

REASONED PROPOSAL OF THE APPOINTMENTS COMMITTEE OF GAMESA CORPORACIÓN TECNOLÓGICA, S.A. FOR THE APPOINTMENT OF INDEPENDENT DIRECTORS

In Zamudio, Bizkaia, on 12 September 2016, the Appointments Committee (the "**Committee**") of Gamesa Corporación Tecnológica, S.A. ("**Gamesa**" or the "**Company**") unanimously agreed to propose to the Board of Directors, for submission to the General Meeting of Shareholders, the appointment of Mr Klaus Rosenfeld and Ms Swantje Conrad as non-executive directors of the Company, with the classification of independent directors, in accordance with the following.

1. PURPOSE AND REGULATORY FRAMEWORK OF THE PROPOSAL

Article 529 *decies* of the Capital Companies Act and 13.2 a) of the *Regulations of the Board of Directors* of Gamesa Corporación Tecnológica, S.A. ("**Gamesa**" or the "**Company**") provide that the proposal of appointment or re-election of any independent director shall be made by the Appointments Committee (the "**Committee**").

2. JUSTIFICATION FOR THE PROPOSAL

In the framework of the proposed merger between the Company, as absorbing company, and Siemens Wind Holdco, S.L. (Sociedad Unipersonal) ("**Siemens Wind Power Parent**"), as absorbed company, after which Siemens Aktiengesellschaft ("**Siemens**") will become a significant shareholder, the structure and composition of the Board of Directors needs to be adjusted accordingly.

For this purpose, and pursuant to the common terms of the merger (the "**Common Terms of Merger**"), the Committee shall propose to the Board of Directors, so that it in turns submits to the approval of the General Shareholder's Meeting, the appointment of two independent non-executive directors.

For this purpose the Committee issues the present proposal of appointments.

3. SELECTION PROCESS

The Committee has carried out the process of selecting candidates whose appointment is proposed to the Board of Directors, for submission to the General Shareholder's Meeting, considering, on the one hand, candidates from the list provided by Siemens to the Committee according to the content of the Common Terms of Merger and, on the other, other candidates identified by this Committee while performing its functions.

Furthermore, throughout the process of selecting candidates whose appointment is proposed to the Board of Directors, the Committee has acted independently, without being subject to external recommendations or mediations. The conclusions of the Committee on the candidates covered by this proposal have been reached freely and based on its own criteria.

After analysing the profiles of the candidates in accordance with the law, the Corporate Governance Rules of the Company and the needs of the Board of Directors, the Committee has considered that the most suitable candidates for performing the duties of director are Mr Klaus Rosenfeld and Ms Swantje Conrad.

When selecting candidates, the Committee deemed appropriate that each of the candidates should cover a different profile: on the one hand, it was necessary to find a candidate with experience in the industrial sector, as this is the business of the Company and its group; on the



other, it was necessary for the other candidate to have experience in accounting and financial matters and capital markets.

The basis for its selection was the curriculum vitae of the candidates. The Committee has also confirmed that the proposed candidates fulfilled the independent requirements established in section 4 of article 529 *duodecies* of the Capital Companies Act and are not involved in any of the circumstances described in said section 4. Therefore, the individual proposals of Mr Klaus Rosenfeld and Ms Swantje Conrad are included as part of this proposal.

The appointments of Mr Klaus Rosenfeld and Ms Swantje Conrad will give the Board new profiles that promote diversity of knowledge, experience and gender. In particular, Mr Klaus Rosenfeld will offer the Board a mainly industrial profile, with extensive international and banking experience. For her part, Ms Swantje Conrad will provide a more financial profile, given her extensive experience in the banking sector and capital markets, bringing plenty of international know-how too.

4. SITUATION OF THE BOARD OF DIRECTORS AFTER THE MERGER

After the appointment of Mr Klaus Rosenfeld and Ms Swantje Conrad as independent non-executive directors, and according to the structure of the Board of Directors resulting from the Common Terms of Merger, 15.4% of the Board will be made up of executive directors and 84.6% non-executive directors (53.8% proprietary directors and 30.8% independent directors).

Consequently, the proportion of independent directors would not fully comply with Recommendation 17 of the *Code of Good Governance* for listed companies which provides that in companies which have a shareholder holding more than 30% of the share capital (according to the exchange ratio Siemens will have 59 % of the share capital of the Company) independent directors should represent at least one third of the Board members.

In the Committee's opinion, the objective pursued by the Recommendation 17 regarding the need to guarantee an adequate representation of independent directors on the Board must, nevertheless, be understood as fulfilled. To this end, the percentage of independent directors on the Board of Directors resulting from the merger –i.e. 30.8%– is very close to the target of one third of the Board members established in the *Code of Good Governance* for listed companies.

On the other hand, Recommendation 16 under the *Code of Good Governance* for listed companies sets forth that the ratio between the number of proprietary directors and the total number of non-executive directors should not be greater than the ratio of share capital of the shareholder being represented on the Board and the rest of the share capital. In the scenario that would result from the merger, in the case of the proprietary directors of Siemens, this recommendation would be fulfilled since its number of proprietary directors would be lower than its 59% percentage in the share capital. As for the proprietary **directors** of Iberdrola, S.A. ("**Iberdrola**"), it should be considered that Recommendation 16 of the *Code of Good Governance* for listed companies is expressly moderated for high capitalisation companies, as it is the Company, provided that the number of shareholders legally considered to be significant shareholders is low, as it is also the case of the Company. In view of the foregoing, and in the Committee's opinion, the Company also fulfils such recommendation regarding Iberdrola proprietary directors.

In light of the foregoing, it is the view of the Committee that there would be a reasonable balance between proprietary directors and independent directors, based on the ownership structure of the Company, and the importance in absolute and comparative terms of the significant shareholdings, in particular Siemens and Iberdrola.



5. INDIVIDUAL REASONED PROPOSALS

In view of the foregoing, set out below are the individual reasoned proposals for the appointment of Mr Klaus Rosenfeld and Ms Swantje Conrad as directors of the Company, with the classification of independent non-executive directors.

**REASONED PROPOSAL FROM THE APPOINTMENTS COMMITTEE OF GAMESA
CORPORACIÓN TECNOLÓGICA, S.A. FOR THE APPOINTMENT
OF MR KLAUS ROSENFELD AS AN INDEPENDENT DIRECTOR**

In Zamudio, Bizkaia, on 12 September 2016, the Appointments Committee (the "**Committee**") of Gamesa Corporación Tecnológica, S.A. ("**Gamesa**" or the "**Company**") unanimously agreed to propose to the Board of Directors, for submission to the General Shareholder's Meeting, the appointment of Mr Klaus Rosenfeld as a non-executive director of the Company, with the classification of independent director, in accordance with the following.

1. NOTEWORTHY EXPERIENCE FOR THE POSITION OF DIRECTOR

Mr Klaus Rosenfeld has extensive experience in the industrial sector. He is currently the CEO of Schaeffler AG, a position he was appointed to in June 2014. He was also appointed Finance Director of the Schaeffler group in March 2009, having been head of the Finance Department of Schaeffler AG until 31 March 2015. During this period he led the corporate and financial restructuring of the group, after the takeover bid by Continental AG, and led, in 2012, Schaeffler AG's access to the debt markets and its IPO in October 2015.

He is also a member of the management and supervisory bodies of various industrial companies. In particular, he is a member of the Supervisory Board and Audit Committee of Continental AG, in Hanover (Germany), and the Board of Directors of FAG Bearings India Ltd., in Mumbai (India). He is also a member of the Board of the Committee on Eastern European Economic Relations.

Mr Rosenfeld graduated in business administration from the University of Muenster (Germany) and subsequently held various positions in the investment banking division of Dresdner Bank AG from 1993. In 2002 he was appointed member of the Board of Directors of this company, being responsible for the finance and control, compliance and corporate investment areas.

In view of the foregoing, the Committee considers that Mr Klaus Rosenfeld meets the requirements of recognised integrity, solvency, competence and experience, established in the Corporate Governance Rules of Gamesa and is not involved, directly or indirectly, in any of the causes of incompatibility, prohibition, conflict or conflict of interests with the corporate interest under general provisions or the Corporate Governance Rules of Gamesa.

The effective availability of the candidate to provide the required dedication to perform his duties has also been checked with him.

2. CLASSIFICATION PROPOSAL

No impediment has been found to classifying Mr Klaus Rosenfeld as an independent non-executive director of the Company, under the Capital Companies Act and the Corporate Governance Rules of Gamesa.

As a result, the Committee, based on the report from "PricewaterhouseCoopers Asesores de Negocios, S.L." proposes to the Board of Directors that Mr Klaus Rosenfeld should be classified as an independent non-executive director, meeting all the requirements established in the Capital Companies Act and the Corporate Governance Rules for this.



3. PROPOSAL

In light of the above, the Committee unanimously agrees to prepare and submit to the Board of Directors, for its submission to the General Shareholder's Meeting of the Company, the proposed appointment of Mr Klaus Rosenfeld as member of the Board of Directors of the Company, with the classification of **independent non-executive director**.

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REASONED PROPOSAL FROM THE APPOINTMENTS COMMITTEE OF GAMESA CORPORACIÓN TECNOLÓGICA, S.A. FOR THE APPOINTMENT OF MS SWANTJE CONRAD AS AN INDEPENDENT DIRECTOR

In Zamudio, Bizkaia, on 12 September 2016, the Appointments Committee (the “**Committee**”) of Gamesa Corporación Tecnológica, S.A. (“**Gamesa**” or the “**Company**”) unanimously agreed to propose to the Board of Directors, for submission to the General Shareholder’s Meeting, the appointment of Ms Swantje Conrad as a non-executive director of the Company, with the classification of independent director, in accordance with the following.

1. NOTEWORTHY EXPERIENCE FOR THE POSITION OF DIRECTOR

Ms Swantje Conrad has extensive experience in the financial and banking sectors, as she has worked since 1991, in J.P. Morgan in Germany, the United Kingdom and the United States of America, in the areas of corporate finance, mergers and acquisitions, capital markets and institutional assets. Likewise, she has a wide experience as a market analyst in the pan-European industrial, automotive and aerospace sectors.

She is currently responsible for J.P. Morgan’s relations with its institutional clients, through the global markets and asset management areas.

Regarding her education, Ms Conrad studied industrial engineering at the University of Karlsruhe (Germany) and completed a Master in International Business Studies at the University of Southern Carolina (United States).

Moreover, her presence on the Board of Directors of Gamesa would help broaden the gender diversity in this body.

In view of the foregoing, the Committee considers that Ms Swantje Conrad meets the requirements of recognised integrity, solvency, competence and experience, established in the Corporate Governance Rules of Gamesa and is not involved, directly or indirectly, in any of the causes of incompatibility, prohibition, conflict or conflict of interests with the corporate interest under general provisions or the Corporate Governance Rules of Gamesa.

The effective availability of the candidate to provide the required dedication to perform her duties has also been checked with her.

2. CLASSIFICATION PROPOSAL

No impediment has been found to classifying Ms Swantje Conrad as an independent non-executive director of the Company, under the Capital Companies Act and the Corporate Governance Rules of Gamesa.

As a result, the Committee, based on the report from “PricewaterhouseCoopers Asesores de Negocios, S.L.” proposes to the Board of Directors that Ms Swantje Conrad should be classified as an independent non-executive director, meeting all the requirements established in the Capital Companies Act and the Corporate Governance Rules for this.



3. PROPOSAL

In light of the above, the Committee unanimously agrees to prepare and submit to the Board of Directors, for its submission to the General Shareholder's Meeting of the Company, the proposed appointment of Ms Swantje Conrad as member of the Board of Directors of the Company, with the classification of **independent non-executive director**.

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