

**FAVOURABLE REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF
SIEMENS GAMESA RENEWABLE ENERGY, S.A.
ON THE RATIFICATION AND RE-ELECTION OF MR MIGUEL ÁNGEL LÓPEZ BORREGO
AS A PROPRIETARY NON-EXECUTIVE DIRECTOR OF THE COMPANY**

In Zamudio (Biscay), on 12 February 2019, the Appointments and Remuneration Committee (the “**Committee**”) of Siemens Gamesa Renewable Energy, S.A. (the “**Company**”) unanimously resolves to issue and submit to the Board of Directors this favourable report on the ratification of the appointment by co-option and re-election of Mr Miguel Ángel López Borrego as a director of the Company with the classification of proprietary non-executive director for submission thereof to the shareholders at the Company’s General Meeting of Shareholders (the “**Meeting**”).

1. OBJECT AND REGULATORY FRAMEWORK

In accordance with section 529 *decies.6* of the *Corporate Enterprises Act (Ley de Sociedades de Capital)*, article 13.2. of the *Regulations of the Board of Directors* and article 6.2.a) of the *Regulations of the Appointments and Remuneration Committee*, Board proposals to appoint proprietary directors using a co-option procedure or to be submitted to the shareholders at the Meeting must be preceded by a favourable report from the Committee. Additionally, it is for this Committee to report on the maintenance of the classification allocated to each director in the case of re-election.

This report is hence issued in compliance with the aforementioned regulation.

2. REPORT

For the appropriate purposes, it is stated for the record that prior to the issuance of this report, at its meeting held on 8 October 2018 this Committee issued the mandatory report on the appointment by co-option of Mr Miguel Ángel López Borrego as a member of the Company’s Board of Directors, in which it set out the rationale for his appointment as well as the satisfaction of the requirements therefor. A copy of the aforementioned report is attached as an **Annex**.

In the Committee’s opinion, the rationale for the aforementioned report is fully applicable for purposes of assessing the suitability of ratifying the appointment by co-option and re-election of Mr Miguel Ángel López Borrego as a proprietary non-executive director of the Company.

Likewise, for issuing the present report the Committee has taken into account the performance, by Mr. López Borrego, of his duties as member of the Board of Directors of the Company since the effectiveness of his appointment by co-option until the present date, performance to be valued positively.

3. CONCLUSION

In light of the foregoing, the Committee unanimously resolves to confirm its previously issued favourable report attached as an **Annex** on the appointment by co-option of Mr Miguel Ángel López Borrego as a director and, on that basis, issues this favourable report on his ratification and re-election as a proprietary, non-executive director of the Company.

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ANNEX

Favourable report of the Appointments and Remuneration Committee of Siemens Gamesa Renewable Energy, S.A. on the appointment by co-option of Mr Miguel Ángel López Borrego as a proprietary non-executive director and on the appointment thereof as Chair of the Board of Directors

FAVOURABLE REPORT OF THE APPOINTMENTS AND REMUNERATION COMMITTEE OF SIEMENS GAMESA RENEWABLE ENERGY, S.A. ON THE APPOINTMENT BY CO-OPTION OF MR MIGUEL ÁNGEL LÓPEZ BORREGO AS A PROPRIETARY NON-EXECUTIVE DIRECTOR AND ON THE APPOINTMENT THEREOF AS CHAIR OF THE BOARD OF DIRECTORS

In Zamudio (Biscay), on 8 October 2018, the Appointments and Remuneration Committee (the "**Committee**") of Siemens Gamesa Renewable Energy, S.A. ("**Siemens Gamesa**" or the "**Company**") unanimously resolves to issue and submit to the Board of Directors this favourable report on the appointment by co-option of Mr Miguel Ángel López Borrego as a director of the Company with the classification of proprietary non-executive director and on the potential appointment thereof as chair of the Board of Directors.

1. OBJECT AND REGULATORY FRAMEWORK

In accordance with section 529 *decies.6* of the *Corporate Enterprises Act (Ley de Sociedades de Capital)*, article 13.2. of the *Regulations of the Board of Directors* and article 6.2.a) of the *Regulations of the Appointments and Remuneration Committee*, Board proposals to appoint proprietary directors using a co-option procedure must be preceded by a favourable report from the Committee.

Additionally, according to section *sexies.1* of the *Corporate Enterprises Act*, article 18.2. of the *Regulations of the Board of Directors* and article 6.2.c) of the *Regulations of the Appointments and Remuneration Committee*, it is for the Board to appoint a chair from among its members, upon a prior report from the Committee.

This report is hence issued in compliance with the aforementioned regulation.

2. THE CANDIDATE: NOTEWORTHY EXPERIENCE FOR THE PERFORMANCE OF THE CANDIDATE'S POSITION IN THE COMPANY

Mr Miguel Ángel López Borrego has a degree in Business Administration from the Berufsakademie Mannheim, Dipl. Betriebswirt (Germany) and holds an MBA from the University of Toronto.

Mr López Borrego began his professional career in 1987 at VDO AG, in Babenhausen, as plant controller. In 1991 he was appointed CFO of VDO Instruments in Spain and in 1996 he assumed the same post at VDO's global Instruments division.

In 2001, he was appointed CFO of the Interior & Infotainment business unit at the newly formed Siemens VDO AG, and a few years later in 2004 he assumed the role of CFO of the Low Voltage Controls & Distribution business unit in the Siemens Automation & Drives group. In 2008 he took up the post of CFO of the then-newly formed Industry Automation division. From 2014, Mr Miguel Ángel López held the post of CFO of Siemens' Industry sector, until 2014 when he was appointed head of finance of the new Siemens Digital Factory division.

He has held the position of CFO of the Company since 1 December 2017.

3. RATIONALE

In the opinion of the Committee and based on the report issued by "PricewaterhouseCoopers Asesores de Negocios, S.L.", Mr Miguel Ángel López Borrego meets the requirements established by law and in the Company's *Corporate Governance Rules* to hold the position of proprietary non-executive director on the Board of Directors; specifically, in the opinion of the Committee, the candidate meets the requirements of recognised respectability, capability, expertise, competence and experience established in Siemens Gamesa's *Corporate Governance Rules*.

The Committee has also confirmed that the candidate has sufficient availability of time to properly perform the duties thereof.

The Committee has also confirmed that the candidate is not directly or indirectly subject to any of the grounds of disqualification, prohibition or conflict of interest with the corporate interest established in generally applicable provisions or in Siemens Gamesa's *Corporate Governance Rules*.

The alignment of Mr Miguel Ángel López Borrego's professional background to the specific business and to the industry in which the Company does business has also been taken into account in the preparation of this report.

In the Committee's opinion, the Board of Directors' appointment by co-option of Mr Miguel Ángel López Borrego as a director of the Company to fill the vacancy caused by any resignation of Ms Rosa García García would also comply with the provisions of the Company's *Corporate Governance Rules* as regards the required proportion of executive and non-executive directors, since if he were effectively appointed, the ratio of executive to non-executive directors would not change (2 to 11), with the latter representing a very large majority on the Board.

After the appointment by co-option of Mr Miguel Ángel López Borrego, 15.38% of the Board of Directors would be made up of executive directors and 84.62% would be made up of non-executive directors (46.15% proprietary directors and 38.46% independent directors).

The ratio of independent directors would hence comply with recommendation number 17 of the version of the *Good Governance Code of Listed Companies* of February 2015 specifically applicable to companies with large market capitalisation, taking into consideration that the Company currently has a shareholder that controls more than 30% of its share capital.

The Committee also believes that the personal and professional background of Mr Miguel Ángel López Borrego, his close links with the sector and his extensive experience as a senior officer make his profile particularly suitable and qualify him to be appointed as chair of the Company's Board of Directors, if applicable, once his appointment as a director has become effective.

4. CONCLUSION

In light of all the foregoing, the Committee unanimously resolves to submit to the Board of Directors this favourable report on the appointment of Mr Miguel Ángel López Borrego as a member of the Company's Board of Directors, with the classification of proprietary non-executive director, because all the requirements established therefor in the *Corporate Enterprises Act* and Siemens Gamesa's *Corporate Governance Rules* are met.

The Committee also unanimously resolves to submit to the Board this favourable report on the potential appointment of Mr Miguel Ángel López Borrego as chair of the Board of Directors.

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