

**REPORT ON RELATED PARTY TRANSACTIONS WITH SIGNIFICANT
SHAREHOLDERS AND DIRECTORS REPORTED BY THE AUDIT, COMPLIANCE
AND RELATED PARTY TRANSACTIONS COMMITTEE DURING FINANCIAL
YEAR 2019**

Report of the Audit, Compliance and Related Party Transactions Committee (the “**Committee**”) on its actions during the financial year ended 30 September 2019 in relation to the main transactions by the Company or by the companies making up its group that might have been subject to conflicts of interest with Directors, Shareholders with a significant interest or Shareholders represented on the Board of Directors and persons related thereto (Related Party Transactions).

11 February 2020

A. Introduction and background

Pursuant to the provisions of recommendation number 6 of the Good Governance Code of Listed Companies, the Audit, Compliance and Related Party Transactions Committee of Siemens Gamesa Renewable Energy, S.A. (Siemens Gamesa or the Company) has prepared this report on the Related Party Transactions reported to Siemens Gamesa's Board of Directors during financial year 2019, for purposes of publication thereof on the Company's website upon the call to the General Meeting of Shareholders 2020.

B. Regulatory Framework

B.1 Corporate Enterprises Act

Sections 228 and 229 of the Corporate Enterprises Act (*Ley de Sociedades de Capital*) (LSC) govern conflicts of interest of Directors, requiring the affected Director to abstain from participating in discussions and votes on resolutions or decisions in which they or a related person have a direct or indirect conflict of interest. Directors must also take the necessary measures to avoid situations in which their own- or third-party interests might conflict with the corporate interest or with their duties to the company.

In particular, section 529 *ter* of the LSC provides that a report of the Audit Committee is required for a listed company's Board of Directors to approve transactions by the company or companies of its group with Directors or with shareholders having a significant interest, whether individually or collectively with others, including shareholders represented on the Board of Directors of the company or of other companies that belong to the same group, or with persons related thereto. Affected Directors or Directors who represent or are related to affected shareholders must abstain from participating in discussions and votes on the resolution in question. Only transactions that simultaneously meet the following three characteristics will be exempt from this approval: 1) they are on standard terms and conditions applied generally to a large number of customers; 2) they are at prices or rates established generally by the party acting as supplier of the goods or services in question; and 3) they are in an amount that does not exceed one per cent of the company's annual turnover.

B.2 Regulations of the Board of Directors of Siemens Gamesa and Policy regarding Related Party Transactions with Directors, Significant Shareholders and Parties Related Thereto

Aware of the importance of properly examining Related Party Transactions with Directors, Significant Shareholders and persons or entities related thereto ("**Related Party Transactions**"), Siemens Gamesa has a corporate governance system that includes the standards and corresponding procedures for the approval and control of said operations, providing appropriate protection of the interest of the company and of the shareholders that are not related parties, and therefore also of minority shareholders, which has been applied to date in rigorous and strict compliance with applicable legal provisions. Without prejudice thereto and from the perspective of the ongoing review and improvement of the corporate governance system, on 23 March 2018 Siemens Gamesa's Board of Directors amended Article 33 of the Regulations of the Board of Directors, which among other things provides that SGRE has a Related Party Transactions policy based on certain principles in line with applicable legal provisions and good governance recommendations¹.

¹ Given the relevance of the content of said article, we consider it appropriate to reproduce it in full in this Report:

"Article 33 Transactions of the Company with Directors and shareholders

1. The undertaking of any transaction by the Company or the companies within its Group with Directors, with shareholders that individually or collectively hold a shareholding interest considered by law or regulation to be significant at any time or that are represented on the Board of Directors of the Company or of companies within its Group, or with the respective related persons, shall be subject to approval of the Board of Directors, after receiving a report from the Audit, Compliance and Related Party Transactions Committee.

2. The Board of Directors, through the Audit, Compliance and Related Party Transactions Committee, shall endeavour to ensure that transactions between the Company or companies within its Group and the Directors, shareholders referred to in the preceding section or the respective related persons are carried out in accordance with the corporate interest, on arms'.

In July 2018, in order to comply with the aforementioned Article 33 of the Regulations of the Board of Directors and in view of the ongoing commitment of Siemens Gamesa's Board of Directors to the best good corporate governance practices, the Board of Directors approved a policy regarding Related Party Transactions with Directors, Significant Shareholders and parties related thereto (the "Policy") as part of Siemens Gamesa's corporate governance system. This Policy has been newly reviewed by the Board of Directors on 25 September 2019 without material changes to it. This Policy further develops the provisions of the Regulations of the Board of Directors and is intended to describe the rules to be followed in transactions by the Company or any of the companies within the Siemens Gamesa group with Directors, with Significant Shareholders or with persons or entities related thereto. The principles that have underpinned the preparation of this Policy include transparency, arm's length terms, action in accordance with the corporate interest, defence of the Company's full autonomy and decision-making power and respect for the principle of equal treatment of shareholders, ensuring that the Related Party does not interfere in the evaluation or decision on approval of the Related Party Transaction. The Policy applies and further develops said regulatory framework taking into account the particularities of Siemens Gamesa, some related to the specific nature of the Company's activities (for example, certain recurring and standardised Related Party transactions that are within and explained by the ordinary course of business) and others that are circumstantial (for example, the Related Party Transactions resulting from certain specific agreements entered into between Siemens Gamesa and Siemens AG within the context of the merger agreements).

Within said regulatory framework, the Audit, Compliance and Related Party Transactions Committee examines the background and requested information and the documentation collected and provided by the Company's Business Units and Functions that are interested in the relevant operation or transactions, issuing the corresponding report and making any favourable report to the Board of Directors for the purpose of approval thereby.

In light of the information provided by the company, of the reports and requests for additional information made by the Committee (where applicable), all validated by way of certification issued by Internal Audit, of the external reports that the Committee may request (where applicable) and of the statements from senior management in relation to the benefit of the company and interest in the transactions, the Committee analyses and assesses the qualitative and quantitative aspects of the proposed transactions, from the perspective of compliance with the Policy. The Committee concludes, if appropriate and justified, that the transactions are compliant with the provisions of Article 3.3 of the "Policy on Related Party Transactions with Directors, Significant Shareholders and Related Parties", and issues a favourable report thereon. The foregoing is subject and without

length terms, ensuring transparency in the process and observing the principle of equal treatment of shareholders in the same condition and according to applicable law. The Board of Directors, with the previous favourable report of the Audit, Compliance and Related Party Transactions Committee, will approve the Related Party Transactions Policy which will develop the regime applicable to such transactions based on the above-mentioned criteria. In order to ensure full transparency on the treatment of Related Party Transactions, the Policy shall always be at the disposal of shareholders and markets in general through the corporate website of the Company.

3. An independent expert report will be required in respect of material transactions between the Company or companies within its Group and the Directors, shareholders referred to in the first section or their respective related parties. Material transactions will be those defined in the Related Party Transactions Policy. Such report shall in any event be at the disposal of the Board of Directors before approval of the relevant transaction.

4. In the case of transactions within the ordinary course of business that are customary and recurring and executed at market prices, general prior framework approval of such transactions by the Board of Directors, after receiving a favourable report from the Audit, Compliance and Related Party Transactions Committee, may be sufficient. The prior framework approval of the Board of Directors for those transactions meeting the foregoing requirements and so determined by any Related Party Transactions Policy approved by the Board of Directors, after a favourable report from the Audit, Compliance and Related Party Transactions Committee, shall also be sufficient.

5. In accordance with the applicable law, the approval by the Board of Directors of Related Party Transactions shall not be required if such transactions simultaneously meet all of the following three requirements: (i) they are conducted under contracts whose terms and conditions are standardised and apply on an across-the-board basis to a large number of customers; (ii) they are conducted at prices or rates established on a general basis by the party acting as supplier of the goods or services in question; and (iii) the amount thereof does not exceed one per cent of the annual revenue of the Company based on the audited annual accounts for the last financial year ended on the date of the transaction in question.

6. If the transaction has a value of more than ten per cent of the assets appearing on the last approved and audited consolidated balance sheet, the approval must be approved by the shareholders acting at a General Meeting of Shareholders."

prejudice to any additional aspect or information that may become apparent during the deliberations and assessments of the Board of Directors regarding the approval of the transactions by this body.

C. Transactions subject to examination by the Audit, Compliance and Related Party Transactions Committee during the financial year ended 30 September 2019

The significant transactions with shareholders having a significant interest or represented on the Board of Directors and persons related thereto that were approved in financial year 2019 with companies belonging to the Siemens group and the Iberdrola group, both Significant Shareholders of the Company, are described below.

C.1 Transactions with companies belonging to the Iberdrola group

Transactions between companies belonging to the Siemens Gamesa group and companies belonging to the Iberdrola group are classified as Related Party Transactions because Iberdrola Participaciones, S.A. owned 8.071% of the share capital of Siemens Gamesa Renewable Energy, S.A. during financial year 2019 and was therefore a Significant Shareholder².

Transaction with Significant Shareholder	Date of meeting in which the Committee informed favourably
Settlement agreement for wind farm project in United Kingdom	30 October 2018
Settlement agreement for wind farm project in United Kingdom	30 October 2018
Binding offer for Offshore projects in United Kingdom	30 October 2018
Sale of two wind farms in Spain	3 December 2018
Binding offer for onshore project in Spain	3 December 2018
Binding offer for offshore project in United Kingdom	3 December 2018
Offer for Battery Energy Storage System in United States	3 December 2018
Testing agreement for project in United Kingdom	3 December 2018
Service & Maintenance Agreement for windfarms in Spain	22 January 2019
Service & Maintenance Agreement for windfarm in Spain	11 February 2019
Service purchase orders for turbines in three wind farms in Spain	18 March 2019
Service & Maintenance Agreement for wind farm in Romania	9 April 2019
Service & Maintenance Agreement for wind farm in Mexico	9 April 2019
Service & Maintenance Agreement for wind farm in Brazil	9 April 2019
Memorandum of Understanding on Electric Thermal Energy Storage	26 April 2019
High voltage electricity supply agreement for Spain	26 April 2019
Binding offer for Battery Energy Storage System in Ireland	20 May 2019

² On the 4th of February 2020, Iberdrola announced the sale a Siemens AG of the stake held by Iberdrola Participaciones, S.A. in Siemens Gamesa Renewable Energy, S.A.

Transaction with Significant Shareholder	Date of meeting in which the Committee informed favourably
Service Agreement for offshore wind farms in United Kingdom	20 May 2019
Binding offer for a wind farm project in Brazil	24 June 2019
Binding offer for a wind farm project in United States	24 June 2019
G5X Platform Life Extension Project Agreement	24 June 2019
Global SCADA Maintenance Agreement	24 June 2019
Sale of a wind farm in Spain	24 June 2019
Service agreement for large correctives in Spain and Portugal	24 June 2019
Binding offer for wind farm project in Greece	24 June 2019
Settlement for offshore project in Germany	24 June 2019
Multi-Site Service and Maintenance Agreement in United Kingdom	24 June 2019
Binding offer for sale of spare parts	24 July 2019
Refurbishment agreement Spain	24 July 2019
Refurbishment agreement Spain	24 July 2019
End of warranty agreement for wind farm in United States	24 July 2019
Verification services for wind farms in Brazil and United States	16 September 2019
Testing agreement for wind farm in United Kingdom	16 September 2019
Service & Maintenance Agreement for wind farm in Brazil	16 September 2019
Service agreement for blade maintenance in Mexico	16 September 2019
Service agreement for large correctives in Mexico	16 September 2019
Post warranty extension agreement for wind farm in Mexico	16 September 2019
Supply and service agreement for offshore wind farm in United Kingdom	16 September 2019

C.2 Transactions with companies belonging to the Siemens group

Transactions between companies belonging to the Siemens Gamesa group and companies making up the Siemens group are classified as Related Party Transactions because Siemens AG has owned 59% of the share capital of Siemens Gamesa Renewable Energy, S.A. during financial year 2019 and is therefore a Significant Shareholder.

Transaction with Significant Shareholder	Date of meeting in which the Committee informed favourably
SGRE trademark related agreement	3 October 2018
Support on Intellectual Property' management related services	3 October 2018
Service agreement for electrical transformer	3 October 2018
Software related agreement	3 October 2018
Service agreement for finance related IT	30 October 2018
Purchase order for building fire protection systems	12 December 2018
Joint development agreement for a turbine component	3 December 2018
Agreement for engineering services in Croatia	3 December 2018
Software tool agreement	3 December 2018
Provision of offshore specialists support to Siemens	3 December 2018
Agreement for services related Pension Accounting, Reporting and Disclosures	3 December 2018
Consortium agreement for wind farm project	3 December 2018
Finance-related agreement for repowering projects in United States	19 December 2018
Development Agreement for a turbine component	22 January 2019
Prolongation of Transitional Service Agreements	22 January 2019
Amendment of Guarantee Facility Agreement	11 February 2019
Parent Company Guarantees for FX hedging	11 February 2019
Extension of FX-execution with Siemens	11 February 2019
Prolongation of Transitional Service Agreements	12 February 2019
Commercial Project Management certification services agreement	18 March 2019
Teamcenter licenses and related service support	18 March 2019
Services agreement related Risk and Internal Control Methodology and Tool	9 April 2019
Extension of Service & Maintenance Agreement for wind farm in United States	26 April 2019
Electrical Balance of Plant contract in Serbia	26 April 2019
Office rental in China	6 May 2019
Productivity and Asset Management Tracking Tool	20 May 2019
Corporate security collaboration agreement	20 May 2019
Migration of access control systems for SGRE offices	20 May 2019
Agreement for patent acquisition	20 May 2019
Office rental in United States	20 May 2019
Prolongation of Transitional Service Agreements	20 May 2019
Office rental in United Kingdom	24 June 2019
Amendment of Key Account Management agreement	24 June 2019

Transaction with Significant Shareholder	Date of meeting in which the Committee informed favourably
Technical support from Siemens in United States	24 June 2019
Services agreement related Risk and Internal Control Methodology and Tool	24 July 2019
Prolongation of Transitional Service Agreements	24 July 2019
Office rental lease in the Netherlands	24 July 2019
Office rental in China	24 July 2019
Office rental in Russia	24 July 2019
Office rental in South Africa	24 July 2019
Commercial agent services for Kuwait	24 July 2019
Service agreement related to Fire Fighting Systems	24 July 2019
Purchase order for electric vehicle charging solution	16 September 2019
Office rental in Croatia	16 September 2019
Office rental Austria	16 September 2019
Office rental in Germany	16 September 2019
Office rental in India	16 September 2019
Extension of External Service Agreement for Services	16 September 2019

Additionally, and according to the Policy, the Committee regularly supervises the evolution of the following agreements: purchase of components from Siemens within the frame of the Strategic Supply Agreement signed on the occasion of the merger and pursuant to which Siemens AG becomes Siemens Gamesa’s strategic supplier of gearboxes, segments and other components and services offered by the Siemens Group; (ii) the Transitional Service Agreements between Siemens Gamesa and Siemens AG signed on occasion of the merger in functional areas being integrated on account of such merger, in order to ensure continuity of the business until Siemens Gamesa begins establishing or adapting its own capabilities to provide such services or to cover the transition, until the services are internalized or can be engaged with an external supplier. These agreements include services in some functional areas like Human Resources and Information Technology where establishing robust own internal capabilities or transition these services to third party vendors is a very long and complex process; and (iii) transactions involving synergies in the areas of marketing and sale of products within the frame of the Regional Support Agreement and “Urgent” transactions referred in the Policy.

C.3 Transactions with Directors

Finally, Siemens Gamesa and the companies of its group have not carried out transactions with its Directors during fiscal year 2019. Notwithstanding the above on the 14th of August 2019 Siemens Gamesa reached an amendment of the settlement agreement with Schaeffler Technologies AG & Co. KG in relation to a preceding supply contract. The Chief Executive Officer of Schaeffler AG is the Director Mr. Klaus Rosenfeld who did not attend or participate in the deliberation, voting, decision and execution of this transaction.

D. Conclusions

All the transactions with shareholders to which this report refers have been approved by the Company’s Board of Directors upon a favourable report from the Committee.

The Directors of Siemens Gamesa affected by a conflict or appointed at the request of or related to Siemens or Iberdrola have not participated in discussions or votes on any relevant resolution, as part of either the Committee (made up solely of external independent Directors) or the Board of Directors.

Siemens Gamesa's Directors have considered the compatibility of each transaction with the corporate interest of Siemens Gamesa in terms of both opportunity and terms and conditions, without prejudice to taking into account specific factors resulting from Siemens Gamesa belonging to the Siemens group, from which it obtains benefits resulting from the generation of synergies, coordination of best practices and obtaining of economies of scale in certain areas.

The Committee has obtained the expert advice of a third party when so deemed appropriate on the basis of the characteristics, scale or complexity of the relevant transactions.

In addition to the information set forth in this report, all transactions that are significant due to their amount or subject-matter during financial year 2019 between the company and the companies belonging to its group and shareholders having a shareholding legally classified as significant in the Company or with persons related thereto (within the meaning established in Section 231 of the Corporate Enterprises Act), or with other related parties, are described in the company's Annual Accounts and Annual Corporate Governance Report for financial year 2019, which are available on the company's website.

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