

**ANNUAL REPORT ON THE APPLICATION
OF THE POLICY ON COMMUNICATIONS
AND CONTACT WITH SHAREHOLDERS,
INSTITUTIONAL INVESTORS AND VOTING ADVISORS
SIEMENS GAMESA RENEWABLE ENERGY, S.A.**

February 2018

1. Legal basis

Recommendation 4 in the *Code of Good Governance for listed companies* approved by Resolution of the National Securities Market Commission on 18 February 2015 (hereinafter referred to as the “**Code of Good Governance**”), recommends that listed companies define and promote a policy on communications and contact with shareholders, institutional investors and voting advisors that is in full adherence to the rules and regulations in place regarding market abuse, and treats shareholders of the same class equally. For this purpose, the Board of Directors of SIEMENS Gamesa Renewable Energy, S.A. (previously named Gamesa Corporación Tecnológica, S.A.) (hereinafter referred to as the “**Company**” or “**Siemens Gamesa**”) approved a "Policy on communications and contact with shareholders, institutional investors and voting advisors" (hereinafter referred to as the "**Policy**") during its session held on 23 September 2015 that is now part of the Siemens Gamesa Corporate Governance Standards.

This recommendation also establishes that listed companies must render this policy public through its website, including information regarding how the policy is put into practice and identifying the points of contact or persons responsible for discharging such duties.

In compliance with this recommendation, the Company published the Policy on its corporate website (currently, www.siemensgamesa.com), posting it in the section corresponding to Corporate Policies under “Corporate Governance”. Section 6 of this Policy stipulates the publication of an annual report on the practical application thereof.

The Company has thus drawn up the present annual report in this regard.

2. Principles of the Policy

The Siemens Gamesa Board of Directors has the authority to manage and supervise the information provided to, and relationships between the Company and shareholders, institutional investors and voting advisors, adopting suitable measures to protect the exercise of its rights in terms of defending corporate interests, in which regard the following principles are particularly salient:

- a) Transparent, clear, truthful, uniform and simultaneous dissemination of the information that enables the evaluation of management and the economic and financial results of the company.
- b) Equal treatment in the acknowledgment and exercise of rights of all shareholders who are in identical conditions and are not affected by conflicts of interests.
- c) Protection of the rights and legitimate interests of all shareholders.
- d) Promotion of continuous and ongoing information for shareholders not merely for the purpose of calling General Shareholders Meetings. To this end, the Board of Directors resolves to use effective channels to facilitate the exchange of communication with shareholders so that they are always informed on proposals made on management of the company according to law and Corporate Governance Standards.

- e) Shareholder collaboration to ensure that information for and relations with markets are transparent, efficient and aligned with corporate interest.
- f) Development of information tools and communication channels that make it possible to take advantage of new technologies in relations with shareholders.
- g) Compliance with the provisions of the law and Corporate Governance Standards and with the principles of cooperation and transparency with authorities, regulatory bodies and competent administration.

3. Application of the Policy during 2017

A) Communications and contact with shareholders:

During 2017 (period between January 1 and September 30, 2017), the Company has maintained the normal channels for information and communication with its shareholders, namely:

- Communications to the National Securities Market Commission (hereinafter referred to as the “CNMV”) through relevant events:

Relevant Events are published on the CNMV's own website and on the Siemens Gamesa corporate website. A total of 39 relevant events were submitted to the CNMV in 2017. The deliveries were made by the General Secretariat after securing the corresponding approvals for each particular case.

- Corporate website:

In accordance with the pertinent legislation currently in force, the Company has a "Shareholders and Investors" section on its corporate website that is kept permanently up to date in Spanish and English. The General Secretariat maintains the aforementioned section up to date, in which regard periodic audits were conducted throughout 2017 and no nonconformities with the regulations in force were detected.

- Presentations of financial performance:

Siemens Gamesa has announced the presentation of results sufficiently in advance, indicating the date and time scheduled for said presentation and the technical means necessary so that any interested party may follow the presentation in real time (webcast or phone conference).

The economic-financial information addressed in each presentation was submitted to the CNMV through a relevant event before the commencement of the presentation and is available on the Company's corporate website.

The recording of the presentation is kept available on the corporate website for one month.

- Social media:

Communications with shareholders through social media seeks to disseminate information of interest regarding the developments and activities of the Siemens Gamesa Group, and establish a fluid dialog with the internet community. The Communications Division leads these communications channels. The @Gamesa_Official account on Twitter, and subsequently the @SiemensGamesa, was the most used social media channel with over 420 *tweets* sent during the fiscal year 2017.

- The Shareholder Office:

Siemens Gamesa seeks to have shareholders permanently informed with the possibility of raising questions or proposals regarding the Company. For this purpose, the Investor Relations area has the reins to keep an active Shareholder Office, accessible by telephone and email. This office handles calls and emails on a daily basis.

During the month leading to the General Shareholders Meeting, control over the Shareholder Office will pass over to the General Secretariat for all matters relating to the General Meeting. During fiscal year 2017 one Ordinary General Meeting was held on 20 June 2017 and the Shareholder Office received 95 calls from shareholders. Emails were also received from shareholders requesting information on the items listed on the agenda for the General Meeting.

- Electronic Shareholder Forum:

Pursuant to legislation in force, an Electronic Shareholder Forum was activated in 2017 from the call to the General Meeting until it was held. Likewise the corporate website included a direct link to the forum and its operating rules, though no record was made thereof.

B) Internal coordination for the dissemination of news likely to contain privileged information:

During 2017, the Company applied the internal coordination protocols established in the Policy with a view to ensuring that information is disseminated in transparent and symmetrical conditions.

C) Communications and contact with institutional investors:

Institutional investors are addressed individually by Investor Relations for financial matters and by the General Secretariat for all matters concerning corporate governance, primarily for convening and actually holding the General Meetings.

Additionally, the Company organizes informational meetings on the performance of the Company and other matters of interest to analysts and institutional investors, and always in observance of the principle of equal treatment.

The most significant steps taken by the Investor Relations area in 2017 can be summarized as follows:

- 4 presentations of results (Gamesa's annual results for 2016, Gamesa's first quarter 2017, April-June 2017 quarter of Siemens Gamesa coinciding with the third quarter of the new fiscal year and half April until September 2017 which coincides with the second half of the new fiscal year ending on 30 September).
- Attendance at 8 conferences in various European cities, including all conferences for specialists in renewable energies, *Iberia* and general conferences.
- *Roadshows*:
 - Visits to institutional investors in Spain, the United Kingdom, Germany, Switzerland, Holland, France and the United States of America.
 - *Roadshows* showcasing the first quarter of Siemens Gamesa (quarter April-June 2017).
- Organization of 1 plant view with investors.
- Daily conferences with analysts and investors, and regular face-to-face meetings with them.
- Daily correspondence via mail and telephone communication with individual shareholders.

The most significant steps regarding institutional investors taken by the General Secretariat area in 2017 and more precisely relating to the Annual Ordinary General Meeting held on June 20, 2017, can be summarized as follows:

- *Corporate Governance Roadshow*:
 - Creation and dispatch to institutional investors of the report on motions for resolution (*Proxy Statement*).
- Proxy campaign:
 - Contact (*Proxy solicitation*) with the Top 200 institutional investors.
 - Contact with deposit entities for *retail* vote remission and monitoring the receipt of institutional votes.

D) Communications and contact with voting advisors:

The Company maintains a fluid and permanent contact with the main voting advisors, and meets with them for the purpose of calling the General Shareholders Meetings to analyze the agenda and clarify any concerns that they may have in that regard.

One General Ordinary Shareholders Meeting was held in 2017, and the Company maintained specific contacts with the main voting advisors in the market and the ones with the greatest influence on shareholders of the Company. Thus, and primarily for the purpose of the convening the General Shareholders Meeting, the Company had appropriate telephone contact or email correspondence with the different voting advisors.

Conclusions

During 2017, the Company duly complied with the Policy, Siemens Gamesa Corporate Governance Standard and the recommendations in the Code of Good Governance.

In the ensuing periods, the Company will continue applying and furthering the criteria, principles and standards of good governance applicable to this area with a view to attaining permanent transparency and symmetry in its communications with shareholders, institutional investors and voting advisors.