POLICY OF REMUNERATION OF DIRECTORS OF

SIEMENS GAMESA RENEWABLE ENERGY, S.A. **2022-2024**

January 2021

POLICY OF REMUNERATION OF DIRECTORS OF SIEMENS GAMESA RENEWABLE ENERGY, S.A. 2022-2024

1. Introduction

This document sets forth the Policy of Remuneration of Directors of SIEMENS GAMESA RENEWABLE ENERGY, S.A. ("**Siemens Gamesa**" or the "**Company**") approved by the shareholders at the 2021 Annual General Meeting of Shareholders as a separate item on the Agenda to replace, on its maturity date, the Policy of Remuneration of Directors approved by the shareholders at the Annual General Meeting of Shareholders held on 27 March 2019 and amended at the Annual General Meeting of Shareholders held on 22 July 2020, which expires in September 2021.

In relation to the procedure for approval of said Policy, subsection[1] two of section 529 *novodecies* of the Corporate Enterprises Act (*Ley de Sociedades de Capital* or "**LSC**")[2] establishes that the proposed remuneration policy for a board of directors must be reasoned and must be accompanied by a specific report from the appointments and remunerations committee.

The Policy of Remuneration of Directors (the "**remuneration policy**" or the "**policy of remuneration of directors**") shall apply to the following financial years: 1 October 2021 to 30 September 2022; 1 October 2022 to 30 September 2023; and 1 October 2023 to 30 September 2024.

The proposed remuneration policy and the reasoned report from the Appointments and Remunerations Committee (the "**ARC**" or the "**Committee**") are made available to the shareholders on the Company's website as from the call to the Annual General Meeting of Shareholders to be held on 17 March and 18 March, 2021, on first and second call, respectively, in accordance with the provisions of subsection two of section 529 *novodecies* of the LSC.

This policy of remuneration of directors contains the following sections:

- Principles of the remuneration policy.
- Process of determination, review and application of the remuneration policy.
- Policy of remuneration of directors in their capacity as such.
- Policy of remuneration of executive directors.
- Policy of remuneration applicable to new directors.

---

[1] The legal references in this remuneration policy might be subject to amendment due to the approval of the bill amending the restated text of the Corporate Enterprises Act, approved by Royal Legislative Decree 1/2010 of 2 July, and other financial regulations, as regards the encouragement of long-term shareholder engagement in listed companies.

[2] Royal Legislative Decree 1/2010, of 2 July, approving the restated text of the Corporate Enterprises Act.

- Relationship between the remuneration policy and the conditions for employees of the Company.

- Contribution of the remuneration policy to the strategy, interests and long-term sustainability of the Company.

- Quantitative limit of director remuneration.

- Effective period of the remuneration policy.

- Temporary exceptions to the remuneration policy.

2. Principles of the remuneration policy

The commitment of the members of the Board of Directors (the "**Board of Directors**" or the "**Board**") of Siemens Gamesa is essential for the successful fulfilment of the Company's strategy, and with this objective the ARC prepares and proposes to the Company's Board of Directors the policy of remuneration and the remuneration practices that apply to the members of the Board of Directors.

The remuneration of the members of Siemens Gamesa's Board of Directors is determined taking into consideration the provisions of: (i) the law applicable to corporate enterprises, specifically the LSC; (ii) article 45 of the By-Laws; (iii) article 29 of the Regulations of the Board of Directors of the Company; (iv) the resolutions adopted by the shareholders at the General Meeting of Shareholders; and (v) market practices in entities that are comparable by size, activity, complexity of business and geographic distribution of operations. This analysis normally relies on the support of outside consultants.

The remuneration system distinguishes between directors acting in their capacity as such from those performing executive duties within the Company.

The following general principles underpin the policy of remuneration of directors:

	Executive directors	Non-executive directors
Balance and prudence	●	●
Alignment with practices required by shareholders and investors	●	●
Transparency	●	●
Competitiveness of remuneration policy in terms of both structure and overall amount, in order to attract, motivate and retain key professionals	●	●
Alignment with the Company's strategic objectives	●	●
Alignment with the remuneration established by comparable companies (external equity)	●	●
Remuneration policies and practices guaranteeing non-discrimination on grounds of sex, age, culture, religion or race (internal equity)	●	●
Relationship with effective dedication to the position	●	●
Link to responsibility and performance of duties as directors	●	●
Maintenance of a reasonable balance among the various components of fixed remuneration (short-term) and variable remuneration (annual and long-term), reflecting an appropriate assumption of risks combined with the achievement of defined objectives linked to the long-term creation of sustainable value	●	
Absence of variable remuneration components in order to secure full independence		●
Remuneration offering an incentive without the amount thereof affecting their independence. It takes the form of a fixed monthly allowance and an attendance fee		●
Consideration of the conditions for employees of the Company in order to determine the remuneration policy	●	

The above principles are consistent with Siemens Gamesa's Corporate Governance Policy, published on the corporate website.

Said remuneration principles also comply with the general provisions for corporate enterprises established in the LSC and are in line with the principles and recommendations relating to director remuneration set forth in the Good Governance Code of Listed Companies published by the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) ("**CNMV**"), in terms of their fit with the size and importance of the company, its financial condition, comparability, profitability and sustainability, and in terms of not encouraging an excessive assumption of risks or rewarding unfavourable results.

Practices applied by Siemens Gamesa
Executive directors: ▪ Regular use of external advice. ▪ Deferred receipt of a significant portion of remuneration for a sufficient time to confirm effective compliance with performance or other previously established conditions. ▪ Delivery of a significant portion of remuneration in shares of the Company. The shares effectively received by virtue of the long-term variable remuneration plans should be retained until a specific amount of the annual fixed remuneration is reached. ▪ Establishing *malus* and clawback clauses applicable to long-term and annual variable remuneration so that said remuneration may ultimately amount to zero. ▪ Regular review of alignment of total remuneration with that of comparable companies so that the Company ensures that its directors are competitively remunerated. ▪ Linking of payment of a significant portion of remuneration to the pre-determined and quantifiable economic and financial results of the Company, aligned with the corporate interest and in line with the Company's strategic plan. ▪ As a general rule, no advances or loans granted. ▪ No discrimination in terms of remuneration on grounds of sex, age, culture, religion or race. Siemens Gamesa's professionals are remunerated based on their professional background, dedication and responsibility assumed. ▪ No guaranteed increases in fixed remuneration or guaranteed receipt of any variable remuneration. **Non-executive directors:** ▪ Linking of remuneration to duties and responsibilities assigned to each director, as well as to the dedication thereof to the Company. ▪ No participation in short- or long-term variable remuneration systems linked to the results of the Company or to individual performance (only fixed remuneration and attendance fees are received). ▪ No participation in pension plans, nor in retirement schemes.

3. Process of determination, review and application of the remuneration policy

3.1 Duties assumed by the Appointments and Remunerations Committee

The Company mainly relies on the input from the ARC to implement the determination, review and application of the remuneration policy.

The Regulations of the Appointments and Remunerations Committee, approved by the Board of Directors in accordance with the provisions of article 35 of the By-Laws, describe the powers assumed by this Committee including those relating to the remuneration of directors and top managers reporting directly to the Board of Directors. The participation of the ARC in the decision-making process with respect to the determination, application and review of the Policy of Remuneration is summarised below:

Determination of the remuneration policy
▪ Report on the policy of remuneration of directors in connection with the proposal thereof by the Board of Directors to the shareholders at the General Meeting of Shareholders.

Application of the remuneration policy
▪ Proposal to the Board of Directors of the system and amount of annual remuneration of directors, business CEOs or those performing Top Management duties and reporting directly to the Board of Directors, to executive committees or to the CEO, as well as proposal of individual remuneration and other basic terms and conditions of executive director contracts, including potential compensation or severance that may be established in the event of termination of the contractual relationship. ▪ Report on: • The CEO's proposal on the basic terms and conditions of top manager contracts and particularly on the remuneration structure applicable thereto, including any compensation or severance payable in the event of termination of the contractual relationship, submitting said proposal to the Board of Directors. In assessing the variable components, the ARC will evaluate in detail the level of compliance with the criteria and targets established for the achievement thereof. • Multi-annual general incentive systems and pension supplements. • Remuneration systems linked to the listing value of shares, or entailing the delivery of shares or of share options, for directors, members of Top Management. • Documents relating to information on remuneration to be approved by the Board of Directors for general dissemination. ▪ Verify the consistency of the remuneration policy with the Company's short-, medium- and long-term situation and strategy and with market conditions, in order to assess whether it contributes to the creation of long-term value and to adequate risk control and management.

Review of the remuneration policy
▪ Procure compliance with the policy of remuneration of directors and review, on an annual basis, that the remuneration policy is properly implemented, reporting to the Board of Directors on the outcome of said review. ▪ Verify that payments are not made to directors and members of Top Management that are not provided for in the remuneration policy.

3.2 Duties assumed by the Board of Directors and its Committees

It is for the Board of Directors to set the individual remuneration of each director upon a prior report from the ARC, as well as to evaluate the level of achievement of the targets to which the variable remuneration is linked upon a proposal from the ARC, subject to prior validation thereof by Siemens Gamesa's Internal Audit area.

It is also for the Board of Directors to determine the individual remuneration of each director for the performance of their executive duties, in accordance with the provisions of their contract and upon a prior report from the ARC.

Without prejudice to the foregoing, the Board of Directors shall in any case exercise the remuneration policy powers assigned thereto by the LSC, the By-Laws and the Regulations of the Board of Directors.

3.3 Measures intended to prevent or manage conflicts of interest

As established by the Company in its Corporate Governance Policy, the directors have the duty to avoid situations of conflict of interest, which, as an expression of the duty of loyalty, means that the directors have the obligation to adopt such measures as may be necessary to avoid situations in which their own interests or those of third parties might come into conflict with the corporate interest and with the duties that they are required to fulfil pursuant to law and the Corporate Governance Rules, as well as the obligation to notify the Company of any situations in which they have a conflict of interest.

This duty also includes (i) the director's obligations to submit for prior authorisation their transactions with companies of the Siemens Gamesa Group and to notify the Company of any circumstance or situation that is relevant to their work as a director, and (ii) prohibitions for the directors on using Company's assets to obtain a financial advantage for their own.

4. Policy of remuneration of directors in their capacity as such

The key elements of the policy of remuneration of directors in their capacity as such are broken down below.

In accordance with the provisions of article 45.3 of the By-Laws and section 217 of the LSC, the shareholders at the General Meeting of Shareholders held on 8 May 2015 approved the remuneration corresponding to the directors in their capacity as such, pursuant to the remuneration criteria and items set forth below and within the maximum limit of three (3) million euros. Said limit, which shall remain in effect until the shareholders at the General Meeting of Shareholders resolve to amend it, is in any case a maximum limit.

It is for the Board of Directors to distribute the amount thereof among the items established, in accordance with article 29 of the Regulations of the Board and based on the following criteria, among others:

a) the positions held by each director on the Board of Directors;

b) the director's membership on delegated bodies of the Board of Directors; and

c) the duties and responsibilities assigned to each director, as well as their dedication to the Company.

Pursuant to the provisions of the By-Laws and the Regulations of the Board of Directors, the aforementioned remuneration is compatible with and independent of that established for members of the Board of Directors who perform executive duties, which is not subject to the quantitative limit mentioned above. However, this remuneration policy does not include the possibility of the CEO receiving any amount for the items described in Table 1 below.

Table 1. Policy of remuneration of directors in their capacity as such

	Limits	Implementation
Fixed Remuneration for membership on the Board of Directors Aim: To properly remunerate the director for the dedication that the position demands, but without reaching levels that compromise the independence of the director.	**Maximum:** €80,000 per annum per director.	Paid on a monthly basis.
Fixed Remuneration for membership on the committees of the Board of Directors Aim: To remunerate the director for dedication to committees of the Board of Directors.	**Maximum:** ▪ Chairman of the Audit, Compliance and Related Party Transactions Committee: €80,000 per annum. ▪ Chairman of other committees: €60,000 per annum. ▪ Member of the Audit, Compliance and Related Party Transactions Committee: €60,000 per annum. ▪ Member of other committees: €40,000 per annum.	The amounts are annual, regardless of the number of committee meetings held during the financial year. Paid on a monthly basis.
Lead Independent Director (does not currently exist) Aim: To suitably remunerate the director for the additional dedication that the position demands.	**Maximum:** An additional €20,000 per annum.	Paid on a monthly basis.
Fees for attendance at meetings of the Board of Directors and committees thereof Aim: To remunerate the director for personal and effective attendance at meetings of the Board of Directors and committees thereof.	**Maximum:** Board of Directors: ▪ Chairman: €2,000 per meeting held. ▪ Member: €2,000 per director and meeting held. Committees of the Board of Directors: ▪ Chairman: €3,800 per meeting held. ▪ Member: €2,000 per director and meeting held.	Fees for attendance at meetings of the Board and of the committees thereof are paid for the personal and effective attendance of each director at each meeting held. Attendance at meetings of the Board and of its committees may occur in person or by video-conference. In the case of attendance by approved remote means of communication, other than video-conference, the attendance fees shall be 50% of the corresponding amount. There is no right to an attendance fee if a proxy is granted. Paid on a monthly basis.

Chairman of the Board of Directors Aim: To suitably remunerate the director for the dedication that the position demands, the special level of responsibility, and the skills and experience required to perform the role.	The Chairman of the Board of Directors shall not receive either the Fixed Remuneration established for membership on the Board of Directors or the Fixed Remuneration established for membership on the committees of the Board of Directors, only receiving a specific annual Fixed Remuneration amount of €250,000 per annum, together with the fees for attendance at meetings of the Board of Directors and at any meetings of the committees thereof.	Higher remuneration has been established for the Chairman of the Board of Directors than for the other Board members in view of the special dedication required. Paid on a monthly basis.
Vice Chair of the Board of Directors (does not currently exist) Aim: To suitably remunerate the director for the dedication that the position demands, the special level of responsibility, and the skills and experience required to perform the role.	The Vice Chair of the Board of Directors shall not receive either the Fixed Remuneration established for membership on the Board of Directors or the Fixed Remuneration established for membership on the committees of the Board of Directors, only receiving a specific annual Fixed Remuneration amount of €150,000 per annum, together with the fees for attendance at meetings of the Board of Directors and at any meetings of the committees thereof.	Higher remuneration has been established for the Vice Chair of the Board of Directors than for the other Board members in view of the special dedication required. Paid on a monthly basis.

The remunerations described in this table may be revised. In any case, annual adjustments shall be made within the maximum annual limit for the Board as a whole.

The members of the Board of Directors have the ability to waive collection of the items of remuneration described above.

Directors, in their capacity as such, may receive, as their fixed additional remuneration, shares of the Company, which may be delivered annually or at the end of the director’s term of office, said delivery being in any case subject to the shares being held until cessation in office as directors, by application of the provisions of the CNMV's Good Governance Code. In any case, and in compliance with the requirements set forth in section 219 of the LSC, the delivery of the shares shall require a corresponding resolution of the shareholders acting at a General Meeting of Shareholders, which must include the maximum number of shares that may be assigned in each financial year to this remuneration system, the value of any shares taken as a reference and the duration of the remuneration system. The amount allocated to the share remuneration system shall in any case be included within the maximum amount of remuneration of the directors in their capacity as such, which is set at three (3) million euros, approved by the shareholders at the General Meeting of Shareholders, or any amount approved by the shareholders at subsequent General Meetings of Shareholders.

Additionally, directors may receive the premiums paid by the Company corresponding to policies purchased from insurance companies for the coverage of death and disability benefits. The sum insured for each director amounts to 220,000 euros pursuant to the terms and conditions of the policy.

The Company has also contracted civil liability insurance for all its directors (including executive directors) on customary market conditions and in proportion to the circumstances of the Company.

The policy of remuneration of directors in their capacity as such:

1. Does not provide for the provision of loans, advances or guarantees created by the Company in favour of the non-executive members of the Board of Directors.

2. Does not provide for the possibility of including contributions to pension-related benefit systems.

3. Does not establish compensation in relation to the termination of their relationship with the Company due to their status as non-executive directors, or the granting of additional remuneration other than that included above.

5. Policy of remuneration of executive directors

The only director who currently has executive duties within the Company is the CEO.

The policy of remuneration of the CEO of Siemens Gamesa contemplates the following remuneration system.

5.1 CEO remuneration policy

Table 2. CEO remuneration policy

	Amount	Implementation
Fixed components of remuneration		
Fixed Remuneration in cash Aim: To provide compensation in view of level of responsibility and professional background.	**Amount:** €717,500. **Standard general update:** The Fixed Remuneration in cash may be annually revised based on the criteria approved from time to time by the ARC, including performance and continuity in the position, evolution of the Company's results, complexity of the business, geographic diversity, market benchmarks, etc., although at no time shall the annual increase exceed 3% of the Fixed Remuneration in cash for the immediately preceding year. Any increase shall take into account the Company's financial situation and market standards at comparable companies obtained via comparative analyses conducted by specialised external consultants. Without prejudice to the foregoing and even if it is not initially contemplated during the effective period of this remuneration policy, said increase may be higher in exceptional circumstances, provided the Company deems it necessary to facilitate the retention of the	The fixed remuneration is established in accordance with responsibility and leadership within the organisation and in line with the remuneration paid on the market at comparable companies. For the performance of executive duties, the Company pays the CEO the amount corresponding to Social Security payments.

	CEO as a key officer at the Company. In this case, information shall be provided regarding the increase applied and the reasons therefor in the corresponding Annual Report on Remuneration of Directors, which will be submitted to a binding vote by the shareholders at the General Meeting of Shareholders. Even if the update occurs on the above-described terms, the ARC must always provide reasons therefor.	
Long-Term Savings Scheme Aim: To offer a global remuneration package that is competitive with market practice.	The Company may implement benefits schemes in which the CEO participates. The CEO is a beneficiary of group life insurance. The annual contribution amounts to a total of €166,500 (representing 23.2% of the CEO's annual Fixed Remuneration in cash), and changes are not expected during the effective period of this remuneration policy. However, this amount will be subject to possible updates insofar as market circumstances so recommend. Any increase shall take into account the company's financial condition and market standards at comparable companies obtained via comparative analyses conducted by specialised external consultants. Details of the amounts corresponding to these systems will be included in the corresponding Annual Report on Remuneration of Directors.	This is a defined-contribution plan that covers the contingencies of retirement, disability, death, dependence of the participant and exceptional cashflow circumstances (long-term unemployment, serious illness, etc.). The benefit consists of the right to receive accumulated contributions made by the Company in favour of the CEO plus the returns accrued as a consequence of the occurrence of any of the covered contingencies. In the event of cessation of the CEO at the Company on grounds other than the contingencies covered under the plan, the CEO shall have the right to the entirety of the accumulated balance, unless the contractual relationship is terminated due to any of the following circumstances: (i) criminal conviction or regulatory sanction on grounds attributable to the participant; (ii) serious breach of the internal rules of Siemens Gamesa or of the Group; or (iii) fraudulent or grossly negligent conduct of the participant in the performance of his duties. The receipt of any severance payment to which the CEO may be entitled due to the termination of his contractual relationship with the Company shall not exclude the recognition of the balance accumulated as a result of the CEO's participation in the Long-Term Savings Scheme.
Company Benefits Aim: To offer a global remuneration package that is competitive with market practice.	The CEO may be a beneficiary of certain benefits that include the coverage of health and accident contingencies through the acquisition by the Company of the corresponding insurance, and the assignment of the right to use a vehicle, in accordance with the Company's policy for top-level senior managers.	Supplement in kind under the item of company benefits. Details of the amounts corresponding to this item will be included in the corresponding Annual Report on Remuneration of Directors.

	Amount	Metrics	Implementation
Variable components of remuneration			
Annual Variable Remuneration Aim: To incentivise achievement of the annual objectives in line with Siemens Gamesa's strategic plan.	**Minimum Threshold for achievement of objectives:** In order to determine the amount to be received under this item, an achievement scale will be established for each metric that will include a minimum objective achievement threshold below which no incentive will be paid. **Target Amount:** 100% of Fixed Remuneration in cash. This will be reached in the event of 100% achievement of the pre-established objectives. **Maximum Amount:** 200% of Fixed Remuneration in cash in case of outstanding performance of the objectives of the metrics.	Linked to the achievement of a combination of specific, pre-determined and quantifiable quantitative and qualitative objectives, aligned with the Company's interest and in line with Siemens Gamesa's strategic plan, as well as the results of the Company. These objectives may be related to the performance of financial indicators (e.g. EBIT pre-PPA and I&R costs, free cash flow before interests and taxes, order intake, etc.); non-financial indicators (e.g. corporate social responsibility, Health and Safety through a Total Recordable Incident Rate, corporate governance, etc.); and individual indicators (e.g. leadership effectiveness, project LEAP progress, etc.).	At the start of each financial year, the ARC reviews the conditions of the annual variable remuneration system applicable to the CEO, including the structure, maximum remuneration levels, established objectives and weight of each of them, in view of the company's strategy and business needs and situation. Said review is then submitted to the Board of Directors for approval. The annual variable remuneration is paid wholly in cash. Details of the information regarding this item will be included in the corresponding Annual Report on Remuneration of Directors. The annual variable remuneration system will contemplate the corresponding *malus* clause, which will apply for the term and until the payment thereof, and clawback clause.

	Amount	Metrics	Implementation
Long-Term Incentive Plans Aim: To foster the CEO's commitment to the Company and its strategic plan, linking part of his remuneration to the creation of shareholder value as well as the sustainable achievement of Siemens Gamesa's strategic objectives, so that his remuneration is aligned with: (i) the Company's interests, promoting its long-term sustainability; and (ii) best market practices in terms of remuneration. In addition, the Company seeks to offer a competitive remuneration package to the CEO by means of the long-term incentive plans.	The CEO participates in the 2021-2023 Long Term Incentive Plan subject to compliance with the terms and conditions approved at the General Meeting of Shareholders for each of the Cycles in which he participates as a beneficiary.[3] This 2021-2023 Long Term Incentive Plan will be paid out in shares. **Target Amount:** 100% of Fixed Remuneration in cash. **Maximum Amount:** 200% of the target Incentive in case of outstanding performance of the objectives of the metrics. However, the value of the shares to be received by the CEO deriving from each of the Cycles of the Plan, may not under any circumstances exceed the following limits: (i) three times the target Incentive assigned in each Cycle of the Plan, or (ii) 1.7 times the total target compensation assigned (meaning the total target compensation the compensation composed by the Fixed Remuneration in cash, the Annual Variable Remuneration and the target Incentive assigned during each Cycle of the Plan). **Minimum Threshold for achievement of objectives:** No incentive will be paid below a minimum level of achievement of the objectives for metrics to	Metrics: ▪ Earnings per Share ("**EPS**"). ▪ TSR ratio of Siemens Gamesa compared to the TSR of the company Vestas Wind System A/S. ▪ Sustainability (Dow Jones Sustainability Index). ▪ Customer satisfaction valuation (Net Promoter Score). ▪ Employee Engagement. The weightings for the metrics will be determined for each of the Cycles of the Plan by the Board of Directors, following a favourable report of the Appointments and Remunerations Committee. The sum of the weighting of the metrics for Sustainability, Net Promoter Score and Employee Engagement may not exceed 30 per cent under any circumstances.	The Company will assign a certain amount to serve as the basis to in turn grant a particular number of Stock Awards, which will serve as a reference to determine the final number of shares to be delivered. The Plan includes the delivery of Company shares linked to the achievement of certain long-term objectives to contribute to the Company's sustainability. The Plan is structured into three (3) independent Cycles with a measurement period of three (3) years for each Cycle. ▪ FY2021 Cycle: from 1 October 2020 to 30 September 2023. ▪ FY2022 Cycle: from 1 October 2021 to 30 September 2024. ▪ FY2023 Cycle: from 1 October 2022 to 30 September 2025. Under general conditions, the shares will be delivered, if applicable, within sixty calendar days following the date on which the Board of Directors formulates the annual accounts for the financial year, in order to determine the level of achievement of the targets for each Cycle. The shares deriving from the Plan to be delivered to the CEO, net of any applicable taxes, will be subject to a holding period until reaching a number of shares equal to two and one-half (2.5) times Fixed Remuneration in cash. The Plan contemplates the corresponding *malus* clauses, which shall be applicable for the term and

[3] At the same General Meeting of Shareholders at which this remuneration policy is submitted for approval, a new long-term incentive plan is submitted for approval for the period covering financial years 2021 to 2023. The text containing the main features of the new long-term incentive plan is included in the proposed resolution 11 relating to the Annual General Meeting of Shareholders to be held on 17 March and 18 March 2021, on first and second call, respectively.

	Amount	Metrics	Implementation
	be determined for each Cycle by the Board of Directors following a report from the Appointments and Remunerations Committee.		until the delivery of shares thereof, and claw-back clause applicable during three years thereafter.

The content described in the Long-Term Incentive Plans section is subject to possible changes that could take place after the relevant approval of the General Meeting of Shareholders.

Furthermore, at the date of the approval of this remuneration policy, the CEO continues to participate in other previous incentive plan, the Long-Term Incentive Plan 2018-2020 and, therefore, during the term of this policy he could be awarded additional remunerations in shares resulting from the number of Stock Awards which he might receive as a result of his participation in this Plan. The term of the last FY2020 Cycle of such Plan ends on 30 September 2022, which conditions and features were approved by virtue of a resolution adopted by the General Meeting of Shareholders, detailed in the remuneration policy that is replaced by this remuneration policy, as well as in the annual report on remuneration of directors of the Company.

In addition to the foregoing, the Board of Directors may decide to implement new long-term incentive plans that include the CEO among their participants. In any case, the participation of the CEO in any long-term incentive plan that includes the delivery of shares or options on shares, or remuneration linked to the value of the shares, shall require a resolution of the shareholders acting at a General Meeting of Shareholders, pursuant to the provisions of section 219 of the LSC.

5.2 Remunerative mix for the CEO

The CEO's remunerative mix is made up of fixed elements (Fixed Remuneration in cash, Long-Term Savings Scheme and Company Benefits) and variable elements (Annual Variable Remuneration and Long-Term Incentive Plans).

The CEO has a fully flexible variable remuneration system that responds appropriately to the results achieved. The relative importance of the CEO's variable remuneration means that depending on the CEO's individual performance and level of achievement of the objectives established for accrual thereof, the combined annual variable remuneration and long-term variable remuneration may be greater than the fixed components of remuneration. In this regard, the CEO's target annual variable remuneration in the short- and long-term represents 66.6% of his total annual remuneration (sum of annual Fixed Remuneration in cash, Annual Variable Remuneration and annualised variable remuneration arising from the Long-Term Incentive Plans, excluding the amounts corresponding to Long-Term Savings Schemes and Company Benefits).

5.3 Ex-post control of variable remuneration of executive directors

The ARC shall have the power to propose to the Board of Directors the cancellation, suspension ("malus" clause) or return ("clawback" clause) of the payment of the annual variable remuneration as well as of any other incentive resulting from the Long-Term Incentive Plans ("**LTIP**") when extraordinary circumstances arise that adversely affect the income and/or the financial position of the Company, or that would be caused by the inappropriate conduct of the Director.

5.3.1 "Malus" clause

The ARC may propose the application of this clause in any situations where it deems appropriate. In this sense, the cancellation or suspension of the payment of the annual variable remuneration as well as of any other incentive resulting from the Long-Term Incentive Plans may be applied, as an example, under any of the following circumstances:

a) Restatement of the Company's financial statements as a result of the Director's management, in relation to the financial year on which the annual variable remuneration is calculated, or to one of the years of a Cycle of a LTIP, except when the restatement is appropriate based on an amendment of accounting rules or standards.

b) Qualified opinions appearing in the auditor's report issued for the financial year on which the annual variable remuneration is calculated, or for one of the years of a Cycle of a LTIP.

c) If the Company has unplanned negative "net income" (adjusted by unforeseen impacts resulting from restructuring and/or mergers or acquisitions/disposals), in the financial year on which the annual variable remuneration is to be calculated, or in two consecutive years of measurement of the objectives for each Cycle of the LTIP, or in the last year of measurement of the objectives of each Cycle of a LTIP.

d) If the Company has a significant deviation from the budgeted "net financial debt" of the year on which the annual variable remuneration is to be calculated, or of the last year of the LTIP Cycle (considering as adjustments, where applicable, payments of dividends or mergers and acquisitions).

   References to "net financial debt" shall be interpreted according to the corresponding definitions of the Alternative Performance Measures used from time to time by Siemens Gamesa in its public financial reporting.

e) Regulatory sanctions or judicial convictions on grounds attributable to the Director.

f) Director's serious breach of internal codes of conduct or policies approved by the Company or the Group.

g) Justified dismissal on disciplinary grounds or, in the case of commercial contracts, just for cause attributable to the Director at the Company's request.

h) Any other situation that entails an infringement of mandatory rules of the Company by the Director.

5.3.2 “Clawback” clause

During the three years immediately following the payment of the annual variable remuneration as well as of any other incentive resulting from the Long-Term Incentive Plans (the “**Look-Back Period**”, the Board of Directors, following a favourable report from the ARC, may require the Director to return an amount of up to 100% of the value of the payment or delivery of shares made, or even compensate such return with other compensation of any nature that the Director is entitled to receive.

The ARC may propose the application of this clause in any situations it deems appropriate. These circumstances include, among others, the following:

a) Restatement of the Company’s financial statements as a result of the Director’s management, in relation to the year for which the variable remuneration was paid, or to one of the years of a Cycle of a LTIP, except when the restatement is appropriate based on an amendment of accounting rules or standards.

b) When it appears that calculation and payment of annual variable remuneration or the settlement of one Cycle of a LTIP was based, in whole or in part, on information the serious inaccuracy or falsity of which is subsequently clearly demonstrated, or risks assumed during the year for which the variable remuneration was paid, or during one of the years of a Cycle of a LTIP materialise, or other exceptional circumstances not foreseen or assumed by the Company arise, that have a material adverse effect on the results of any of the years in the Look-Back Period.

c) Negative “net income”, as defined in the “malus” clause, in the three years following the payment of the annual variable remuneration or of the settlement of a Cycle of a LTIP attributable to management during the years in which the annual remuneration or the incentive were generated.

d) Regulatory sanctions or judicial convictions on grounds attributable to the Director.

e) Director’s serious breach of internal codes of conduct or policies approved by the Company or the Group.

f) Any other situation that entails an infringement of mandatory rules of the Company by the Director.

The “malus” and “clawback” clauses shall apply to both serving Directors and to Directors who would have left the Company and who would maintain any variable remuneration remaining to be settled, or who would have received any annual variable remuneration or any variable remuneration from a Cycle of a LTIP in the last three years.

The ARC may propose to the Board of Directors that adjustments be made to the elements, criteria, thresholds and limits of variable remuneration in view of exceptional circumstances due to extraordinary internal or external factors or events. It shall be for the Board of Directors, upon a prior report from the ARC and, if applicable, from the Audit, Compliance and Related Party Transactions Committee, to determine the application of the "malus" and "clawback" clauses and the amounts and concepts on which to apply the clauses.

The details of and rationale for said adjustments shall be included in the corresponding Annual Report on Remuneration of Directors.

5.4 Contractual terms and conditions for the CEO

The contract governing the performance of the CEO's duties and responsibilities is commercial and permanent in nature and includes the clauses that it is customary practice to include in this type of contract.

The main severance, exclusivity and non-compete clauses in the aforementioned CEO's contract are described in summary form below, in two tables:

Table 3. Severance pay in case of termination of contractual relationship

	Termination by the Company	Voluntary termination by the CEO
Notice	Contractual three (3) months' advance notice. In the case of voluntary termination of the contract, the party wishing to terminate the contractual relationship must give the other three (3) months' notice before the date on which the termination is to become effective. If the duty to provide notice is breached, the breaching party must indemnify the other in an amount corresponding to the CEO's Fixed Remuneration in cash approved for the relevant financial year and on a pro rata basis according to the period for which no notice was given.	
Severance pay	Termination of the contractual relationship. The severance pay shall be equivalent to one (1) year's Fixed Remuneration in cash of the CEO. The severance pay shall not apply if the termination occurs as a result of fraudulent or grossly negligent conduct of the CEO in the performance of his duties that causes harm or loss to the Company.	Termination of the contractual relationship. No severance pay is provided if the CEO voluntarily terminates the contract. If the CEO decides to terminate his relationship with Siemens Gamesa due to a serious and culpable breach by the Company or a substantial amendment to his duties for reasons not attributable to the CEO, he shall have the right to receive the same severance pay established for cases of termination by the Company.

Table 4. Confidentiality, post-contractual non-compete and exclusivity

	Implementation
Confidentiality	The Regulations of the Board of Directors establish the duty of directors to observe the confidentiality obligation arising from the duty of loyalty established under the LSC, observing the rules of conduct determined by the LSC and by the Corporate Governance Rules. The CEO is subject to this duty of confidentiality both during the term of his contract and after termination thereof.
Post-contractual non-compete	The post-contractual non-compete agreement means that after termination of the contract and for a period of one (1) year after said termination for any reason, the CEO may not provide services, whether directly or indirectly, on his own behalf or for a third party, by himself or through any third party, that entail competition with companies of Siemens Gamesa or any of the companies of the Siemens Gamesa Group. In compensation, Siemens Gamesa undertakes to pay the CEO an amount equal to one (1) year's Fixed Remuneration in cash, payable 50% on termination of the contract with the Company and the remaining 50% six (6) months after termination. In his capacity as a director of Siemens Gamesa, the CEO also has a non-compete obligation to the Company, on the terms that said obligation of the Company's directors is governed by the LSC and the Regulations of the Board of Directors.
Exclusivity	The professional relationship is exclusive unless the Board of Directors expressly approves otherwise having assessed the case.

6. Policy of remuneration applicable to new directors

6.1 New executive directors:

The remuneration system described above for the CEO shall apply to any director who joins the Board of Directors to perform executive duties during the effective period of this remuneration policy.

Table 2 of this remuneration policy describes the elements to consider in designing and establishing the remuneration system for new executive directors. For these purposes, after hearing the ARC's recommendation, the Board of Directors may establish different remuneration for new executive directors based on the Company's interest; in this case, it shall particularly take into account the person's remuneration level before joining the Company, the duties and responsibilities assigned thereto, his/her professional experience, market remuneration for the position and any other factors that it believes appropriate to take into account, which shall be duly reflected in the corresponding contract to be signed between the Company and the new executive director.

In this respect, the ARC shall provide a rationale for the new remuneration taking into account the following factors, among others:

- The applicable law from time to time in effect with respect to the remuneration of members of the Board of Directors who perform executive duties.
- The provisions of the By-Laws, the Regulations of the Board of Directors and the Company's Corporate Governance Policy.

- The principles established in section 2 of this remuneration policy that are applicable to the executive director.

- Market data and guidelines from institutional investors and proxy advisors, as well as information received therefrom during the consultation process carried out by Siemens Gamesa.

- The remuneration policy for new appointments may establish the co-existence of more than one executive director, each having different duties and responsibilities.

6.2 New non-executive directors:

In the event of new non-executive members joining the Board of Directors during the effective period of this remuneration policy, the remuneration system described in Table 1 above shall apply thereto.

7. Relationship between the remuneration policy and the conditions for the employees of the Company

The remuneration policy applicable to the Company's employees has been taken into account in order to establish the CEO's remuneration conditions described in this policy of remuneration of directors.

The CEO's remuneration system is aligned with that of the Company's other employees, insofar as it is intended to remunerate the value that they contribute to the Company, sharing the following principles:

- The remuneration package that Siemens Gamesa offers envisages, together with a fixed remuneration, the existence of variable remunerations which can be of a multi-year nature, as well as the existence of other possible corporate benefits.

- A significant portion of total remuneration is variable, and its receipt is linked to the achievement of individual and company objectives that are aligned with the Company's strategy.

- Non-discrimination on grounds of sex, age, culture, religion or race is guaranteed in the application of the remuneration practices and policies. In this respect, professionals are remunerated in accordance with their level of responsibility, leadership and performance within the organisation, encouraging the attraction of talent and the retention of key professionals.

8. Contribution of the remuneration policy to the strategy, interests and long-term sustainability of the Company

The driving principle of the Mission, Vision, and Values of the Siemens Gamesa Group is its commitment to the sustainable creation of value in the performance of all of its activities for society, its professionals, its customers, its suppliers, its shareholders and other stakeholders. The vision of Siemens Gamesa is to be the global leader in the renewable energy industry, driving the transition towards a sustainable world. Our values "results orientation", "customer focus", "innovativeness", "impactful leadership", "ownership attitude" and "valuing people" are the foundation on which our culture is based. In this regard, the ultimate goal of this remuneration policy is to help develop the Mission, Vision and Values of the Siemens Gamesa Group such that the remuneration of the Company's directors is in line with the dedication, effort and responsibility assumed, taking into consideration the Company's desire to be a global leader. Taking into account that its Directors and employees are Siemens Gamesa's most valuable asset, the remuneration policies have as main focus the attraction, retention and motivation of the best talent.

In order to support the business, strengthen the global strategy of the businesses and obtaining competitive advantages in such management aspects in which Siemens Gamesa will work during the following years, Siemens Gamesa offers its Directors and workforce a fair and competitive compensation package.

In connection with the above, this remuneration policy represents the instrument that contributes to provide the leadership ecosystem that the Company needs in order to make sure that it can count on the best leaders so that it is able to fulfil the objectives of its business strategy, taking at all times into account the principles set out in section 2 above.

9. Quantitative limit on director remuneration

The maximum amount of remuneration that the Company can annually pay to its directors as a whole shall be the sum of:

- The amounts for the items indicated in section 5.1 above, which remunerate the CEO for the performance of executive duties, and any amounts that remunerate the performance of executive duties by new directors.

- An amount of three (3) million euros, approved by the shareholders at the General Meeting of Shareholders, for the directors as a whole in their capacity as such, or such amount as may be approved by the shareholders at subsequent General Meetings of Shareholders.

In the event of cessation in office of the CEO or of any other executive directors, the amount to which they are entitled pursuant to the provisions of their contractual terms and conditions as stated in section 5.4 above must be added to the above-described amounts.

The maximum amount described in this section shall remain applicable during the effective period of this remuneration policy unless the shareholders decide to amend it at a future General Meeting of Shareholders.

10. Effective period of the remuneration policy

If approved by the shareholders at the Annual General Meeting of Shareholders, the Company shall apply this policy of remuneration of directors during the three financial years following the year of its approval, i.e. during the financial years ending in September 2022, September 2023 and September 2024. In accordance with the provisions of the aforementioned section 529 *novodecies* of the LSC, any amendment or replacement of the policy during the effective period thereof shall require the prior approval of the shareholders at the General Meeting of Shareholders.

11. Temporary exceptions to the remuneration policy

Upon a proposal from the ARC, Siemens Gamesa's Board of Directors may approve the application of temporary exceptions to the remuneration policy, which shall in any event be limited to those exceptional situations in which it is necessary to disapply the policy in order to serve the long-term interests and sustainability of the Company as a whole or in order to ensure its viability.

The remuneration components set forth in sections 5.1 and 6.1 of the remuneration policy shall be the only components subject to exception, thereby preventing the allocation of guaranteed extraordinary remuneration.

The procedure described below shall be followed in the event of occurrence of any circumstances that justify the application of said temporary exceptions:

- The ARC shall issue a report assessing the circumstances and specific types of remuneration, from among those established in sections 5.1. and 6.1., which would be subject to modification.

- The ARC may obtain the opinion of an external third party in order to prepare the report.

- In view of the conclusions of the report, the ARC would prepare, if applicable, the proposal for exceptional application to be submitted to the Board of Directors.

In any event, the Company shall take into consideration the principles of section 2 and shall provide adequate information in the corresponding Annual Report on Remuneration of Directors regarding the exceptional situation that has led the Board of Directors to approve the application of the temporary exception, as well as the component or components that are subject to said exception.