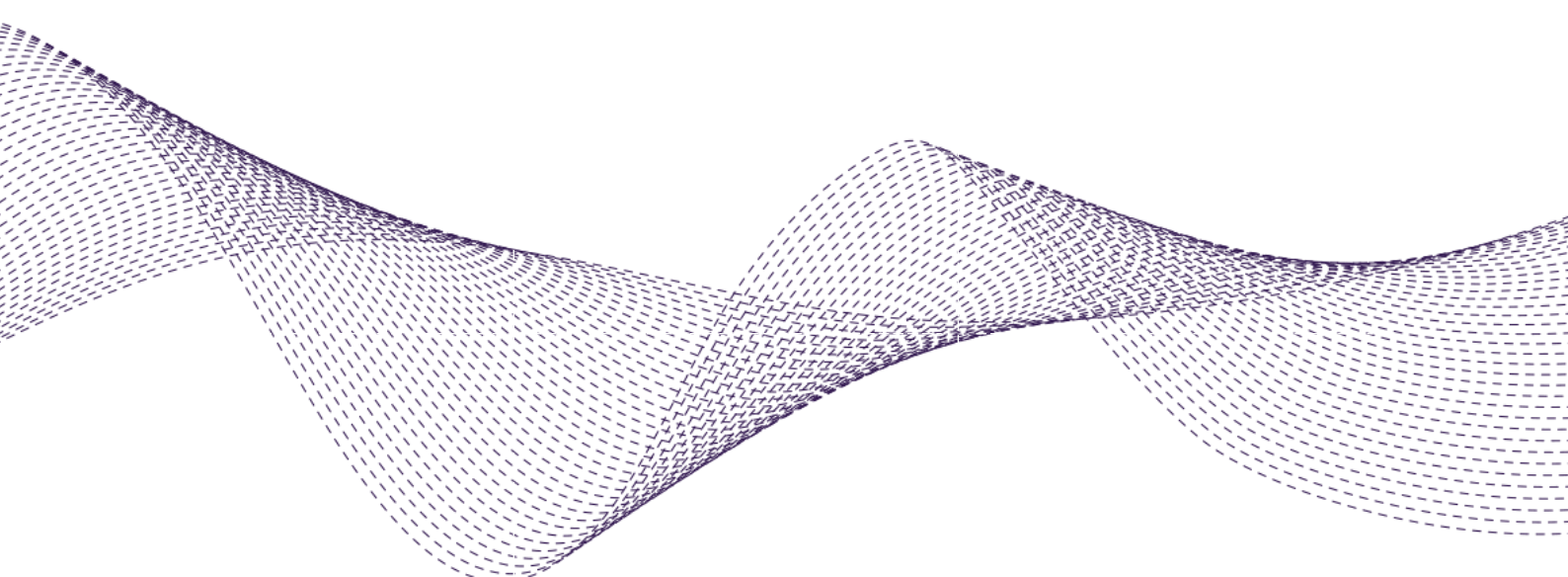


Fulfillment Level Report 2019:

Global Corporate Social Responsibility Policy of Siemens Gamesa Renewable Energy, S.A.

General Secretariat
February 2020



1. Legal grounds

The Board of Directors of Siemens Gamesa Renewable Energy, S.A. (hereinafter the “company” or “Siemens Gamesa”) approved a “[Global Corporate Social Responsibility Policy](#)” (the “Policy”), which forms part of Siemens Gamesa Group’s Corporate Governance Rules, in its meeting on September 23, 2015.

Article 11(c) of Siemens Gamesa’s Audit, Compliance and Related Party Transactions Committee (the “Committee”) Regulations, in the consolidated text endorsed by the Board of Directors on July 26, 2018, defines one of the Committee’s main duties as *“the supervision of the Company’s Global policy of corporate social responsibility and to this effect the General Secretariat will yearly raise to the Committee a report about the level of fulfillment of this policy, report to be rendered account to the Board of Directors after its validation by this Committee. Likewise, if it may deem appropriate, the Committee will propose to the Board of Directors the amendment of this policy, watching that it is orientated to value creation”*.

The General Secretariat of Siemens Gamesa has drawn up this Fulfillment Level Report on the Global Corporate Social Responsibility Policy for fiscal year 2019 in accordance with Article 11(c) of the Audit, Compliance and Related Party Transactions Committee Regulations.

2. Fulfillment level of the Policy in 2019

In order to assess the Policy’s level of fulfillment in fiscal year 2019, the General Secretariat of Siemens Gamesa has conducted an analysis of the different actions performed by the company on Corporate Social Responsibility (“CSR”) matters in said year. In order to conduct such analysis, it has mainly received support from the CSR team in the Corporate Affairs department. The Company approved an update of its Global Corporate Social Responsibility policy in September 25, 2019.

The Global Corporate Social Responsibility Policy is based on six principles that allows the company to contribute to sustainable development by taking its stakeholders’ needs and expectations into account. The six principles are as followed:

- Principle 1: Comply with applicable law in the countries in which it does business and ensure ethical behavior, adopting international standards and guidelines and fostering and promoting the integration of the principles of the United Nations Global Compact.
- Principle 2: Ensure responsible governance and the transparency necessary to convey trust and credibility to stakeholders.
- Principle 3: Achieve a work culture based on safe and healthy work, equal opportunity and motivation.
- Principle 4: Contribute to sustainable development by reducing the environmental impact of the Company’s activities and generating new solutions through innovation.
- Principle 5: Develop a responsible supply chain, ensuring responsible management through transparent, objective and impartial procedures with suppliers and providing customers with all relevant information on the services and products sold.
- Principle 6: Promote socially responsible actions within the of the Siemens Gamesa Group to achieve harmony between corporate values and social expectations.

To support and properly apply the Global Corporate Social Responsibility Policy, the CSR Master Plan 2018-20 is implemented and aims at covering different aspects set out in the Policy.

This report intends to ascertain the level of fulfillment of each of the principles set forth in the Policy, which are divided into the following sections:

2.1. Principle 1: Comply with applicable law in the countries in which it does business and ensure ethical behavior, adopting international standards and guidelines and fostering and promoting the integration of the principles of the United Nations Global Compact.

2.1.1. Ensure corporate integrity, adopting the ethical and compliance values, principles and guidelines of Siemens Gamesa, articulated in the Company's Code of Conduct.

A cornerstone of Siemens Gamesa's corporate integrity are the Business Conduct Guidelines, which defines the company's attitude towards responsible business, ensures that the company acts according to law and internal policies, and describes how Siemens Gamesa fulfills its responsibilities as an employer, in its markets, in society and the environment.

Internally, the company's Compliance department has worked on harmonizing all compliance processes, guidance and policies by drawing up a single document: The Compliance Handbook allows all Siemens Gamesa employees to read about and understand the existence of the company's robust, reliable and state-of-the-art compliance system.

The Corporate Tax Policy is to support Siemens Gamesa in fulfilling its tax obligations in all the territories in which it operates and maintaining a good relationship with the relevant tax administrations. It was updated and approved by resolution of the Board of Directors on September 25, 2019. Furthermore, it should be highlighted that Siemens Gamesa is adhering to the Code of Good Tax Practices.

2.1.2. Respect internationally recognized human rights and avoid, prevent and mitigate any negative impact on human rights that might result from its own activities or from its commercial relations with third parties.

Siemens Gamesa is explicitly committed to the defending human rights and has equipped itself with a set of instruments to ensure their respect, preventing or impeding their violation and ensuring that the company's practices are in line with the internationally recognized principles on the defense of universal human rights. These instruments essentially include i) the Business Conduct Guidelines that govern the behavior of all the Siemens Gamesa Group's professionals and, more specifically, behavior related to the defense of human rights, while also setting out oversight mechanisms and disciplinary measures should said code be breached; and ii) a Suppliers' Code of Conduct.

Furthermore, the Global Framework Agreement on Social Responsibility, the only agreement of its kind in the renewable energy industry, was signed by Siemens Gamesa and IndustriALL (the global trade union that encompasses Siemens Gamesa's industrial activity) on November 26, 2019. Its content is fully aligned with United Nations Sustainable Development Goal 12 'Responsible Consumption and Production' and with ILO's "Guidelines for a just transition". The aim of the agreement is to share and strengthen social, labor and environmental aspects that are part of the company's Conduct Business Guidelines, ensuring their proper implementation, while fostering the conditions for a responsible social dialogue at a global level, and securing respect for fundamental human and social rights. As well as covering an increase in the size and complexity of the company, the new agreement reinforces the previous commitments for more substantial areas, such as Labor Rights; Social Dialogue; Health and Safety; Sustainable Working

Environment, relationships with suppliers, contractors and business parties; and rejection of corruption and bribery. Siemens Gamesa will also be responsible to communicate and promote the implementation of this agreement among its suppliers, subcontractors and business partners. The agreement also makes a reference to the recently signed new Convention 190 concerning the elimination of violence and harassment and includes a more operational approach with regards to the Global Framework Agreement implementation and monitoring by establishing a follow-up team with representatives from all concerned parties worldwide.

In addition, the Siemens Gamesa Group has given its constant support to the United Nations Global Compact's 10 Principles since 2005. In accordance with this undertaking, it publicly discloses the so-called Communication on Progress Report to its stakeholders, which can be accessed on the Un Global Compact website.

2.1.3. Contribute to the United Nations 2030 Agenda for Sustainable Development, with a direct impact on the Sustainable Development Goals (SDGs) relating to the Company's products and solutions.

Siemens Gamesa has an impact on most of the SDGs in four important ways: i) through the company's products and services, ii) by responsibly operating its business, iii) through Siemens Gamesa's expertise and thought leadership, and iv) through its corporate citizenship activities and community engagement programs. The magnitude by which Siemens Gamesa impacts the different SDGs varies, however.

The company's CSR Master Plan 2018-20 identifies and prioritizes which of the global goals are most relevant to Siemens Gamesa, given the countries and sectors in which it operates. It provides the necessary information to engage with the SDGs in an effective way and identifies how each country is currently performing against its SDG goals and targets and uses input-output modelling techniques to highlight relevance across both direct operations and the wider supply chain. It also draws on economic research to identify where value could be at risk from countries failing to achieve their SDG commitments and the potential opportunities (i.e. where business activities could help significantly more), on a country by country basis. It thereby helps the company map out and visualize strategic priorities in a more informed way.

Therefore, Siemens Gamesa's CSR Master Plan 2018-20 has identified high as well as medium and low impact SDGs. For the most part, SDGs we consider having a high impact are strongly correlated to our products and services, often in combination with thought leadership initiatives in collaboration with partners around the world.

Considering all information under 2.1., it can be concluded that the Global Corporate Social Responsibility Policy has been duly fulfilled regarding this principle.

2.2. Principle 2: Ensure responsible governance and the transparency necessary to convey trust and credibility to stakeholders

2.2.1. Adopt good governance practices and recommendations generally recognized in international markets, based on corporate transparency and mutual trust with shareholders and investors.

In fiscal year 2019, Siemens Gamesa's Board of Directors reviewed and approved several policies to comply with the company's Global Corporate Social Responsibility Policy:

Corporate CSR policies	First issue	New in 2019	New version
Global Corporate Social Responsibility Policy	September 23, 2015	Update	September 25, 2019
Diversity and Inclusion Policy	September 23, 2015	Update	September 25, 2019
Supplier Relationship Policy	September 23, 2015	Update	September 25, 2019
Climate Change Policy	November 18, 2015	Update	September 25, 2019
Social Action Policy	September 12, 2018	Update	September 25, 2019
Human Rights Policy	September 12, 2018	Update	September 25, 2019

2.2.2. Foster communication and dialogue with stakeholders and the transmission of knowledge on issues that are significant to them.

Siemens Gamesa's relationship with any stakeholder is maintained in a two-fold way: from the standpoint of social responsibility, responding to the expectations and needs, and from a reputation-related perspective, managing the perception these stakeholders have of the company. There is no doubt that the disclosure of non-financial or corporate social responsibility related information contributes to measuring, monitoring and managing the company's performance and impact on society.

In late 2018, the Law 11/2018 of 28 December on Non-Financial Information and Diversity was adopted in Spain. The law implements Directive 2014/95/EU of the Parliament and of the Council amending Directive 2013/34/EU about the "disclosure of non-financial information and information on diversity by certain large undertakings".

The new law expands non-financial reporting requirements, to specifically include the provision of environmental and social aspects, regarding people management, diversity, respect for the environment, and of human rights and the fight against corruption and bribery, describing the risks, and outcomes linked to these issues. Disclosure of non-financial information or related to sustainability or corporate social responsibility becomes, therefore mandatory by law for Siemens Gamesa.

To improve the consistency and comparability of the non-financial information disclosed, the company published the Consolidated Non-Financial Statement (formerly known as Sustainability Report) at the end of fiscal year 2019 that covers the requirements of the entry into force of the new regulation and is an integral part of Siemens Gamesa's Management Report of the company. It contributes to measure, monitor and manage the performance of the company and its impact on society.

2.2.3. Disseminate relevant, truthful and regular information concerning the activities of the company on the basis of reliability and continuous improvement.

Siemens Gamesa published the Consolidated Non-Financial Statement report at the end of fiscal year 2019, which contributes to measure, monitor and manage the performance of the company and its impact on society. In this context, the report contains information relative, at least, to environmental and social issues, as well as personnel, respect for human rights and the fight against corruption and bribery. It also summarizes the most relevant financial and non-financial information in accordance with the corresponding Materiality Analysis.

The report is a method of satisfying the growing demand from society in general, as well as from shareholders and investors, for companies to explain its performance in non-financial aspects, also called environmental, social and corporate governance (ESG: Environmental, Social, Governance), given that good performance in these areas is directly linked to business excellence.

For that purpose, Siemens Gamesa focuses on the communication with relevant sustainability analysts and ratings. For that, the company holds a dialogue with the world's main sustainability indexes, such as Dow Jones Sustainability Indices, FTSE4Good, and Ethibel Excellence Europe. In 2019 Siemens Gamesa remains a constituent of all of them, which represents recognition for responsible business management.

At the end of fiscal year 2019, Siemens Gamesa established an Environment, Social, Governance (ESG) team within the Corporate Finance department to strengthen the ESG information and reporting process within the Company, to deliver comprehensive data and accurate non-financial disclosures in compliance with the law and internal rules, and to enhance the engagement with ESG rating agencies, investors and asset managers.

Considering all information under 2.2., it can be concluded that the Global Corporate Social Responsibility Policy has been duly fulfilled regarding this principle.

2.3. Principle 3: Achieve a work culture based on safe and healthy work, equal opportunity and motivation.

2.3.1. Endeavour to ensure a safe and healthy work environment within the Siemens Gamesa Group and within its areas of influence.

Occupational health and safety is an essential part of our Business Conduct Guidelines, risk management and internal controls. Excellence in safeguarding occupational health and safety is also linked to several UN's Sustainable Development Goals (SDGs).

At our production facilities and across our project sites, we continuously drive improvements related to health and safety that are continuously monitored through our internal systems. Furthermore, we work across our value chain on industry-driven initiatives and networks that focus on health and safety in the wind industry to raise awareness and adopt best practices, which typically include customers and suppliers, industry associations, research institutes or similar.

Siemens Gamesa has a global occupational health and safety management system in place that is certified according to the OHSAS 18001 standard. The international OHSAS 18001 standard provides a framework to identify, control and decrease the risks associated with health and safety within the company.

In 2019, the number of Lost Time Injuries (LTI) within the Siemens Gamesa Group amounted to a total of 91. As a result, the overall employee Lost-Time Injury Frequency Rate reached 1.91 by the end of the fiscal year. This rate (LTIFR) is calculated for a 1,000,000-working hour's period and includes all accidents that result at least in one lost day of work. As for contractors, this rate was 1.33. The combined rate for employees and contractors was 1.67 by the end of fiscal year 2019.

The Group acts proactively to analyze the root causes of accidents and is equipped with management indicators which show the attainment level of this working philosophy in day-to-day management. This includes, for example, the performance of safety inspections (15,770), safety observations (52,310) and health & safety audits (112) by the end of fiscal year 2019. In addition, Siemens Gamesa maintains regular external collaborations in the field of occupational health and safety, with the Administration and other associations and organizations aimed at promoting occupational safety and health.

With a weight of 10%, the safety target of a Total Recordable Incident Rate (TRIR) of 4.13 was included in the company targets of Siemens Gamesa managers as part of their Siemens Gamesa Management by Objective (SGMBO) remuneration program in fiscal year 2019. The SGMBO generally applies to SGRE white collar employees that have a variable portion in their compensation package.

2.3.2. Foster a framework of labor relations based on equal opportunity, non-discrimination and respect for diversity.

Siemens Gamesa has a Diversity and Inclusion Policy in place, the principles of which apply to all geographic regions where is present. It aims to ensure equality and inclusion and avoid any kind of discrimination based on race, gender, civil status, ideology, political opinions, nationality, religion or any other personal, physical or social characteristic. The Diversity Committee oversees its fulfillment in a working environment that fosters dignity and respect for all. Evidence of diversity within the company's workforce is that more than hundred (103) distinct nationalities are employed across the world.

The Action Protocol in the event of Harassment and Discrimination establishes the scope, the reporting line and measures in case of harassment and/or discrimination. These should be governed in the Company and Siemens Gamesa Group with a view to consolidating corporate ethics.

The endorsement of the Declaration of Women's Empowerment Principles has been maintained by the company since 2010. The principles were drawn up through a multilateral consultative process under the direction of the United Nations Development Fund for Women (UNIFEM) and the United Nations Global Compact and offer a gender-based perspective which allows ongoing initiatives to be measured and analyzed.

Siemens Gamesa backed the International Women's Day 2019 and joined all the world's women in their fight for equal rights and in celebrating the achievements of woman who have overcome the barriers that still exist. Unfair situations because of gender, e.g. gender violence, sexual violence and exclusion as well as gender pay gaps persist across the globe and women are still not present in equal numbers in business or politics.

The Diversity & Work Life Balance Strategy was approved by the Executive Committee in January 2019. The plan will help the company to cultivate diversity as an impactful and competitive advantage. It is designed to cover two phases: Phase 1 is about creating awareness; Phase 2 is focused on taking action. The objective of this plan is to design and share a new and common concept of diversity, to truly embrace it through different specific and global initiatives focused especially on gender, culture, inclusion, and work-life balance in the first two years.

As far as gender diversity on the Board of Directors' composition is concerned, Siemens Gamesa is close to the target of having a presence of women of at least 30% sitting on the Board by 2020, established in the "Policy on selecting Directors", approved by the Board of Directors on 23 September 2015. To this respect, the Company has 3 women on its Board of Directors, representing 23% of its members at 30 September 2019.

The share of female employees represents an overall 19% (18.79%) of the total workforce. By regions, women represent 21% in Europe, Middle East, Africa and in the Americas as well as 10% in Asia, Australia.

2.3.3. Keep persons motivated and committed to a culture of high performance, continuous learning during one's entire working life and possibilities for professional development.

Siemens Gamesa pursues improvement in people's quality of life and believes in social and professional development as a core component of our future success. The company aims to be an employer of choice by empowering and motivating all employees with a high-performance culture, life-long learning and development possibilities.

Siemens Gamesa's employment model is based on respect for and compliance with universal standards in both the human rights and labor legislation arenas. These commitments also find expression in work-life balance measures designed and implemented by Siemens Gamesa as a function of the diversity of its workforce and jobs.

The company offers professional development opportunities in the form of training and job experience, in a multicultural and multinational environment, which are the cornerstones on which Siemens Gamesa bases its talent

management cycle. The company also embeds cultural diversity, a commitment to combating discrimination and support for equal opportunities into management of its human capital.

Siemens Gamesa's organization focuses on continuous learning and uses the sharing of knowledge and personal development to drive cultural change to create opportunities for everyone, attract and retain talent, leading to the company's growth and a more sustainable world. Continuous learning also involves viewing mistakes to learn and develop, and we invest the time to do so.

In fiscal year 2019, 16,885 employees received training (68% of the total) with a cumulative number of training hours of 904,529 (619,257 hours in 2018). The training rate per employee in fiscal year 2019 was 36.9%.

In addition to global principles and programs, learning activities are also usually included as part of local collective bargaining agreements.

Considering all information under 2.3., it can be concluded that the Global Corporate Social Responsibility Policy has been duly fulfilled regarding this principle.

2.4. Principle 4: Contribute to sustainable development by reducing the environmental impact of the Company's activities and generating new solutions through innovation.

2.4.1. Contribute to the fight against climate change, playing a leading role in the renewable energy sector.

Climate change and resource scarcity are some of the greatest global challenges facing society today. To contribute to overcoming these challenges, the Siemens Gamesa Group has adopted a company-wide [Climate Change Policy](#), which was reviewed and approved by the Board of Directors on September 25, 2019. The policy enforces the company's intent to continue developing renewable energy technologies and promoting their uptake to achieve a global low-carbon energy generation model that not only reduces environmental impacts but also ensures a sustainable future for generations to come.

Siemens Gamesa has accepted the challenge of becoming carbon neutral by 2025. The motivation for accelerating the company's goal is driven by several factors: the growing climate awareness of management and employees; an early understanding that companies should be active in combating climate change by implementing more radical and innovative measures. The global roadmap for meeting the commitment – defined in the Climate Change Policy – included a combination of actions such as implementing energy reduction and efficiency measures, relying on electricity from renewable energy-based sources, developing a green mobility plan to reduce fleet emissions, and offsetting non-avoidable emissions through compensation projects. Not forgetting, Siemens Gamesa's products support our customer's efforts to reduce emissions: where our installed fleet of 99 GW abates 259 million tons of CO₂ emissions annually.

Becoming carbon neutral shall be a first milestone for Siemens Gamesa in its commitment to the Science Based Target initiative (SBTi): Eliminating the company's carbon footprint by 2050 entirely – with a reduced dependency on offsets. The commitment was made during the Global Climate Action Summit in 2018. The Science Based Targets Initiative (SBTi) is a collaborative initiative between the Carbon Disclosure Project, the United Nations Global Compact, World Resources Institute, the World Wild Life Fund for Nature, and the We Mean Business Coalition.

Total internal energy consumption amounted to 1,255,935 gigajoules in fiscal year 2019, leading to an estimated 51.36 gigajoules of energy consumption per employee and year.

Siemens Gamesa measures its direct and indirect emissions on an annual basis according to the requirements set forth in ISO 14064-1. The GHG emissions inventory is then published in the company's GHG emissions report, which is verified by a third party and made externally available. The Company's total emissions of CO₂-eq under Scope 1 and Scope 2 amounted to 70,698 tons CO₂-eq in fiscal year 2019.

This figure includes direct emissions (Scope 1) which amount to 26,437 tCO₂-eq caused by the combustion of materials for the generation of heat resources, as well as indirect emissions (Scope 2) derived from the purchase of electricity for the operation of own resources and services, amounting to 44,261 tCO₂-eq.

Siemens Gamesa's total water consumption in fiscal year 2019 amounted to 706,034 cubic meters. A total of 444 m³ of recycled water was used.

2.4.2. Contribute to the circular economy, both from the standpoint of rational use of resources and of responsible waste management.

Siemens Gamesa continuously works on improving the end-of-life phase. For example, the company offers extended lifetimes regarding both design and the lifetime extension programs. Alternative materials such as recyclable resins are also being investigated to improve the recyclability of the composite rotor blades. Modular wind turbine design is also an environmental benefit, since it eases dismantling and optimizes waste treatment methods.

Increasing the recyclability of turbine components is high on the company's agenda and Siemens Gamesa continuously takes part in projects to support the development of a circular economy. Some of the company's facilities are fully or partially dedicated to repairing components and returning them to operation (gearboxes, generators, electrical boards and even blades) in order to make progress toward a circular economy with the final aim of achieving cradle to-cradle solutions.

Environmental impacts from Siemens Gamesa's waste depend on the waste types generated and the waste treatment methods selected. Our waste performance indicators address absolute reductions in waste as well as improvements in waste treatment according to the waste hierarchy.

The waste generation and the management of waste is governed through an internal procedure for waste management that applies globally across Siemens Gamesa. The procedure defines the differentiation between hazardous and non-hazardous waste, being that this material arises directly from our production facilities and project sites. Waste generation is recorded from all significant locations monthly.

The total volume of waste amounted to 58,506 tons in the reporting period. The ratio of hazardous waste generation to non-hazardous waste generation is set up at 1:6.2, and the waste overall recycling rate was 77%.

2.4.3. Respect the natural environment, protect biodiversity and minimize impacts on ecosystems.

Siemens Gamesa products and services use certain natural resources (raw materials, water, fossil fuels and wind) to perform their function, thereby interacting with, and potentially affecting, ecosystems, landscapes and species. For example, this can occur when establishing new facilities or when constructing new wind power plants.

Potential impacts to biodiversity can include, for example: Potential land use changes by using vehicles and machinery to open paths and remove vegetation; prolonged human presence which temporarily affects the behavior of species of fauna in a generally reversible way; or potential species mortality due to collisions with our customers' wind turbines

Despite these potential impacts on biodiversity, Siemens Gamesa wind projects are constructed in a sustainable way that allows for a balanced coexistence, thus conserving and protecting natural assets, i.e. biodiversity and climate. This respect for biodiversity and ecosystems plays a leading role in the company's business strategy.

Protected areas and areas of high biodiversity value without protection are generally avoided during the planning stage of new infrastructures.

Potential environmental impacts are analyzed through a formal HSE aspects evaluation and by conducting environmental impact assessments beforehand, with measures to correct and minimize the impacts. In case that they cannot be completely mitigated, offsetting measures are taken.

Considering all information under 2.4., it can be concluded that the Global Corporate Social Responsibility Policy has been duly fulfilled regarding this principle.

2.5. Principle 5: Develop a responsible supply chain, ensuring responsible management through transparent, objective and impartial procedures with suppliers and providing customers with all relevant information on the services and products sold.

2.5.1. Maintain an ethical, honest and fair relationship with the supply chain.

Siemens Gamesa's message to suppliers is that they must share the common goal of behaving in an ethical, law-abiding manner. The group has therefore set a specific policy for governing supplier relations and contracting that provides a group-wide framework for the management and control of procurement activities: the Supplier Relationship Policy.

The Code of Conduct for Suppliers and Third-Party Intermediaries, Siemens Gamesa's foundation for sustainability when it comes to suppliers, (also commonly referred to as "the Code of Conduct"), is based on – among other things – the UN Global Compact and the principles of the International Labor Organization, the principles of the Rio Declaration on Environment and Development, the Electronic Industry Citizenship Coalition® Code of Conduct, WindEurope® Industry Principles and ISO standards. It also reflects the Siemens Gamesa internal Code of Conduct and Guidelines, which reinforces the fundamental principles of sustainability and applies companywide. It has established standards to ensure that working conditions in the company supply chain are safe, that workers are treated with respect and dignity, and that business operations with suppliers are ethical, social and environmentally responsible. The code is updated on a regular basis to reflect the standards of Siemens Gamesa in its operations with suppliers.

Siemens Gamesa purchased above €8.2 billion from approximately 17,900 tier-1 suppliers in fiscal year 2019. These suppliers have been impartially screened and assessed for high standards compliance with our excellence value.

Siemens Gamesa implemented a risk-based due diligence process to identify any areas of non-compliance of the Code of Conduct and highlight opportunities to promote improved performance. This includes systematic screening of new and existing suppliers through background checks and risk assessments associated with the sector and countries of operation. For example, reports from external providers provide us with information on geopolitical, commodity and financial risks. In case a red flag is raised, e.g. due to a risk of irresponsible or non-sustainable behavior, the supplier must go through one or more detection modules. These detection modules are: Sustainability Self Assessments, Supplier Evaluations, External Sustainability Audits, and Supplier Quality Audits with Sustainability scope.

If areas of non-conformance are identified, the supplier and Siemens Gamesa will collaborate and agree on an action plan consisting of appropriate improvement measures.

1,132 Sustainability Self-Assessments, 323 Quality Audits with Sustainability Questions and 130 External Sustainability Audits were conducted in fiscal year 2019. Siemens Gamesa assured that 78% of the purchasing volume (PVO) of high sustainability risk suppliers was covered by at least one of the detection modules above.

2.5.2. Establish long-term relationships with key suppliers, creating technological partners and contributing to common development.

Siemens Gamesa has a strong history of supplier excellence, built up over the years through sustainable relationships with our supplier and contractor base. Our company was built on top of very strong legacies that have consistently created positive value contribution with our suppliers and contributors. That's why sustainability will remain a key catalyst for the supply chain for Siemens Gamesa.

The principles followed by our supply chain support includes several key activities that have consistently created positive value with our suppliers and stakeholders, for example: the development of the local supply base adding highly technologically prepared and competitive partners, while contributing to local wealth creation; the improvement through development plans with suppliers to achieve world-class component design to reduce costs; and by creating opportunities for qualified suppliers to export to other regions based on their competitiveness.

All these activities are important contributors to internal activities such as the definition of commodity strategies, new product introduction and engineering change management.

Considering all information under 2.5., it can be concluded that the Global Corporate Social Responsibility Policy has been duly fulfilled regarding this principle.

2.6. Principle 6: Promote socially responsible actions within the of the Siemens Gamesa Group to achieve harmony between corporate values and social expectations.

2.6.1. Foster the economic and social development of the communities in which the Company has a presence, promoting higher levels of well-being through actions to cooperate with local development.

Siemens Gamesa assumes that its organization forms part of a social fabric that can strengthen its own capacity or, at times, condition and limit its development and competitiveness. Commitment to a more prosperous society is not only compatible with enduring business success but also interdependent with it. At Siemens Gamesa, our commitment to society is genuine and ongoing. Wealth creation and improved quality of life in the communities in which the company operates is a constant goal of Siemens Gamesa's commercial activity, supplemented by socioeconomic development through many of its non-business channels.

The Social Action Policy, reviewed and approved by the Board of Directors on September 25, 2019, is Siemens Gamesa's instrument to stimulate the business and sustainability thereof; improve the company's recognition and reputation; increase satisfaction among employees and partners; and to contribute to the improvement of the communities in which the Group operates.

In 2018, the company-wide employee and community engagement initiative 'SGRE impact' was launched to bring positive change to the communities in which Siemens Gamesa operates while heighten the engagement of employees. The initiative's project categories were based on the UN SDGs that are also featured in the Social Action Policy. The following projects were implemented and closed in fiscal year 2019:

- **BRAZIL: Sustainable Honey Production in North East Brazil (SDG 01 – No Poverty)**
- **DENMARK: Robot league for girls (SDG 05 – Gender Equality)**
- **INDIA: Positive Change: Building sanitary facilities (SDG 06 – Clean Water and Sanitation)**
- **INDIA: Siemens Gamesa Soccer League (SDG 03: Good Health and Well-Being)**
- **MOROCCO: Providing the driving force of all nature - Water! (SDG 06 – Clean Water and Sanitation)**
- **SPAIN: Business and Biodiversity (SDG 13 – Climate Change)**
- **THAILAND: Green Island (SDG 03 - Good Health and Well-Being)**
- **UNITED KINGDOM: How does wind energy work (SDG 04 – Quality Education)**

In fiscal year 2019, the Selection Committee chose nine projects in nine countries to be funded and implemented by end of fiscal year 2020:

- **CHINA: Wind People Running for kids with leukemia (SDG 03 - Good Health and Well-Being)**
- **BANGLADESH: Solar streetlights for refugee camps in Bangladesh (SDG 07 – Affordable and Clean Energy)**
- **THAILAND: Girls Empowerment Program (SDG 05 – Gender Equality)**
- **TAIWAN: Beach cleanup in central Taiwan (SDG 06 – Clean Water and Sanitation)**
- **USA: Elliott Test Kitchen (SDG 04 – Quality Education)**
- **MEXICO: Fab Lab Ed: (SDG 04 – Quality Education)**
- **GERMANY: A future through the sport that you love (SDG 04 – Quality Education)**
- **SPAIN: Save the Ocean (SDG 13 – Climate Action)**
- **TANZANIA: Dolphin village – water and sanitation (SDG 06 – Clean Water and Sanitation)**

Apart from the global corporate initiatives, Siemens Gamesa also encourages local teams to organize social action initiatives in their own communities and employees worldwide have shown an increased interest in volunteering for a good cause. These local social action initiatives are also chosen and implemented based on the company's Social Action Policy. Social action initiatives have also gained increasing traction when developing and executing wind farm projects together with customers.

Considering all information under 2.6., it can be concluded that the Global Corporate Social Responsibility Policy has been duly fulfilled regarding this principle.

3. Conclusion

Based on all that has been set out in this report, the General Secretariat concludes that Siemens Gamesa Renewable Energy has duly fulfilled the Global Corporate Social Responsibility Policy in fiscal year 2019.

For further information please also see the [Consolidated Non-Financial Statement 2019](#).