrovial, S.A.</p>
Fernández Martínez, Pascual	<p>Born in Albacete. He holds the offices of 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) and Valladolid. He has also performed management tasks for the regional governments of Castilla y León and Madrid and at the Ministry of the Economy and Public Finance, as well as at the Ministry of the Environment.</p> <p>He is currently a tenured Professor of Applied Economics at the Universidad Rey Juan Carlos, a Professor of the Executive Master in Public Administration (EMPA) at the Instituto de Empresa Business School, the Director of the "Economía de Madrid" Research Center of the Universidad Rey Juan Carlos, Chairman of the Economics and the Environment Committee of the Madrid College of Economists, a member of the Association D'Instituts Européens de Conjuncture Economique (AIECE) and an advisory member of the CYTED Program, Science and Technology with Latin America (Ciencia y Tecnología con Iberoamérica).</p> <p>He has formed part of the Board of Directors of several companies, including Sodical, RENFE, the Official Credit Institute (Instituto de Crédito Oficial – ICO) and Gran Telescopio de Canarias.</p> <p>He presently belongs to the Boards of Directors of Caja Madrid de Pensiones EGFP and Grupo Empresarial Ence, S.A.</p>

NON-EXECUTIVE INDEPENDENT DIRECTORS (Continued)

Director's name or trade name	Background
Vázquez Egusquiza, José María	<p>Born in Bilbao, Biscay. He holds the offices of Member of the Board of Directors and of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.</p> <p>He holds degrees in Industrial Metallurgy Engineering and Business Studies from the Universidad del País Vasco and completed his studies doing several Masters in the United States and Sweden.</p> <p>His professional career has mainly taken place in the metallurgical sector. It began in Babcock & Wilcox, S.A. as a materials and welding engineer in the valve department for nuclear power plants. He then went on to hold management positions in different business groups in the Basque Country dedicated to the metallurgical, machine tools, shipping and building sectors.</p> <p>He currently holds the offices of Chairman of the Biscay Business Confederation (Confederación Empresarial de Bizkaia - CEBEK), Chairman of Construcciones Sobrino, S.A. (parent company in the Basque Country of Grupo Obrascón Huarte y Lain, S.A.), Chairman of the Board of Directors of GIROA (Grupo Dalkia), Director of the Bilbao Port Authority and member of the Board of Governors of the Guipuzcoa Technical Studies and Research Center (Centro de Estudios e Investigaciones Técnicas de Gipuzkoa – CEIT).</p> <p>He has also held the positions, among others, of Chairman of CONFEBASK's Industrial Policy Committee, was a member of the Management Board of the Spanish Confederation of Business Organizations (Confederación Española de Organizaciones Empresariales – CEOE), Chairman of the CEOE's Business Board for the Information Society, Director of the Biscay Industrial Design Centre (Centro de Diseño Industrial de Bizkaia), a member of the Executive Committee of the Spanish Association for the Development of Welding and a member of the SEOPAN Management Board.</p> <p>He has been deeply involved in teaching and awareness raising activities.</p>
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
Fernández Martínez, Pascual	03-07-2008	Other Non-Executive	Non-Executive Independent

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
CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A.	Sale of its total shareholding
Carvajal Argüelles, Juan	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
Ulcia Arnaiz, Guillermo	GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s Board of Directors unanimously resolved, with a previous favourable report of the Appointments and Remuneration Committee, to appoint the Chairman of the Board, Mr. Guillermo Ulcia Arnaiz, as the Company's CEO at its meeting held on May 25, 2007 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. Ulcia 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
Ulcia Arnaiz, Guillermo	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 Garsolo, 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
	VOCENTO, S.A.	Director
	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

See note (B.1.8) in section G contained herein.

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

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	1,238
Variable remuneration	423
Allowances	763
Bylaw items	179
Stock options and/or other financial instruments	
Others	
TOTAL:	2,603

Other Benefits	Figure in thousands euros
Advances	
Loans granted	
Pension Schemes and Funds: Contributions	
Pension Schemes and Funds: Liabilities contracted	
Life insurance premiums	26
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	1,529	
Non-executive directors representing significant shareholders	357	
Non-executive independent directors	545	
Other non-executive directors	198	
Total	2,629	

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

Directors' total remuneration (in thousands euros)	2,629
Total directors' remuneration/profits attributed to parent company (expressed in %)	0.8

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
Cortajarena Manchado, José Antonio	General Secretary
Zarza Yabar, Félix	Manager of Internal Audit
Perea Sáenz de Buruaga, Javier	General Manager of Commercial, Construction and Services
Monzón Arribas, Teodoro	General Manager of Wind Farm Promotion and Sales
Pardo López, Luis	General Manager of Operations
Giménez Sainz de la Maza, Iñigo	General Manager of Management Control
Malumbres García, José Antonio	General Manager of Technology
Larretxi Burgos, José Ignacio	General Manager of Business Excellence Unit
Fernández Martín del Campo, Juana María	General Manager of Human Capital Management
Total senior management remuneration (in thousands euros)	5,290

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	9	
	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

Pursuant to Article 15.4.d) of the Board of Directors Regulations, according to the version approved by the Board of Directors on January 24th, 2008 (hereafter, the Board of Directors Regulations), the Appointments and Remuneration Committee is responsible for proposing to the Board of Directors the *"system and amount of the Board Members annual remuneration"*.

According to the provisions set forth in Article 26 of the Board of Directors Regulations, the Board *"shall be entitled to obtain the remuneration set pursuant to the Bylaw's provisions"* and that said body 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"*.

Pursuant to the provisions set forth in Article 25 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Bylaws, *"the Company shall allocate as an expense an amount equivalent to up to 3% of the year's profits to remunerate the members of the Board of Directors. Such allocation up to a maximum of 3% may only be effectuated once the amounts set forth in the Corporations Law (Ley de Sociedades Anónimas) have been covered. The Board itself may resolve to reduce the aforementioned amount in any financial years it may deem appropriate to do so."*

The members of the Board of Directors shall additionally receive a fixed annual remuneration, including any contributions made to Social Welfare schemes as regards Pensions and/or life insurance policy payments. The Board of Directors shall be entitled to set the amount for each of the Board members.

The total amount for both kinds of remuneration (profit-related remuneration and fixed remuneration) may not together exceed the amount that would result from applying three per cent (3%) to the year's profits.

Such remuneration does not necessarily have to be the same for all Board members. In keeping with the foregoing, the Board of Directors shall adopt the appropriate resolutions to distribute among its members the aforementioned remuneration in accordance with the criteria and in the way it may see fit.

Board members shall likewise be entitled to receive allowances for their dedication and attendance at Board meetings, along with compensation for travel, accommodation and similar expenses which they may incur. The setting of these items shall be agreed upon by the Board of Directors."

In addition and independently of the remuneration referred to in the preceding paragraphs, Article 25 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Bylaws sets forth the possibility of "setting up remuneration schemes referenced to the shares' list price or that entail the handing over of shares and/or stock option rights to directors. The application of such remuneration schemes shall be agreed upon by the General Shareholders' Meeting, which shall set the share price to be taken as a reference, the number of shares to be handed out to Directors, the price of exercising the option rights, the term of these remuneration schemes, along with any other conditions it may deem appropriate. Likewise and after any legal requirements have been met, similar remuneration schemes may be set up for management and non-management staff of the Company and its subsidiaries."

Article 25 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. bylaws additionally sets forth that the aforementioned kinds of remuneration *"are compatible with and independent of salaries, remuneration, compensation, pensions, contributions to social welfare schemes, life insurance, the handover of shares or stock options, or any kind of general or individual compensation for any Board Members performing executive functions, whatever the nature of their relationship with the Company may be, whether it be an employment relationship –a normal or special senior management relationship–, a mercantile relationship or the provision of services. Such relationships shall be compatible with the condition of being a member of the Board of Directors."*

The Company may take out third party liability insurance for its Directors".

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
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.

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.

	Yes	No
Has external advice been used?	X	

Identity of the external consultants	People Matters
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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 Ciarso, 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 Garraida, Carlos	IBERDROLA, S.A.	Provision of legal counseling services through a law firm
Velasco Gómez, Pedro	CORPORACIÓN IBV. PARTICIPACIONES EMPRESARIALES, S.A.	Director

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

By means of a resolution taken by GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s Board of Directors on January 24, 2008, after having received a report from the Audit and Compliance Committee, the Board of Directors Regulations was amended. The amendment of the Board of Directors Regulations was communicated as a Significant Event to the agency in charge of supervising and inspecting the Spanish Stock Markets and the activities of all the participants in those markets which is called the Comisión Nacional del Mercado de Valores (hereafter, CNMV) on January 24, 2008 (Significant Event nº 88523) and registered in the Corporate Register of Álava on March 26, 2008. The amendment of the articles of the Board of Directors Regulations is inspired by two principles:

- a) To incorporate the Recommendations contained in the Unified Codex of Good Governance (hereafter, CUBG), as a general criteria.
- b) To guarantee the necessary flexibility in the organization and operation of the Board of Directors.

The amendment of the Board of Directors Regulations that affected the Articles 1, 2, 3, 5, 6, 7, 9, 11, 13, 14, 15, 16, 17, 18, 20, 22, 26, 27, 34, 35, 38 and 42 is a consequence of the approval of the CUBG by the Board of Directors of the CNMV and the necessary coordination between the Board of Directors Regulations and the Bylaws of the company, amended by resolution taken by the General Shareholder's Meeting on May 25, 2007.

The significance of the amendments in the text of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. is held in the Report about the modification of the mentioned Regulations that was at the shareholders disposal at the call of the General Shareholder's Meeting of May 30, 2008 and is available in the address <http://www.gamesacorp.com/en/investors/general-meetings/2008>

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 91965 sent to the CNMV on date April 15th, 2008, Corporación IBV, Servicios y Tecnologías, S.A., member of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., informed about the appointment of Mr. José Miguel Alcolea Cantos representing the company as individual in the Board of Directors, being the substitute of Mr. Luis Ramón Arrieta Durana. The Appointments and Remuneration Committee prepared a favorable prior report, to the effects of the Article 19.2 of the Board of Directors Regulations, because Mr. José Miguel Alcolea Cantos fulfills all the requirements established in those Regulations, necessary for the performance of the post.

According to the Significant Event number 94039 sent to the CNMV on date May 30th, 2008, the Shareholders' General Meeting of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. approved the ratification of the appointment of the member of the Board of Directors, under the category of external proprietary, Mr. Pedro Velasco Gómez, appointed by cooption by the Board of Directors, prior favorable report of the Appointments and Remuneration Committee in his meeting held on November 16th, 2007.

According to the Significant Event number 95007 sent to the CNMV on date June 26th, 2008, the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., prior favorable report of the Appointments and Remuneration Committee, under the terms of the Article 15.4.a) of the Board of Directors Regulations, approved unanimously the appointment of Iberdrola, S.A. as External Proprietary Director, having appointed Mr. José Miguel Alcolea Cantos as his individual representative in the Board of Directors.

Likewise according to the Significant Event number 98512 sent to the CNMV on date October 8th, 2008, the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., after the resignation as Director of Mr. Juan Carvajal Argüelles, approved unanimously, in his meeting held on October 7th, 2008, prior favorable report of the Appointments and Remuneration Committee, the appointment by cooption of Mr. Carlos Fernández-Lerga Garraalda as member of the Board of Directors under the category of "Other External Directors".

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 February 28, 2008. 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 in the same meeting of February 28, 2008.

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:

The company Corporación IBV, Servicios y Tecnologías, S.A., according to Article 22.2.a) of the Board of Directors Regulations, placed his position at the Board of Directors on March 13, 2008, as on March 7, 2008 the company was no longer the owner of a stable significant shareholding of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. after the sell of his total shareholding in the company. According to the Significant Event number 95007 sent to the CNMV on June 26, 2008, the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., with a previous favorable report of the Appointments and Remuneration Committee, following the Article 15.4 a) of the Board of Directors Regulations, approved unanimously, in his meeting of June 26, 2008, regarding the Article 22.2.a) of the Board of Directors Regulations, the resignation of the company Corporación IBV, Servicios y Tecnologías, S.A., Non-Executive Director representing a significant shareholder, and the appointment of Iberdrola, S.A., as a Non-Executive Director representing a significant shareholder.

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 ☒ No ☐

Measures to limit risks

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:

1. Appointment of one of the Non-Executive Independent Directors of the Company as Deputy Chairman

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.

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.

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.

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.

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.

Measures to limit risks (Continued)

- (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 ☒ 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."*

The office of Deputy Chairman of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s Board of Directors is held by the Independent Director Mr. Jorge Calvet Spinatsch.

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

Yes ☒ 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	Quórum	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 2008 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 poses 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 2008, 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	14
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	11
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	1
% of non-attendances compared to the total of votes during the financial year	0.06%

See note (B.1.30) in section G contained herein.

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 impendence 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, 2008:

–appearance on February 27, 2008 related to the preparation of the annual accounts referring to the financial year ending on December 31, 2008.

–appearance on July 23, 2008 related to the procedures approved about the intermediate financial statements of June 30, 2008.

–appearance on December 17, 2008, related to the most relevant aspects, identified in its preliminary stage, about the annual accounts of the financial year ending in December 31, 2008.

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 ☒ 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 ☒ No ☐

Comments

Article 11.3 of the GAMESA CORPORACIÓN TECNOLÓGICA, S.A. Board of Directors Regulations sets forth that "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."

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)		1,435	1,435
Amount of work other than auditing work / total amount amount invoiced by the auditing firm (%)		55.79 %	55.79 %

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	18	18

	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 Ciarso, Juan Luis	IBERDROLA, S.A.	1.533 %	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 INGENIERIA Y CONSTRUCCION, S.A.U.	100 %	Single Administrator
	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:

- it is not necessary in order to properly perform the functions External Directors are entrusted with;
- its cost is unreasonable with a view to the problem's importance and the Company's assets and revenues;
- the professional advice requested can be properly given by in-house experts and technicians;
- 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)".

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

As was indicated in Section B.1.20 above, Article 22 of the Board of Directors Regulations of GAMEESA 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.

Harming the company's good standing and reputation is one of these reasons.

More specifically, Directors should proceed as above whenever:

- a) "They are involved in a conflict of interest or prohibition as set forth in prevailing legislation, the Bylaws or these Regulations" (Article 22.2.e).
- b) "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." (Article 22.2.f)
- c) "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" (Article 22.2.i).
- d) "Whenever their permanence on the Board may place the Company's interests at risk" (Article 22.2.j).

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.

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
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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
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AUDIT AND COMPLIANCE COMMITTEE

Name	Office	Type
Calvet Spinatsch, Jorge	Chairman	Non-Executive Independent
Velasco Gómez, Pedro	Member	Non-Executive Director representing a significant shareholder
Vázquez Egusquiza, José María	Member	Non-Executive Independent
Fernández-Lerga Garraida, Carlos	Secretary (Non-Member)	Other Non-Executive Directors

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Office	Type
Fernández Martínez, Pascual	Chairman	Other Non-Executive Directors
Arregui Ciarso, Juan Luis	Member	Non-Executive Director representing a significant shareholder
Bergareche Busquet, Santiago	Member	Non-Executive Independent
Fernández-Lerga Garralda, Carlos	Secretary (Non-Member)	Other Non-Executive Directors

APPOINTMENTS COMMITTEE

Name	Office	Type
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REMUNERATION COMMITTEE

Name	Office	Type
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_____ COMMITTEE

Name	Office	Type
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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	
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 by the Board of Directors.
- b) The members of the Audit and Compliance Committee shall be chosen by the Board of Directors from among the External Directors, working from the proposals of the Appointment and Remuneration Committee.
- c) The Board shall endeavor to ensure that the members of the Audit and Compliance Committee, and more particularly its Chairman, are appointed by taking into account their knowledge and experience in accounting, auditing or risk management matters, although they must not be experts.
- d) The Audit and Compliance Committee shall choose a Chairman from among its members, who shall have to be an External Director.
- e) The Audit and Compliance Committee shall likewise appoint a Secretary, who may be one of its members or the Secretary or Deputy Secretary to the Board of Directors. The Committee's Secretary does not have to be a Director, in which case he/she shall not be considered as a member of the Committee.
- f) Members of the Audit and Compliance Committee shall be appointed for a maximum period of four (4) years, and may be reappointed for one or more terms of equal length.

The Chairman of the Audit and Compliance Committee shall be replaced every four years. Former chairmen may be re-elected to the post once one year has elapsed from the moment they have relinquished the post, without prejudice to the continuity of his membership of the Audit and Compliance Committee.

- g) 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) The Audit and Compliance Committee shall meet at least four (4) times per year in order to review financial & economic, and management information before its presentation before third parties, or upon the decision of its Chairman, who should do so whenever the Board of Directors or its Chairman request a report or proposals. Meetings should also be called when needed for the proper exercise of Committee duties or when requested by two Committee members.
- b) Notification of Audit and Compliance Committee meetings shall be done by letter, fax, telegram or email, and shall be duly authorized by the signature of the Chairman or the Secretary, the latter upon order of the Chairman.

Excepting urgent situations, notifications shall be sent out at least three (3) days before the meeting. All notifications shall include the meeting agenda, along with all duly summarized and prepared information needed for the meeting.

Audit and Compliance meeting notifications shall not be necessary when all members are present, and unanimously accept to hold a meeting.

The Board of Directors Regulations pertaining to the possibility of calling extraordinary meetings, as well as the acceptance of written or out-of-meeting votes, shall apply to Audit and Compliance Committee meetings.

- c) The Committee shall meet at company headquarters or at another location announced in the notification.
- d) The Committee shall be validly constituted when more than half of its members are either present or represented. Absences occurring once the Committee has been constituted shall not affect the validity of the meeting.

- e) Committee meetings may also be held via videoconferencing or telephone multi-conferencing. The meeting will be regarded as having occurred at what was shown in the notification as the central meeting location. In the absence of same, the meeting location shall be regarded as that place at which most Directors are present.
- f) Any Committee member may confer proxy representation on another member. Such representation must be newly conferred for each meeting, with notification by any of the means described in the first section of this Article to the Chairman, the Secretary or to the Audit and Compliance Committee.
- g) The Chairman shall direct the discussion, yield the floor to each new speaker, and close out the issue when he or she deems it to have been sufficiently treated. Votes shall be cast by means of raised hands.
- h) Should the Chairman not be able to attend due to illness or some other cause, the meeting shall be led by the Director with the most seniority in terms of Committee appointment. If two members have the same seniority, then the eldest of the two shall lead the meeting. Should the Secretary be absent due to illness, etc., his or her place shall be taken by a member having the least seniority in the Committee. In the case of equally short seniority, the younger Director shall assume the function.
- i) 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.

- j) 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 states that *"without prejudice to any other responsibilities it may be charged with by the Board, the Audit and Compliance Committee shall at least have the basic responsibilities set forth below:*

- a) *Informing the General Shareholders' Meeting about any matters that the shareholders may broach regarding matters within its competence.*
- b) *Proposing to the Board of Directors the appointment of the external Auditors of Accounts referred to by Article 204 of the Revised Text of the Corporations Law (Texto Refundido de la Ley de Sociedades Anónimas) for submission to the General Shareholders' Meeting's consideration, as well as their contracting conditions, the scope of their professional mandate, safeguarding their independence and, should it be the case, their renewal or dismissal and overseeing their independence.*
- c) *Overseeing the Company's and its Group's internal auditing services approved by the Internal Auditing Plan, overseeing both the internal and external material and human resources needed by the Auditing department to perform its tasks. Informing about the appointment or dismissal of the Internal Auditing Manager.*
- d) *Dealing with the financial reporting process, sufficiently checking the information the Company should regularly and/or statutorily provide to the markets and to their supervisory bodies in order to ensure its accuracy, reliability, sufficiency and clarity, knowing about the Company's internal control systems, as well as verifying their appropriateness and integrity by overseeing the identification, measurement and control of risks.*
- e) *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.*
- f) *Checking the contents of auditor's reports before issuing them, endeavoring to ensure that such contents and the opinions expressed in them about the annual accounts are drafted clearly and precisely, as well as overseeing the fulfillment of the auditing agreement.*

- g) Ensuring compliance with legal requirements and the correct application of generally accepted accounting standards, and informing the Board of any significant changes of accounting criteria and of risks in the balance sheet and not included in it.
- h) Providing information about transactions that entail or could entail conflicts of interest or about transactions with shareholders owning a significant stake and, in general terms, concerning the matters set forth in Chapter IX of the Board of Directors Regulations.
- i) Providing information concerning the Board's possible authorization or waiving thereof to Directors in the circumstance set forth in Article 5.4.ii).e) of the Board of Directors Regulations.
- j) Approving transactions entailing a conflict of interest or transactions with a shareholder holding a significant stake under the terms set forth in Articles 30.6 and 35.4 of the Board of Directors Regulations and in compliance with them, when it is so charged by the Board's Chairman.
- k) Overseeing compliance with the Internal Code of Conduct Regarding the Securities Market, with the Board of Directors Regulations and, in general terms, with the Company's rules of governance, as well as putting forward proposals for their improvement.

The Audit and Compliance Committee is particularly responsible for receiving information from the Legal Compliance Unit regarding the aforementioned matters and, if necessary, issuing reports on disciplinary matters to members of the Company's Senior Management and Executives for not complying with their Corporate Governance obligations and/or the Internal Code of Conduct Regarding the Securities Market, as well as resolving questions concerning Corporate Governance and its compliance which the Legal Compliance Unit may raise pursuant to the Internal Code of Conduct Regarding the Securities Market.

- l) Drawing up and bringing an annual report on Corporate Governance before the Board for its approval.
- m) Drawing up an annual report on the Audit and Control Committee's activities.
- n) Supervising the way in which the Company's website runs concerning making information on Corporate Governance publicly available.
- o) 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.
- p) Proposing modifications to the Board of Directors Regulations, and informing about matters within its competence regarding any modifications that may be made for the Board's approval thereof".

According to Article 145.5 of the Board of Directors Regulations, "without prejudice to other responsibilities the Board may assign to it, the Audit and Compliance Committee shall have at least the following basic responsibilities:

- a) Informing the General Shareholders' Meeting about any matters that the shareholders may broach regarding matters within its competence;
- b) Proposing to the Board of Directors the appointment of the external Auditors of Accounts referred to by Article 204 of the Revised Text of the Corporations Law (Texto Refundido de la Ley de Sociedades Anónimas) for submission to the General Shareholder's Meeting's consideration, as well as their contracting conditions, the scope of their professional mandate, safeguarding their independence and, should it be the case, their removal or dismissal and overseeing their independence;
- c) Overseeing the Company's and its Group's Internal Audit services approved by the Internal Audit Plan, overseeing both the internal and external material and human resources needed by the Internal Audit Department to perform its tasks and informing about the appointment or dismissal of the Internal Audit Manager;
- d) Dealing with the financial reporting process, sufficiently checking the information the Company should regularly and/or statutorily provide to the markets and to their supervisory bodies in order to ensure its accuracy, reliability, sufficiency and clarity, being familiar with the Company's internal control systems, as well as verifying their appropriateness and integrity by overseeing the identification, measurement and control of risks. It shall likewise ensure that the regular financial reporting is drawn up with the same accounting criteria as the annual financial information;
- e) 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 to the drawing up of financial statements;

- f) Checking the content of auditor's reports before they are issued, endeavoring to ensure that such contents and the opinions expressed therein about the annual accounts are drafted clearly and precisely, as well as overseeing the fulfillment of the auditing agreement;
- g) Ensuring compliance with legal requirements and the correct application of generally accepted accounting standards, and informing the Board of any significant changes of accounting criteria and of both on and off the balance sheet risk;
- h) Providing information about transactions that entail or could entail conflicts of interest or about transactions with shareholders owning a significant stake and, in general terms, concerning the matters set forth in Chapter IX contained herein;
- i) Providing information concerning the Board's possible authorization or waiving thereof to Directors in the circumstance set forth in Article 5.4.ii).e) contained herein;
- j) Approving transactions entailing a conflict of interest or transactions with a shareholder owning a significant stake under the terms set forth in Articles 30.6 and 35.4 contained herein and in compliance with them, when it is so charged by the Board's Chairman;
- k) Overseeing compliance with the Internal Code of Conduct Regarding the Securities Market, with these Regulations and, in general terms, the Company's rules of governance, as well as putting forward proposals for their improvement. The Audit and Compliance Committee is particularly responsible for receiving information from the Statutory Compliance Unit regarding the aforementioned matters and, if necessary, issuing reports on disciplinary matters to members of the Company's Senior Management and Executive team for not complying with the Corporate Governance obligations and/or the Internal Code of Conduct regarding the Securities Market, as well as resolving questions concerning Corporate Governance and its compliance which the Statutory Compliance Unit may raise pursuant to the Internal Code of Conduct Regarding the Securities Market;
- l) Drawing up and bringing an annual report on Corporate Governance before the Board for its approval;
- m) Drawing up an annual report on the Audit and Compliance Committee's activities, which shall be brought before the Board of Directors for its approval and placed at the shareholders' and investors' disposal for the announcement of the General Shareholders' Meeting;
- n) Supervising the way in which the Company's website runs in terms of making information on Corporate Governance publicly available;
- o) 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;
- p) Proposing modifications to the current Board Regulations, and informing about matters within its competence regarding any modifications that may be made for their approval by the Board;
- q) 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. All the foregoing shall be done with the utmost respect for the rights of the parties involved."

Finally, according to Article 5 of the Audit and Compliance Committee *"the primary mission of the Audit and Compliance Committee is to assist and inform the Board of Directors in matters assigned to them by the Bylaws, the Board Regulations and by the Rules of Procedure in Securities Markets.*

Apart from other tasks the Board of Directors may assign to it, the Audit and Compliance Committee shall have at least the following responsibilities:

- a) Informing the General Shareholders Meeting about any matters that shareholders may broach regarding matters within its competence.*
- b) Proposing the names of external account auditors (hereunder, the External Auditors) for Gamesa and its Group to the Board of Directors, for their submission before the General Shareholders Meeting.*
- c) Keeping communication lines open with the External Auditors in order to receive information concerning issues that could threaten their independence, any other issues related to the account auditing process, or to handle other communications arising from account auditing law and procedural regulations.*
- d) Supervising the Company and Group's Internal Auditing services, approving the Internal Auditing Plan.*
- e) Keeping abreast of the Company's financial information process and internal control system, checking its appropriateness and integrity, while supervising the identification, measurement and control of risks.*
- f) Preparing the Annual Corporate Governance Report and submitting it to the Board of Directors for its approval.*
- g) Providing information - within its area of responsibility - on the Company Sustainability or Social Responsibility Report, for its approval by the Board of Directors.*
- h) Setting up and supervising a means by which employees can confidentially – and, if they feel appropriate, anonymously – provide information about any potentially important irregularities they may perceive within the Company, especially concerning finance or accounting. Said mechanism shall completely respect the rights of all parties involved.*
- i) And all other duties and responsibilities arising from the Bylaws, the Board Regulations, the Rules of Procedure in Securities Markets or that are laid down by the Board of Directors itself.*

Similarly, the Audit and Compliance Committee shall provide information to the General Shareholders Meeting and the Board of Directors, under the terms of the present Rules and pursuant to applicable legal regulations, the Bylaws, the Board Regulations as well as the Rules of Procedure in Securities Markets – while maintaining due relations with, and acting as interlocutor for Company management in complying with its duties.

In order to carry out this task, the Committee Secretary has the central role in channeling Committee relations with other bodies, following the instructions of the Committee Chairman, and of serving as a central communication point between all involved interlocutors."

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 with 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 Board shall endeavor to ensure that the members of the Appointment and Remuneration Committee are appointed by taking into account their knowledge, capacity and experience in the matters entrusted to the Committee.
- c) The Appointments and Remuneration Committee shall elect a Chairman from among its number, who will be substituted every four years, but may be reelected once a year has passed since the end of the last term served.
- d) 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 above mentioned Annual Report of activities of the financial year, it is to remark the special emphasis that the Audit and Compliance Committee puts in the updating and review of the Board of Directors Regulations and the Regulations of the Audit and Compliance Committee, as well as the Code of Conduct and the Rules of Procedure in the Securities Market, on line with the best practice in good governance. It is also to remark the different reports in relation to related-party transactions as well as the exigency of strict independence of the External Auditors.

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 been charged to do so:

Yes ☒ 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)	758,700
IBERDROLA, S.A.	GAMESA ENERGÍA, S.A.U.	CONTRACTUAL	SALE OF NON-CURRENT INVESTMENTS	101,401

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 relationship	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
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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 ☒ No ☐

Name or trade name of the director	Description of the situation of conflict of interest
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. (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 not participated in the deliberations, voting, decision making and execution of the respective agreements. More precisely, those operations have been: <ul style="list-style-type: none"> • Award of the construction of the High Tension Line 220 kV (future 400) La Puebla de Guzmán-Guillena to Iberdrola Ingeniería y Construcción, S.A.U. • Approval of the agreement of the supply to Iberdrola Renovables, S.A. of 4.500 MW for the period 2010-2012. • Approval of the agreement of promotion, development and joint exploitation of certain wind energy projects between Iberdrola Renovables, S.A., Gamesa Energía, S.A.U and Gamesa Corporación Tecnológica, S.A.
Arregui Ciarso, Juan Luis	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. (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 participated in the deliberations, voting, decision making and execution of the respective agreements.

See note (C.5.) in section G contained herein.

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.

Competence:

As a general rule, the mechanisms of detection, determination and resolution of possible conflicts of interests between the company and/or its group and its Directors or significant shareholders are submitted to the rules of competence that are detailed as follows:

- a) The Board of Directors has, among its basic responsibilities, as is established in Article 5.4.ii).d) of the Board of Directors Regulations, the authorization of 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 in the Board of Directors Regulations.
- b) The Audit and Compliance Committee has, among its basic responsibilities, as is established in Article 14.5.h) of the Board of Directors Regulations, to provide information about transactions that entail or could entail conflicts of interest or about transactions with shareholders owning a significant stake and, in general terms, concerning the matters set forth in Chapter IX of the Board of Directors Regulations.

Likewise, the Audit and Compliance Committee has assigned, according to the Article 14.5.j) of the Board of Directors Regulations, the basic responsibility of approving transactions entailing a conflict of interest or transactions with a shareholder owning a significant stake under the terms set forth in Articles 30.6 and 35.4 of the Board of Directors Regulations and in compliance with them, when it is so charged by the Board's Chairman.

It is also remarkable the content of the Article 11 b) and c) of the Audit and Compliance Committee Regulations that sets forth that the Committee has, among others, the following duties:

- providing information to the Board of Directors before it authorizes any transactions that could represent Conflicts of Interest (i) with the Company or with the Group's companies, (ii) with Board Members and their Related Parties, (iv) or with Senior Executive Management and company officers, as well as (v) any other transaction relevant to same, except when this is not necessary pursuant to Article 35.5 of the Board of Directors Regulations.
- approving the transactions mentioned in the previous section above when, for reasons of urgent need, such approval is entrusted by the Chairman of the Board. In such situations, the Audit and Compliance Committee must inform the Board of its decision as quickly as possible.

Information:

In accordance with Article 35.6 of the Board of Directors Regulations, the Company shall provide information concerning the operations it carries out with Directors, shareholders owning a significant stake and Related Persons, in its periodic financial reports, under the terms of prior notice set by the Law. Similarly, the Company shall include in its report information concerning Company (and Group company) operations with Directors and Related Persons, and those acting as proxies for them, when such operations fall outside the normal traffic of business, or that are not performed under habitual market conditions.

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 "Conflict of Interest shall be construed to mean any situation in which any Director or party related to him/her has a personal interest in either direct or indirect conflict with the Company or with any other of the companies belonging to the Group."

Likewise, the above mentioned Article considers "Related Party", the following:

- a) "The Director's spouse or anybody having an analogous personal relationship.
- b) Forebears, descendants and siblings of the Director or the Director's spouse (or people having an analogous personal relationship).
- c) Spouses of the Director's forebears, descendants and siblings.

- d) Any companies in which the Director, either personally or through another individual, finds himself/herself in any of the situations put forth in Article 42 of the Commercial Code (Código de Comercio) concerning definitions of corporate groups.

Concerning Directors who are legal persons, the following shall be construed as Related Parties:

- a) Partners who may find themselves in any of the situations set forth in article 42 of the Commercial Code (Código de Comercio) concerning the definition of corporate groups, as regards the Director who is a legal person.
- b) Companies forming part of the same group, as set forth in article 42 of the Commercial Code (Código de Comercio) concerning the definition of corporate groups.
- c) The representative, the de facto or legal administrators, the liquidators and the holders of the general powers of attorney of the Director who is a legal person.
- d) Any individuals who can be considered as Related Parties of the representative of the Director who is a legal person, as per the previous paragraph on Directors who are individuals."

The Director or his/her Related Parties, as established in Article 30 of the Board of Directors Regulations, "may not directly or indirectly perform professional or commercial transactions with the Company unless the Board, following a favorable report from the Audit and Compliance Committee, approves the transaction without the interested Director taking part, pursuant to the provisions set forth in these Regulations and under the terms and conditions set forth therein.

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, when so requested by the Board of Directors, 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 adopting a specific resolution.

The Board's Chairman must include the transaction and the Conflict of Interest in question on the agenda of the next Board of Directors Meeting so that it may adopt a resolution on it on the basis of the reports noted in sections 4 and 7. The Board of Directors, without the participation of the Director thus affected, shall decide as soon as possible whether or not to approve the transaction or the alternative that may have been put forward, as well as the specific measures that are to be adopted.

The Board's Chairman may commission the Audit and Compliance Committee to approve the transaction when there are reasons of urgent necessity, and the Committee shall inform the Board forthwith.

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.

In all cases, any conflict of interest situations in which Directors or their Related Parties are involved shall be included in the Annual Corporate Governance Report.

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 also remarkable the content of the Article 15 of the Rules of Procedure in the Securities Market that Related Parties who find themselves in a conflict of interest related to a certain transaction must abstain from intervening or influencing decisions concerning that transaction. They must also refrain from accessing privileged or relevant information concerning same. Should the Person Subject to the Rules have any doubt as to the existence of a conflict of interest, he or she should submit the issue for consideration by the Regulatory Compliance Unit. A conflict of interest shall be deemed to exist when, due to the Person's affiliations or for another reason or circumstance, an impartial observer would perceive such a conflict in relation to a specific action, service or transaction.

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, if this Director so requests – under the terms laid out in this article and pursuant to the criteria set out in article 6.2.d) of these Regulations – that no shareholder shall receive privileged treatment over others.

The Board of Directors, and the Audit and Compliance Committee if a report is issued, shall evaluate the operation from the standpoint of market conditions. They shall also take into consideration the criteria laid out in section 30.8 of these Regulations when examining the operations of said shareholders, always guided by the abovementioned principle of equality of treatment for shareholders. Towards these ends, they shall obtain the following:

- a) a report from the CEO containing (i) a justification for the operation and (ii) an alternative to said operation by the shareholder in question; and*
- b) the advisory services of external professionals, pursuant to the procedure laid out in these Regulations, when the assets involved or the complexity of the operation so require.*

Should the transactions fall under the ordinary course of company business, and are of a habitual or ongoing nature, normal authorization of the line of operations and their conditions of performance shall suffice.

In urgent situations, the Chairman of the Board may entrust the approval of the transaction to the Audit and Compliance Committee, which must inform the Board of same as quickly as possible.

Board authorization shall not be considered necessary for those related operations that comply with all of the following three conditions: (i) that are performed under contracts with standardized terms and that are applied en masse to many customers; (ii) that are performed at prices or fees that have been generally set for suppliers of the goods or services in question; and (iii) that involve an amount that does not exceed one percent (1%) of the Company's annual revenue."

In this sense, it is remarkable that the Director and member of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., Mr. Pedro Velasco Gómez, abstained in the meetings of April 14, May 12, June 12 and November 2005, 2008 from the debate and voting related to the operations with the significant shareholder of the company that he represents.

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 CORPORACIÓN TECNOLÓGICA, S.A.'s risk policy has the following main objectives:

- To provide maximum guarantees to all groups of interests: shareholders, clients, suppliers, employees, stakeholders and the markets in general.
- To increase the creation of value through the appropriate management of risks and opportunities.
- To comply with any laws, regulations, agreements and rules that may apply.
- To protect and preserve the assets of the Corporation.
- To assure the achievement of the objectives included in the Business Plan, with the prevention and control of those risks/opportunities that may affect its achievement.
- The exercise of an optimum control over the business areas and companies of the Group.
- The reliability and integrity of the information systems.

To achieve these objectives it is necessary to assure the existence of other complementary or specific politics, procedures, mechanisms and adequate indicators.

The activities of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. are developed in different geographic areas, social economic environments and regulatory frames, that is, in a context in which risks and opportunities of diverse nature exist, so that GAMESA CORPORACIÓN TECNOLÓGICA, S.A. develops a global and all-round vision in the management and evaluation of risks and opportunities.

GAMESA CORPORACIÓN TECNOLÓGICA, S.A. uses a system of Control and Management of Risks and Opportunities in the whole organization (divisions, departments, companies) and in all geographic areas in which he operates, that contributes to the achievement of the business targets, to the creation of value for the different groups of interests and to the sustainable and profitable development of the Corporation.

The control system analyzes the risks, taking as a start the universal model BRM (Business Risk Model) approved by the Board of Directors, and that contemplates any type of risk, grouped together and classified under the following categories:

- Environmental Risks. These risks arise as a consequence of external factors and are independent of the company's management. They could have a significant direct or indirect influence on the attainment of its objectives and strategies.
- Process Risks. These risks arise from the Company's own activities. They are in turn classified into Operating Risks, Management Risks, Technology/Information Process Risks, Integrity Risks and Financial Risks.
- Decision-Making Information Risks. These risks arise from the information used for decision-making on operating, financial and strategic matters not being reliable and/or complete.

As a general rule the most relevant procedures are those with risks/opportunities that can affect the economic profitability, the financial solvency, the corporate reputation, the integrity of the employees, the environment and the regulatory compliance.

During the financial year 2008 the company has continued to apply the methodology of "Risk Management and Control Procedure", to the processes with priority risks because of his bigger impact in the fulfillment of objectives (importance effect), with a moderate-high probability of occurrence (probability effect) and where the capacity of management of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. is bigger (control effect).

Processes with priority risks monitories during 2008:

Process	Significance
SERVICES	Efficient continuity of the turnkey activity, assembly and maintenance of wind generators alter the sell of GES without putting in risk the growth plan of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.
INVESTMENTS	Authorization, award, implementation, monitoring and evaluation of the investments to assure the non existence of deviations in the figures of real investments in front of the budgeted, so that the profitability objectives and financial solidity are fulfilled.
INNOVATION	Adequate market and product characteristics selection, fulfilment of the "time to market" and minimization of the warranty costs due initial immaturity of the product.
CUSTOMERS	Fulfilment of the requirements of the products sold to the clients (wind generators and wind farms) in terms of periods and technical features for the minimization of complaints.
SUPPLY	Availability (in quantity, quality and cost) of the raw materials and essential components for the wind generators manufacturing through a network that supplies in the adequate moment taking into account the changes of the market.
PERSONNEL	Appropriate management of the company's human resources, so that the right personnel are available and motivated to meet the targets laid down by the company through the establishment of a career plan, performance evaluation, management through objectives, internalization and application of the management model.
INFORMATION RELIABILITY	Optimize the creation of value and external image of the Company through the reliability and transparency of the financial and accounting information, free from errors that could modify the financial results.
LABOUR SAFETY AND HEALTH	Excellence in Labour Safety and Health, with the permanent aspiration of zero incidents, zero professional illnesses in each work position, and the fulfilment of all the regulatory requirements in Labour Safety and Health.
ENVIRONMENT	Excellence in the management of environmental aspect of the procedures, products and services and fulfilment of all the regulatory requirements in all the environments in which the company operates.
INFORMATION SECURITY	The information is a fundamental asset of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. and therefore it is about to prevent the improper use or the knowledge by non authorized persons to minimize the negative impacts or to put on risk the interests of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., through the definition and respect of procedures, authorizations and control limits.
CODE OF CONDUCT	Knowledge, respect and fulfilment control of the Code of Conduct and the Social Responsibility Principles of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. that define and develop the principles and corporate values of the Company.

Other specific risks exist, fundamentally financial (interest rate, exchange rate, taxes, credit, liquidity and commodities) that are controlled through specific politics, rules and procedures that are integrated in the functions of the respective departments. The information about the cover and control of these risks is included through the legal annual report.

As a general frame it is remarkable that the Board of Directors approved and applied in the year 2008 the respective general politics of the company.

The risk control system has been improved considering concepts and good methodology practices and international recognized referential, as COSO II and ISO 31000 among others, and with that the "Internal Procedure of Management and Risk Control" has been updated. In the updated version there are fixed roles, a common language, as well as a proactive identification, evaluation and management methodology of that risks that may affect the achievement of the business objectives of the Organization.

Throughout 2008, the Audit and Compliance Committee has exercised his supervision duty of the identification, measure and control of risks, treating this aspect in every meeting. The specific contents of the meetings can be consulted in the Annual Activities Report 2008 of the mentioned Committee.

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

Yes ☒ No ☐

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

Name of Committee or Body	Description of functions
Board of Directors	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.
Chairman and CEO	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.
Audit and Compliance Committee	The Audit and Compliance Committee is entrusted by the Board of Directors, with the functions, among others, of assessing the appropriateness and integrity of CORPORACIÓN TECNOLÓGICA, S.A.'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.
Management Committee	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 knows the risk environment and control in every process.
Regulatory Compliance Unit	This Unit supervises and oversees compliance with the Internal Code of Conduct Regarding the Securities Markets and in general terms GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s rules of Governance.
Internal Auditing Unit	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.
Risk Control Unit (BRC)	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.
Corporate Legal Department	Assures that very business area of the company knows the current legality and complies with it in all and each jurisdiction where his activity is developed. Knows and analyzes the applicable rules in every transaction that each business area fulfills. Guarantees the advisement and the necessary technical-legal support to the Operative Units and other Corporate Functions,
Other participants in the risk management	The Risk Control Unit maintains a constant coordination with the Internal Auditing Unit and a functional relationship with the BRC network, set up with the equivalents in the USA and China, and the Risk Controllers, persons appointed in each of the Units in which priority identified risk processes exist. The Business Performance Department monitories and reports the indicators for the monitoring of risks.

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

The risks arising from existing regulations and any possible changes thereof are managed through the development and implementation of processes and procedures aimed at reasonably ensuring compliance with prevailing legislation.

GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'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.

The Company's Board of Directors can count on the backing provided by the Secretary to the Board and Legal Advisor to cover all legal aspects, check statutory aspects, verify its compliance with the Bylaws, and its compliance with all the regulations issued by regulatory authorities and oversee observance of the principles of Corporate Governance.

GAMESA CORPORACIÓN TECNOLÓGICA, S.A. has specialized departments dedicated to the different regulations affecting its activities and the different companies it comprises (corporate law, employment law, tax matters, environmental law, occupational health and safety, etc.). 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, as set forth in the Company's Corporate Internal Regulations the Audit and Compliance Committee oversees compliance with legal requirements and the rules of governance of the company.

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 (LSA) for general circumstances	% of quorum different from that set forth in Art. 103 of the Corp. Law (LSA) 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 (LSA) for the circumstances laid down in Art. 103.1	Other circumstances for 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 25, 2008 the following documents were published in the corporate website of the company:

- General Shareholders Meeting Call Advert,
- Proposal of agreements,
- Annual accounts, management report and audit report, individual and consolidated,
- Liability statement,
- Report about the modification of the Regulations of the Board of Directors,
- Explanatory Report of additional information included in the Management Report as per article 116 bis of the Spanish Stock Market Law,
- Corporate Governance Annual report 2007,
- Sustainability Report 2007,
- Annual Report of the Audit and Compliance Committee 2007,
- Regulations on exercising the rights of remote information, vote and proxies.

The above mentioned documents was 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 2008, 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 legitimated 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 ☒ 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 2008 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				
	% attending in person	% by proxy	% remote voting		Total
			Electronic voting	Others	
05-30-2008	24.45 %	44.38 %	0.00 %	0.00 %	68.83 %

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 appropriate, of the annual accounts (Balance Sheet, Profit and Loss Account and Annual Report) and Management Report for the Company ("Gamesa Corporación Tecnológica, Sociedad Anónima") and its consolidated Group for the fiscal year ended on December 31, 2007.

Votes in favor	Votes against	Abstentions
99.84 %	0.01 %	0.15 %

Point Two on the Agenda: Examination and approval, if appropriate, of the proposal for the allocation of profit/losses and the distribution of dividends for the fiscal year ended on December 31, 2007.

Votes in favor	Votes against	Abstentions
99.99 %	0.00 %	0.01 %

Point Three on Agenda: Examination and approval, if appropriate, of the management and actions of the Board of Directors during the fiscal year ended on December 31, 2007.

Votes in favor	Votes against	Abstentions
99.94 %	0.01 %	0.05 %

Point Four on the Agenda: Ratification, if appropriate, of the interim appointment as Director of Mr. Pedro Velasco Gómez to fill a vacancy, as an external proprietary Director, made by the Board of Directors at its meeting of 16th November 2007.

Votes in favor	Votes against	Abstentions
99.58 %	0.10 %	0.32 %

Point Five on the Agenda: Appointment of the Auditor of the Company and its Consolidated Group's Accounts for the 2008 tax year.

Votes in favor	Votes against	Abstentions
99.87 %	0.11 %	0.02 %

Point Six on the Agenda: Authorization to the Board of Directors for the derivate acquisition of the Company's own shares by the Company itself or by its subsidiaries, in terms agreed by the Shareholders' General Meeting, 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 25, 2007, is hereby deprived of effect to the extent of the unused amount.

Votes in favor	Votes against	Abstentions
99.36 %	0.63 %	0.01 %

Point Seven on the Agenda: Empowerment for the execution, formalisation and total fulfilment of the agreements reached by the Shareholder's General Meeting.

Votes in favor	Votes against	Abstentions
99.99 %	0.00 %	0.01 %

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 30, 2008.

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 2008 the website of Gamesa has experimented an important transformation 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 done, during the year 2008, (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 26, 2008 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 ☒

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 ☒ 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 ☒

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 ☒ 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 ☒

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 ☒ 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 ☒

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 ☒

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 ☒ 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 ☒ 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 ☒ 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 ☒ 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 ☒ 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 ☒ 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 ☒ 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 ☒

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 ☒ 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 ☒ 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 ☒

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 ☒

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 ☒

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 ☒

Partially complies ☐

Explain ☐

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

See section: B.1.2

Complies ☒ Explain ☒

Explanation: Convinced that the mere fact of time passing should not in itself be a reason for losing the status of being an independent director, GAMESA CORPORACIÓN TECNOLÓGICA, S.A. has not considered it necessary to set a maximum period for independent directors to hold office.

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 ☒

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 ☒ 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 of 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 ☒

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 ☒

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 ☒

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, 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 ☒

Explain ☐

Explanation: Article 26.3, paragraph two of the Board of Directors Regulations of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. in the wording given to it by the Board of Directors meeting held on January 24, 2008 sets forth that "the Board of Directors shall draw up a report on the remuneration policy for the current 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".

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 ☒

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 ☒

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 ☒

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 sent 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:

1º 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.

2º 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 ☒

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 ☒ 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 ☒

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 ☒

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 ☒

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 ☒ 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 in the significant shareholding of MARSICO CAPITAL MANAGEMENT, LLC, the direct holders of the voting rights in GAMESA CORPORACIÓN TECNOLÓGICA, S.A. are not included, because the company has not communicate their identity according to the Article 34 of the Royal Decree 1362/2007 of October 19, that develops the Securities Market Law, as regards the requirements of transparency concerning information on issuers whose securities are admitted to trading on an official secondary market or on another market regulated by the European Union (hereinafter RD 1362/2007), declaring that any of his clients possess a number of shares equal or higher than a 3% of the voting rights of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

In relation to the significant shareholding of BLACKROCK INVESTMENT MANAGEMENT (UK) LIMITED all the direct holders of the voting rights in GAMESA CORPORACIÓN TECNOLÓGICA, S.A. are not included, because the company has not communicate, according to the Article 34 of the Royal Decree 1362/2007 of October 19, the identity of the direct holders of a 0.337% of the total voting rights of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

In relation to the number of direct voting rights pointed out, that correspond to the companies BARCLAYS GLOBAL INVESTORS NA, BARCLAYS GLOBAL INVESTORS LTD, BARCLAYS GLOBAL INVESTORS (DEUTSCHLAND) AG AND BARCLAYS GLOBAL FUND ADVISORS, not having official numbers in the registers of the National Securities Market Commission (CNMV) and in the registers of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., they have been calculated taking as a basis the rounded percentage of the voting rights that are included in the notification made by BARCLAYS BANK PLC to the National Securities Market Commission (CNMV), with the entry date of register of November 26, 2008.

(A.2.b)

In order to complement the information supplied in Section A.2, it should be pointed out that the companies ARTISAN PARTNERS LIMITED PARTNERSHIP and BANCO BILBAO VIZCAYA ARGENTARIA, S.A. 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) On date March 7, 2008 the company CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A. sold his total shareholding in the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A to the companies IBERDROLA, S.A. and BANCO BILBAO VIZCAYA ARGENTARIA, S.A.
- b) Mr. Luis Ramon Arrieta Durana that, until his resignation on April 15, 2008, was the representative person of CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A., member of the Board of Directors and of the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., is the holder of hundred (100) shares of the company.
- c) Mr. Juan Carvajal Argüelles, a member of GAMESA COPORACIÓN TECNOLÓGICA, S.A.'s Board of Directors up to October 7, 2008, is not the holder of any share of the company.
- d) 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.4)

In order to complement the information supplied in Section A.4, it should be pointed out that the company CORPORACIÓN IBV, PARTICIPACIONES EMPRESARIALES, S.A. and IBERDROLA, S.A. maintain a corporate relationship because IBERDROLA, S.A. shares on 50% with BANCO BILBAO VIZCAYA ARGENTARIA, S.A., the company CORPORACIÓN IBV, PARTICIPACIONES EMPRESARIALES, S.A., holder of 100% of CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A., that also agglutinates the industrial portfolio managed jointly by both of them, company that was the holder of 9.250% of the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. until March 7, 2008.

On March 7, 2008 CORPORACIÓN IBV, PARTICIPACIONES EMPRESARIALES, S.A. proceeded to sell his total shareholding in the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. to the companies IBERDROLA, S.A. and BANCO BILBAO VIZCAYA ARGENTARIA, S.A., with the result that nowadays is not the holder of any share in the share capital of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

(A.8)

In order to complement the information supplied in Section A.8, it should be pointed out that GAMESA CORPORACIÓN TECNOLÓGICA, S.A. entered into a swap and forward transaction agreement with a financial institution in 2005 to cover the aforementioned Stock Options Program. Under this agreement, GAMESA CORPORACIÓN TECNOLÓGICA, S.A. undertook to buy on maturity (set for 7 June 2011) a maximum of 2,212,000 shares. The acquisition price was set at 11.019 euros per share.

As consideration, the bank receives interest on the notional amount of the transaction, which GAMESA CORPORACIÓN TECNOLÓGICA, S.A. enters into the books as financing costs on an accrual basis. For its part, GAMESA CORPORACIÓN TECNOLÓGICA, S.A. receives the dividends declared on the 2,212,000 shares.

Given that the risks inherent in the evolution of the price of said shares (either upwards or downwards) as regards the aforementioned share price and their economic rights (dividends) are to be incurred by GAMESA CORPORACIÓN TECNOLÓGICA, S.A., this transaction has been entered in the books to reflect the rights and obligations held arising from the aforementioned agreement, as is respectively indicated in notes 18.d and 11 of the consolidated and individual accounts.

(B.1.2)

In order to complement the information supplied in Section B.1.2, it should be pointed out that, at the Board of Directors Meeting held on April 15, 2008, with a previous report of the Appointments and Remuneration Committee, the Board was informed about the appointment of Mr. José Miguel Alcolea Cantos as the individual to represent CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A., a member of the Board of Directors of GAMESA COPORACIÓN TECNOLÓGICA, S.A. to replace Mr. Luis Ramón Arrieta Durana. After the resignation of CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A. as member of the Board of Directors occurred on June 26, 2008 and the appointment of Iberdrola, S.A. as a new member of the Board of Directors, IBERDROLA, S.A. appointed Mr. José Miguel Alcolea Cantos as his individual representative in the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

(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

Guillermo Ulacia Arnaiz

He was born in Baracaldo, Biscay and currently holds the offices of Chairman and CEO of GAMESA CORPORACIÓN TECNOLÓGICA.

He holds a computing degree from the Universidad de Deusto.

In addition to the positions he holds in GAMESA CORPORACIÓN TECNOLÓGICA, S.A., he is a member of the Governing Board of the Northern Area of the Management Progress Association (*Asociación para el Progreso de la Dirección – A.P.D.*) and a member of the Board of Directors of the Basque Institute for Competitiveness (*Instituto Vasco de Competitividad*).

Up to December 2005, the date on which he was appointed as Gamesa's CEO, he was the Executive Vice President of Sector Plans of the Arcelor steel group, as well as the Deputy Chairman of Aceralia.

His professional career has mainly taken place in the industrial sector, having held important positions in the steel and automotive industries.

He held the following positions, among others, in the steel industry: Executive Vice President of Grupo Arbed, holding responsibility for the group's R&D activities; Chairman of the COCKERILL SAMBRE (Belgium) Board of Directors; Chairman of the SIOMAR (Belgium) Board of Directors; Administrator of the SIDSTAHL NV (Belgium) Board of Directors; and Chairman of the Internet sales platform for steel products, Steel 24-7.

In the automotive sector, he belonged to the Board of Directors of General Motors, Spain; was the Administrator of GESTAMP AUTOMOCIÓN; a member of the GONIVARRI INDUSTRIAL Board of Directors; and a member of the GONIVARRI HOLDING Board of Directors.

Carlos Rodríguez-Quiroga Menéndez

He was born in Madrid. He currently holds the office of member and Secretary to the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

He holds a Law Degree from the Universidad Complutense de Madrid.

He is a Diploma holder of Employment Law from the Legal Practice School of Madrid.

He has also been granted Diplomas in Comparative Industrial Relations and in European Community Relations from the Secretariat of State for Relations with the European Community.

He is a 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.; Media Park, S.A.; Sky Service Aviation, S.A.; Quiero Televisión, S.A.; Motor Ediciones, S.A.; and Diver Karting, S.L.

He is a member of the Governing Board and Secretary General of the Africa Foundation (Fundación Africa), as well as a member of the Governing Board of the Spain-Equatorial Guinea Foundation (*Fundación España-Guinea Ecuatorial*).

Directors Representing Significant Shareholders

Juan Luis Arregui Ciarso

Born in Mallavia, Biscay. He holds the offices of 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 has been the Chairman of Viña Izadi since 1987 and of Foresta Capital, S.A. since 2002, after having been involved in the setting up of both companies. He has likewise been the Chairman of Grupo Empresarial Ence, S.A. since 2006. He is a director of GRL Aciete since 2000, First Deputy Chairman of Cartera Industrial Rea (since 2008) and director of Iberdrola, S.A. since 1993, and has held the offices of member of the Audit Committee (1999-2001), member of the Executive Committee (since 2002), member of the Appointments 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 a founder in 1976; Chairman of Corporación Eólica Cesa, S.L.; Co-Chairman of Grupo Guascor (1995-2003); and director of Gestor de Proyectos y Contratos, S.A., of which he was a co-founder.

Pedro Velasco Gómez

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

He holds an Economics Degree from the Universidad Complutense de Madrid.

He subsequently studied Operational Research at the same university and did several postgraduate courses at institutions like the Euroforum or the IESE.

His professional career has taken place in banking, where he has held different positions like Deputy General Manager of Banco Urquijo (1989), Deputy General Manager for Corporate Banking at Banco Hispano Americano, CEO of Hispamer (1992-1995) and Deputy General Manager of Banco Santander Central Hispano (1997-2002).

He has been the Iberdrola's Manager for Non-Energy Businesses and Real Estate since 2004.

He is a member of the Board of Directors of several companies, including Iberdrola Inmobiliaria, Corporación IBV, VINZEO, NEO SKY and VEO TELEVISION.

José Miguel Alcolea Cantos

Born in Albacete He is currently representing Iberdrola, S.A., Member of the Board of Directors of GAMESA CORPORACION 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 and IESE (Madrid, 2007)

He has spent his career primarily in the field of servant lawyer where he has been in charge several departments. Actually he has been Servant Lawyer – 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, Secretary of the Regional Economic-Administrative Tribunal of Catalonia and Servant Lawyer in the Public Legal Authority of Catalonia.

He has been Secretary to the Board of Directors of Agencia EFE S.A. and CEO in several public companies like the Consorcio de Compensación de Seguros y SEIASA.

He has developed an important career in teaching.

Nowadays he is the Directors of Legal Services of Businesses of Iberdrola S.A. (since February 2004), Director of Scottish Power Ltd. and Secretary to the Board of Directors of Desafío Español 2007 S.A.

Otros Consejeros Externos

Carlos Fernández-Lerga Garralda

He was born in Pamplona, Navarre and currently holds the office of Deputy Secretary to the Board and Non-Voting Secretary of the Audit and Compliance Committee and of the Appointments and Remuneration Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.

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

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

He is a practicing lawyer and currently holds several positions as a member and Chairman of the Audit Committee of Abantia Corporación, Chief Legal Counsel of Sociedad General de Autores y Editores (SGAE), a member of the Executive Committee of the Real Instituto Elcano de Estudios Internacionales y Estratégicos, a member of the Governing Board of the Spain-United States Foundation Council and a member of the Governing Board of the Euroamerica Foundation; member of the Board of Directors of Inmobiliaria Colonial, S.A., as well as member of its Executive Committee and its Appointments and Remuneration Committee, and Chairman of its Audit and Control Committee.

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 – 1983), General Manager of Asesoramiento Comunitario, S.A. belonging to Grupo Banco Hispano Americano (1984 – 1985), an Expert sitting on the E.U. committee on SME policy, a research consultant for the Andes Pact (Board of the Cartagena Agreement, Lima, Perú 1976), an advisor to the Centro de Investigación y Técnicas Políticas CITEP (1977–1978), a member of the World Federalist Youth Secretariat (Amsterdam, the Netherlands), Secretary of the European League for Economic Cooperation, a member of Hispania Nostra's Governing Board, Secretary of the Fundación para el Progreso y la Democracia, Treasurer of the Madrid Bar Association, and a member and Secretary to the Board of Directors of Hispasat Mexico.

He has also taught at the Political Sciences Department of the Universidad Complutense and at the Institute for European Studies of the Universidad de 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 and 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.1.3)

In order to complement the information supplied in Section B.1.3, it should be pointed out that it has been a variation of the status of Mr. Pascual Fernández Martínez according to the following reasons:

Mr. Pascual Fernández Martínez was appointed member of the Board of Directors of Gamesa, as "Other Non-Executive Directors", by approval of the General Shareholders Meeting on May 25, 2007.

The reason to be included in the above-mentioned status of Director was that until his appointment, he has been individual representative of a significant shareholder and member of the Board of Directors of Gamesa, the company Corporación IBV, Participaciones Empresariales, S.A.

On March 7, 2008, the above-mentioned company sold his total shareholding in the share capital of Gamesa, but the Company Corporación IBV, Servicios Y Tecnologías, S.A. in which Corporación IBV, Participaciones Empresariales, S.A. is a holder of shares, was still a member of the Board of Directors of Gamesa until June 26, 2008, date in which it was substituted by the company Iberdrola, S.A.

Consequently, the reasons that justified the status of Mr. Pascual Fernández Martínez as "Other Non-Executive Directors" have disappeared, being necessary to include him in any of the other status.

Looking at the definitions of the diverse types of Directors that is in the Article 7 of the Board of Directors regulations in accordance with the ones contained in the Unified Good Governance Codex (Código Unificado de Buen Gobierno) from May 22, 2006, it is remarkable that:

1. Mr. Pascual Fernández Martínez can not be included in the status of "directors representing significant shareholders", because:
 - a. He does not own a shareholding higher or equal to what is legally considers significant.
 - b. He has not been appointed for his condition of shareholder, although his shareholding does not reach that amount.
 - c. His appointment has not been proposed to the Company by shareholders from the ones mentioned in the above letter (a).
2. Mr. Pascual Fernández Martínez can not be included in the status of Executive Directors because:
 - a. He does not perform executive functions.
 - b. He is not an employee.
 - c. He does not perform management responsibilities or executive functions in the company or its group.
3. Mr. Pascual Fernández Martínez has to be included in the Non-Executive Directors status, because:
 - a. He has not been an employee or executive director of the companies of the group.
 - b. He does not become, from the company or its group, any amount or benefit for a different item than remuneration as a Director.
 - c. He is not or has not been, during the last three (3) years, partner of the external auditor or those holding responsibility for the auditor's report, whether it be of the Company's audit or that of any other group company during the aforementioned period.
 - d. He is not an executive director or senior executive of another company in which some executive director or senior executive of the Company is an external director.
 - e. He does not maintain or has not maintained during the past year a significant business relationship with the Company or with any of the companies of its Group, be it on their own behalf or as a significant shareholder, director or senior executive of an organization that maintains or has maintained such a relationship.
 - f. He is not a significant shareholder, an executive director or a senior executive of an organization that receives or has received during the last three (3) years significant donations from the Company or its Group.
 - g. He is not spouse of or parties related through an analogous relationship to an executive director or senior executive of the Company, as well as their family members up to the second degree of kinship.
 - h. His appointment has been put forward by the Appointments and Remuneration Committee.
 - i. He does not find himself in any of the circumstances set forth in paragraphs a), e), f) or g), as regards a significant shareholder or a shareholder represented on the Board.

(B.1.7)

In order to complement the information supplied in Section B.1.7, the offices held by Mr. Guillermo Ulacia Arnaiz during 2008 in other companies belonging to GAMESA CORPORACIÓN TECNOLÓGICA, S.A.'s Group are indicated below:

Name or trade name of the director	Trade name of the company belonging to the group	Office
Ulacia Arnaiz, Guillermo	GAMESA SOLAR, S.A.U.	Individual representing the Single Administrator, GAMESA ENERGIA, S.A.U. until April 24, 2008.

As indicated in the Significant Event 90013 sent to the National Securities Market Commission (CNMV) on February 28, 2008, having fulfilled the conditions to which the operation was submitted and having formalized the selling of shares deed, Mr. Guillermo Ulacia Arnaiz resigned as individual representing GAMESA ENERGÍA, S.A.U., single administrator of GAMESA SOLAR, S.A.U.

(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 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. it should be pointed out that the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. approved the general politics of the company in his meeting of September 18, 2008, in fulfillment of Article 5.4.(i) of the Board of Directors Regulations.

(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:

- 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.
- Approving the financial information the Company has to report on a regular basis due to its condition as a listed company.
- The strategic or business plan, as well as annual management targets and budget.
- 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.
- Appointing and relieving offices within the Board of Directors.
- 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 2008 Annual Report.
- (b) The remuneration of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. during the financial year 2008 is break down as follows:
 - 1. The remuneration of the executive Directors comprises in relation to the Chairman of the company a fixed remuneration and a variable remuneration for the fulfillment of objectives 2008 and, in relation to the Secretary to and member of the Board it includes a fixed remuneration and allowances for attending the meetings.
 - 2. As regards the External Directors, not making any difference between those representing a significant shareholder, those non-executives or those other non-executive, their remuneration comprises a fixed remuneration according to the post and Committees from he is a member and allowances for attending to the meetings. This system that is set up to have effects starting on September 1, 2008 has been applied proportionally from the moment it took effect in the financial year. The amounts yield for the abovementioned concepts amount to a total of 1,004,520 euros that, in comparative terms in relation to the financial year 2007 (987,000 euros), is an increment of 1.77%.

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 Mr. Juan Antonio Berreteaga Lejarza stood down as the General Manager of Solar Products on January 3, 2008; and Mr. César Fernández de Velasco stood down as the General Manager of Operations on February 29, 2008.

Likewise it should be pointed out that starting on July 1, 2008, Mr. Luis Pardo López is the General Manager of Operations.

As a complementary information to the members of the Senior Management of the company it should be pointed out that on January 24, 2008 the Board of Directors created a new General Management Unit of Quality, Environment and Labour Safety, appointing Mr. José Ignacio Larretxi Burgos as his Manager.

(B.1.12)

In order to complement the information supplied in Section B.1.12, it should be pointed out that the total remuneration of the Senior Management throughout the financial year 2008 includes the total amount of 2,945,733 euros, as a result of the exercise of the stock options plan 2005-2007.

In the total amount of the Senior Management it is included the amounts of the members of the Senior Management that stood down.

(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 2008, 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 maybe.

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 on the meeting of the Board of Directors of January 29, 2009, the mentioned body approved the report of the Appointments and Remuneration Committee about the separate evaluation of the performance of the functions of the Chairman and CEO of the company, of the Board of Directors and of the Appointments and Remuneration Committee.

(B.1.29)

In order to complement the information supplied in Section B.1.29, it should be pointed out that the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. apart from the 14 meetings that took place during the financial year 2008, approve an agreement without a meeting on June 13, 2008.

(B.1.29)

In order to complement the information supplied in Section B.1.29, it should be pointed out that the Audit and Compliance Committee of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. apart from the 11 meetings that took place during the financial year 2008, approve an agreement without a meeting on March 7, 2008.

(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 2008, approve an agreement without a meeting on April 15, 2008.

(B.1.30)

In order to complement the information supplied in Section B.1.30, it should be pointed out that in the meeting of June 9, 2008 of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. two Directors did not attend to it.

(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."*

(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

The Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A., at its meeting held on March 27, 2008, resolved to relieve the Member of the Audit and Compliance Committee, CORPORACIÓN IBV, SERVICIOS Y TECNOLOGÍAS, S.A., of office and to replace it as a member of the Audit and Compliance Committee by Mr. José María Vázquez Egusquiza, an Independent Director of the Board of Directors, at the proposal of the Appointments and Remuneration 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 of April 15, 2008 and May 30, 2008, in which it has been deliberated and, if necessary, approved agreements in relation to operations with IBERDROLA, S.A. (company in which he is a Manager) and/or its group, he 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 2007 by two shareholders that were holders of a total of six thousand ninety four (694) shares. One of the shareholders is a holder of five hundred forty nine (549) shares and the other is a holder of one hundred forty five (145) 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
Fernández Martínez, Pascual	Volunteer representation	Until his appointment as member of the Board of Directors of GAMESA CORPORACIÓN TECNOLÓGICA, S.A. on May 25, 2007, he was the individual representing Corporación IBV, Participaciones Empresariales, S.A., company that on that date was a shareholder with a significant shareholding in GAMESA CORPORACIÓN TECNOLÓGICA, S.A. (From March 7, 2008 CORPORACIÓN IBV, PARTICIPACIONES EMPRESARIALES, S.A does not own any share in the capital share of GAMESA CORPORACIÓN TECNOLÓGICA, S.A.)

This annual corporate governance report was approved by the company's Board of Directors at its meeting held on February 25, 2009.

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
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