

REPORT OF THE APPOINTMENTS AND REMUNERATIONS COMMITTEE OF GAMESA CORPORACIÓN TECNOLÓGICA, S.A. IN RELATION TO THE RATIFICATION AND RE-ELECTION OF MR MICHAEL SEN AS NON-EXECUTIVE PROPRIETARY DIRECTOR

In Madrid, on 8 May 2017, the Appointments and Remunerations Committee (the “**Committee**”) of Gamesa Corporación Tecnológica, S.A. (“**Company**”) unanimously agrees to issue and submit to the Board of Directors this favourable report on the proposal to ratify the appointment by cooption and re-elect Mr. Michael Sen as a non-executive proprietary director of the Company in case that the Board of Directors of the Company appoints Mr. Michael Sen by cooption and then submits his ratification and re-election to the General Shareholder’s Meeting.

1. PURPOSE AND LEGAL FRAMEWORK

Article 529 *decies* 6. of the *Spanish Capital Companies Act* and article 6.2 a) of the *Regulations of the Appointments and Remunerations Committee* establishes that this Committee shall issue a report on the appointment, re-election or dismissal of proprietary directors appointed by cooption or for its submission to the General Shareholders’ Meeting. Likewise, this Committee shall report on whether the relevant director to be re-elected keeps the same classification.

2. PROPOSAL

This report is issued after the Committee having issued its favourable report to the appointment of Mr Michael Sen as a director of the Company by cooption and for the event that the Board of Directors effectively appoints him as a director by cooption and subsequently its appointment is submitted to the General Shareholder’s Meeting of the Company for its ratification and re-election. A copy of this favourable report is attached as annex.

In the Committee’s view, the reasons that justified the above referred favourable report are fully applicable for the purposes of assessing the convenience of the ratification of the appointment of Mr. Michael Sen by cooption and his re-election as non-executive proprietary director of the Company.

3. CONCLUSION

In consideration of the foregoing, the Committee has reached a unanimous decision confirming the report issued today as per the appointment of Mr. Michael Sen as director by cooption attached to this report as annex and, based on this, issued the present favourable report regarding the ratification and re-election as a non-executive proprietary director of the Company.

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

Annex

**Report of the Appointments and Remunerations Committee of Gamesa Corporación
Tecnológica, S.A. in relation to the appointment of Mr Michael Sen by cooption**

**REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF GAMESA
CORPORACIÓN TECNOLÓGICA, S.A. IN RELATION TO THE APPOINTMENT
OF MR MICHAEL SEN BY COPTION**

In Madrid, on 8 May 2017, the Appointments and Remunerations Committee (the “**Committee**”) of Gamesa Corporación Tecnológica, S.A. (“**Gamesa**” or the “**Company**”) unanimously agrees to issue this favourable report on the appointment of Mr Michael Sen as a non-executive proprietary director of the Company by cooption, for submission to the Board of Directors of Gamesa.

1. PURPOSE AND REGULATORY FRAMEWORK OF THE PROPOSAL

The present report is issued in compliance with Articles 529 *decies* 6 of the Spanish Capital Companies Act and 13.2. b) of the *Regulation governing the Board of Directors*, by virtue of which the proposal for appointment or reelection of any non-independent director must be preceded by a report from the Appointments and Remunerations Committee.

2. PROPOSAL

The significant shareholder Siemens Aktiengesellschaft (“**Siemens**”) has notified Gamesa of its intention to replace Mr. Klaus Helmrich, who has submitted his resignation from the Company’s Board of Directors.

The candidate proposed by Siemens is Mr. Michael Sen.

3. THE CANDIDATE. NOTEWORTHY EXPERIENCE FOR THE POSITION OF DIRECTOR

Michael Sen, born in Germany, has a long experience in corporate development and finance expertise. He holds a degree in business and management administration by the Technical University of Berlin and developed his professional career in Siemens AG holding different posts in the corporate development and corporate finance areas as chief financial officer of the information solutions and applications. Likewise he held the post as senior vice president of strategy transformation and investor relations. For 7 years he worked as chief financial officer of the healthcare sector in Siemens. In 2015 he joined E.ON SE as chief financial officer and since 2017 he is member of the Board of Directors of Siemens AG.

4. JUSTIFICATION OF THIS FAVOURABLE REPORT

In the opinion of the Committee, and on the basis of the report of “PricewaterhouseCoopers.”, Mr. Michael Sen meets the requirements established by law and the Corporate Governance Rules of the Company to exercise the position of non-executive director of the Company; specifically, in the opinion of the Committee, the candidate possesses the requirements of renowned reputation, solvency, competence and experience established in the Corporate Governance Rules of Gamesa.

Likewise, the Committee has verified with the candidate that he has time availability to actually perform his function.

Furthermore, the Committee has verified that he is not concerned, either directly or indirectly, by any of the causes of disqualification, prohibition, conflict or opposition of interests with the corporate interest contained in the general provisions or in the Corporate Governance Rules of Gamesa.

Additionally, in producing this report, consideration has been given to the suitability of the professional profile of Mr. Michael Sen as regards the particular features of the business and the sector in which the Company is active and the opportunity represented by Mr. Michael Sen undertaking the role of director.

It is the opinion of the Committee that the appointment by cooption of Mr. Michael Sen as director of the Company by the Board of Directors would comply with the Corporate Governance Rules insofar as the proportion that should exist between executive and non-executive directors because, should

he end up being appointed, the proportion between executive and non-executive directors would not alter (2 against 11), with the latter representing a majority of the Board.

Following the appointment by cooption of Mr Michael Sen, the 15.38 % of the Board of Directors would be executive directors and the 84.62 % non-executive directors (46.15 % proprietary directors and 38.47 % independent directors).

Consequently, the proportion of independent directors will satisfy Recommendation 17 of the *Code of Good Practise* for listed companies of February 2015 (the “**Code of Good Practise**”), which provides that in companies which have a shareholder holding more than 30% of the share capital independent directors should represent at least one third of the Board members, being in this case the 38.47 %, therefore above the suggested threshold.

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. Thus, 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.

5. CLASSIFICATION

Should Mr. Michael Sen be appointed as member of the Board of Directors, the Committee reports that, in its opinion, and according to Article 529 *duodecies* 3 of the Spanish Capital Companies Act, he shall be qualified as a “**proprietary**” director, as he would be appointed upon the proposal of Siemens to the Company, in its capacity as significant shareholder.

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