

**Audit, Compliance and Related-Party Transactions
Committee of Siemens Gamesa Renewable Energy,
S.A.**

Report of the Audit, Compliance and Related-Party Transactions Committee on its interventions during the nine-month period between January 1, 2017 and September 30, 2017 concerning operations or transactions made by the Company or the companies forming part of its group which may have involved conflicts of interest with shareholders holding a significant interest or represented on the Board of Directors and their related parties (related-party transactions).

February 8, 2018

Introduction and Background

As provided for by Recommendation 6 of the Code of Good Governance for Listed Corporations, the Audit, Compliance and Related-Party Transactions Committee of Siemens Gamesa Renewable Energy, S.A. in connection with the call for the General Shareholders' Meeting places at the disposal of shareholders a report on the operations or transactions made by the Company or the companies forming part of its group it has reported on which may have involved conflicts of interest with shareholders holding a significant interest or represented on the Board of Directors and their related parties during the nine-month period between January 1, 2017 and September 30, 2017 (related-party transactions).

Legal Framework - Legal Grounds for the Audit, Compliance and Related-Party Transactions Committee's Intervention.

It falls within the powers of the Board of Directors to approve operations or transactions that may involve a conflict of interest with Directors, significant shareholders or shareholders represented on the Board (Articles of Association, Article 37.4 and Board of Directors Regulations, Articles 31 and 33). The Audit, Compliance and Related-Party Transactions Committee's prior intervention is envisaged through the issuance of a report under the terms set forth in its Regulations (Article 12).

Said transactions should be made under market conditions and respect the principle of equal treatment for shareholders.

According to the rules that apply in the case of transactions within the normal course of business, which are usual and recurrent, a generic prior authorization by the Board of Directors of the line of transactions should be sufficient.

Furthermore, any member of the Audit, Compliance and Related-Party Transactions Committee who is involved in a potential conflict of interest for being a Proprietary Director put forward by a significant shareholder with whom negotiations are being held on the transactions in question should not take part at the meeting or intervene in any way in the deliberations and decision-making according to internal regulations.

Such circumstance, however, has not come about due to the fact that all said Committee's members are deemed to be independent directors.

Proposal for Audit, Compliance and Related-Party Transactions Committee Resolutions

Under the aforementioned framework, the Audit, Compliance and Related-Party Transactions Committee examines the background and information required, along with the documents collected and provided by the Company's Divisions and Units having an interest in the operation or transaction in question and issues the relevant report, issuing a favorable opinion, if appropriate, to the Board of Directors for its approval.

The Audit, Compliance and Related-Party Transactions Committee's assessment considers both qualitative and quantitative aspects and, after examining the contents of the rights and obligations contained in the agreements negotiated, issues an opinion on whether the transaction is carried out under market conditions and respects the principle of equal treatment for shareholders.

Operations or Transactions with a Shareholder Holding a Significant Interest Which Have Involved the Audit, Compliance and Related-Party Transactions Committee's Intervention During the Nine-Month Period between January 1, 2017 and September 30, 2017

During the nine-month period between January 1, 2017 and September 30, 2017, the Audit, Compliance and Related-Party Transactions Committee in the performance of its duties analyzed the following operations or transactions with Siemens AG and Iberdrola, S.A. and/or companies belonging to their groups or shareholders holding a significant interest:

Operation/Transaction with shareholder holding a significant interest	Group to which shareholder belongs	Analysis by the committee at meeting held on	Committee report
<i>Strategic supply agreement between Gamesa and Siemens AG</i>	<i>Siemens AG</i>	March 29, 2017	Yes (**)
<i>Framework agreement between SGRE and Siemens AG</i>	<i>Siemens AG</i>	April 27, 2017	Yes (*)
<i>Memorandum of understanding on the design, development and supply of gearboxes by WINERGY to SGRE</i>	<i>Siemens AG</i>	June 19, 2017	Yes (*)
<i>Extension of the support provided by Siemens Management Consulting (SMC) to the SGRE integration process</i>	<i>Siemens AG</i>	July 25, 2017	Yes (*)
<i>Updated bid to Iberdrola's "Ailes Marines" Consortium for the Sant Brieuc offshore project</i>	<i>Iberdrola, S.A.</i>	July 25, 2017	
<i>Renewal of the 2017 insurance program with Siemens Financial Services ING</i>	<i>Siemens AG</i>	September 26, 2017	Yes (*)

(*) The date the Committee's report was brought before the Board of Directors coincides with the date on which the relevant meeting for its assessment was held.

(**) The Committee endorsed the report submitted by the Group's Legal Counsel's Office.