

CORPORATE GOVERNANCE POLICY

OF SIEMENS GAMESA RENEWABLE ENERGY, S.A.

(Text approved by resolution of the Board of Directors on September 12, 2018)

CORPORATE GOVERNANCE POLICY

Pursuant to section 529 *ter* of the Companies Act (*Ley de Sociedades de Capital*) and articles 6 and 7.3 of the Regulations of the Board of Directors, the Board of Directors of Siemens Gamesa Renewable Energy, S.A. (hereinafter “**Siemens Gamesa**” or the “**Company**”, and the group of companies of which Siemens Gamesa is the controlling company, the “**Siemens Gamesa Group**”) hereby approves this Corporate Governance Policy of the Company and of the Siemens Gamesa Group.

To this end, the Board of Directors has postulated the inclusion within the Corporate Governance Rules of the Siemens Gamesa Group of the requirements recognised in current legislation on corporate governance and of the principles and standards contained in the good governance recommendations generally recognised in the domestic and international markets in which the Siemens Gamesa Group does business.

The corporate governance policy responds to the Company's ongoing commitment to the continuous compliance with, improvement of and review of the governance rules of the Company and of those companies included in the Siemens Gamesa Group, some of the most significant aspects of which are highlighted below.

The Company also expects its shareholders and the other persons holding rights or interests in shares of the Company to follow the provisions of this policy in their relations with the Company and with the Siemens Gamesa Group.

1. GENERAL PRINCIPLES

The basic objectives of the Corporate Governance Policy are:

- (i) To create value sustainably for the shareholders, without prejudice to other legitimate public or private interests that converge with the business activities of Siemens Gamesa.
- (ii) To communicate all significant information to the shareholders and to the market in general in relation to the Company and its shares, under the principles of transparency and truthfulness of information.
- (iii) To promote the informed participation of shareholders and ensure equal treatment, protecting and facilitating the exercise of their rights.
- (iv) To comply with the best domestic and international corporate governance practices, without prejudice to specific issues justifying a deviation therefrom.

2. RIGHTS OF THE SHAREHOLDERS AND THE GENERAL SHAREHOLDERS' MEETING

2.1. Encouragement of participation

One of the main objectives of this policy is to encourage the informed and responsible participation of the shareholders at the General Shareholders' Meeting.

To that end, the Board of Directors may make a Shareholders' Guide available to the shareholders at the time of each General Shareholders' Meeting. The guide systemises, develops, adapts and specifies the Corporate Governance Rules relating to the exercise of shareholder rights linked to the holding of the General Shareholders' Meeting, as well as a system for voting and proxy-granting via postal and electronic correspondence and a standard form of attendance, proxy and absentee voting cards.

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The General Shareholders' Meeting is held in accordance with law and the Corporate Governance Rules, and may be called, to the extent allowed by the By-Laws, through an announcement published in (a) the Official Bulletin of the Commercial Registry (*Boletín Oficial del Registro Mercantil*), (b) the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) and (c) the corporate website of the Company.

2.2. Right to request a call to meeting and the publication of a supplement to the call to meeting and to submit well-founded proposed resolutions

The Board of Directors is required to hold a General Shareholders' Meeting and to publish a supplement to the call to meeting when so requested by shareholders who meet the requirements established by law and the Corporate Governance Rules. The Company may ask for the necessary documentation and information to verify that said conditions are met.

In particular, the Board of Directors must call a General Shareholders' Meeting if so requested by a number of shareholders who, acting in accordance with the provisions of the preceding paragraph, are holders or represent at least three percent of the share capital, as provided by law, and provided that the request states the matters to be discussed.

Shareholders acting in accordance with the provisions of the first paragraph of this section and representing at least three percent of the share capital may also:

- (a) by verified notice within five days following the publication of the call to the annual General Meeting of Shareholders, request the publication of a supplement thereto, including one or more items on the agenda, provided that the new items are accompanied by a rationale or, if appropriate, a reasoned proposed resolution; and
- (b) also within five days following the call to the General Meeting of Shareholders, to submit well-founded proposed resolutions on items already included, or that should be included, in the agenda.

The Company shall ensure the dissemination to the other shareholders of these proposed resolutions and any documentation attached thereto through the corporate website.

2.3. Information for the shareholders

The Corporate Governance Rules articulate the provisions of applicable law on shareholder information relating to the means that the Company must provide in order for the shareholders to exercise their right to receive information prior to and during the General Shareholders' Meeting.

From the publication of the announcement of the call and at least until the holding of the General Shareholders' Meeting, the Company must continuously publish the information required by law and Corporate Governance Rules on its corporate website. An English translation of a complete or summarised version of the main reports and information relating to the General Shareholders' Meeting shall also be included as soon as possible after the publication of the call, with the Spanish version in any case prevailing if there is a discrepancy.

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Furthermore, from the date of publication of the call to the General Shareholders' Meeting until the fifth day, inclusive, prior to the date set for holding the meeting on first call, shareholders may make a written request for the information or clarifications that they deem necessary, or ask written questions they deem appropriate, regarding: (a) the items included on the agenda; (b) the information accessible to the public that has been provided by the Company to the National Securities Market Commission since the holding of the last General Shareholders' Meeting; and (c) the audit report.

Shareholders may exercise their right to information during the holding of the General Meeting of Shareholders during the shareholder participation period, on the terms provided by applicable law and the Corporate Governance Regulations.

2.4. Attendance at the General Shareholders' Meeting.

All shareholders whose shares are registered in their name in the corresponding book-entry registry five days prior to the General Shareholders' Meeting and who are duly verified by means of their attendance, proxy and distance voting card or validation certificate issued by the entity or entities in charge of maintaining the book-entry registry, or by any other means allowed by applicable law or the Corporate Governance Rules, has the right to attend the General Shareholders' Meeting, without the need to own a minimum number of shares.

As from the time at which the attendance sheet is complete and the chair of the General Shareholders' Meeting definitively declares a quorum and thus ratifies the valid holding of the General Shareholders' Meeting, the shareholders present at the meeting may access the proceedings as guests, but will not be included in the attendance sheet and therefore cannot exercise any of the rights belonging to the shareholder present in person or by proxy at the General Shareholders' Meeting.

2.5. Proxy-granting and distance voting rights

The Corporate Governance Rules articulate the rights of the shareholders to give their proxy to another person and to vote using postal or electronic correspondence at any General Shareholders' Meeting that is held.

The Shareholders' Guide articulates and specifies the provisions of the Corporate Governance Rules in relation to the exercise of the rights of attendance, proxy-granting and distance voting and the rules of priority and resolution of incidents, in order to ensure the expression of the will and interest of shareholders through the General Shareholders' Meeting.

The chair and the secretary of the Board of Directors or the chair of and the secretary for the General Meeting of Shareholders, as from the valid formation thereof, have the power to verify and accept the validity of the proxies and absentee votes, the identity of the shareholders and their proxy representatives and the legitimacy of the exercise of proxy and voting rights, in accordance with the provisions set forth in the Corporate Governance Rules.

2.6. Other aspects of the General Meeting of Shareholders

In addition to the powers vested therein by law and the Corporate Governance Rules, the chair of the General Shareholders' Meeting of, who shall be the chair of the Board of Directors, shall moderate the participation of the shareholders and endeavour to ensure order at the meeting, for which purpose the chair shall have such powers of management and order as are required, within the framework of respect for the principle of equal treatment and non-discrimination among shareholders.

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Limitations due to conflicts of interest or other grounds established by law and the Corporate Governance Rules shall apply to the exercise of voting rights by the shareholders.

2.7. Communication Channels with shareholders and investors

The Company's channels of communication with shareholders and investors shall include: (a) its corporate website (www.siemensgamesa.com); (b) the Electronic Shareholder Forum, which shall be made available at the time of the General Shareholders' Meeting; (c) the Shareholders' Office, and (d) the Institutional Investor Relations inbox.

The Company's Board of Directors has approved a Policy on Communication and Contacts with Shareholders, Institutional Investors and Proxy Advisors in which greater detail on said channels of communication can be found.

3. BOARD OF DIRECTORS

The Board of Directors is the Company's highest decision-making and administrative body, without prejudice to the powers of the shareholders acting at a General Shareholders' Meeting and with no more limits than those established by law or the Corporate Governance Rules.

The Board of Directors focuses its activity on administering, managing and representing the Company. It also has a general duty of supervision, the establishment and promotion of general strategies and policies, and the consideration of matters of particular importance for the Company and the Siemens Gamesa Group.

The Board of Directors carries out its duties with unity of purpose and independence, guided by the corporate interest, which is understood as the common interest of its shareholders in the creation of value of the Company, which is carried out through the sustainable, efficient and competitive exploitation of its corporate purpose, taking into account other legitimate public or private interests that converge in its business activities.

3.1. Composition of the Board Of Directors

In compliance with the good corporate governance recommendations set out in the Code of Good Governance of Listed Companies, the size of the Board of Directors shall facilitate the appropriate performance of its duties in an effective and participatory manner.

To this end, the Board of Directors of Siemens Gamesa shall be made up of a minimum of five and a maximum of fifteen directors, distinguished between two classes of directors: executive and non-executive, with the category of non-executive directors divided in turn into proprietary, independent and other external directors.

The nature of each director is determined in accordance with the provisions of law, and the Board of Directors must explain to the shareholders at the General Shareholders' Meeting why they should implement or ratify the appointment of the director, and confirm or if applicable ratify it in the Annual Corporate Governance Report after verification by the Appointments and Remuneration Committee.

The Board of Directors is guided by a policy of endeavouring to ensure in the exercise of its powers that proprietary and independent directors are included within the majority group of non-executive directors, maintaining a balance based on the complexity of the Group, the ownership structure of the company, and the absolute and relative importance of significant shareholdings, as well as the degree of continuity, commitment and strategic links to the owners of said interests with the Company.

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3.2. Selection and appointment of directors

The Board shall be made up of persons with independence of mind, well-known professional prestige, good repute, solvency, competence and experience.

For this purpose, as well as with the aim of ensuring that proposed appointments or re-elections of directors is based on a prior assessment of the requirements of the Company's Board of Directors, the Board of Directors of the Company has approved a Director Selection Policy in which the objectives, processes and conditions applicable to the director selection process, promoting diversity in such selection.

3.3. Information, knowledge refreshment and evaluation of the board

The Company shall have a director information and knowledge refreshment program for the directors, which shall include a variety of materials relating to the professionalization and qualification of the director.

In addition, the Board of Directors must annually evaluate its operations and the quality of its work, the performance duties by the chair and by the CEO and lead independent director, if any, as well as the operation of its committees.

3.4. Directors remuneration

The shareholders acting at a General Shareholders' Meeting shall approve the remuneration of the directors, previously prepared by the Board of Directors in accordance with the provisions of Sections 529 *sexdecies* to 529 *novodecies* of the Companies Act.

The application of the Director Remuneration Policy shall be subject to an annual director remuneration report, which shall be made available to the shareholders for purposes of the General Shareholders' Meeting.

3.5. Obligations and duties of the directors

The directors must fulfil the obligations and duties established in Articles 30 *et seq.* of the Regulations of the Board of Directors (and shall conform to the provisions of Section 225 *et seq.* of the Companies Act), which guarantee the fundamental principles of transparency and independence. The duties of the directors particularly include the following:

- (a) **General duty of diligence**, which includes the duty to act in good faith, with sufficient information and pursuant to an appropriate decision-making procedure. This general duty also includes the obligation to attend and prepare meetings of the Board of Directors and its committees, and actively participating in the deliberations thereof.
- (b) **Duty of loyalty**, according to which directors must perform their duties with the loyalty of a faithful representative, working in good faith and in the best interest of the Company. This duty particularly includes the obligations of not exercising powers for purposes other than those for which they have been granted, and the obligation of all directors to abstain from participating in deliberating and voting on resolutions or decisions in which the director or a person related thereto has a direct or indirect conflict of interest.
- (c) **Duty of confidentiality**, which, as a manifestation of the duty of loyalty, includes the duty of the director, even after ceasing to hold office, to abstain from disclosing information, data, reports or records to which the director has had access while holding office.

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- (d) **Duty to avoid conflicts of interest**, which, as a manifestation of the duty of loyalty, entails the obligation of the directors to adopt measures necessary to avoid situations in which their interests, whether on their own behalf or on behalf of another, might conflict with the corporate interest and the duties they are obligated to perform in accordance with law and the Corporate Governance Rules, as well as the obligation to inform the Company of conflicts of interest in which the director is involved.

This duty also includes the obligations of the director to submit the transactions thereof with companies of the Siemens Gamesa Group for prior approval and to inform the Company of any fact or situation relevant to the actions thereof as director, as well as restrictions on using corporate assets to obtain a financial advantage.

Additionally, directors must observe the standards of conduct established in the securities market laws, and particularly those set out in the Internal Rules for Conduct in the Securities Markets of the Company and its group of companies.

The obligations imposed on the directors shall also apply to the persons related thereto upon the terms provided by law.

3.6. Development of the meetings of the Board of Directors

The Board of Directors shall meet with the frequency necessary or appropriate for the successful operation of the Company, and a minimum of eight times per year. The Board of Directors may also meet at any time: (a) at the request of at least three of its members, (b) by initiative of the lead independent director, or (c) by initiative of the chair thereof, as many times the chair deems appropriate for the proper operation of the Company. The Board of Directors shall prepare draw an annual schedule for ordinary meetings.

On the other hand, all directors are entitled to request and must procure from the Company the information that they might reasonable require about the Company, provided that it is required for the performance of their duties. The right to information extends to all companies making up the Siemens Gamesa Group.

The Regulations of the Board of Directors provide that the chair of the Board of Directors may invite to the meetings all persons who can contribute to improving the information of the directors.

3.7. Internal Positions of the Board of Directors

(a) Chair

The chair of the Board of Directors holds the highest responsibility for the effective operation of the Board of Directors. The duties thereof are set out in law and in the Corporate Governance Regulations, and the chair is responsible for, among other duties, directing the debate and promoting the participation of all directors at the meetings and deliberations of the Board. The chair also presides over the General Meeting of Shareholders and directs discussions and deliberations thereof.

If the chair of the Board is also an executive director of the Company, additional measures shall be established in order to coordinate and to ensure the separation of executive duties and the duties of chair of the Board of Directors, including the appointment of a lead independent director pursuant to paragraph (c) below.

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(b) Vice chair(s)

The Board of Directors may appoint one or more vice chairs to replace the chair in case of inability or absence in the performance of the duties thereof.

(c) Lead independent director

If the position of chair of the Board of Directors is held by an executive director, the Board of Directors shall appoint a lead independent director from among the independent directors. In these cases, the lead independent director shall have the power to: (a) coordinate, gather and reflect the concerns of the non-executive directors; (b) request the call to a meeting of the Board of Directors, and to call it if the chair does not heed the request thereof; (c) request the inclusion of new items on an agenda that has already been called; (d) direct the periodic evaluation of the chair; (e) propose the amendment of the Regulations of the Board of Directors; (f) chair meetings of the Board of Directors in the absence of the chair and the vice chair; and (g) coordinate the succession plan for the chair. In addition, under exceptional circumstances and when so resolved by the Board of Directors, the lead independent director may maintain contacts with investors and shareholders to ascertain their viewpoints regarding corporate governance.

(d) CEO

The Board of Directors may designate a CEO with the powers determined by the Board of Directors and which may be delegated pursuant to law or the Corporate Governance Rules. The CEO shall propose to the Board of Directors for approval thereby the organisational structure and the organisational chart and nomenclature for the Senior Management.

(e) Secretary

The secretary of the Board is responsible for generally ensuring the formal and substantive legality of the actions of the Board. The secretary need not be a director of the Company and may also hold the position of Legal Counsel of the Board when so resolved by the Board, if the secretary is a lawyer and meets the requirements established by law.

4. COMMITTEES OF THE BOARD OF DIRECTORS

In order to ensure the appropriate and effective performance of the fundamental duties of supervision and control, as well as to limit the risk of an accumulation of power, the Board of Directors of the Company, without prejudice to individual delegations of powers to any director (CEO), may create a Delegated Executive Committee, with general decision-making powers, and specialised internal commissions or committees by specific areas of activity, limited to information, advisory, proposal-making, supervisory and control powers. Furthermore, in accordance with the provisions of law, the Board of Directors shall have an Audit, Compliance and Related Party Transactions Committee and an Appointments and Remuneration Committee (which can be split in two, i.e., an Appointments Committee and a Remuneration Committee, in which case references to the Appointments and Remuneration Committee shall be understood as being made to the relevant committee), which shall perform advisory duties in their respective areas of competence.

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(a) Delegated Executive Committee

The Delegated Executive Committee, as a delegated body of the Board, is a basic instrument in the corporate governance of the Company. The Delegated Executive Committee shall have all of the powers of the Board of Directors, except those that may not be delegated pursuant to law or the Corporate Governance Regulations, and must keep the Board informed of all matters discussed and of the decisions made during the meetings thereof, making the relevant minutes available thereto.

(b) Advisory committees

The Board of Directors has the following permanent non-executive committees:

- (i) **Audit, Compliance and Related Party Transactions Committee**, which is entrusted with, among other things, the duties of proposing the appointment, re-election or replacement of the statutory auditors and the supervision of: (a) the independence and effectiveness of Internal Audit; (b) the process of preparing and monitoring the requisite financial information, (c) the effectiveness of the Company's internal control system and the systems for managing risks, including tax risks, (d) the review and effectiveness of the Corporate Governance Rules as well as of the Ethics and Compliance Directorate, (e) compliance with corporate social responsibility, and (f) operations or transactions that might represent conflicts of interest.
- (ii) **Appointments and Remuneration Committee**, the primary duty of which is to oversee the composition and operation of the Company's Board of Directors and top management, as well as the remuneration thereof. This advisory committee may be split into two, i.e., an Appointments Committee and a Remuneration Committee, in which case references to the Appointments and Remuneration Committee shall be understood as being made to the corresponding committee.

4.1. TRANSPARENCY

The Board of Directors shall accurately and timely comply with the reporting obligations established by law and the Corporate Governance Regulations. Specifically, it shall supply the market with information that must be published on a regular basis (annual report, half-yearly reports and interim management statements or quarterly reports), as well as information that must be continually disseminated (significant information, significant equity interests and treasury share transactions).

Furthermore, the Board of Directors shall make available the annual report and the Annual Corporate Governance Report for presentation at the General Shareholders' Meeting of, as well as on the Company's website, which shall contain all of this information.

For their part, the directors must disclose the interests that they acquire in the capital of the Company, as well as all conflicts of interest in which they are involved and any related-party transactions with the Company. In particular, information regarding related-party transactions must be included in the Annual Corporate Governance Report, the annual report of the Audit, Compliance and Related Party Transactions Committee and any other applicable document in accordance with the Code of Good Corporate Governance of Listed Companies.

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