

Audit Report on Consolidated Financial Statements
issued by an Independent Auditor

SIEMENS GAMESA RENEWABLE ENERGY, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the fiscal year ended
September 30, 2021



AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of SIEMENS GAMESA RENEWABLE ENERGY, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of SIEMENS GAMESA RENEWABLE ENERGY, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at September 30, 2021, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the fiscal year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at September 30, 2021 and of its financial performance and its consolidated cash flows, for the fiscal year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition on construction contracts

Description	<p>Siemens Gamesa Renewable Energy Group conducts a significant portion of its business under construction contracts. Revenue recognition for such contracts is recognized in accordance with IFRS 15, <i>Revenue from Contracts with Customers</i>, generally by applying the percentage-of-completion (“PoC”) method.</p> <p>We consider the accounting for construction contracts to be an area with a significant risk of material misstatement (including the potential risk of management override of internal controls) and, accordingly, a key audit matter, because management’s estimates significantly impact the determination of the extent of progress towards completion. These estimates include, in particular, the scope of deliveries and services required to fulfill contractually defined obligations, total estimated contract costs, remaining cost to complete the contract, total estimated contract revenues as well as contract risks, including technical, regulatory, political and legal risks.</p> <p>Revenue, total estimated contract costs and profit recognition may deviate significantly from original estimates based on new or additional information, among others, about cost overruns and changes in project scope over the term of a construction contract.</p> <p>Revenue recognition according to the POC method requires Group management to make significant estimates regarding the planned revenues and costs, as well as the margin and the percentage of completion for each contract. Since revenues are recognized based on the estimates in each period, there is a high degree of management judgement involved. Furthermore, similar to previous year, the effects of the coronavirus pandemic (COVID-19) impacted significantly in these estimates, what required the evaluation of the accounting treatment of circumstances such as delays in project execution, access restrictions or short-term interruptions to supply chain as well as the application of law clauses related to compensation for damages or contractual penalties for delays in delivery. For these reasons, we have considered this matter as a key audit matter for our audit.</p> <p>The disclosures regarding revenue recognition on construction contracts are presented in the attached notes to the consolidated financial statements under note 3.U “Accounting principles and policies and key judgments and estimates”. The disclosures regarding contracts with clients are presented under note 10 “Customer contracts” and disclosures regarding provisions for impending order related losses and other risks are presented under note 18 “Provisions”.</p>
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Our response Our audit procedures have included, among others, the following:

- ▶ We obtained an understanding of the Group’s established methods, processes and internal control mechanisms for project management in the bid and execution phases of construction contracts. In this regard, we assessed the design and operating effectiveness of the accounting-related internal controls by obtaining an understanding of business transactions specific to construction contracts from the initiation of the transaction through presentation in the consolidated financial statements, and testing controls over these processes.

- ▶ As part of our substantive audit procedures, we evaluated management's estimates and assumptions based on the selection of a sample of contracts, selected considering both the significance of the contract volumes and the related risk, applying analytical review procedures to identify unusual elements in the margins obtained throughout the execution of project. Our sample particularly included projects that are subject to significant future uncertainties and risks, such as fixed-price or turnkey projects, projects with complex technical requirements or with a large portion of materials or services to be provided by suppliers, subcontractors, cross-border projects, projects in regions particularly affected by COVID-19 pandemic and projects with changes in cost estimates, delays and/or low or negative margins.
- ▶ We also reviewed a sample of contracts, evaluating their terms and conditions including contractually agreed partial deliveries and services, termination rights, penalties for delay and breach of contract as well as liquidated damages.
- ▶ We further performed inquiries of project management with respect to the development of the projects for which they are responsible, including the effects of COVID-19 on project execution, the reasons for deviations between planned and actual costs, the estimated costs to complete the projects and current costs, and management's assessment on probabilities that contract risks will materialize. Moreover, we obtained evidence from third parties for the selected projects (for example, documentation of project acceptance, contract conditions, lawyer confirmations for alleged breaches of contract and claims made).
- ▶ We have reviewed the disclosures included in the notes of the consolidated financial statements in accordance with the applicable financial information regulatory framework.

Provisions for warranties, including legal, quality or project-related matters

Description The accounting for provisions for warranties, including legal, quality or project-related matters is a key audit matter. The area is particularly uncertain and requires estimates that could significantly influence the recognition and measurement of respective provisions and thus, the financial position and results of Group operations. The uncertainties and the judgmental areas refer mainly to the expected failure rates, expected repair costs, complexity of the necessary repair or replacement work, the expected period of cash outflows, the discount rates and estimated probability and potential magnitude to determine if a provision is required to account for the risks. As a consequence, there is significant judgement associated with the provisions to cover these risks.

The Company's disclosures regarding the accounting treatment of provisions are presented in the attached notes to the consolidated financial statements in note 3.K "Accounting principles and policies and key judgments and estimates". The Company's disclosures regarding provisions are presented in note 18 "Provisions".

Our response Our audit procedures have included, among others, the following:

- ▶ We obtained an understanding of the Group's internal control environment, processes and mechanisms for the calculation and the accounting of warranty provisions, including legal, quality or project-related matters. We assessed the design and the effectiveness of the internal controls related to the recognition and measurement of provisions, identification of the obligation and the process of monitoring the evolution of the provision, including the deviation analysis in the assumptions considered in the calculations and their actual and expected future use.
- ▶ We performed a general analytical review of the movement of the different existing provisions, obtaining evidence and supporting documentation that corroborate our expectations and management's responses to our inquiries and that provide an understanding of the reasons and factors that resulted in the most significant variations and deviations.
- ▶ In addition, we performed substantive audit procedures, both, on the model and methodology used by management, with the support of our specialists, and through the selection of a sample of provisions based on quantitative and risks criteria.
- ▶ For the selected sample of projects, we reviewed the supporting documentation of the reasonableness of the provisions, validating the consistency with the most up-to-date internal technical reports and, when available, also with the conclusions of internal and external advisors on the most significant technical issues. In addition, we compared the expected failure rates and the expected average repair costs with the actual values incurred and reviewed the updates made in the related warranty provisions, focusing our review on the expected failure rates, the expected repair costs and expected cash outflows for the period, as well as the discount rates. For the planned repair costs, we made inquiries through interviews with the project managers evaluating their reasonableness based on the actual costs incurred.
- ▶ We have inquired internal legal advisors and compliance responsible and have had access to written confirmations and reports, prepared by management, internal legal advisors and, if deemed necessary, external legal advisors regarding the closed and pending investigations, that might lead to legal proceedings, claims, and potential regulatory non-compliance, all of this, with the aim to evaluate the scope and result of the assessment performed by management (see note 18 in the accompanying consolidated financial statements) in relation with the probability and potential magnitude of the related risks and also in relation with the definition, if any of provisions to be registered and disclosures to be included in the notes of the consolidated financial statements.
- ▶ We have reviewed the disclosures included in the notes of the consolidated financial statements in accordance with the applicable financial information regulatory framework.

Measurement at fair value and net realizable value

Description The accounting treatment of measurement of fair value and net realizable value is a key audit matter as the Group has a significant amount of goodwill, intangible assets and inventories. The measurement of these matters is particularly uncertain and requires estimates that could significantly influence the amounts accounted for and thus the financial position and results. The uncertainties and judgmental estimates particularly concern assessing the fair value of these assets according to IFRS 13.

In addition, goodwill and intangible assets with an indefinite-life must be tested for impairment on an annual basis by determining the recoverable amount of these assets, being the higher of value-in-use and fair value less costs to dispose. This requires significant judgements on current market conditions such as future price expectation as well as expected growth rates, the timing of future cash flows and the most appropriate discount and long-term growth rates. As a consequence, there is significant judgement regarding the measurement of fair value and net realizable value of these assets.

The Company's disclosures regarding the accounting treatment of measurement of fair value and net realizable value are presented in note 3 "Accounting principles and policies and key judgments and estimates" of the accompanying consolidated financial statements. The information disclosed regarding fair value measurements is presented in note 4 "Acquisitions, dispositions and discontinued operations". Likewise, the information related to the main assumptions used in the impairment test is described in note 12 "Goodwill".

Our response Our audit procedures have included, among others, the following:

- ▶ We have obtained an understanding of the Group's internal control methodology, processes and mechanisms for fair value assessment.
- ▶ In relation to the impairment tests performed for goodwill and intangible assets, we validated the key assumptions used by management with external market data where possible. With the assistance of our valuation specialists, we verified the calculation methodology applied with regard to the discounted cash flow model used in determining the recoverable amounts of the assets and the requirements according to IFRS 13. Furthermore, we analysed whether the assumptions and judgmental estimates used in determining the future cash flows as well as the parameters used are in line with the accounting treatment.

We also inquired management and challenged the judgements made to assess the parameters used and the estimated cash flows. Additionally, we recalculated the models used to support the recoverable amount of the assets and reconciled expected future cash flows, among other, with internal business plans. We inquired management of the key assumptions and obtained evidence for the explanations provided by comparing key assumptions to market data, underlying accounting records, past performance and forecasts.
- ▶ We also tested management's sensitivity analyses around key assumptions i.e. average future growth rate, long-term average growth rate and discount rate applied for the segments and challenged management on the outcomes of the assessment.
- ▶ In addition, we verified that inventories are measured at the lower of cost or net realizable value if lower. In addition, we assessed the reasonability of the quantity risks, technical risks and price risks used by management to calculate the inventory net realizable value. We also inquired management and challenged the judgements made regarding future price estimates, the potential project pipeline related to these inventories and the assessment of technical obsolescence used to determine the realizable value.
- ▶ We have reviewed the disclosures included in the notes of the consolidated financial statements in accordance with the applicable financial information regulatory framework.

Other information: consolidated management report

Other information refers exclusively to the 2021 consolidated management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

- a) Checking only that the consolidated non-financial statement and certain information included in the Corporate Governance Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b) Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2021 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of SIEMENS GAMESA RENEWABLE ENERGY, S.A. and subsidiaries for the 2021 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of SIEMENS GAMESA RENEWABLE ENERGY, S.A. are responsible for submitting the annual financial report for the 2021 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation).

Our responsibility consists of examining the digital files prepared by the directors of the parent company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee of the Parent company on November 24, 2021.

Term of engagement

The ordinary general shareholders' meeting held on March 17, 2021 appointed us as auditors of the Group for 1 year, commencing on September 30, 2020.

Previously, we were appointed as auditors by the shareholders for 7 year and we have been carrying out the audit of the consolidated financial statements continuously since the year ended December 31, 2014.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signature on the original in Spanish)

Miguel Mijangos Oleaga
(Registered in the Official Register of
Auditors under No. 22691)

November 24, 2021



**Siemens Gamesa Renewable Energy, S.A. and subsidiaries
composing the SIEMENS GAMESA Group**

Consolidated Financial Statements and Consolidated Management's
Report for the year ended September 30, 2021



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APPENDIX

MANAGEMENT REPORT FOR THE YEAR ENDED SEPTEMBER 30, 2021

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (Note 37).

CONSOLIDATED BALANCE SHEETS AS OF SEPTEMBER 30, 2021 AND 2020 (Thousands of euros)

Assets	Note	09.30.2021	09.30.2020 (*)
Cash and cash equivalents	6	1,960,607	1,621,793
Trade and other receivables	7	900,612	1,142,313
Other current financial assets	8	238,616	212,077
Receivables from SIEMENS ENERGY Group	29	5,439	631
Contract assets	10	1,468,240	1,537,953
Inventories	11	1,626,846	1,820,137
Current income tax assets		208,495	197,543
Other current assets	19	519,713	398,108
Total current assets		6,928,568	6,930,555
Goodwill	12	4,634,593	4,562,386
Other intangible assets	13	1,650,658	1,779,989
Property, plant and equipment	14	2,578,543	2,237,891
Investments accounted for using the equity method	15	78,492	66,353
Other financial assets	8, 16	212,078	234,573
Deferred tax assets	26	539,129	525,631
Other assets		8,134	4,127
Total non-current assets		9,701,627	9,410,950
Total assets		16,630,195	16,341,505
Liabilities and equity			
Financial debt	8, 17	381,721	434,313
Trade and other payables		2,899,603	2,956,372
Other current financial liabilities	8	180,352	126,666
Payables to SIEMENS ENERGY Group	29	21,583	8,121
Contract liabilities	10	3,386,478	3,170,912
Current provisions	18	949,097	715,269
Current income tax liabilities		201,272	180,208
Other current liabilities	19	709,287	735,199
Total current liabilities		8,729,393	8,327,060
Financial debt	8, 17	1,785,662	1,236,095
Post-employment benefits	20	21,409	19,862
Deferred tax liabilities	26	171,423	225,253
Provisions	18	1,323,851	1,443,274
Other financial liabilities	8	113,083	126,324
Other liabilities	21	26,906	28,775
Total non-current liabilities		3,442,334	3,079,583
Issued capital	22.A	115,794	115,794
Share premium	22.B	5,931,874	5,931,874
Unrealised asset and liability revaluation reserve	22.C	26,327	(8,745)
Retained earnings		(855,943)	(232,577)
Treasury shares, at cost	22.E	(15,836)	(23,929)
Currency translation differences		(745,032)	(848,323)
Non-controlling interest	23	1,284	768
Total equity		4,458,468	4,934,862
Total liabilities and equity		16,630,195	16,341,505

(*) Adjusted figures as of September 30, 2020 (Note 2.E).

The accompanying Notes from 1 to 37 are an integral part of these Consolidated Financial Statements.

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (Note 37).

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020 (Thousands of euros)

	Note	Year ended 09.30.2021	Year ended 09.30.2020 (*)
Revenue	24, 28.A	10,197,818	9,483,209
Cost of sales		(9,933,049)	(9,592,899)
Gross profit		264,769	(109,690)
Research and development expenses	13	(292,391)	(231,403)
Selling and general administrative expenses		(492,200)	(624,374)
Other operating income		19,119	14,069
Other operating expenses		(21,625)	(6,178)
Income (loss) from investments accounted for using the equity method, net	15	9,867	(2,509)
Interest income	28.F	12,251	10,109
Interest expenses	28.G	(50,854)	(66,430)
Other financial income (expenses), net	28.H	(2,389)	(2,307)
Income from continuing operations before income taxes		(553,453)	(1,018,713)
Income tax	25	(72,456)	99,754
Income from continuing operations		(625,909)	(918,959)
Income from discontinued operations, net of income taxes		-	-
Net income		(625,909)	(918,959)
Attributable to:			
Non-controlling interests	23	731	(781)
Shareholders of Siemens Gamesa Renewable Energy, S.A.	24	(626,640)	(918,178)
Earnings per share in euros (basic and diluted)	33	(0.92)	(1.35)

(*) Figures presented for comparative purposes only.

The accompanying Notes from 1 to 37 are an integral part of these Consolidated Financial Statements.

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (Note 37).

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020 (Thousands of euros)

	Note	Year ended 09.30.2021	Year ended 09.30.2020 (*)
Net income		(625,909)	(918,959)
Items that will not be reclassified to Profit and Loss			
Remeasurements of defined benefit plans	20	2,104	(4,173)
Tax effect	26	(431)	709
Items that may be subsequently reclassified into Profit and Loss			
Currency translation differences		103,291	(384,062)
Derivative financial instruments	22.C	63,639	(671)
Tax effect	22.C, 26	(16,320)	(4,238)
Amounts transferred to Profit and Loss			
Derivative financial instruments	22.C	(17,798)	(175)
Tax effect	22.C, 26	5,551	859
Other comprehensive income, net of taxes		140,036	(391,751)
Total comprehensive income		(485,873)	(1,310,710)
Attributable to:			
Non-controlling interests	23	731	(781)
Shareholders of Siemens Gamesa Renewable Energy, S.A.		(486,604)	(1,309,929)

(*) Figures presented for comparative purposes only.

The accompanying Notes from 1 to 37 are an integral part of these Consolidated Financial Statement

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (Note 37).

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020

(Thousands of euros)

	Note	Issued capital	Share premium	Unrealised asset and liability revaluation reserve	Retained earnings	Treasury shares, at cost	Currency translation differences	Non-controlling interests	Total equity
Balances as of October 1, 2019		115,794	5,931,874	(4,520)	712,833	(21,616)	(464,261)	2,701	6,272,805
Total comprehensive income for the year ended September 30, 2020		-	-	-	(918,178)	-	-	(781)	(918,959)
Other comprehensive income, net of income taxes		-	-	(4,225)	(3,464)	-	(384,062)	-	(391,751)
Dividends		-	-	-	(35,152)	-	-	(523)	(35,675)
Share-based payments	3.R,22.F	-	-	-	8,913	-	-	-	8,913
Treasury shares transactions	3.P,22.E	-	-	-	2,442	(2,313)	-	-	129
Other changes in equity		-	-	-	29	-	-	(629)	(600)
Balances as of September 30, 2020 (*)		115,794	5,931,874	(8,745)	(232,577)	(23,929)	(848,323)	768	4,934,862
Balances as of October 1, 2020		115,794	5,931,874	(8,745)	(232,577)	(23,929)	(848,323)	768	4,934,862
Total comprehensive income for the year ended September 30, 2021		-	-	-	(626,640)	-	-	731	(625,909)
Other comprehensive income, net of income taxes		-	-	35,072	1,673	-	103,291	-	140,036
Dividends		-	-	-	-	-	-	(473)	(473)
Share-based payments	3.R,22.F	-	-	-	9,626	-	-	-	9,626
Treasury shares transactions	3.P,22.E	-	-	-	(8,093)	8,093	-	-	-
Other changes in equity		-	-	-	68	-	-	258	326
Balances as of September 30, 2021		115,794	5,931,874	26,327	(855,943)	(15,836)	(745,032)	1,284	4,458,468

(*) Figures presented for comparative purposes only.

The accompanying Notes from 1 to 37 are an integral part of these Consolidated Financial Statements.

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (Note 37).

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED SEPTEMBER 30, 2021 AND 2020 (Thousands of euros)

	Note	Year ended 09.30.2021	Year ended 09.30.2020 (*)
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before taxes		(553,453)	(1,018,713)
Adjustments to reconcile income before taxes to cash flows from operating activities			
Interest (Income) expenses, net	28.F, 28.G, 28.H	40,992	58,628
Amortization, depreciation and impairments	13, 14	757,139	844,197
Other (Income) losses from investments		(185)	12,467
Other non-cash (income) expenses		12,484	(1,701)
Change in operating net working capital			
Contract assets		74,437	289,791
Inventories		207,545	(48,460)
Trade and other receivables		278,578	117,314
Trade and other payables		(105,586)	336,143
Contract liabilities		187,067	373,018
Change in other assets and liabilities		29,118	(133,417)
Income taxes paid		(134,138)	(172,103)
Dividends received	16	345	780
Interest received		6,837	6,052
CASH FLOWS FROM OPERATING ACTIVITIES		801,180	663,996
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to intangible assets and property, plant and equipment	13, 14	(676,755)	(601,285)
Acquisitions of businesses, net of cash acquired	4	-	(177,094)
(Purchase) Sale of investments		(1,967)	(14)
Disposal of intangible assets and property, plant and equipment		42,739	28,795
CASH FLOWS FROM INVESTING ACTIVITIES		(635,983)	(749,598)
CASH FLOWS FROM FINANCING ACTIVITIES			
(Purchase) Sale of treasury shares	22.E	-	129
Debt with financial institutions and other obligations	17	275,679	249,223
Lease liabilities	17	(88,861)	(102,343)
Dividends paid		(473)	(35,675)
Interest paid		(45,544)	(53,804)
CASH FLOWS FROM FINANCING ACTIVITIES		140,801	57,530
EFFECT OF FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS			
		32,816	(77,592)
CHANGE IN CASH AND CASH EQUIVALENTS			
		338,814	(105,664)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD			
		1,621,793	1,727,457
CASH AND CASH EQUIVALENTS AT END OF PERIOD			
		1,960,607	1,621,793

(*) Figures presented for comparative purposes only.
The accompanying Notes from 1 to 37 are an integral part of these Consolidated Financial Statements.

Siemens Gamesa Renewable Energy, S.A. and subsidiaries composing the SIEMENS GAMESA Group

Explanatory notes to the Consolidated Financial Statements for the year ended September 30, 2021

1. FORMATION OF THE GROUP AND ITS ACTIVITIES

A. GENERAL INFORMATION

The Consolidated Financial Statements present the financial position and the results of operations of Siemens Gamesa Renewable Energy, S.A. (hereinafter, “the Company” or “SIEMENS GAMESA”), whose corporate address is located at Parque Tecnológico de Bizkaia, Building 222, Zamudio (Bizkaia, Spain), and its subsidiaries (together referred to as “the Group” or “the SIEMENS GAMESA Group”).

The SIEMENS GAMESA Group specialises in the development and construction of wind farms, as well as the engineering solutions, design, production and sale of wind turbines. The corporate purpose of the Company is to promote and foster companies, and to do so it may carry out the following operations:

- a. The subscription and purchase of shares or stocks, or of securities that can be converted into these, or which grant preferential purchase rights of companies whose securities are listed or not in national or foreign stock exchanges;
- b. The subscription and purchase of fixed-income securities or any other securities issued by companies in which they hold a stake, as well as the granting of participatory loans or guarantees; and
- c. To directly provide advisory services and technical assistance to the companies in which it holds a stake, as well as other similar services related to the management, financial structure and production or marketing processes of those companies.

These activities will focus on promotion, design, development, manufacture and supply of products, installations and technologically advanced services in the renewable energy sector.

All the activities comprising the aforementioned corporate purpose can be undertaken both in Spain and abroad, and can be carried out completely or partially, in an indirect manner, through the ownership of shares or stocks in companies with the same or similar purpose.

The Company will not undertake any activity for which the laws require specific conditions or legal limitations, unless these conditions or limitations are exactly fulfilled.

Its activities are divided into two business segments: (i) Wind Turbines and (ii) Operation and Maintenance. The Wind Turbines segment offers wind turbines for various pitch and speed technologies, as well as provides development, construction and sale of wind farms. The Operation and Maintenance segment is responsible for the management, monitoring and maintenance of wind farms.

In addition to the operations carried out directly, SIEMENS GAMESA is the head of a group of subsidiaries that engage in various business activities and which compose, together with the Company, the SIEMENS GAMESA Group. Therefore, in addition to its own separate Financial Statements, the Company is obliged to present Consolidated Financial Statements for the Group including its interests in joint ventures and investments in associates. The companies that are part of the Group are listed in the Appendix. The Group’s corporate structure does not directly reflect the segments since a significant part of the companies are multi-segment (that is, they carry out activities in both segments).

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of a discrepancy, the Spanish-language prevails (Note 37)

The SIEMENS GAMESA Group's Consolidated Financial Statements for the year ended September 30, 2021 have been issued for approval by the Directors in the Board of Directors held on November 23, 2021.

The Company's Bylaws and other public information of the Company are available on the website www.siemensgamesa.com and at its corporate address.

The SIEMENS GAMESA Group prepares and reports its Consolidated Financial Statements in thousands of euros. Due to rounding, numbers presented may not add up precisely to the provided totals.

B. ACQUISITION OF THE EUROPEAN ONSHORE SERVICES BUSINESS AND THE WIND TURBINE BLADE PRODUCTION BUSINESS OF SENVION

On October 20, 2019, Senvion GmbH i.L. and Siemens Gamesa Renewable Energy Eólica, S.L. Unipersonal (S.L. *Unipersonal*, hereinafter, "S.L.U") signed an Investment Agreement to acquire the Operation and Maintenance business in Europe (Senvion Deutschland GmbH) and certain assets of the wind turbine blade production business (Siemens Gamesa Renewable Energy Blades, S.A., previously Ria Blades, S.A., Note 2.C) from Senvion.

On January 9, 2020, Siemens Gamesa Renewable Energy Eólica, S.L.U acquired all the shares of Senvion Deutschland GmbH (Senvion European Onshore Services), which is the entity that owns the carved-out European onshore service business of Senvion and certain additional assets associated to the business, including certain related intellectual property.

On April 30, 2020, Siemens Gamesa Renewable Energy, S.A. (hereinafter, "SGRE Portugal") acquired all the shares of Siemens Gamesa Renewable Energy Blades, S.A., the entity which owns and operates a wind turbine blades production facility in Vagos (Portugal) and certain additional assets associated to said business.

The shares were transferred free of any security, encumbrances or charges of any nature whatsoever.

The acquisitions were consummated after the fulfilment of all the closing conditions, such as the consent of the competent authorities, the implementation of the carve-out, the completion of full security release and the operational readiness of the relevant target entities.

These acquisitions are in line with SIEMENS GAMESA's Group strategy to grow its multibrand service business, its production capacities and strengthen SIEMENS GAMESA Group's competitive position in Europe. As stipulated in the Investment Agreement, the overall price to be paid in cash for the shares of Senvion Deutschland GmbH and Siemens Gamesa Renewable Energy Blades, S.A. amounted to EUR 200 million, subject to closing accounts confirmation adjustments. The closing accounts related adjustment mechanism for working capital, debt, maintenance cost and order backlog deviations since June 30, 2019 until January 9, 2020 had different caps leading to a maximum overall price to be paid by the SIEMENS GAMESA Group of EUR 215 million, in case of positive adjustments, and a minimum overall cash consideration of EUR 180 million, in case of negative adjustments, considering that the SIEMENS GAMESA Group could be entitled to further obtain, under certain circumstances, up to EUR 10 million of additional current assets, without change in the consideration paid.

The price adjustment amount, within the established limits, has been resolved in the month of March 2021, once the term for the confirmation of the closing accounts has elapsed, and is referred to the transaction as a whole. The total price has amounted to EUR 182 million, having recognized negative adjustments in the closing accounts confirmation, reaching the price floor. Likewise, the allocation of the resulting total price to the different parts of the transaction has been completed (Note 4). The breakdown of the consideration paid has been EUR 122 million for the Senvion European Onshore Services business and EUR 60 million for the wind turbine blade production business in Vagos of Senvion. These amounts were paid during fiscal year 2020.

C. DIVESTMENT OF IBERDROLA PARTICIPACIONES S.A. UNIPERSONAL

On effective date February 5, 2020, Iberdrola Participaciones, S.A. Unipersonal (S.A. *Unipersonal*, hereinafter, "S.A.U") ceased to be a SIEMENS GAMESA shareholder as detailed in Note 1.C of the Consolidated Financial Statements for the year ended September 30, 2020.

D. SIEMENS ENERGY AG

As described in the Note 1.D of the SIEMENS GAMESA Group Financial Statements for the year ended September 30, 2020, the SIEMENS GAMESA shares held by SIEMENS AG and subsidiaries (hereinafter, "the SIEMENS Group") were transferred during fiscal year 2020 to the SIEMENS ENERGY Group.

SIEMENS ENERGY AG (hereinafter, "SIEMENS ENERGY") shares are listed since September 28, 2020 on the Frankfurt Stock Exchange.

E. ENVIRONMENTAL INFORMATION

In view of the business activities carried out by the SIEMENS GAMESA Group, it does not have any environmental responsibilities, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position and results. Therefore, the SIEMENS GAMESA Group does not include any specific disclosures relating to environmental matters in the accompanying Consolidated Financial Statements.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND BASIS OF CONSOLIDATION

A. BASIS OF PRESENTATION

These Consolidated Financial Statements have been prepared in accordance with the International Financial Reporting Standards (hereinafter, "IFRS") adopted by the European Union.

It should be noted that in these Consolidated Financial Statements any information or disclosure which has not been considered material due to the lack of qualitative and quantitative relative importance, in accordance with the concept of Relative Importance, defined in the Conceptual Framework of IFRS, has been omitted.

B. BASIS OF CONSOLIDATION

Subsidiaries

The Consolidated Financial Statements include the Financial Statements of SIEMENS GAMESA and its subsidiaries. Subsidiaries are all entities, which are controlled by SIEMENS GAMESA. The Group controls an entity when it is exposed, or has rights to variable returns from its involvement in the entity and has the capacity to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and they are out of the scope from the date that there is loss of control.

Associated companies

Associates are companies over which SIEMENS GAMESA has the capacity to exercise significant influence regarding operating and financial policies (generally through direct or indirect ownership of 20% to 50% of the voting rights). Associated companies are recorded in the Consolidated Financial Statements using the equity method and are initially recognized at cost (Note 15). SIEMENS GAMESA's share of its associate's post-acquisition profits or losses is recognized in the Consolidated Statement of Profit and Loss, and its share of post-acquisition changes in

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of a discrepancy, the Spanish-language prevails (Note 37)

equity that have not been recognized in the associate's profit or loss is recognized directly in equity. The cumulative post-acquisition changes are adjusted against the carrying amount of the investment in the associate.

Significant influence is deemed not to exist in specific cases where, although SIEMENS GAMESA holds more than 20% of the voting rights, the absence of significant influence can be clearly demonstrated. Significant influence is deemed to exist when the SIEMENS GAMESA Group has the power to influence on the financial and operating policies of an investee.

Joint ventures

Joint ventures are entities over which SIEMENS GAMESA and one or more parties have joint control. Joint control requires unanimous consent of the parties sharing control in decision making on relevant activities. The Group records its stakes in joint ventures using the equity method (Note 15).

In the Appendix of these Consolidated Financial Statements a list of SIEMENS GAMESA's subsidiaries, joint ventures and associates, together with the consolidation or measurement method used in preparing the accompanying Consolidated Financial Statements and other relevant information is disclosed.

Business combinations

The cost of an acquisition is measured at the fair value of the assets acquired and liabilities incurred or assumed at the date of the business combination. Identifiable assets acquired and liabilities assumed in a business combination (including contingent liabilities) are initially measured at their fair values at the acquisition date, regardless of the extent of any non-controlling interest.

Non-controlling interests are measured at the proportional fair value of assets acquired and liabilities assumed (partial Goodwill method).

If there is no loss of control, transactions with non-controlling interests are accounted for as equity transactions not affecting profit and loss. At the date control is lost, any retained equity interest is remeasured at fair value.

In case of a written put option on non-controlling interests the Company assesses whether the prerequisites for the transfer of present ownership interest are fulfilled at the Consolidated Balance Sheet date. If the Company is not the beneficial owner of the shares underlying the put option, the exercise of the put option will be assumed at each balance sheet date and treated as an equity transaction among shareholders with the recognition of a purchase liability at the respective exercise price.

The non-controlling interests participate in profits and losses during the period.

Foreign currency translation

Assets and liabilities of foreign subsidiaries, where the functional currency is other than the euro, are translated using the spot exchange rate at the end of the period, while the Consolidated Statement of Profit and Loss is translated using the average exchange rate for the period. Differences arising from such translations are recognized within equity and reclassified to net income when the gain or loss on disposal of the foreign subsidiary is recognized.

C. CHANGES IN THE SCOPE OF CONSOLIDATION

During the years ended September 30, 2021 and 2020, the following changes have taken place in the consolidation scope:

The following entities have been constituted or acquired:

Fiscal year 2021

Constituted / acquired company	Holding company of the investment	% of shareholding
Enerfarm 3 Single Member SA Renewable Energy Sources (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Titán, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Oberón, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Venus, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Mercurio, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Marte, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Neptuno, S.L (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Plutón, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Júpiter, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Saturno, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Urano, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Energiaki Voursana Single Member Societe Anonyme (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Energiaki Platorrhais Single Member Societe Anonyme (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Energiaki Kleidi Single Member Societe Anonyme (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Siemens Gamesa Renewable Energy K.K. (Japon)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Sistemas Energéticos Erbania 1, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Erbania 2, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
SPV Parco Eolico Tramontana, S.R.L. (Italia)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%

Fiscal year 2020

Constituted / acquired company	Holding company of the investment	% of shareholding
Energiaki Mavrovoliniou Idiotiki Kefaleolichiki Eteria (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	99.9%
Energiaki Mavrovoliniou Idiotiki Kefaleolichiki Eteria (Greece)	Siemens Gamesa Renewable Energy Invest, S.A.U	0.1%
Siemens Gamesa Renewable Energy Djibouti SARL (Djibouti)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Energiaki Velanidas Single Member Anonymos Etairia (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Energiaki Mesovouniou Single Member Anonymos Etairia (Greece)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%

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Constituted / acquired company	Holding company of the investment	% of shareholding
Siemens Gesa Renewable Energy Soluciones Técnicas, S. de R.L. de C.V. (Mexico)	Siemens Gamesa Renewable Energy Europa, S.L.U	99%
Siemens Gesa Renewable Energy Soluciones Técnicas, S. de R.L. de C.V. (Mexico)	Siemens Gamesa Renewable Energy Eólica, S.L.U	1%
Senvion Deutschland GmbH (Germany) (*)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Senvion UK Limited (United Kingdom) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion France S.A.S (France) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion Italia S.r.L. (Italy) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion Austria GmbH (Austria) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion Polska Sp.z.o.o (Poland) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion Scandinavia AB (Sweden) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion Portugal Unipessoal, Lda. (Portugal) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Senvion d.o.o. Beograd (Serbia) (*)	Senvion Austria GmbH	100%
Siemens Gamesa Renewable Energy Digital Services, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Siemens Gamesa Renewable Energy Blades, S.A. (Portugal) (*)	SGRE Portugal	100%
SPV Parco Eolico Aria del Vento, S.r.L. (Italy)	Siemens Gamesa Renewable Energy Italy, S.P.A.	100%
Siemens Gamesa Renewable Energy Real Estate GmbH & Co. KG (Germany)	Siemens Gamesa Renewable Energy, S.A.	100%
Sistemas Energéticos Eolo, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Céfiro, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Siroco, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Boreas, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Argestes, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Terral, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Ábrego, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Gregal, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%

(*) Notes 1.B and 4.

The following entities have been dissolved:

Fiscal year 2021

Dissolved company	Holding company of the stake	% of shareholding
Siemens Gamesa Renewable Energy Poland Sp. z o.o. (Poland) (*)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Siemens Wind Power SpA (Chile) (*)	Siemens Gamesa Renewable Energy, S.A.	100%
Siemens Gamesa Renewable Energy Ibérica, S.L.U (Spain)	Siemens Gamesa Renewable Energy, S.A.	100%
Siemens Gamesa Renewable Energy New Zealand Limited (New Zealand)	Siemens Gamesa Renewable Energy Eólica S.L.U	100%

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Dissolved company	Holding company of the stake	% of shareholding
Siemens Gamesa Renewable Energy II Service Unipessoal, Lda. (Portugal) (*)	Siemens Gamesa Renewable Energy Service GmbH	100%
Siemens Gamesa Renewable Energy Japan, K.K. (Japan)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Siemens Gamesa Renewable Energy Wind SARL (France) (*)	Siemens Gamesa Renewable Energy, S.A.S	100%
Siemens Gamesa Renewable Energy Service S.R.L. (Italy) (*)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%

(*) Dissolution without liquidation due to the merger with other Group companies.

Fiscal year 2020

Dissolved company	Holding company of the stake	% of shareholding
Glenouther Renewables Energy Park Limited (United Kingdom)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Adwen UK Limited (United Kingdom)	Adwen Offshore, S.L.U	100%
Siemens Gamesa Renewable Energy Belgium BVBA (Bélgica)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Bargrennan Renewable Energy Park Limited (United Kingdom)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Nuevas Estrategias de Mantenimiento, S.L. (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	50%
Siemens Gamesa Renewable Energy Canada ULC (Canada)	Siemens Gamesa Renewable Energy Eólica, S.L.U	100%
Adwen France SAS (France)	Adwen Offshore, S.L.U	100%
Siemens Gamesa Turkey Yenilenebilir Enerji Anonim Sirketi (Turkey)	Siemens Gamesa Renewable Energy Eólica, S.L.U	99%
Siemens Gamesa Turkey Yenilenebilir Enerji Anonim Sirketi (Turkey)	Siemens Gamesa Renewable Energy Innovation & Technology, S.L.U	1%
EBV Holding Verwaltung GmbH (Germany) (*)	Siemens Gamesa Renewable Energy GmbH & Co KG	100%
Windfarm Groß Haßlow GmbH (Germany) (*)	Siemens Gamesa Renewable Energy GmbH & Co KG	100%
Windfarm Ringstedt II GmbH (Germany) (*)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Windfarm 35 GmbH (Germany) (*)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Windfarm 40 GmbH (Germany) (*)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Windfarm 33 GmbH (Germany) (*)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Windfarm 41 GmbH (Germany) (*)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Siemens Wind Power Energía Eólica Ltda. (Brazil) (*)	Siemens Gamesa Renewable Energy A/S	10%
Siemens Wind Power Energía Eólica Ltda. (Brazil) (*)	Siemens Gamesa Renewable Energy Eólica, S.L.U	90%

(*) Dissolution without liquidation due to the merger with other Group companies.

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The following entities have been sold:

Fiscal year 2021

Sold company	Holding company of the stake	% of shareholding
International Wind Farm Development VII Limited (Hong Kong)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Shuangpai Majiang Wuxingling Wind Power Co., Ltd (China)	International Wind Farm Development VII, Ltd.	100%
SPV Parco Eolico Aria del Vento, Srl (Italy)	Siemens Gamesa Renewable Energy Italy, S.P.A	100%
Siemens Gamesa Renewable Energy Wind Farms S.R.L. (Romania)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	95%
Siemens Gamesa Renewable Energy Wind Farms S.R.L. (Romania)	Siemens Gamesa Renewable Energy Invest, S.A.U	5%
GER Baneasa, S.R.L. (Romania)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	99.999985%
GER Baneasa, S.R.L. (Romania)	Siemens Gamesa Renewable Energy Invest, S.A.U	0.000015%
GER Independenta, S.R.L. (Romania)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	95%
GER Independenta, S.R.L. (Romania)	Siemens Gamesa Renewable Energy Invest, S.A.U	5%
GER Baraganu, S.R.L. (Romania)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	95%
GER Baraganu, S.R.L. (Romania)	Siemens Gamesa Renewable Energy Invest, S.A.U	5%
International Wind Farm Development II Limited (Hong Kong)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Yongzhou Shuangpai Daguping Wind Power Co., Ltd. (China)	International Wind Farm Development II Limited	100%

Fiscal year 2020

Sold company	Holding company of the stake	% of shareholding
Sistemas Energéticos Loma del Viento, S.A.U (Spain)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Sistemas Energéticos Serra de Lourenza, S.A.U (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos Jaralón, S.A.U (Spain)	Siemens Gamesa Renewable Energy Invest, S.A.U	86%
Ujazd Sp. z o.o. (Poland)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%
Sistemas Energéticos El Valle, S.L.U (Spain)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Société d'Exploitation du Parc Eolien de Source de Séves SARL (France)	Siemens Gamesa Renewable Energy Invest, S.A.U	100%
Sistemas Energéticos Cabanelas, S.A.U (Spain)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U	100%

The exclusions from the scope of consolidation are mainly related to companies' dissolutions or to wind farms that have been disposed of during the year ended September 30, 2021 and 2020. The sale of wind farms, as indicated in Note 3.U, is recognized under the heading "Revenue" in the Consolidated Statement of Profit and Loss for the year.

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of a discrepancy, the Spanish-language prevails (Note 37)

The name of the following entities has been modified:

Fiscal year 2021

Previous denomination	New denomination
Senvion Austria GmbH (Austria)	Siemens Gamesa Renewable Energy Austria GmbH (Austria)
Siemens Gamesa Renewable Energy AE (Greece)	Siemens Gamesa Renewable Energy MAE (Greece)
Windar Renovables, S.L. (Spain)	Windar Renovables, S.A. (Spain)
Ria Blades, S.A. (Portugal)	Siemens Gamesa Renewable Energy Blades, S.A. (Portugal)
Windkraft Trinwillershagen Entwicklungsgesellschaft mbH (Germany)	Windkraft Trinwillershagen Entwicklungsgesellschaft mbH i.L (Germany)
Siemens Gamesa Renewable Energy Real Estate GmbH & Co. KG (Germany)	SGRE Real Estate GmbH & Co. KG (Germany)

Fiscal year 2020

Previous denomination	New denomination
Siemens Gamesa Renewable Energy BVBA (Belgium)	Siemens Gamesa Renewable Energy NV (Belgium)
Société d'Exploitation du Parc Eolien de Plancy l'Abbaye SARL (France)	Société d'Exploitation du Parc Eolien de Champeaux SARL (France)
Société d'Exploitation du Parc Eolien de Cernon SARL (France)	Société d'Exploitation du Parc Eolien de Champlong SARL (France)
Société d'Exploitation du Parc Eolien de Sommesous SARL (France)	Société d'Exploitation du Parc Eolien de la Belle Dame SARL (France)
Société d'Exploitation du Parc Eolien de Savoisy SARL (France)	Société d'Exploitation du Parc Eolien de la Gartempe SARL (France)
Société d'Exploitation du Parc Eolien de Landresse SARL (France)	Société d'Exploitation du Parc Eolien de la Monchot SARL (France)
Société d'Exploitation du Parc Eolien de la Loye SARL (France)	Société d'Exploitation du Parc Eolien de la Pièce du Moulin SARL (France)
Société d'Exploitation du Parc Eolien de Mantoche SARL (France)	Société d'Exploitation du Parc Eolien de Maindoie SARL (France)
Société d'Exploitation du Parc Eolien de Songy SARL (France)	Société d'Exploitation du Parc Eolien de Messeix SARL (France)
Société d'Exploitation du Parc Eolien de Longueville-sur-Aube SARL (France)	Société d'Exploitation du Parc Eolien de Villiers-aux-Chênes SARL (France)
Société d'Exploitation du Parc Eolien de Saint Bon SARL (France)	Société d'Exploitation du Parc Eolien des Fontaines SARL (France)
Société d'Exploitation du Parc Eolien de Sambourg SARL (France)	Société d'Exploitation du Parc Eolien des Six Communes SARL (France)
Société d'Exploitation du Parc Eolien de Coupetz SARL (France)	Société d'Exploitation du Parc Eolien des Voies de Bar SARL (France)
Société d'Exploitation du Parc Eolien de Romigny SARL (France)	Société d'Exploitation du Parc Eolien d'Omécourt SARL (France)
Société d'Exploitation du Parc Eolien de Clamanges SARL (France)	Société d'Exploitation du Parc Eolien du Mont Égaré SARL (France)
Société d'Exploitation du Parc Eolien de Soude SARL (France)	Société d'Exploitation du Parc Photovoltaïque de Messeix SARL (France)
Siemens Gamesa Turkey Yenilenebilir Enerji Limited Sirketi (Turkey)	Siemens Gamesa Turkey Yenilenebilir Enerji Anonim Sirketi (Turkey)
Adwen GmbH (Germany)	Siemens Gamesa Renewable Energy Deutschland GmbH (Germany)
Gamesa Eólica Nicaragua S.A. (Nicaragua)	Siemens Gamesa Renewable Energy, Sociedad Anónima (Nicaragua)
Senvion UK Limited (United Kingdom)	Siemens Gamesa Renewable Energy Service Limited (United Kingdom)

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Previous denomination	New denomination
Senvion Deutschland GmbH (Germany)	Siemens Gamesa Renewable Energy Service GmbH (Germany)
Senvion France S.A.S. (France)	Siemens Gamesa Renewable Energy Service S.A.S. (France)
Senvion Italia S.r.L. (Italy)	Siemens Gamesa Renewable Energy Service S.r.L. (Italy)
Senvion Polska Sp.z.o.o (Poland)	Siemens Gamesa Renewable Energy Service Sp.z.o.o (Poland)
Senvion Portugal Unipessoal, Lda. (Portugal)	Siemens Gamesa Renewable Energy II Service Unipessoal, Lda. (Portugal)
Senvion d.o.o. Beograd (Serbia)	Siemens Gamesa Renewable Energy d.o.o. Beograd - Stari Grad (Serbia)

D. ADOPTION OF NEW OR REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS

D.1) New standards, amendments and interpretations applied in the year ended September 30, 2021:

Amendment of the Interest Rate Reference Index (hereinafter, “IBOR”), phase 1

A reform of interest rate benchmarks (hereinafter “IBOR reform”) is currently underway at international level, leading to the replacement of some interbank interest rate benchmarks, known as IBORs (interbank offered rates), with alternative almost risk-free rates.

The IBOR reform is continuously monitored by the SIEMENS GAMESA Group, since IBOR indices are a reference in financing and financial derivative instrument contracts of the Group.

With regard to the Euribor, a new calculation methodology was developed in 2019 and was approved by the authorities, so that there is no need to modify existing contracts. Therefore, those financial instruments indexed to Euribor are not exposed to uncertainty as of September 30, 2021.

For the remaining IBOR indices, their publication is expected to cease on December 31, 2021 (except in the case of Libor-dollar, for which the cessation of publication for most terms of the index has been delayed until June 2023), and therefore the main markets players (regulators, central banks, banks, institutions, etc.) are working towards the definition of equivalences between the aforementioned indices and the almost risk-free benchmarks (Risk Free Rate benchmarks, “RFR”).

This reform has not had a significant impact on the Group’s financial position or results. However, given the uncertainty existing during the transition period, the SIEMENS GAMESA Group has in first place identified, if applicable, the affected operations, in particular, financial debt indexed to Libor-dollar (Note 5.A).

Remaining standards, amendments and interpretations

Standards, amendments and interpretations	IASB effective Date (*)
Amendments to References to the Conceptual Framework in IFRS Standards	January 1, 2020
Amendments to IFRS 3	Definition of a business January 1, 2020
Amendments to IAS 1 and IAS 8	Definition of Material or of Relative Importance January 1, 2020
Amendments to IFRS 16 COVID-19 related rent concessions (**)	June 1, 2020

(*) Applicable for fiscal years beginning on or after the indicated date.

(**)The Standard was issued by the IASB at the end of May 2020 with the entry into force in June 1, 2020, although early adoption was allowed.

The remaining standards, amendments and interpretations have not had a significant impact on these Consolidated Financial Statements.

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D.2) Standards, amendments and interpretations applied in the year ended September 30, 2020:

The standards, amendments and interpretations applied in the year ended September 30, 2020 were those disclosed in the Note 2.D.1 of the Consolidated Financial Statements for the year ended September 30, 2020.

D.3) New standards, amendments and interpretations not applied in the year ended September 30, 2021 that will be applicable in future periods:

Remaining standards, amendments and interpretations

Standards, amendments and interpretations		IASB effective Date (*)
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	IBOR reform (Phase 2)	January 1, 2021
Annual improvements to IFRS	Cycle 2018 – 2020	January 1, 2022
Amendments to IFRS 3	Business combinations	January 1, 2022
Amendments to IAS 16	Property, Plant and Equipment – Proceeds before intended Use	January 1, 2022
Amendments to IAS 37	Provisions, contingent liabilities and assets	January 1, 2022
Amendments to IAS 1	Presentation of Financial Statements classification of liabilities as current and non-current	January 1, 2023
Amendments to IAS 1	Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies	January 1, 2023
Amendments to IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	January 1, 2023
Amendments to IAS 12	Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction	January 1, 2023

(*) Applicable for fiscal years beginning on or after the indicated date.

The SIEMENS GAMESA Group is currently analysing the expected impact resulting from the remaining standards, amendments and interpretations mentioned above, which have been published by the IASB, but are not effective yet.

E. COMPARATIVE INFORMATION OF PRIOR PERIOD

As required by IAS 1, the Consolidated Financial Statements are shown together with comparative information in respect of the prior period for all amounts reported in the current period's Consolidated Financial Statements.

The Consolidated Financial Statements for the year ended September 30, 2020 have been modified to reflect the changes resulting from the final accounting of the business combinations (Note 4). The following table discloses only the effect that these changes have had on the affected headings of the Consolidated Balance Sheet:

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Thousands of euros	Financial Statements 09.30.2020	Business Combinations adjustments	Financial Statements 09.30.2020 after adjustments
Note		4	
Assets			
Trade and other receivables	1,140,855	1,458	1,142,313
Within current assets	1,140,855	1,458	1,142,313
Goodwill	4,550,105	12,281	4,562,386
Other intangible assets	1,779,511	478	1,779,989
Property, plant and equipment	2,239,155	(1,264)	2,237,891
Deferred tax assets	528,914	(3,283)	525,631
Within non-current assets	9,097,685	8,212	9,105,897
Liabilities & Equity			
Contract liabilities	3,147,830	23,082	3,170,912
Current provisions	723,149	(7,880)	715,269
Current income tax liabilities	177,399	2,809	180,208
Other current liabilities	761,089	(25,890)	735,199
Within current liabilities	4,809,467	(7,879)	4,801,588
Deferred tax liabilities	228,907	(3,654)	225,253
Provisions	1,422,071	21,203	1,443,274
Within non-current liabilities	1,650,978	17,549	1,668,527

F. FUNCTIONAL AND PRESENTATION CURRENCY

These Consolidated Financial Statements are presented in euros, which is SIEMENS GAMESA's functional currency. All amounts have been rounded to the nearest EUR thousand, unless stated otherwise.

Transactions denominated in currencies other than the euro are recognized in accordance with the policies described in Note 3.C.

G. GOING CONCERN

In the fiscal year 2021, the SIEMENS GAMESA Group has negative results in the amount of EUR 626,640 thousand (a negative amount of EUR 918,178 thousand in the fiscal year 2020). These results are mainly due to the increased estimates of ramp-up costs for the SG 5.x platform, especially in Brazil and in the North of Europe, affected by the sharp increase of raw material prices, supply chain shortfalls and execution related bottlenecks and increase of transport costs (Note 18) which has led to recognize order related losses and risk provisions. The impact of these elements has been exacerbated by the pandemic, especially in countries like Brazil.

The Company states that the Group's liquidity needs are guaranteed at all moments through credit lines: as of September 30, 2021, the SIEMENS GAMESA Group has unused credit facilities amounting to EUR 3,106 million, which represents 70% of total credit facilities limit (EUR 3,140 million as of September 30, 2020, 75% of total credit facilities limit) (Note 5.B).

The Directors have prepared the Consolidated Financial Statements according to the going concern principle as it is their understanding that the future outlook of the Group's business will enable positive results and positive cash flows in the coming years.

3. ACCOUNTING PRINCIPLES AND POLICIES AND KEY JUDGMENTS AND ESTIMATES

The preparation of the Consolidated Financial Statements requires Management to make judgments and use estimates and assumptions that affect the application of accounting policies and the reported amount of assets,

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liabilities, income and expenses. The estimates with a significant effect on the accompanying Consolidated Financial Statements are as follows:

- The Group applies the IFRS 9 expected credit loss approach to the impairment of receivables. The Group reviews the rating of customers and calculates a percentage reflecting the probability of default and the percentage loss that this would entail (Notes 3.B and 7).
- As indicated in Notes 3.H and 3.I, the SIEMENS GAMESA Group determines the estimated useful lives and the relevant amortization/depreciation charges for its intangible assets and property, plant and equipment. SIEMENS GAMESA Group will increase the amortization/depreciation charge when useful lives are shorter than previously estimated, and write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.
- The impairment tests require the estimation of the future development of the businesses and the most appropriate discount rate in each case. The SIEMENS GAMESA Group believes that its estimates in this area are adequate and coherent with the current economic environment and they reflect its investment plans and the best estimates available regarding its future revenues and incomes, and it considers that its discount rates adequately reflect the risks relating to each cash generating unit (Note 3.J).
- Whenever property, plant and equipment and other intangible assets are to be tested for impairment, the determination of the assets' recoverable amount involves the use of estimates by Management and can have a material impact on the respective values and ultimately the amount of any impairment.
- The SIEMENS GAMESA Group estimates the warranty provisions required for possible repair costs that the Group will incur within the warranty period (normal product warranty). Likewise, the SIEMENS GAMESA Group estimates contingent liabilities. For this purpose, it must assess the outcome of certain of legal, tax related or other proceedings that are ongoing at the date of issuance of these Consolidated Financial Statements (Notes 3.K and 3.U).
- The SIEMENS GAMESA Group has made certain assumptions in order to calculate the liability arising from obligations to employees.

At each fiscal year end, the SIEMENS GAMESA Group estimates the current actuarial provision required to cover obligations relating to pensions and other similar obligations to its employees which involves an independent valuation of the obligations and assets (Notes 3.L and 3.M) .

The fair value of the financial instruments granted as share-based payments that are not traded in an active market is determined by using measurement techniques (Note 3.R).

The Group uses judgment to select a variety of methods and to develop assumptions that are primarily based on the market conditions existing at each Balance Sheet date.

Changes in these assumptions would not have a significant impact on these Consolidated Financial Statements.

- The Group is subject to Income Taxes in numerous jurisdictions. A significant level of judgment is required to determine the worldwide provision for Income Tax. There are many transactions and calculations with respect to which the ultimate tax calculation is uncertain in the ordinary course of business. The Group recognises liabilities for potential tax claims based on an estimation of whether or not additional taxes will be necessary. When the final tax result differs from the amounts which were initially recognised, such differences will have an effect on Income Tax and the provisions for deferred taxes in the year in which they are deemed to arise (Notes 3.T and 25).
- The SIEMENS GAMESA Group recognises deferred tax assets only to the extent that their future realisation or utilisation is sufficiently assured. As future developments are uncertain and partly beyond the SIEMENS GAMESA Group's control, assumptions are necessary to estimate future taxable profits

as well as the period in which deferred tax assets will be recovered. Estimates are reviewed in the period in which there is sufficient evidence to review the assumptions (Notes 3.T and 26).

- The SIEMENS GAMESA Group applies the method of percentage-of-completion for the recognition of revenues of construction-type contracts and services contracts that meet the conditions established for it (Note 3.U). This method implies the reliable estimation of the revenues derived from each contract and the total costs to be incurred in the fulfillment of the contract, as well as the percentage-of-completion at the end of the year from a technical and economic point of view.
- With the entry into force of IFRS 16 (Note 3.V), the SIEMENS GAMESA Group considers, in the determination of the lease term, all relevant facts and circumstances that create a significant economic incentive for the lessee to exercise the renewal option or not to exercise the cancellation option. Renewal or termination options are only included in the determination of the lease term if it is reasonably certain that the contract will be extended or will not be cancelled. In the event that a significant event or a significant change in circumstances occurs that may affect the term, the SIEMENS GAMESA Group reviews the valuations made in the determination of the lease term.

Actual results may differ from Management's estimates. Although the estimates are done based on the best information available of the analysed facts as of September 30, 2021 and 2020, future events might make it necessary to modify them (upwards or downwards) in later years. Estimates and assumptions are reviewed on an ongoing basis and changes in estimates and assumptions are recognized in the period in which the changes occur and in future periods impacted by such changes, in accordance with the requirements of IAS 8, recognising the effects of the change in estimates in the Consolidated Statement of Profit and Loss for the related year.

A. CONSOLIDATED STATEMENT OF CASH FLOWS

The SIEMENS GAMESA Group presents the Consolidated Statement of Cash Flows using the indirect method, whereby net profit or loss is adjusted by the non-monetary transactions, by all deferred payments and accumulations (or accruals) that are caused by past or future collections and payments, as well as profit and loss items associated to cash flows of operations classified as investing or financing activities.

The following terms are used in the Consolidated Statement of Cash Flows with the meanings as specified below:

- Cash flows: Inflows and outflows of cash and cash equivalents.
- Cash equivalents: Short-term and highly liquid investments that are readily convertible to known amounts of cash and which are subject to a not significant risk of changes in value.
- Operating activities: The Group's main revenue-producing activities as well as other activities that are not related to investing or financing activities.
- Investing activities: The acquisition, sale or disposal through other means of non-current assets and other investments not included in cash and cash equivalents.
- Financing activities: Activities that result in changes in the size and composition of the contributed equity and of borrowings of the Group. Changes in lease liabilities are included in financing activities, for both, lease payments and lease additions (Notes 2.D and 17.B).

B. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Based on their nature and the business model they are held in, financial instruments are classified as financial assets and financial liabilities measured at amortized cost and financial assets and financial liabilities measured at fair value. Regular way purchases or sales of financial assets are accounted for at the trade date. Initially, financial instruments are recognized at their fair value. Transaction costs are only included

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in determining the carrying amount, if the financial instruments are not measured at fair value through profit or loss. After its initial recognition, financial assets and liabilities are measured according to the category to which they are assigned:

- cash and cash equivalents;
- financial assets measured at fair value through Other comprehensive income;
- financial assets measured at fair value through Profit and Loss;
- financial assets measured at amortized cost;
- loans and receivables;
- financial liabilities measured at amortized cost; and
- financial liabilities measured at fair value through Profit and Loss.

“Cash and cash equivalents”

The SIEMENS GAMESA Group considers all highly liquid investments with less than three months maturity from the date of acquisition to be “Cash and cash equivalents”. “Cash and cash equivalents” are measured at cost (Note 6).

Financial assets measured at fair value through Other Comprehensive Income

Equity instruments for which SIEMENS GAMESA irrevocably elects to present subsequent fair value changes in Other Comprehensive Income at initial recognition of the instrument. Unrealized gains and losses, net of deferred income tax expenses, as well as gains and losses on the subsequent sale of the instruments are recognized in line item “Other comprehensive income, net of taxes” (Note 8).

Financial assets measured at fair value through Profit and Loss

Debt instruments are measured at fair value through Profit and Loss if the business model they are held in is not “hold-to-collect”, or if their contractual cash flows do not represent solely payments of principal and interest. Equity instruments are measured at fair value through Profit and Loss unless the fair value through “Other Comprehensive Income, net of taxes” option is elected (Note 8).

Financial assets measured at amortized cost

Credits, receivables and other debt instruments held in a hold-to-collect business model with contractual cash flows that represent solely payments of principal and interest are measured at amortized cost using the effective interest method less allowances for expected credit losses. Such allowance involves significant Management judgements and the review of receivables based on customer’s creditworthiness, current economic trends and the analysis of historical bad debts on the portfolio (Note 8).

Financial Liabilities

The SIEMENS GAMESA Group measures financial liabilities, except for derivative financial instruments, at amortized cost using the effective interest method.

- “Financial debt”:

Loans, bonds and similar interest-bearing items are initially recognized at the amount received, net of direct issuance costs, under the “Financial debt” headings of the Consolidated Balance Sheet. Borrowing

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costs are recognized on an accrual basis in the Consolidated Statement of Profit and Loss at their amortized cost using the effective interest rate method and they are aggregated to the carrying amount of the financial instrument to the extent that they are not settled in the year in which they arise (Note 17).

Moreover, obligations under finance leases, according to IFRS 16, are recognized at the present value of the lease payments under this Consolidated Balance Sheet heading (Note 17).

- “Trade Payables”:

Trade payables are initially recognized at fair value and are subsequently measured at amortized cost using the effective interest rate method.

The SIEMENS GAMESA Group offers suppliers to participate in Supply Chain Financing Programs in order to benefit from accelerated payment compared with the Group’s regular payment terms. Such payables represent payables for goods and services that are incurred within the Group’s normal operating cycle and are part of the Group’s working capital. Suppliers must formally agree to participate in such programs. Therefore, the corresponding payables are still shown in line item Trade and other payables, as the participation of suppliers in these programs does not change the originally agreed payment terms, remaining the due dates for payment unchanged.

Derivative financial instruments and hedge accounting

Derivative financial instruments, such as foreign currency exchange contracts and interest rate swap contracts are measured at fair value and classified through Profit and Loss unless they are designated as hedging instruments, for which hedge accounting is applied. Changes in the fair value of derivative financial instruments are recognized either in net income or, in the case of a cash flow hedge, under line item “Other comprehensive income, net of taxes”. Certain embedded derivative instruments in host contracts are also accounted separately as derivatives.

- Fair value hedges:

The carrying amount of the hedged item is adjusted by the gain or loss attributable to the hedged risk. Where an unrecognized firm commitment is designated as hedged item, the subsequent cumulative change in its fair value is recognized as a separate financial asset or liability with the corresponding gain or loss recognized in net income. For hedged items carried at amortized cost, the adjustment is amortized until maturity of the hedged item. For hedged firm commitments the hedged carrying amount of the assets or liabilities that results from the firm commitments are adjusted to include the cumulative changes in the fair value that were previously recognized as separate financial assets or liabilities. No fair value hedges have been designated during the years 2021 and 2020 (Note 9).

- Cash flow hedges:

The effective portion of changes in the fair value of derivative instruments designated as cash flow hedges are recognized under the heading “Other comprehensive income, net of taxes”, and any ineffective portion is recognized immediately in net income. Amounts accumulated in equity are reclassified into the Consolidated Statement of Profit and Loss in the same periods in which the hedged item affects net income.

Category of financial assets at fair value

The different categories of financial instruments are grouped in categories from 1 to 3, depending on the fair value measurement system (Notes 9 and 16):

- Category 1: the fair value is obtained from directly observable quoted prices in active markets for identical assets and liabilities.

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- Category 2: the fair value is determined using observable market inputs other than the quoted prices included in category 1, that are observable for the assets or liabilities, either directly (as prices) or indirectly (derived from prices).
- Category 3: the fair value is determined using measurement techniques that include inputs for the assets and liabilities that are not directly observable in the market.

Derivative financial instruments consist of forward exchange rate contracts, interest rate swaps and raw material swaps:

- Forward exchange rate contracts:

The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high quality credit yield curves in the respective currencies.

- Interest rate swaps:

The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, future prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps.

- Commodity swaps:

Commodity swaps are measured at fair value using the prices and interests from observable yield curves.

The fair value of raw material swap contracts is calculated by discounting the estimated cash flows using the future prices at the closing date.

The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

The effects of discounting have not been significant for category 2 financial instruments.

Impairment of financial assets

Except for the financial assets classified at fair value, the financial assets are analysed by the SIEMENS GAMESA Group in order to identify periodically, and at least at the end of each reporting period, any impairment indicator.

The SIEMENS GAMESA Group considers that a significant or prolonged decline in the fair value of an investment in an equity instrument below its cost is an objective evidence of impairment.

For the rest of financial assets, valuation allowances are set up for expected credit losses, representing a forward-looking estimate of future credit losses involving significant management judgment. Expected credit loss is the gross carrying amount less collateral, multiplied by the probability of default and a factor reflecting the loss in the event of default. Valuation allowances are not recognized when the gross carrying amount is sufficiently collateralized. Probabilities of default are mainly derived from rating grades of the counterparts. A simplified approach is used to assess expected credit losses from trade receivables and contract assets by applying their lifetime expected credit losses. The valuation allowance for loans and other long-term debt instruments is measured according to a three-stage impairment approach:

- Stage 1: At inception, 12-month expected credit losses are recognized based on a twelve months probability of default.

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- **Stage 2:** If the credit risk of a financial asset increases significantly without being credit-impaired, lifetime expected credit losses are recognized based on a lifetime probability of default. A significant increase in credit risk is determined for each individual financial instrument using the credit ratings of the counterparts. A rating deterioration does not trigger a transfer into Stage 2 if the credit rating remains within the investment grade range. More than 30 days past due payments will not be transferred into Stage 2 if the delay is not credit-risk-related. A contractual modification is an indicator for an increase in credit risk.
- **Stage 3:** If the asset is credit-impaired, valuation allowances equal lifetime expected credit losses. A financial asset is considered credit-impaired when there is observable information about significant financial difficulties or a high probability of default. Impairment triggers include liquidity problems, a request for debt restructuring or a breach of contract.

Financial assets are impaired as uncollectible if recovery appears unlikely. That is, generally, if the limitation period expired, when a debtor's sworn statement of affairs is received, or when the receivable is not pursued due to its minor value. Receivables impaired are written off when bankruptcy proceedings close.

Derecognition of financial instruments

The SIEMENS GAMESA Group only derecognizes financial assets when the contractual rights on the cash flows from the assets expire, or when the financial asset and substantially all the risks and rewards inherent to its ownership are transferred to another entity.

In cases where risks and rewards associated with accounts receivable are contractually transferred to a factor and the factor also assumes the related insolvency risk, the Group derecognizes these financial assets.

An exchange between an existing borrower and lender of debt instruments with substantially different terms shall be accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability or of a part of it (whether or not attributable to the financial difficulty of the debtor) shall be accounted for as an extinguishment of its original financial liability and the recognition of a new financial liability.

Financial liabilities are derecognised from the Consolidated Balance Sheet when they are extinguished, that is, when the obligation arising from the liability has been settled or cancelled or has expired.

C. TRANSACTIONS IN FOREIGN CURRENCY

Group companies

The functional currency of the parent company is the euro.

For the SIEMENS GAMESA Group companies with a functional currency other than the euro, the functional currency usually is the same as the local currency. Therefore, for the majority of the Group companies, the functional currency does not differ from the local currency in which the individual company pays the corresponding income tax. Consequently, changes in exchange rates do not give rise to any temporary differences which might lead to the recognition of a deferred tax asset or liability for a significant amount.

Transactions and balances

Transactions that are denominated in a currency other than the functional currency of an entity, are recorded at that functional currency applying the spot exchange rate at the date when the underlying transactions are initially recognized. At the end of each reporting period, foreign currency-denominated monetary assets and liabilities are re-valued to the functional currency applying the spot exchange rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the historical exchange rate at the date of the transaction.

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Moreover, as already indicated for monetary assets and liabilities denominated in foreign currency, fixed-income securities, receivables and payables are translated to the functional currency at the exchange rates prevailing at the Consolidated Balance Sheet date.

Exchange differences arising on a monetary item that is part of the net investment in a company's foreign operation is recognized in the Statement of Profit and Loss in the separate Financial Statements for the reporting company, or in the Individual Financial Statements for the foreign operation, as appropriate. In the Consolidated Financial Statements that include the foreign operation and the reporting company, those exchange differences are initially recognized in "Other comprehensive income, net of taxes" and are reclassified from equity to profit or loss when the foreign business is disposed of or the investment is recovered fully or partially by other means.

The hedging instruments that the SIEMENS GAMESA Group uses to reduce foreign currency risks are described in Note 9.

The equivalent euro value of the monetary assets and liabilities denominated in currencies other than euro held by the SIEMENS GAMESA Group as of September 30, 2021 and 2020 is as follows:

Currency	Equivalent value in thousands of euros			
	09.30.2021		09.30.2020	
	Assets	Liabilities	Assets	Liabilities
Indian rupees	137,102	456,539	112,651	407,349
United States dollars	435,976	480,523	477,762	460,837
Chinese yuans	300,694	341,121	344,662	392,949
Mexican pesos	13,141	37,571	10,135	44,027
Danish kroner	107,661	246,613	67,788	239,436
Canadian dollars	65,959	12,606	46,583	3,001
Sterling pounds	39,812	66,155	61,618	37,062
Moroccan dirhams	44,014	14,426	42,889	14,866
Swedish kronas	34,684	14,880	57,326	15,380
Turkish liras	1,921	22,024	611	26,865
Brazilian reals	26,772	80,085	85,133	79,066
Norwegian kroner	17,666	7,628	77,675	15,786
South African rands	25,827	1,278	16,084	1,527
Egyptian pounds	13,068	21,353	15,463	6,985
Taiwan dollars	47,847	27,759	46,907	21,508
Vietnamese dong	52,609	11,967	17,567	2,698
Russian rubles	28,125	8,655	6,990	11,493
Polish zlotys	25,976	3,255	26,349	1,247
Other currencies	98,141	37,430	110,362	41,208
Total	1,516,995	1,891,868	1,624,555	1,823,290

The equivalent euro value of the main balances denominated in currencies other than euro, based on the nature of the items concerned, is as follows:

Nature of the balances	Note	Equivalent value in thousands of euros			
		09.30.2021		09.30.2020	
		Assets	Liabilities	Assets	Liabilities
Cash and cash equivalents	6	1,014,930	-	964,399	-
Trade and other receivables	7	502,065	-	660,156	-
Debt with financial institutions and other obligations	17	-	246,394	-	313,179
Trade and other payables		-	1,645,474	-	1,510,111
Total		1,516,995	1,891,868	1,624,555	1,823,290

D. CONTRACT ASSETS, CONTRACT LIABILITIES, TRADE AND OTHER RECEIVABLES

When either party to a contract with customers has performed, the SIEMENS GAMESA Group presents “Contract assets”, “Contract liabilities” or “Trade and other receivables” depending on the relationship between the SIEMENS GAMESA Group’s performance and the customer’s payment. Contract assets and liabilities for each contract are presented net as current since incurred in the operating cycle. Receivables are recognized when the right to consideration becomes unconditional. Valuation allowances for credit risks are set up for “Contract assets” and trade receivables according to the accounting policy for loans and receivables.

E. INVENTORIES

“Inventories” are valued at the lower of their acquisition or production costs and their net realizable value, and costs are generally determined on an average basis or a first-in, first-out method. In determining the net realizable value of inventories, write-downs based on their intended use and realizable value are taken into account. The criteria for inventory intended use and realizable value cover quantity, technical and price risks.

F. BUSINESS COMBINATIONS

In a business combination the acquirer shall measure the identifiable acquired assets and the assumed liabilities (including contingent liabilities) at their acquisition-date fair values (Note 2.B). The estimates of the acquisition-date fair values are based on judgements and are determined by using certain measurement techniques, which are also supported by independent appraisers. The measurement period, which is the period after the acquisition date in which the acquirer can adjust the provisional amounts recognized in the business combination, provides to the acquirer a reasonable period of time to obtain the necessary information to identify and measure, at the acquisition-date as required by IFRS 3, among others, the identifiable acquired assets, the assumed liabilities, the consideration transferred or the resulting “Goodwill” (Note 4).

The amendment to IFRS 3 – Definition of a Business – clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The definition of the term “outputs” is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits.

G. GOODWILL

“Goodwill” arising on acquisitions represents the excess of the cost of acquisition over the Group’s interest in the fair value of the identifiable assets, liabilities and contingent liabilities of a business combination at the date of acquisition. The “Goodwill” is recognized as an asset and is tested for impairment annually, or whenever events or changes in circumstances indicate that it might be impaired. The “Goodwill” is carried at cost less accumulated impairment losses.

Once an impairment loss is recognized for goodwill, it is not reversed in subsequent periods.

H. OTHER INTANGIBLE ASSETS

“Other intangible assets” are recognized initially at acquisition or production cost and are subsequently measured at cost less any accumulated amortization and any accumulated impairment losses. The “Other intangible assets” with finite useful lives are amortized on a straight-line basis over their respective estimated useful lives to their estimated residual values. Intangible assets which are determined to have indefinite useful lives, as well as intangible assets not yet available for use, are not amortized but instead tested for impairment at least annually. Apart from the “Goodwill” (Note 3.G), the SIEMENS GAMESA Group does not have intangible assets of indefinite useful life as of September 30, 2021 and 2020.

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“Other intangible assets” consist of internally generated technology (Note 3.X), software, patents, licenses and similar rights, as well as intangible assets acquired in business combinations. Estimated useful lives generally range from 3 to 10 years, except for intangible assets with finite useful lives acquired in business combinations. Intangible assets acquired in business combinations mainly consist of customer relationships, order backlog and technology and its initial recognition is made at fair value at the date of acquisition.

The SIEMENS GAMESA Group determines the estimated useful lives and the relevant amortization charges for its intangible assets. The Group will increase the amortization charge where useful lives are shorter than previously estimated and write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

I. PROPERTY, PLANT AND EQUIPMENT

“Property, plant and equipment” is valued at acquisition cost less any accumulated depreciation and any recognized impairment losses. In addition to the purchase price, acquisition costs include non-recoverable indirect taxes and any other costs directly attributable to transportation of the asset and conditioning for its intended use (including, if applicable, borrowing costs incurred during the construction period).

Subsequent costs, i.e. the ones related to the expansion, modernisation or improvement of an asset, are recognized in the carrying amount of the concerned asset when it is probable that the costs incurred will result in future economic benefits for the SIEMENS GAMESA Group. All other costs incurred for ordinary repairs and maintenance are recognized in the Consolidated Statement of Profit and Loss as incurred.

The SIEMENS GAMESA Group determines the estimated useful lives and the relevant depreciation charges for its property, plant and equipment. The Group will increase the depreciation charge where useful lives are shorter than previously estimated and write off or write down technically obsolete or non-strategic assets that have been abandoned or sold.

Depreciation expense is recognized using the straight-line method. The following useful lives are assumed:

	Average estimated useful life
Factory and office buildings	20 – 50
Other buildings	5 – 10
Technical machinery & equipment	5 – 10
Other property, plant and equipment	3 – 10

Property, plant and equipment under construction is not depreciated.

J. IMPAIRMENT OF ASSETS

“Property, plant and equipment” and “Other intangible assets” are reviewed for impairment at segment level whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

For intangible assets (other than “Goodwill”) as well as “Property, plant and equipment” it is a rebuttable presumption that the independent cash inflows can only be generated within a cash generating unit, which is the level of impairment testing. Prior to the segment level impairment test (Cash Generating Unit (hereinafter, “CGU”)), in case of assets that will obviously not generate future economic benefits (e.g. in the context of a plant closure), if it can be demonstrated that an individual asset will obviously not generate any further economic benefits – neither from its use nor from its disposal – (e.g. retirement by scrapping), the asset is written-off to the level of its realizable value. In case sites or production lines are planned to be closed down, the appropriate level for the recognition of an impairment is the single assets affected by the close-down.

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Likewise, regarding the capitalization of development costs, if one or more of the criteria for the capitalization of development costs are no longer met, the previous intangible asset under development is derecognized. Such criteria are the following:

- Technical feasibility of completing the intangible asset so that it will be available for use or sale.
- Intention to complete the intangible asset and use or sell it.
- Ability to use or sell the intangible asset.
- Probable future economic benefit arising from the intangible asset.
- Availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset.
- Ability to measure reliably the expenditure attributable to the intangible asset during its development.

Intangible assets that are not yet available for use are not depreciated and it is assessed annually that the conditions for recognition continue to be met.

Whenever “Other intangible assets” and “Property, plant and equipment” have to be subject to the impairment test, the assessment of the recoverable amount of the assets involves the use of estimates chosen by the Management, which may have a substantial impact on the respective values and, ultimately, on the amount of impairment.

The impairment tests require the estimation of the future development of the businesses and the most appropriate discount rate in each case. The SIEMENS GAMESA Group considers that its estimates in this area are adequate and coherent with the current economic environment and they reflect its investment plans and the best estimates available regarding its future revenues and income, and it considers that its discount rates adequately reflect the risks relating to each cash generating unit.

K. PROVISIONS

A distinction is drawn between:

- Provision: a present obligation (legal or constructive) as a consequence of past events, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
- Contingent liability: a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events beyond the control of the entity; or possible obligations, whose occurrence is unlikely or whose amount cannot be reliably estimated.

The Consolidated Financial Statements include all material provisions for which it is considered likely, that the obligation will have to be settled and whose amount can be measured reliably. Contingent liabilities are disclosed, but not recognized in the Consolidated Financial Statements, except for those which arise from business combinations (Note 2.B).

Provisions are recognized based on the best estimate of the expenditure that will be required to settle the present obligation at the end of the reporting period. Provisions are fully or partially reversed when the obligations cease to exist or are reduced, respectively.

Provisions are recognized when the obligation arises, with a charge to the relevant heading in the Consolidated Statement of Profit and Loss based on the nature of the allocation of the corresponding functional cost of the obligation.

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Provisions for warranty costs are recognized at the time when the significant risks and rewards of a project are transferred to the customer. In the event of the occurrence of exceptional technical issues which derive from increased failure rates beyond normal levels, provisions are made for warranties of a specific scope which are recognized once a technical issue has been detected and can be assessed for the entire affected population, if applicable. Here, topics like serial defects, major repair cases, as well as the potential derived customer claims are included.

The provisions are recognized individually at the best estimate of the expenditure required by the SIEMENS GAMESA Group to settle the underlying obligation (Note 18). Warranty provisions related to wind turbines are generally calculated using estimates regarding the number of component failures (failure rate estimate) and their rectification costs. In the case of new products, expert opinions and industry data are also taken into consideration in estimating product warranty provisions.

For wind farm projects that are accounted for using the percentage-of-completion method, the warranty cost is included in the project's planned costs. The warranty provision is recognized as a provision in the Balance Sheet at the point in time the wind farm project is handed over, completely or partially, to the customer (and the Provisional Acceptance Certificate is obtained) and the corresponding warranty periods starts.

Expected losses from onerous contracts are recognized when the best estimate of total contract costs exceeds foreseen contract revenue.

Provisions are discounted to reflect the present value of the expected expenditure, when the effect of the time value of money is significant.

As of September 30, 2021 and 2020, certain litigation and claims against the consolidated companies arising from the ordinary course of their operations are in progress. The Group's legal advisors and the Company consider that the provisions recognized for this purpose are sufficient and that the outcome of these proceedings and claims will not have a material effect on the Consolidated Financial Statements for the years in which they would be settled (Note 18).

As of September 30, 2021 and 2020, there are no significant contingent liabilities or provisions that have not been recognized or disclosed in these Consolidated Financial Statements (Note 18).

L. POST-EMPLOYMENT BENEFITS

The SIEMENS GAMESA Group measures the entitlements to post-employment benefits by applying the projected unit credit method. This approach reflects an actuarially calculated net present value of the future benefit entitlement for services already rendered. In determining the net present value of the future benefit entitlement for service already rendered (hereinafter, Defined Benefit Obligation), the expected rates of future salary increase and expected rates of future pension increase are considered. The assumptions used for the calculation of the Defined Benefit Obligation as of the period-end of the preceding year are used to determine the calculation of service cost and interest income and expense of the following year. The net interest income or expense for the year are based on the discount rate for the respective year multiplied by the net liability at the preceding year's period-end date.

Current and past service cost for post-employment benefits and administration costs unrelated to the management of plan assets are allocated among functional costs. Past service cost and settlement gains (losses) are recognized immediately in the Consolidated Statement of Profit and Loss. For unfunded plans, the amount of the heading "Post-employment benefits" equals the Defined Benefit Obligation. For funded plans, the SIEMENS GAMESA Group offsets the fair value of the plan assets with the Defined Benefit Obligation. The Group recognizes the net amount, after adjustments for effects relating to any asset ceiling.

Remeasurements (new measurements of the liability or asset for net deferred benefits) comprise actuarial gains and losses as well as the difference between the return on plan assets and the amounts included in net interests on the liabilities or assets of the Defined Benefit Obligation. These are recognized in "Other comprehensive income, net of taxes".

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Actuarial valuations are based on assumptions including discount rates, expected compensation increases, rate of pension increase and mortality rates. The used discount rate is determined by reference to yields on high-quality corporate bonds of appropriate duration at the end of the period. In case such yields are not available, discount rates are based on government bonds yields. Due to changing market, economic and social conditions the underlying assumptions may differ from real developments.

M. TERMINATION BENEFITS

Termination benefits are recognized in the period they are incurred, and when the amount can be reasonably estimated. Termination benefits arise as a result of an entity's offer made in order to encourage voluntary redundancy before the normal retirement date, or from an entity's decision to terminate the employment contract. Termination benefits in accordance with IAS 19, "*Employee Benefits*", are recognized as a liability when the entity can no longer withdraw the offer of those benefits. Termination benefits in accordance with IAS 37, "*Provisions, Contingent Liabilities and Contingent Assets*", are recognized when the entity has created a valid expectation in the employee.

N. CLASSIFICATION OF CURRENT AND NON-CURRENT LIABILITIES

Liabilities are classified as current or non-current on the basis of the projected period to maturity, disposal or settlement. Non-current liabilities are amounts due to be settled within more than twelve months from the date of the Consolidated Balance Sheet, except for the cases explained below.

Long term loans and credit facilities assigned to wind farms held for sale, which are legally structured in individual public or private limited liability companies, are classified as current or non-current depending on the foreseeable and expected sale date of these wind farms, because the sale of the shares in these individual companies leads to an exclusion of all assets and liabilities of the wind farm from the scope of consolidation.

Accordingly, regardless of the repayment schedule contractually established for these borrowings, the total amount of borrowings assigned to the wind farms that will foreseeably be sold within twelve months from the closing date of the Consolidated Financial Statements is classified under current liabilities.

O. GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that the conditions attached to the grants are complied with and the grants will be received. Grants awarded for the purchase or the production of fixed assets (grants related to assets) may be offset against the acquisition or production costs of the respective assets, reducing, if applicable, its future depreciations.

Government grants for future expenses are recorded as deferred income and allocated to income in the Consolidated Statement of Profit and Loss in the year in which the related expenses are incurred. In this context, government grants included in the Consolidated Statement of Profit and Loss amount to EUR 5.6 million for the year ended September 30, 2021 (6.0 million for the year ended September 30, 2020).

P. TREASURY SHARES, AT COST

The treasury shares held by SIEMENS GAMESA as the parent company of the SIEMENS GAMESA Group as of September 30, 2021 and 2020 are recognized at acquisition cost with a charge to "Total equity - Treasury Shares, at cost" in the Consolidated Balance Sheet (Note 22.E).

The losses and gains derived from the purchase, sale, issue or cancellation of treasury shares are recognized directly in "Total equity".

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Q. DIVIDENDS

Any interim dividends approved by the Board of Directors are deducted from "Total equity" in the Consolidated Balance Sheet. However, the complementary dividends proposed by the Board of Directors of SIEMENS GAMESA to the shareholders at the General Shareholders' Meeting are not deducted from equity until they have been approved by the latter. During the years ended September 30, 2021 and 2020 no interim dividends have been distributed.

No dividends have been paid during the year ended September 30, 2021 by SIEMENS GAMESA. Dividends were paid during the year ended September 30, 2020 (Note 22.H).

R. SHARE-BASED PAYMENTS

Equity-settled share-based payments are measured at the fair value of the equity instruments granted. This fair value is expensed on a straight-line basis over the vesting period, based on the SIEMENS GAMESA Group's estimate of the shares that will ultimately be delivered, and is credited to "Total equity" (Note 22.E and 22.F).

Fair value is measured using the market prices available on the measurement date, taking into account the terms and conditions upon which those equity instruments were granted.

If a grant of equity instruments is cancelled or settled during the vesting period (for a reason other than a grant cancelled by forfeiture when the vesting conditions are not met), the SIEMENS GAMESA Group accounts for the cancellation or settlement as an acceleration of the vesting and therefore recognizes immediately the amount that otherwise would have been recognized for services received over the remainder of the vesting period.

For cash-settled share-based payments, a liability equal to their current fair value determined at the end of each reporting period is recognized.

The SIEMENS GAMESA Group has made certain assumptions in order to calculate the liability arising from the obligations with employees. The fair value of those financial instruments granted as share-based payments (Notes 22.E and 22.F) that are not traded in an active market is determined by using measurement techniques. The Group uses judgments to select a series of methods and to make assumptions, that are mainly based on the market conditions existing at each Consolidated Balance Sheet date. Changes in these assumptions would not have a significant impact on these Consolidated Financial Statements.

S. FINANCIAL REPORTING BY SEGMENT

The reporting on operating segments is presented in accordance with the internal information that is provided to the chief operating decision maker. The Board of Directors has been identified as the main chief operating decision maker, as it is responsible for assigning resources and evaluating the performance of the operating segments, as well as it is in charge of taking strategic decisions.

T. INCOME TAX

The income or expense for income tax and taxes of a similar nature applicable to consolidated foreign entities is the amount, which for this concept, accrues in the year and includes both, current tax and deferred tax income or expense.

Both current and deferred tax income or expense are recognized in the Consolidated Statement of Profit and Loss, except when they are the result of a transaction whose results are recorded directly in "Total equity", in which case the corresponding tax is also recorded in "Total equity".

The current tax is the amount that the Group settles as a result of the tax filings of the income tax relating to a fiscal year. The deductions and other tax benefits in the tax liability, excluding the withholdings and payments on account,

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as well as the tax loss carryforwards from previous years that are effectively applied in the current year, give rise to a lower amount of current tax.

The deferred tax expense or income corresponds to the cancellation or recognition of deferred tax assets and liabilities. These include the temporary differences that are identified as those amounts that are expected to be payable or recoverable derived from the differences between the carrying amounts of the assets and liabilities and their tax value, as well as the tax loss carryforwards pending to be compensated and the unused tax credits. These amounts are recorded at the expected tax rate from the moment it is probable they are going to be recovered or settled.

Under the liability method, temporary differences that arise from assets or liabilities are the difference between the tax base of an asset or liability and its carrying amount in the Consolidated Balance Sheet. The tax base of an asset or liability is the amount attributed to the asset or liability for tax purposes.

“Deferred tax liabilities” will be recognized for all taxable temporary differences, except for those derived from the initial recognition of goodwill or of other assets and liabilities in a transaction that affects neither the tax base nor the accounting result and is not a business combination.

The Group is subject to income taxes in numerous jurisdictions. A significant level of judgement is required to determine the worldwide provision for income tax expenses. There are many transactions and calculations with respect to which the ultimate tax calculation is uncertain in the ordinary course of business. The tax calculation is made based on the best estimates of the Management according to the current tax regulations and considering the foreseeable development of the same in the different jurisdictions in which the Group operates. The Group recognizes liabilities for potential tax claims based on an estimation of whether additional taxes will be necessary. When the final tax result differs from the amounts which were initially recognized, such differences will have an effect on “Income tax” and the provisions for deferred taxes in the year in which they are deemed to arise (Notes 25 and 26).

The SIEMENS GAMESA Group recognizes a deferred tax liability for all taxable temporary differences related to investments in subsidiaries, branches and associates, except to the extent where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

On the other hand, deferred tax assets are only recognized to the extent that it is considered probable that the Company and/or the Tax Group to which it belongs will have future taxable profits to recover them effectively. The recoverability of deferred tax assets is assessed based on projected future taxable profits. According to the level of historical taxable income and projections of future taxable income in the periods in which deferred tax assets are deductible, it is assessed whether it is probable that the SIEMENS GAMESA Group will realise the benefits of these deductible differences (Note 26). At each closing, to the extent that doubts exist about their future recovery, the recorded deferred tax assets are analysed to appropriately value them. In addition, deferred tax assets not recorded in the Consolidated Balance Sheet are assessed at each closing and these are recognized when their recovery with future tax benefits becomes probable.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the amounts recognised under these headings and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax assets and deferred tax liabilities are presented netted in the Consolidated Balance Sheet at the legal entity level as the conditions required are met in accordance with IAS 12 “Income taxes”.

U. REVENUE RECOGNITION

The Group's activities, as described in Note 1, are mainly focused on:

- the promotion and development of wind farms, including engineering solutions, design, production and sale of wind turbines, and
- the rendering of operation and maintenance services through advanced technology services in the renewable energy sector.

These activities correspond to the reported segments "Wind turbines" and "Operation and Maintenance", respectively. In addition, spare parts are sold (mainly during the wind farm maintenance period).

Identification of performance obligations

- Sales from construction-type contracts: a construction-type contract is a contract specifically negotiated for the construction of an asset or a combination of assets. The elements of the construction-type contracts may comprise, for example, the design and construction of nacelles, blades, towers, transformers, wind turbines etc., the transportation and logistics, the software included in wind turbines, the engineering, the erection, installation and commissioning of new wind turbines into service, etc. and, if applicable, they may also include the development of the wind farm (obtaining permits, licenses and authorizations). The promises in a contract are highly interrelated, interdependent and involve a significant service of integration and therefore, are not capable of being distinct for themselves individually. Furthermore, the delivery of the elements in the contract requires a single overarching project management team to ensure that the promises are delivered to the customer as per the contract accordingly. Therefore, the promises form a single performance obligation that provides the customer a complete and integral solution as per the contract (that is, a complete functioning wind farm rendering the agreed megawatts of output), and therefore, there is no significant judgment in the identification of the performance obligations.

Construction-type contracts are satisfied over time because the SIEMENS GAMESA Group's performance does not create an asset with alternative use for the Group (IFRS 15.36). The Group manages projects with technical features that are specific for each customer contract, and therefore the SIEMENS GAMESA Group produces components as per demand of the project (i.e. not producing to stock), and furthermore each project has its site specific customization regarding the components that are produced and used in the project (there is always bespoke works which are performed specifically for the project, like for example the siting and the related engineering for offshore as well as for onshore projects). Revenues are recognized under the percentage-of-completion method, based on the percentage of costs incurred to date compared to total estimated costs.

The percentage-of-completion method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. These significant estimates include total estimated costs, total estimated revenues, contract risks, including technical, political and regulatory risks, and other judgments. The Group continuously updates the estimations (amongst others of total planned costs and estimated costs to complete) with a corresponding analysis of variances and accurate recognition and controlling of revenues. Under the percentage-of-completion method, changes in estimates may lead to an increase or decrease of revenue. In addition, the SIEMENS GAMESA Group needs to assess whether the contract is expected to continue or to be terminated. In determining whether the continuation or termination of a contract is expected to be the most likely scenario, all relevant facts and circumstances relating to the contract are considered on an individual basis.

In the case that separate legal entities are set-up for the development and sale of wind farms, the non-current assets (basically wind turbines, fixtures and civil engineering work) of the wind farms adopting the legal structure of a public or private limited liability company whose shares are fully consolidated in the accompanying Consolidated Financial Statements (see Appendix), are classified as "Inventories". These inventories are considered in the percentage-of-completion calculations as a project cost (i.e. projects

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consume such inventories), so that the accounting is the same as in the case of a wind farm sales contract with a customer without the existence of a separate legal entity, although this business model is a less significant practice at present.

In the Operation and Maintenance business, the promises in the contract can also comprise of several services, like for example minor services, jack-up vessel services, regular maintenance, etc.

- Revenues from services: in typical service contracts of the SIEMENS GAMESA Group, leaving aside the sale of spare parts, (hereinafter, "Service contracts"), the promises form a single performance obligation as the customer simultaneously receives and consumes the benefits provided by the performance of the SIEMENS GAMESA Group, that is, the operation and maintenance of a wind farm, as the services are being rendered by the Group. The promises in the contract are highly interrelated, interdependent and involve a significant service of integration and therefore, are not capable to being distinct for themselves individually. Furthermore, the provision of the elements in the contract requires a single overarching project management team to ensure that the promises are delivered to the customer as per the contract accordingly. Therefore, the promises form a single performance obligation that provides the customer a complete and integral solution as per the contract (e.g. a complete service solution for a wind farm for a period of years ensuring the proper functioning of the wind farm according to the technical specifications of the machines), and therefore, there is no significant judgment in the identification of the performance obligations.

Service contracts are satisfied over time because the customer simultaneously receives and consumes the benefits of the services performed by the SIEMENS GAMESA Group. As in the construction-type contracts, revenues are recognized under the percentage-of-completion method, based on the percentage of costs incurred to date compared to total estimated costs.

In addition, it should be noted that in the SIEMENS GAMESA Group's standard construction-type contracts and service contracts, there is a termination clause that typically stipulates that the Group has enforceable right to payment for performance completed to date of termination (including reasonable profit margin).

- Sale of goods (mainly related to sale of spare parts): the promise to transfer the goods to the customer correspond to the performance obligations under IFRS 15, since the respective promises are generally capable of being distinct, not tied to other promises and therefore, distinct within the context of the contract. With regard to such contracts, the sale of spare parts is not significant to Group revenues.

Revenues are recognized at the point in time when control of the goods passes to the buyer, usually upon delivery of the goods (at a point in time).

Principal or agent

The SIEMENS GAMESA Group acts as principal as it transfers control of and provides its own good or service directly to the customer. With that regard, the Group performs own value adding activities and furthermore, the SIEMENS GAMESA Group is primarily responsible for fulfilling the promise to provide the specified good or service. Accordingly, for example, in cases of subcontracted works and/or suppliers' deliveries of goods, in the context of construction contracts, the responsibility in front of the final customer remains with the SIEMENS GAMESA Group.

The transaction price

The objective when allocating the transaction price is that the entity allocates the transaction price to each performance obligation (or distinct good or service) in an amount that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer.

Subsequent to the identification of the performance obligation in the contract, the contract price is allocated to the respective performance obligation. In general, the SIEMENS GAMESA Group contracts consist of one performance obligation. Therefore, typically the contract price is fully assigned only to one performance obligation.

Variable consideration

- Construction-type contracts

There is no significant variable component in such contracts (without considering penalties due to delay clauses considered in the contracts).

- Service contracts

There are several service contracts with variable pricing tied to the energy produced by the wind farm (normally with a floor fee). However, and when applicable, it does not represent a substantial part of the fulfilment of the performance obligation as per the contract.

In cases where variable consideration is present in the contract, the SIEMENS GAMESA Group assesses it based on likelihood of occurrence according to past experience in the wind farms. If it's highly probable that the variable consideration will occur, then it is incorporated in the planned revenue of the contract. The assessment is performed on a contract by contract basis and is reviewed regularly.

As described above, the SIEMENS GAMESA Group generally has identified one performance obligation for each construction type and service contract. Therefore, if a portion of variable consideration is present it is deemed as attributable to the identified performance obligation i.e. to the contract as a whole.

Relation between the timing of satisfaction of the performance obligations and the typical timing of payment and the effects that those factors have on the contract asset and the contract liability balances

- Construction-type contracts: the planned points in time of revenue recognition are compared to the payment dates in order to identify the time period that elapses.

At contract approval date an analysis of monthly contract cash flows (collections and payments) is performed, in order to identify the financing period for discounting purposes. The company determines the existence of a significant financing component in the contracts by comparing the date on which it is expected to achieve the billing with the periods in which the contract asset is being generated, as the performance obligation is expected to be fulfilled. Based on abovementioned information it is concluded that for construction-type contracts (as assessed on contract-by-contract basis) there is no financing component present (the average deferral period is less than 12 month).

- Service contracts and sale of goods: the timing of the rendering of the Operation and Maintenance services is generally not directly linked to the timing of payments from the customer for service contracts, although, there is a direct link referring to the sale of goods business (sale of spare parts, and sales of field services outside service contract). For the service contracts, the SIEMENS GAMESA Group receives payments from the customer at regular intervals (typically quarterly invoicing), but timing of the service provided depends on the service season when the scheduled maintenance is performed. The timing of unscheduled maintenance cannot be predicted, and will only occur after a failure has happened (with a certain time lag depending on crane/jack up vessel availability, if such is needed). For example: a 15-year service contract will typically have one annual service campaign, and there could be years where unscheduled service is not necessary, while in other years there is more activity due to unscheduled service. Still, the customer payments for such service contract will not vary from the originally agreed payment schedule (apart from the possible price indexation, and from the fact that staggered pricing schemes are often agreed with the customer).

Other information about the performance obligations

- Construction-type contracts

The average duration of the execution of the SIEMENS GAMESA Group construction-type contracts is 1-3 years, with contracts for onshore wind projects in the lower part of the range and those for offshore wind projects in the upper part of the range.

Payment terms for the customer are usually and in average 30-60 days from the date of issue of the invoice, always according to the contract terms.

The main warranties offered to customers in these contracts are the assurance type warranty (normal product warranty), including the power curve warranty and availability warranty. The power curve warranty offers an assurance of compliance with the wind turbine specifications in relation to the electrical power available in the wind turbine at different wind speeds. The availability warranty refers to the wind turbine being able to produce when the conditions for it are met within the technical specifications of the machine. These warranties are customary in the sales process of construction-type contracts in the wind turbine industry and can therefore not be separated as performance obligation.

- Service contracts

The average duration of the SIEMENS GAMESA Group's service contracts is of 8 to 9 years.

Payment terms for the customer are usually and in average 30-60 days from the date of issue of the invoice, always according to the contract terms.

The main warranty included in service contracts is related to the availability in the operation of the wind farm during the maintenance contract and is therefore an integrated element of the service performance obligation.

- Sale of goods

Payment terms for the customer in case of sale of goods are, generally and on average 30-60 days from the date of the issue of the invoice, always in accordance to the contract terms. Invoices are usually issued close to the time of delivery of the goods.

V. LEASES

From October 1, 2019, the SIEMENS GAMESA Group adopted IFRS 16. This standard, from the perspective of the lessee, requires the lessee to recognize a right-of-use asset and a lease liability at the present value of the obligation to make lease payments. From the perspective of the lessor, a lessor classifies its leases as operating leases or finance leases, and to account for those two types of leases differently.

Right-of-use assets and lease liabilities

A lessee measures right-of use assets similarly to other non-financial assets (such as "Property, plant and equipment") and lease liabilities similarly to other financial liabilities. Therefore, a lessee recognizes depreciation of the right-of-use asset and interest on the lease liability and classifies cash repayments of the lease liability into a principal and an interest portion.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments) and payments to be made in optional periods if the lessee is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

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The initial value of the lease liability is calculated as the value of future lease payments that are discounted, as a general rule at the incremental rate of the underlying asset. Lease payments include:

- Fixed or substantially fixed lease instalments specified in the contract, after deduction of any incentive to be received by the lessee. The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that affects the Group's ability to exercise or not exercise the option to renew or to terminate;
- variable instalments dependent on an index or rate;
- the amounts that the lessee expects to pay for guarantees on the residual value of the underlying asset;
- the exercise price of the purchase option, if it is reasonably certain that the lessee will exercise such option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. In general, the agreements have renewal and cancellation clauses.

Contingent lease payments subject to the occurrence of a specific event and the variable instalments dependent on the use of underlying asset are recorded at the time when they are incurred under the heading of cost by nature of external services in the Consolidated Statement of Profit and Loss, rather than as part of the lease liability (Note 17.B).

Subsequently, the lease liability is increased to reflect the finance costs and is reduced in the amount of the payments made. The unwinding of the financial discounting is recorded under "Interest expenses" in the Consolidated Statement of Profit and Loss. The lease liability is remeasured whenever there is a change in indexes or rates, in the estimated amounts to be paid for guarantees on the residual value, in those cases where the exercise of options to extend is considered reasonably certain or in those cases where the options to cancel are considered not to be exercised within reasonable expectations.

The right-of-use asset is initially recorded at cost, which includes:

- The amount of the initial measurement of the lease liability;
- any lease payment made on or before the lease start date, minus lease incentives received;
- the initial direct costs incurred as a result of the lease, and
- an estimation of the costs that will be incurred by the lessee for the dismantling and restoration of the asset.

After the initial recognition, the right-of-use asset is recorded at cost less accumulated depreciation and impairment losses. The depreciation of the right-of-use asset is recorded in the Consolidated Statement of Profit and Loss during the useful life of the underlying asset, or during the lease term, whichever is shorter. If the property is transferred to the lessee or it is practically certain that the lessee will exercise the purchase option, it will be depreciated over the useful life of the asset. In case of non-removable leasehold improvements, the useful life of

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the respective leasehold improvement will not exceed the term of the lease contract. The weighted average lease term is as follows:

	2021	2020
Buildings and real property	16.07	11.28
Technical facilities and machinery	8.35	6.62
Other property, plant and equipment	3.60	3.13

For lease contracts which may include lease and non-lease components, in general the SIEMENS GAMESA Group is not separating both elements for accounting purposes, recognizing them as a single element, except for the type of underlying assets for which the separation may have a significant impact on the Consolidated Financial Statements (for example, services related to leases of vessels).

The preparation of these Consolidated Financial Statements in accordance with IFRS 16 has required the SIEMENS GAMESA Group to make certain assumptions and estimates. In the determination of the lease term, the SIEMENS GAMESA Group considers all the relevant facts and circumstances that create a significant economic incentive for the lessee to exercise the renewal option or not to exercise the cancellation option. Renewal or termination options are only included in the determination of the lease term if it is reasonably certain that the contract will be extended or will be terminated. If a significant event or a significant change in circumstances occurs that may affect the assessment of the term, the SIEMENS GAMESA Group reviews the assessment made in the determination of the lease term.

W. FUNCTIONAL COSTS

In general, operating expenses by type are assigned to the functions depending on the functional area of the corresponding profit and cost centers. The amortization, depreciation and impairment of "Other intangible assets" and "Property, plant and equipment" are included in functional costs depending on the use of the assets.

X. INTERNALLY GENERATED TECHNOLOGY

Costs of research activities are recognized as incurred. Development costs are capitalised when the recognition criteria in IAS 38 are met. Capitalised development expenses are recorded at cost less accumulated amortization and impairment losses.

The amortization of development expenses begins when the asset is available for use, i.e., when it is in the condition necessary for it to be capable of operating in the manner intended by Management. The expenditure is amortized generally on a straight-line basis over the estimated period of time that the new product will generate economic benefits, at a maximum of 5 years.

Y. INTEREST EXPENSES

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset are part of the cost of that asset. A qualified asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Financial income obtained on the temporary investment of specific loans until their usage on qualified assets is deducted from the interest expense that may be capitalised.

All other borrowing costs are recognized as a cost in the period in which they are incurred.

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Z. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit or loss for the reporting period by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing the net profit or loss for the reporting period by the weighted average number of ordinary shares outstanding in the period, adjusted by the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares. For such purposes, dilutive potential ordinary shares are deemed to have been converted into ordinary shares at the beginning of the reporting period or, if later, at the date of the issuance of the potential ordinary shares.

Basic earnings per share in the years ended September 30, 2021 and 2020 coincide with diluted earnings per share, since there were no potential shares outstanding in those periods (Note 33).

4. ACQUISITIONS, DISPOSALS AND DISCONTINUED OPERATIONS

Acquisition of Servion European Onshore Services

The assets and liabilities of Servion Deutschland GmbH and its subsidiaries are included in the Consolidated Financial Statements at their acquisition date fair values.

The following table summarizes the consideration paid, the fair values of the assets and liabilities at their acquisition date and the generated "Goodwill":

Millions of euros	Note	
Consideration paid		122
Cash and cash equivalents		4
Trade and other receivables		59
Contract assets		12
Inventories		26
Other intangible assets	13	147
Property, plant and equipment		35
Other current and non-current financial assets		3
Deferred tax asset, net		5
Other current and non-current assets		3
Trade and other payables		(2)
Contract liabilities		(57)
Other current financial liabilities		(5)
Financial debt	17.B	(14)
Current and non-current provisions		(146)
Other current and non-current liabilities		(23)
Current income tax liabilities, net		(11)
Fair value of net assets		36
Goodwill	12	86
Allocated to the Operation and Maintenance segment		86

The acquired business contributed revenues of EUR 124 million and a negative net result of EUR 12 million (pre-purchase price allocation impacts) to SIEMENS GAMESA Group for the period from acquisition to September 30, 2020. The revenue and result of the combined entity for the fiscal year 2020 as though the acquisition date had been as of the beginning of the year amounted to EUR 167 million and a negative net result of EUR 7 million, respectively (pre-purchase price allocation impacts).

The consideration paid amounted to EUR 122 million (EUR 118 million net of cash acquired).

The accounting for this business combination is finalized by the date of issuance of these Consolidated Financial Statements for the year ended September 30, 2021.

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Acquisition of the blade manufacturing business in Vagos of Servion

The assets and liabilities of Siemens Gamesa Renewable Energy Blades, S.A. and associated additional assets are included in the Consolidated Financial Statements at their acquisition date fair values.

The following table summarizes the consideration paid, the fair values of the assets and liabilities at their acquisition date and the generated "Goodwill":

Millions of euros	Note	
Consideration paid		60
Inventories		4
Property, plant and equipment		58
Other current and non-current financial assets		1
Current income tax asset, net		1
Deferred tax asset, net		2
Other current and non-current assets		1
Trade and other payables		(1)
Current and non-current provisions		(4)
Other current and non-current liabilities		(2)
Fair value of net assets		60
Goodwill	12	-

The acquired business contributed revenues of EUR 1 million and a negative net result of EUR 6 million (pre-purchase price allocation impacts) to SIEMENS GAMESA Group for the period from acquisition to September 30, 2020. The revenue and net result of the combined entity for the fiscal year 2020 as though the acquisition date had been as of the beginning of the year amounted to EUR 18 million and EUR 1 million, respectively (pre-purchase price allocation impacts).

The consideration paid amounted to EUR 60 million (EUR 60 million net of cash acquired).

The accounting for this business combination is finalized by the date of issuance of these Consolidated Financial Statements for the year ended September 30, 2021.

The transaction costs associated to both transactions amounted to EUR 13 million and were recorded mainly in the Consolidated Statement of Profit and Loss for fiscal year 2020.

5. FINANCIAL RISK MANAGEMENT

Due to the nature of its activities, the SIEMENS GAMESA Group is exposed to a variety of financial risks: (i) market risks, in particular foreign exchange risk, market price risk and interest rate risk, (ii) liquidity risk, and (iii) credit risk. The aim of the Financial Risk Management is to identify, measure, monitor and mitigate those risks and their potential adverse effects on the operational and financial performance of the Group. The general conditions for compliance with the Group's Financial Risk Management process are set out through policies approved by the Top Management. The identification, assessment and hedging of financial risks lies in the responsibility of each business unit.

A. MARKET RISK

a. Foreign exchange risk

The SIEMENS GAMESA Group carries out transactions with international counterparties in the normal course of business, leading to income in currencies other than euro, and to future cash flows generated by the SIEMENS GAMESA Group's companies that are denominated in a currency other than their functional currencies, and are therefore exposed to risks from changes in foreign currency exchange rates.

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Foreign currency exchange rate exposure is partially balanced by purchasing of goods, commodities and services in the currency of the local market where the business is being conducted, as well as by locating the production activities and other contributions along the supply chain in those local markets. Furthermore, to the extent possible, currency clauses are integrated into commercial contracts to transfer total or partially foreign currency risk to counterparts.

In the cases where it is not possible to apply the described measures, the SIEMENS GAMESA Group uses financial instruments to hedge the remaining risk exposure, since its objective is to generate profits through business operations, and not by speculating with the exchange rate fluctuations (Note 9). For this purpose, the Group analyses the foreign currency exposure on its confirmed order backlog as well as on the planned and highly probable foreign currency transactions.

Due to the international set-up of the Group, cash flows are generated in numerous different currencies. The majority of foreign currency transactions of the Group are denominated in united states dollars, danish kroner, chinese yuans, indian rupees, brazilian reals, sterling pounds and mexican pesos. According to the SIEMENS GAMESA Group's general foreign exchange risk management framework, foreign currency risk has to be hedged within a band of at least 75% up to a maximum of 100%. The financial instruments used to hedge this risk are primarily foreign currency exchange forward contracts and foreign currency swaps (Note 9).

The following table shows the translation impact on profit and loss and equity as a result of changes in exchange rates as of September 30, 2021 and 2020 for the Group's most significant currencies, by simulating a 5% devaluation and appreciation of the euro against the respective currency:

Thousands of euros	Debit / (Credit) (*)				
	Exchange rate at 09.30.2021	Devaluation of 5% of the euro		Appreciation of 5% of the euro	
		Impact on income before taxes	Impact on equity before taxes	Impact on income before taxes	Impact on equity before taxes
Currency					
United States dollars	1.1579	2,399	(42,041)	(2,399)	42,041
Danish kroner (**)	7.4360	(1,229)	(4,762)	1,382	6,386
Chinese yuans	7.4847	(4,808)	(32,731)	4,808	32,731
Indian rupees	86.0766	8,607	(55,300)	(8,607)	55,300
Brazilian reals	6.2631	16,073	(1,611)	(16,073)	1,611
Sterling pounds	0.8605	(5,492)	1,272	5,492	(1,272)
Mexican pesos	23.7439	902	(6,727)	(902)	6,727

(*) Income and equity increase in negative and expenses and equity decrease in positive.

(**) To calculate the sensitivity of the change of the Danish Krone's exchange rate, the fluctuation band fixed by the European Central Bank and the Danish Bank is used (2.25% over the 7.4604 DKK/EUR fixed rate).

Thousands of euros	Debit / (Credit) (*)				
	Exchange rate at 09.30.2020	Devaluation of 5% of the euro		Appreciation of 5% of the euro	
		Impact on income before taxes	Impact on equity before taxes	Impact on income before taxes	Impact on equity before taxes
Currency					
United States dollars	1.1708	1,020	(41,807)	(1,020)	41,807
Danish kroner (**)	7.4462	3,556	(7,656)	(4,214)	9,072
Chinese yuans	7.9720	(1,016)	(32,495)	1,016	32,495
Indian rupees	86.2990	23,008	(80,753)	(23,008)	80,753
Brazilian reals	6.6308	3,551	(4,369)	(3,551)	4,369
Sterling pounds	0.9124	(4,719)	(3,807)	4,719	3,807
Mexican pesos	26.1848	1,884	(8,486)	(1,884)	8,486

(*) Income and equity increase in negative and expenses and equity decrease in positive.

(**) To calculate the sensitivity of the change of the Danish Krone's exchange rate, the fluctuation band fixed by the European Central Bank and the Danish Bank is used (2.25% over the 7.4604 DKK/EUR fixed rate).

b. Market price risk

The SIEMENS GAMESA Group is exposed to risks relating to fluctuations in the prices of the commodities, as well as import tariffs for certain products in some countries that may affect the costs of the supply chain. These risks are mainly managed in the procurement process. Only in some cases, the SIEMENS GAMESA Group uses derivative instruments to mitigate these market price risks.

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COVID-19

On December 31, 2019, China alerted the World Health Organization (hereinafter, "WHO") of the new COVID-19 disease. On January 30, 2020, the International Health Regulations Emergency Committee of the WHO declared the outbreak a "Public Health Emergency of International Concern" and on March 11, 2020 the WHO characterized the public health emergency caused by the outbreak as a pandemic.

As COVID-19 spread globally, rapidly increasing the number of infections, many countries required companies to limit or suspend business operations mainly during the second and third quarter of fiscal year 2020 and implemented restrictions regarding movement of people and quarantine measures. Those partly remain in force ever since and have extensively disrupted regular way of business with negative implications for international trade and production processes, global supply chain disruptions and demand shocks and a high uncertainty in the capital markets.

The SIEMENS GAMESA Group took measures to ensure business continuity selling, manufacturing, installing and servicing wind turbine generators for its customers worldwide. From the very beginning of this crisis (COVID-19), the SIEMENS GAMESA Group activated the global crisis management and established a task force dedicated to continuously monitor the impact and mitigation measures.

This task force adopted processes to address the Group's utmost priority of keeping its employees and their families safe and healthy, implementing a series of actions aimed at balancing the demands of health and safety with those of business activity. Such actions were developed in three workstreams: "People" (Health and Safety), "Business Continuity" and "Communication".

The "People" workstream focused on the development and implementation of enhanced strict safety protocols for all workstations in offices, plants and wind farm sites, defined testing and quarantine strategies and related traceability systems for employees, suppliers and customers where work in presence was unavoidable. The SIEMENS GAMESA Group extended its virtual collaboration capacity tremendously in terms of number of users and introduced state of the art workplace software in order to gain the capability to close entire office locations and switch to its smart working environment. Following the development of the pandemic, data driven decisions were made for closing the SIEMENS GAMESA Group locations for in-presence work. For each location a multi-phase re-opening strategy was defined with reference to the development of key indicators of the pandemic, so that employees only return on a must-have basis.

The "Business Continuity" workstream was closely interacting with the "People" workstream. Actions in the area of "Business Continuity" are aiming at fully understanding the implications of the pandemic on the SIEMENS GAMESA Group's value chain and at developing and implementing appropriate responses to minimize the impact on the business. Such responses included expediting critical supplies and transportation, enforcing eligible contract terms towards customers and vendors, continuous optimization of production plans and active participation in developing local safety protocols to ensure safe production. Further, the monitoring of the financial implications of the COVID-19 pandemic was developed and implemented as well.

All actions are accompanied by a broad communication plan developed and implemented in the "Communication" workstream. It entails a continuous update on the SIEMENS GAMESA Group's assessment of the development of the pandemic, safety protocols, testing strategies and a real-time voluntary monitoring tool. All communication is driven through effective means of communication utilizing digital channels mostly.

Despite all efforts, the SIEMENS GAMESA Group faced various adverse effects in its business, financial position, results of operations and cash flows during fiscal year 2020, with a total negative impact in Earnings before interest and taxes ("EBIT¹") estimated at EUR 181 million.

¹ Earnings before interest and taxes (hereinafter, "EBIT"): operating profit as per the Consolidated Income Statement. It is calculated as "Income (loss) from continuing operations before income taxes", before "income (loss) from investments accounted for using the equity method", interest income and expenses and "other financial income (expenses), net".

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The main impact of the pandemic during the fiscal year 2021 has been mainly due to:

- Quarantine regimes due to restrictive safety protocols which delayed the resource allocation (e.g. work teams allocation at offshore wind farm sites, causing additional costs);
- Non-availability of technicians in Operation and Maintenance projects due to same reasons, adversely impacting the achievement of revenue incentive schemes, which depend on the high availability of wind turbines;
- Costs for COVID-19 related safety measures and protection equipment worldwide, partially offset by travel expense savings.

The disruptions in the SIEMENS GAMESA Group's supply chain, manufacturing operations, project execution and commercial activity that largely impacted the onshore activities within the Wind Turbines segment last fiscal year, were partially mitigated this fiscal year due to the above-mentioned implemented measures, together with an early warning system. Also, despite governmental regulations affected project execution in several regions with different levels of impact, the global impact for the SIEMENS GAMESA Group due to COVID-19, is within the expectations, as considered in the baseline for fiscal year 2021.

As a consequence, derived from the conditions described above the impact in the Consolidated Financial Statements of the SIEMENS GAMESA Group directly attributable to COVID-19 is estimated at EUR 157 million in revenues, due to slower progress in customer projects, with an estimated total negative impact in EBIT of EUR 14 million, within the SIEMENS GAMESA Group's expectations and budget.

POST-BREXIT

The exit of the United Kingdom (hereinafter, "UK") from the European Union (hereinafter, "the EU") triggered an extended period of general uncertainty and also increased the uncertainty in the business development of the SIEMENS GAMESA Group in the UK.

On March 29, 2017, the UK Government invoked Article 50 of the Treaty of Lisbon, notifying the European Council of its intention to withdraw from the EU. There was an initial 2 years' timeframe for the UK and EU to reach an agreement on the withdrawal and the future UK and EU relationship. On March 29, 2019 the UK Parliament voted for a third time against the Prime Minister's Brexit deal, which, if approved, would have opened the way to the UK leaving the EU on a revised date of May 22, 2019. On April 10, 2019, the UK Government and the EU agreed an extension for the Brexit until October 31, 2019. On October 17, 2019, UK and the European Commission approved an orderly Brexit which was not supported by the Parliament. On October 28, 2019 the EU agreed a new extension for the Brexit until January 31, 2020. The Prime Minister, Boris Johnson, won the elections in the UK on December 12, 2019 and finally got the support from the UK Parliament to leave the EU on December 20, 2019. In January 2020, the UK left the EU after reaching an agreement with the EU to do so. A grace period begun, which ended on December 31, 2020.

A Post-Brexit deal on trade and future EU-UK relations was negotiated by the end of 2020, just a few days before the end of the transition period.

UK and EU agreed a Trade and Collaboration Agreement (hereinafter, "TCA"), signed on December 24, 2020, which leads to the end of free movement with new immigration rules coming into force. These UK Government immigration rules are effective since 1st of January of 2021. The new rules require companies operating in UK to take new measures in respect to customs declarations, product certification, immigration, etc.

Nowadays, the main Group operations related to the UK market are the following:

- Currently there is no significant pipeline of UK onshore projects due to potential government restrictions on the support to new onshore developments. Several projects are still in the sales phase where Brexit risks can be covered in the contract negotiations. Projects in the Republic of Ireland continue but, as Ireland remains in the EU, no impacts are expected.

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- Much of the Group's current activity in the UK consists in the supply and installation of offshore projects.
- The SIEMENS GAMESA Group has made a major investment in manufacturing in the UK with the establishment of a primary production of offshore wind turbine blades on a site that is closely located to the Group's port facility. The Group manufactures the current generation of blades for its offshore projects, which will be used on both UK and European projects, and thus commencing with exports from the factory. The factory currently employs over 800 people. In August 2021, the Group announced an expansion of this facility to enable the manufacturing of next generation blades starting in 2023. The GBP 186 million investment in the expansion will see the facility double the size and add further 200 direct employees.
- The SIEMENS GAMESA Group also provides warranty services to new projects and long-term service of wind farm fleets for customers. With a major base in Newcastle upon Tyne, Service also operates a widely distributed workforce with satellite locations at offshore wind farms and onshore wind hubs across the UK.

Currently, there is a potential risk of non-compliance with the requirements laid out by the UK-EU TCA and new UK immigration rules, which may delay movement of goods through ports and/or prevent movement of people between EU and UK. The impacts could be, project and/or production delays due to resources (goods and people) held up, due to incomplete customs declaration and/or incorrect immigration approvals.

The Group has defined several action items to minimize the remaining risk from Post-Brexit, in particular:

- Building up of spare parts inventory and buying in advance materials for the Hull factory.
- Alternative import routes into Hull using northern ports in case of congestion at southern ports.
- Inserting a specific "BREXIT" clause in new contracts and reviewing the "change of law" clause in the older ones.
- Ensure the hiring of additional customs broker capacity.
- Reinforce the management of immigration processes hiring external expert advisors.
- Apply for Sponsorship Licence as a solution for movements of EU nationals into UK.

Based on the risk assessment and its mitigation, no significant risk on the recoverability of assets resulting from past investments in the UK is identified. In any case, no material impact on the Group's total assets is expected. A close analysis and follow-up of the situations that could pose a significant risk, and of the measures to be taken in this regard are performed on a regular basis through an established task force that continuously monitors the Post-Brexit process.

TRADE WAR BETWEEN THE UNITED STATES, CHINA AND THE EU

Trade Wars (e.g. US – China, EU - China, antidumping) continue to be an important factor to consider for SIEMENS GAMESA Group's setup of global supply chains in fiscal year 2022. The developments are monitored closely and adjustments to the supply setups are made accordingly.

Specifically and regarding Steel Plates for Towers:

- Increased risk of Anti-Dumping related to Towers in Europe. Towers from China are now taxed at a duty of 7-19%; at the moment, the SIEMENS GAMESA Group is currently not sourcing Towers from China, so there is no direct impact derived from this risk.
- It is probable that the current situation sets a precedent for other countries that the SIEMENS GAMESA Group is importing towers from. Mitigation strategies include alternative sourcing channels and long-term contracts to secure capacity.

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The SIEMENS GAMESA Group continues regular monitoring of the situation, assessing the possible scenarios from the trade war and ways to reduce these risks (changes in the supply chain, negotiating with customers, as well as request for exemptions to certain tariffs).

A close analysis and follow-up are performed on a regular basis through the export control and customs and the purchasing departments.

c. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The SIEMENS GAMESA Group uses external sources to finance part of its operations. Loans at variable rates expose the Group to interest rate risks, while loans at fixed rates expose the Group to fair value interest rate risk. The variable rates are mainly linked to the EURIBOR. The SIEMENS GAMESA Group continuously analyses the split of external financing at variable and fixed rates to optimise the interest rate exposure.

The Group occasionally uses derivative financial instruments to mitigate the interest rate risk. In general, these interest rate hedges are assigned specifically to debt instruments and are matching their maturity as well as their nominal amount (Note 9).

As of September 30, 2021 and 2020, the split of the borrowings into fixed and variable rate is as follows:

Thousands of euros Note	09.30.2021		09.30.2020	
	Excluding hedges	Including hedges	Excluding hedges	Including hedges
	17		17	
Fixed Rate	603,624	1,096,488	240,000	731,791
Variable Rate	734,721	241,857	819,571	327,780
Total	1,338,345	1,338,345	1,059,571	1,059,571

Based on instruments bearing interests at fixed and variable rates and financial instruments hedging interest rate risk which the SIEMENS GAMESA Group holds, a hypothetical change in the interest rates applicable to the respective instruments would have had the following effects:

Thousands of euros	Debit / (Credit) (*)			
	Change in interest rate -0.25%		Change in interest rate +0.25%	
	Impact on income before taxes	Impact on equity	Impact on income before taxes	Impact on equity
09.30.2021	(1,130)	-	1,130	-
09.30.2020	(1,152)	-	1,152	-

(*) Income and equity increase in negative and expenses and equity decrease in positive.

IBOR Reform

Due to the existing uncertainty during the transition period imposed by the IBOR Reform, the Group has started an action plan aimed at minimising any potential negative risk, identifying in first place the affected transactions, quantifying their notional value and reviewing the wording of the agreements.

The Group currently uses interest rate derivatives (interest rate swaps) as cash flow hedging instruments (Notes 8 and 9), which are indexed to variable interest rates, specifically the Euribor. Equally, some of the Group's bank financing as of September 30, 2021 refers to Euribor.

As of September 30, 2021, the Group has multicurrency financing lines which have no drawn amounts with an aggregated limit of EUR 2,457 million. In case the Group would draw these amounts in United States dollars, the interest rate would be Libor-dollar. Nevertheless, the current strategy of the Group is to dispose the financial debt in the local currency of the country of the company that is using it.

Once the authorities make any progress on the IBOR indices, the Group will make the appropriate contractual amendments so as to include the new replacement reference interest rate in its financing contracts.

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B. LIQUIDITY RISK

Liquidity risk is the risk that the SIEMENS GAMESA Group is unable to meet its existing or future obligations due to insufficient availability of cash or cash equivalents. The Group mitigates the liquidity risk by the implementation of an effective working capital and cash management as well as with arranged credit facilities with highly rated financial institutions. In its liquidity estimate, the SIEMENS GAMESA Group takes into account future lease payments in a way that ensures the liquidity needed to meet those payments. As of September 30, 2021, the SIEMENS GAMESA Group has unused credit facilities amounting to EUR 3,106 million, which represents 70% of total credit facilities limit (EUR 3,140 million as of September 30, 2020, 75% of total credit facilities limit) (Note 17).

Furthermore, the Group attempts to maintain a financial debt structure that is in line with the maturity of the assets to be financed. Therefore, non-current assets are financed with long-term debt or equity, whereas working capital is mainly financed with short-term borrowings.

C. CREDIT RISK

The credit risk is the risk that exists when a counterparty or customer does not meet its contractual payment obligations, and this leads to a loss for the SIEMENS GAMESA Group.

The Group deals generally with customers that have an appropriate credit history and rating. The customers usually are companies within the energy sector where the steady cash-inflows from the sale of electricity leads to an above average credit rating. Nevertheless, in cases of customers with a below average rating or credit history, the SIEMENS GAMESA Group uses a variety of mitigation measures, such as irrevocable letters of credit or export insurances to cover the increased credit risk. Furthermore, the customer contract is individually analysed, and specific conditions according to the credit risk exposure are included to safeguard the Group from an insolvency of the counterparty.

The analysis of the overdue trade receivables, which cover the majority of the financial assets and which have not been impaired individually, notwithstanding that the value adjustments derived from the application of the expected credit losses model are already included, as of September 30, 2021 and 2020, is as follows:

Thousands of euros	09.30.2021	09.30.2020
Less than 90 days	180,807	149,410
90 - 180 days	39,627	81,923
More than 180 days	98,056	78,401
Total trade and other receivables – overdue	318,490	309,734

The credit risk exposure of cash and other cash equivalents can be anticipated with the credit rating of the corresponding financial institutions. The overview below discloses the cash and cash equivalents as of September 30, 2021 and 2020, by financial institutions with the following ratings:

Thousands of euros	Note	09.30.2021	09.30.2020
AA-		734	1,326
A+		431,931	509,933
A		173,314	235,038
A-		177,607	136,347
BBB+		894,127	560,638
BBB		119,731	51,530
BBB-		9,833	32,409
BB+ or lower		153,330	94,572
Total	6	1,960,607	1,621,793

Translation of Consolidated Financial Statements originally issued in Spanish. In the event of a discrepancy, the Spanish-language prevails (Note 37)

6. CASH AND OTHER CASH EQUIVALENTS

The breakdown of “Cash and cash equivalents” as of September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	09.30.2021	09.30.2020
Cash in euros		945,677	657,394
Cash in foreign currency	3.C	979,385	867,123
Liquid assets	3.C	35,545	97,276
Total		1,960,607	1,621,793

The heading “Cash and cash equivalents” includes mainly the Group's cash and short-term bank deposits with an initial maturity of three months or less. “Cash and cash equivalents” accrue interests at market interest rates. There are no restrictions on the use of these balances.

The liquid assets maturing in less than three months are denominated in foreign currency (Note 3.C).

7. TRADE AND OTHER RECEIVABLES

The detail of “Trade and other receivables” in the Consolidated Balance Sheet as of September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	09.30.2021	09.30.2020 (*)
Trade and other receivables from third parties (*)		951,497	1,171,156
Trade and other receivables from related parties	29	42,223	50,193
Impairment of trade and other receivables		(93,108)	(79,036)
Total (*)		900,612	1,142,313

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

All the aforementioned balances mature in less than twelve months and are non-interest-bearing.

The carrying amount of the “Trade and other receivables” denominated in foreign currency as of September 30, 2021 and 2020 is as follows (Note 3.C):

Currency	Equivalent value in thousands of euros	
	09.30.2021	09.30.2020
Canadian dollars	3,046	3,507
United States dollars	135,677	209,436
Sterling pounds	16,055	14,371
Chinese yuans	97,776	84,755
Danish kroner	14,724	5,057
Swedish kronas	32,617	46,486
Brazilian reals	13,382	59,978
Egyptian pounds	5,249	14,762
Indian rupees	125,850	63,256
Taiwan dollars	6,871	32,318
Norwegian kroner	665	73,345
Vietnamese dong	29,888	1,168
Moroccan dirhams	3,365	12,601
Other currencies	16,900	39,116
Total	502,065	660,156

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Movements in the provision for the impairment of trade and other receivables have been as follows:

Thousands of euros	
Balance at 10.01.2020	79,036
Reversal of unused amounts	(13,026)
Creation of provisions	33,533
Provisions applied to intended purpose	(6,816)
Currency translation differences	381
Balance at 09.30.2021	93,108

Thousands of euros	
Balance at 10.01.2019	57,323
Business combinations	7,438
Reversal of unused amounts	(9,910)
Creation of provisions	45,591
Provisions applied to intended purpose	(19,608)
Currency translation differences	(1,798)
Balance at 09.30.2020	79,036

Generally, these charges and releases resulting from the valuation of trade receivables are recorded under the heading of "Selling expenses and general administration expenses" in the Consolidated Statement of Profit and Loss, since they are considered marketing expenses as they are linked to the sales of products or services. In cases where these impacts come from administrative functions within the area of responsibility for operations or plants, these expenses could be assigned to the heading "Cost of sales" in the Consolidated Statement of Profit and Loss, if applicable.

The movements in the provision mainly relate to value adjustments made by the Group companies on their trade receivables. These are made based on the criteria established by the Group, and their amount, when taken individually, is not material for disclosure purposes. The movements in the provision for the impairment of trade and other receivables during 2021 correspond to value adjustments made mainly in Taiwan and India (during fiscal year 2020 these corresponded to value adjustments mainly in India).

8. FINANCIAL INSTRUMENTS BY CATEGORY

A. COMPOSITION AND BREAKDOWN OF OTHER FINANCIAL ASSETS

The breakdown of the "Other financial assets" of the SIEMENS GAMESA Group as of September 30, 2021 and 2020, presented by nature and category for measurement purposes, is the following:

Thousands of euros		09.30.2021		
Other financial assets:		Credits, receivables		
Nature / Category	Note	and other	Derivatives	Total
At amortised cost		79,405	-	79,405
Hedge derivatives	9	-	74,628	74,628
Other derivatives	9	-	84,583	84,583
Short-term / current		79,405	159,211	238,616
At fair value through Profit or Loss	16	24,167	-	24,167
At fair value through Other Comprehensive Income		-	-	-
At amortised cost	16	58,850	-	58,850
Hedge derivatives	9, 16	-	27,075	27,075
Other derivatives	9, 16	-	101,986	101,986
Long-Term / non-current		83,017	129,061	212,078
Total		162,422	288,272	450,694

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Thousands of euros		09.30.2020		
Other financial assets:		Credits, receivables		
Nature / Category	Note	and other	Derivatives	Total
At amortised cost		117,492	-	117,492
Hedge derivatives	9	-	33,595	33,595
Other derivatives	9	-	60,990	60,990
Short-term / current		117,492	94,585	212,077
At fair value through Profit or Loss	16	28,020	-	28,020
At fair value through Other Comprehensive Income		-	-	-
At amortised cost	16	88,883	-	88,883
Hedge derivatives	9, 16	-	17,535	17,535
Other derivatives	9, 16	-	100,135	100,135
Long-Term / non-current		116,903	117,670	234,573
Total		234,395	212,255	446,650

Other financial assets at amortised cost

Short-term / current

On March 17, 2020, the SIEMENS GAMESA Group reached an agreement with Areva Energies Renouvelables SAS and Areva S.A., (hereinafter, "Areva") with the purpose of settling all the disputes, duties and liabilities as well as any past, present and future claims of the Parties.

The Settlement Agreement established that, as consideration for the account receivable that the Group company Adwen Offshore, S.L.U had at the date of the agreement, it was no longer obliged to repay any principal, interest or other amounts related to the outstanding Shareholder Loan with Areva and that such Shareholder Loan was hereby terminated. Furthermore, Areva agreed to pay to Adwen Offshore, S.L.U an amount of EUR 72.4 million, payable in two equal instalments on or before January 31, 2021 and on or before December 31, 2021, respectively. During the year ended September 30, 2021, the two instalments have been collected.

Such amounts were booked net of the corresponding discount effect and of the application of the credit risk and expected loss model in accordance with IFRS 9. As a result, the SIEMENS GAMESA Group recognized an income of EUR 61.1 million in the heading "Cost of sales" of the Consolidated Statement of Profit and Loss for the year ended September 30, 2020. During the year 2021 and after updating the discount effect and the application of the credit risk and expected loss model, the SIEMENS GAMESA Group has recognized and additional income of EUR 11.3 million under the heading "Cost of Sales" of the Consolidated Statement of Profit and Loss.

Long-term / non-current

As of September 30, 2021, the amount included under the heading at amortised cost in non-current financial assets is mainly related to a deposit in amount of EUR 50 million used as guarantee for the transfer to a third party of the derivatives portfolio held with the SIEMENS Group (EUR 50 million as of September 30, 2020), whose remaining maturity is 4 years. Furthermore, as of September 30, 2020 it was also related with the indemnification to be received from the former ADWEN shareholder, Areva, as mentioned before.

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B. COMPOSITION AND BREAKDOWN OF FINANCIAL DEBT AND OTHER FINANCIAL LIABILITIES

The breakdown of the “Financial debt” and “Other financial liabilities” of the Group as of September 30, 2021 and 2020, presented by nature and category for measurement purposes, is the following:

Thousands of euros		09.30.2021		
Financial debt and Other financial liabilities:				
Nature / Category	Note	Financial liabilities	Derivatives	Total
Debt with financial institutions and other obligations (*)	17.A	250,555	-	250,555
Lease liabilities (*)	17.B	131,166	-	131,166
Hedge derivatives	9	-	27,421	27,421
Other derivatives	9	-	99,302	99,302
Other financial liabilities		53,629	-	53,629
Short-term / current		435,350	126,723	562,073
Debt with financial institutions and other obligations (*)	17.A	1,087,790	-	1,087,790
Lease liabilities (*)	17.B	697,872	-	697,872
Hedge derivatives	9	-	30,415	30,415
Other derivatives	9	-	73,335	73,335
Other financial liabilities		9,333	-	9,333
Long-Term / non-current		1,794,995	103,750	1,898,745
Total		2,230,345	230,473	2,460,818

(*) Included within “Financial debt” in the Consolidated Balance Sheet.

Thousands of euros		09.30.2020		
Financial debt and Other financial liabilities:				
Nature / Category	Note	Financial liabilities	Derivatives	Total
Debt with financial institutions and other obligations (*)	17.A	319,050	-	319,050
Lease liabilities (*)	17.B	115,263	-	115,263
Hedge derivatives	9	-	22,758	22,758
Other derivatives	9	-	68,408	68,408
Other financial liabilities		35,500	-	35,500
Short-term / current		469,813	91,166	560,979
Debt with financial institutions and other obligations (*)	17.A	740,521	-	740,521
Lease liabilities (*)	17.B	495,574	-	495,574
Hedge derivatives	9	-	35,495	35,495
Other derivatives	9	-	79,025	79,025
Other financial liabilities		11,804	-	11,804
Long-Term / non-current		1,247,899	114,520	1,362,419
Total		1,717,712	205,686	1,923,398

(*) Included within “Financial debt” in the Consolidated Balance Sheet.

9. DERIVATIVE FINANCIAL INSTRUMENTS

The SIEMENS GAMESA Group uses derivative financial instruments to hedge the risks to which its activities, transactions and future cash flows are exposed, mainly foreign currency, commodity and interest rate risk.

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The detail of the balances that represent the valuation of derivatives in the Consolidated Balance Sheets as of September 30, 2021 and 2020 is as follows:

Thousands of euros	09.30.2021			
	Current		Non-current	
	Assets	Liabilities	Assets	Liabilities
Note	8	8	8, 16	8
Interest rate hedges				
Cash-flow hedges	-	191	-	48
Electricity prices hedges				
Cash-flow hedges	-	808	-	-
Foreign currency hedges				
Cash-flow hedges	74,628	26,422	27,075	30,367
Other derivatives				
Foreign currency derivatives	67,395	44,401	37,943	35,910
Embedded derivatives	16,892	47,755	61,098	37,425
Commodity derivatives	296	7,146	-	-
Other derivatives	-	-	2,945	-
Total	159,211	126,723	129,061	103,750

Thousands of euros	09.30.2020			
	Current		Non-current	
	Assets	Liabilities	Assets	Liabilities
Note	8	8	8, 16	8
Interest rate hedges				
Cash-flow hedges	-	190	-	240
Electricity prices hedges				
Cash-flow hedges	6	-	-	188
Foreign currency hedges				
Cash-flow hedges	33,589	22,568	17,535	35,067
Other derivatives				
Foreign currency derivatives	38,504	42,610	26,238	40,438
Embedded derivatives	22,477	25,798	73,897	38,587
Commodity derivatives	-	-	-	-
Other derivatives	9	-	-	-
Total	94,585	91,166	117,670	114,520

All derivative financial instruments of the Group are grouped in category 2 (Note 3.B). In such financial instruments, the effects of discounting have not been significant.

There have been no transfers between the categories of assets at fair value during the year ended September 30, 2021 and 2020.

During the year ended September 30, 2021, the SIEMENS GAMESA Group has recognized EUR 353 thousand as expense due to interest rate swaps under "Interest expenses" (EUR 108 as expense during the fiscal year 2020). Likewise, during the year ended September 30, 2021 the Group has recognized under the heading "Revenue" of the Consolidated Statement of Profit and Loss an income amounting to EUR 25,124 thousand (EUR 2,412 thousand as income during the fiscal year 2020) and has recognized under the heading "Cost of sales" of the Consolidated Statement of Profit and Loss an expense amounting to EUR 6,654 thousand (an expense of EUR 2,368 during the fiscal year 2020) due to currency forwards. Finally, it has recognized an expense of EUR 319 thousand (EUR 239 thousand as income during the fiscal year 2020) under the heading "Cost of sales" of the Consolidated Statement of Profit and Loss, due to electricity price hedges. These amounts have been reclassified from "Total equity - Unrealised asset and liability revaluation reserve" (Note 22.C), under which they had been previously booked.

The SIEMENS GAMESA Group uses foreign currency hedging derivatives to mitigate the possible volatility effect of exchange rate fluctuations on future cash flows from transactions and loans in currencies other than the functional currency of the respective companies. In addition, the SIEMENS GAMESA Group designates hedges for the exchange rate risk deriving from certain intragroup monetary transactions carried out by companies with different

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functional currencies. As of September 30, 2021 and 2020 the total nominal value hedged by exchange rate hedges is as follows:

Currency	Thousands of euros	
	09.30.2021	09.30.2020
Danish kroner	3,799,655	3,853,732
Chinese yuans	695,381	640,980
Swedish kronas	583,285	296,375
Sterling pounds	534,043	286,170
Taiwan dollars	406,712	475,208
Norwegian kroner	393,095	430,157
Brazilian reals	158,427	77,914
Mexican pesos	117,052	2,333
Australian dollars	109,482	60,375
United States dollars	75,918	373,838
Japanese yens	71,682	84,495
Canadian dollars	65,662	870
Polish zlotys	33,590	54,445
New Zealand dollars	32,731	20,870
Chilean pesos	16,454	13,771
Egyptian pounds	16,170	16,670
Uruguayan pesos	9,500	2,000
Russian rubles	8,699	7,828
Moroccan dirhams	8,000	8,000
Turkish liras	6,994	17,089
Hungarian forints	6,759	4,017
Jordanian dinars	5,000	5,000
South African rands	3,330	1,914
Romanian leus	1,239	17,552
Indian rupees	579	30,158
Other currencies	11,398	11,245
Total	7,170,837	6,793,006

In addition, the SIEMENS GAMESA Group has interest rate hedges to reduce the effect of changes in interest rates on future cash flows of loans linked to variable interest rates. As of September 30, 2021 and 2020, the nominal value of the liabilities covered by interest rate hedges amounts to EUR 500,000 thousand.

The main features of the interest rate hedges are as follows:

09.30.2021	Hedge estimated maturity (nominal value in thousand euros)	
	Short-term	Long-term
Interest rate hedges	-	500,000

09.30.2021	Estimated cash-flows in the period (thousand euros)	
	Short-term	Long-term
Interest rate hedges	(191)	(48)

09.30.2020	Hedge estimated maturity (nominal value in thousand euros)	
	Short-term	Long-term
Interest rate hedges	-	500,000

09.30.2020	Estimated cash-flows in the period (thousand euros)	
	Short-term	Long-term
Interest rate hedges	(190)	(240)

No significant ineffectiveness has been detected in the hedges designated by the SIEMENS GAMESA Group as of September 30, 2021 and 2020, being registered, if any, in the Consolidated Statement of Profit and Loss.

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A. CREDIT RISK

The risk breakdown, by geographical area and counterparty, indicating the book value thereof at the relevant dates, is as follows:

Note	09.30.2021		09.30.2020	
	Thousands of euros	%	Thousands of euros	%
By geographical area	8.A		8.A	
Spain	12,219	4%	12,041	6%
UK	52,485	18%	59,251	28%
France	47,531	16%	16,583	8%
Ireland	46,058	16%	29,989	14%
Other European Union countries	67,897	24%	40,385	19%
Rest of the world	62,082	22%	54,006	25%
Total	288,272	100%	212,255	100%
By counterparty				
Financial institutions	207,326	72%	115,884	55%
Other institutions	80,946	28%	96,371	45%
Total	288,272	100%	212,255	100%

The breakdown of the derivatives according to the credit ratings assigned by external credit rating agencies is as follows:

Note	09.30.2021		09.30.2020	
	Thousands of euros	%	Thousands of euros	%
8.A			8.A	
Risks rated A+ or A-	149,257	52%	83,787	39%
Risks rated BBB+	50,811	18%	22,471	11%
Risks rated BBB- or less	88,204	30%	105,997	50%
Total	288,272	100%	212,255	100%

B. MATURITY OF DERIVATIVE ASSETS AND LIABILITIES

The maturities of derivative assets are as follows:

Thousands of euros	09.30.2021			
	< 1 year	1-2 years	2-3 years	> 3 years
Note	8.A			
Electric prices hedges	-	-	-	-
Foreign currency hedges	74,628	20,128	3,643	3,304
Other derivatives	84,583	42,699	11,191	48,096
Total	159,211	62,827	14,834	51,400

Thousands of euros	09.30.2020			
	< 1 year	1-2 years	2-3 years	> 3 years
Note	8.A			
Electric prices hedges	6	-	-	-
Foreign currency hedges	33,589	10,877	3,205	3,453
Other derivatives	60,990	38,370	9,609	52,156
Total	94,585	49,247	12,814	55,609

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The maturities of derivative liabilities are as follows:

09.30.2021				
Thousands of euros	< 1 year	1-2 years	2-3 years	> 3 years
Note	8.B			
Interest rate swaps	191	48	-	-
Electric prices hedges	808	-	-	-
Foreign currency hedges	26,422	8,433	3,013	18,922
Other derivatives	99,302	29,454	8,770	35,110
Total	126,723	37,935	11,783	54,032

09.30.2020				
Thousands of euros	< 1 year	1-2 years	2-3 years	> 3 years
Note	8.B			
Interest rate swaps	190	120	120	-
Electric prices hedges	-	188	-	-
Foreign currency hedges	22,568	4,395	4,073	26,599
Other derivatives	68,408	32,560	10,519	35,946
Total	91,166	37,263	14,712	62,545

10. CUSTOMER CONTRACTS

The breakdown of the balances of the Consolidated Balance Sheet related to contracts with customers as of September 30, 2021 and 2020, is the following:

Thousands of euros	09.30.2021	09.30.2020 (*)
Note	1.B, 2.E, 4	
Contract assets	1,468,240	1,537,953
Contract liabilities (*)	3,386,478	3,170,912

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

Revenue recognition utilizing the Percentage of Completion method is based on costs incurred to date over total estimated costs. Nevertheless, the amounts invoiced to the customer are based on achieved milestones set out in the contract. Therefore, amounts recognized as revenue in a period do not have to match the amounts invoiced in the same period. In contracts where recognized revenue is greater than the volume invoiced, the difference is recognized in the "Contract assets" account, while in contracts where recognized revenue is less than the volume invoiced, the difference is recognized in the "Contract liabilities" account.

The reason why the net balance of contract assets and contract liabilities changes from EUR 1,632,959 thousand net contract liabilities as of September 30, 2020 to EUR 1,918,238 thousand net contract liabilities as of September 30, 2021 is mainly due to significant initial milestone collections. In general, the development of net contract assets/liabilities is significantly driven by the milestone achievements within each and every project.

As of September 30, 2021, and 2020, amounts expected to be settled after twelve months are EUR 34,649 thousand and EUR 5,107 thousand, respectively, for "Contract assets" and EUR 920,251 thousand and EUR 1,169,770 thousand, respectively, for "Contract liabilities". The long-term "Contract liabilities" are mainly due to offshore projects for which the initial collection milestone has already been received and for which production and execution is expected during the fiscal year 2023 and subsequent years.

In fiscal year 2021 and 2020, "Revenue" includes EUR 1,895,180 thousand and EUR 2,105,834 thousand, respectively, which were included in contract liabilities at the beginning of the fiscal year.

The amount of "Contract assets" recognized at the beginning of fiscal years 2021 and 2020, has been mostly invoiced during the respective years.

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In fiscal year 2021 and 2020, EUR 9,035 thousand and EUR 12,064 thousand, respectively, are included in "Revenue", relating to performance obligations satisfied in previous periods.

As of September 30, 2021, order backlog amounted to EUR 32,542 million (EUR 30,248 million as of September 30, 2020), of which EUR 15,741 million correspond to the Wind Turbines segment (EUR 15,110 million as of September 30, 2020) and EUR 16,801 million to the Operation and Maintenance segment (EUR 15,138 million as of September 30, 2020). The orders are determined mainly as the estimated revenue of accepted purchase orders for which enforceable rights and obligations exist, as well as subsequent order value changes and adjustments, excluding letters of intent. To determine orders, the SIEMENS GAMESA Group considers termination rights and customer's creditworthiness. During fiscal year 2021 order intake amounted to EUR 12,185 million (EUR 14,736 million during fiscal year 2020), EUR 8,775 million for the Wind Turbines segment (EUR 10,584 million during fiscal year 2020) and EUR 3,410 million for the Operation and Maintenance segment (EUR 4,152 million during fiscal year 2020). Out of the total order backlog as of September 30, 2021, the Group expects to recognize as revenue EUR 8,874 million in the fiscal year 2022 and EUR 23,668 million in the fiscal years 2023 and subsequent years.

11. INVENTORIES

The breakdown of "Inventories" as of September 30, 2021 and 2020 is as follows:

Thousands of euros	09.30.2021	09.30.2020
Raw materials and supplies	847,892	1,025,966
Work in progress	498,128	514,891
Finished goods	287,648	359,826
Advances to suppliers	310,110	230,686
Inventory write-downs	(316,932)	(311,232)
Total	1,626,846	1,820,137

A significant part of the Group's inventories are recorded under the heading raw materials and supplies, and mainly comprise raw materials and consumables dedicated to the manufacture of wind turbines and the construction of wind farms in the Wind Turbine segment, as well as supplies and consumables necessary to carry out maintenance tasks in the Operation and Maintenance segment. Within finished products, there are fundamentally those components such as nacelles, blades, transformers, among others, necessary to meet the commitments that the group has for the supply of spare parts for existing operation and maintenance contracts in the order backlog, as well as to cover the needs for spare parts estimated in its warranty provisions. Additionally, components for sale in the aftermarket, after the end of the maintenance contracts, are also registered under this heading.

The Group's inventories are stored on the manufacturing sites, as well as in central distribution warehouses and in the different locations where the wind farms are located.

As of September 30, 2021 and 2020, the Group has registered EUR 310,110 thousand and EUR 230,686 thousand, respectively, in "advances to suppliers" related to advances paid mainly to blades and towers' suppliers that are expected to be recovered through future orders.

In relation to the movement of inventory write-downs during 2021 and 2020, the detail is as follows:

Thousands of euros	Balance at 10.01.2020	Business combinations	Changes Reversals Provisions applied	Currency translation differences	Others	Balance at 09.30.2021
Inventory write-downs	(311,232)	-	(3,999)	(4,973)	3,272	(316,932)
Total	(311,232)	-	(3,999)	(4,973)	3,272	(316,932)

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Thousands of euros	Balance at 10.01.2019	Business combinations	Changes Reversals Provisions applied	Currency translation differences	Others	Balance at 09.30.2020
Inventory write-downs	(155,767)	-	(178,557)	16,425	6,667	(311,232)
Total	(155,767)	-	(178,557)	16,425	6,667	(311,232)

Provisions recorded as of September 30, 2021 and 2020 basically refer to the amount provisioned for the recoverable value of inventories, for technical, quantity and price risks.

During the year ended September 30, 2021, inventory allowances have been recorded directly related to the restructuring plan in Cuenca and Somozas (Note 32) amounting to EUR 3 million and EUR 6 million related to the restructuring plan in India (Note 32). Additionally, a reassessment of marketability of inventories that materialized during the year, and which were assigned to customer contracts in the previous fiscal year, has resulted in a positive impact of approximately EUR 110 million in the Consolidated Statement of Profit and Loss. During the year ended September 30, 2020, inventory allowances directly related to the restructuring plan in India (Note 32) amounting to EUR 126 million were recorded, as well as EUR 18 million for the termination of contracts in Argentina and EUR 12 million in Mexico due to regulatory changes in the country which affected the development of projects in progress.

Cost of sales include inventories recognized as expense amounting to EUR 7,193 million and EUR 6,953 million (Note 28.B) in the years ended September 30, 2021 and 2020, respectively.

As of September 30, 2021 and 2020, there are no inventories pledged as security for liabilities.

12. GOODWILL

The carrying amount of "Goodwill" is as follows:

Thousands of euros	Balance at 10.01.2020 (*)	Business combinations	Currency translation differences	Balance at 09.30.2021
Cost (*)	4,594,012	-	73,478	4,667,490
Accumulated impairment losses	(31,626)	-	(1,271)	(32,897)
Total Goodwill (*)	4,562,386	-	72,207	4,634,593

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

Thousands of euros	Balance at 10.01.2019	Business combinations (*)	Currency translation differences	Balance at 09.30.2020 (*)
Note		1.B, 2.E, 4		
Cost (*)	4,776,381	86,247	(268,616)	4,594,012
Accumulated impairment losses	(32,228)	-	602	(31,626)
Total Goodwill (*)	4,744,153	86,247	(268,014)	4,562,386

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

As consequence of the business acquisitions described in Notes 1.B, 2.E, 4, an increase in "Goodwill" was recorded in an amount of EUR 86 million at the date of acquisition.

The "Goodwill" impairment test is performed at the segment level, Wind Turbines and Operation and Maintenance. SIEMENS GAMESA Group considers that its CGUs (Cash Generating Unit) correspond to its segments (Wind Turbines and Operation and Maintenance), since they are the smallest identifiable groups of assets that generate cash flows independently and that the Group monitors, fundamentally because it centrally manages its global manufacturing footprint and global supply chain, to serve global customer accounts, which operate transversally both in regions and in product types. Such segments are consistent with the segments identified in Note 24.

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SIEMENS GAMESA Group, in accordance with IAS 36.69, has taken into account several factors for determining whether cash inflows and cash outflows from an asset (or group of assets) are largely independent of the cash inflows from other assets (or groups of assets).

- In relation to the manufacturing sites in the Wind Turbine segment, the planning of the manufacturing activities is managed centrally to cover the global demand that the segment faces, and the manufacturing sites can and do provide components for the various commercial activities/product types carried out by the segment. Therefore, the components of the manufacturing footprint of SIEMENS GAMESA Group are highly interrelated.
- On the other hand, considering the different activities included as part of the Wind Turbine segment (manufacturing of turbines and development, construction and sale of wind farms), these activities are in general part of the contracts with customers for the delivery of wind farms and are all considered part of one performance obligation, due to the high interrelation of these activities in the context of the contract (Note 3.U). Additionally, the main customers are global customer accounts that operate across regions and product types, and which are also managed centrally.
- In relation to the various types and capacities of manufactured wind turbines, the various types of wind turbine models manufactured and installed by SIEMENS GAMESA Group can be classified into several categories, mainly onshore and offshore, and within these into different types, amongst others, by nominal power and wind class. Wind Turbine models are constantly evolving towards higher nominal power, increased rotor diameter and improved cost of energy. As this evolution takes place, the newer models are built upon and based on the previous models. To that regard, cash flows could not be allocated to a particular type of Wind Turbine (in fact, within the same wind farm several wind turbine models can coexist).
- Finally, with regard to the different geographical areas in which the Group operates, SIEMENS GAMESA group serves demand in a large number of countries, using its global manufacturing footprint together with the global supply chain and as mentioned before, the manufacturing footprint of the Group is managed centrally to serve global demand.

For the purpose of estimating the segments' fair value less costs to sell, cash flows for the next five years have been projected based on past experience, actual operating results and Management's best estimate about future developments, as well as market assumptions.

For the purpose of the Goodwill impairment test, SIEMENS GAMESA generally uses the discounted cash flow methodology for business valuations, using cash flow projections for the next five years and a normalized terminal value, and using the specific weighted average cost of capital (hereinafter, "WACC") for the Goodwill-carrying unit (i.e. the reportable segments), which can be considered equivalent to the value in use of the net assets under analysis. For determining the fair value less costs to sell of such net assets, the hypothetical costs to sell such net assets are deducted from its fair value, determined as indicated (equivalent to value in use). In practice, the costs to sell are often estimated as a percentage of the fair value. These costs reflect incremental costs directly attributable to the disposal of an asset or CGU, excluding finance costs and income tax expense (IAS 36.6). Examples of such costs are legal costs, stamp duty and similar transaction taxes, costs of removing the asset and direct incremental costs to bring an asset into condition for its sale. In order to calculate the Fair Value less cost of disposal SIEMENS GAMESA uses an estimate of a 2% (cost of disposal) that is deducted from the discounted cash flow value (equivalent to value in use). As a consequence of this calculation logic, fair value less cost to sell is always less than the value in use.

The fair value less costs to sell, calculated as indicated, is mainly driven by the terminal value which is particularly sensitive to changes in the assumptions on the terminal value growth rate and discount rate. Both assumptions are individually determined for each segment group. Discount rates are based on the WACC for the segments and are calculated based on a risk-free rate of interest and a market risk premium. In addition, the discount rates reflect the current market assessment of the specific risks of each segment by considering specific peer group information on factors, leverage and cost of debt. The parameters for calculating the discount rates are based on external sources of information. The peer group is subject to an annual review and adjusted, if necessary. Terminal value growth rates take into consideration external macroeconomic sources of data and industry specific trends.

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The following table presents the key assumptions used to determine the fair value less costs to sell for impairment test purposes for the segments to which a significant amount of goodwill is allocated:

09.30.2021			
Thousands of euros	Goodwill allocation	Terminal value growth rate	Weighted average cost of capital (WACC) (*)
Wind Turbines segment	1,799,066	1.40%	9.00%
Operation and Maintenance segment	2,835,527	1.40%	9.00%
Total	4,634,593		

09.30.2020			
Thousands of euros	Goodwill allocation (**)	Terminal value growth rate	Weighted average cost of capital (WACC) (*)
Wind Turbines segment	1,771,511	1.40%	8.50%
Operation and Maintenance segment (**)	2,790,875	1.40%	8.50%
Total (**)	4,562,386		

(*) The pre-tax discount rate calculated so that the value in use determined using pre-tax cash flows and a pre-tax discount rate equals the value in use determined using post-tax cash flows and a post-tax discount rate is, approximately, 11.0% for the Wind Turbine segment, and, approximately, 11.7% for the Operation and Maintenance segment in 2021 (approximately, 10.6% for the Wind Turbine segment and, approximately, 11.0% for the Operation and Maintenance segment in 2020).

(**) Adjusted figure as of September 30, 2020 (Note 2.E).

Additionally, for the Wind Turbines segment a sales volume close to EUR 7,600 million has been considered for 2022 (close to EUR 9,000 million for 2021 as of September 30, 2020) with a 6.4% negative profit margin pre-PPA² for 2022 (a negative profit margin of 1.5% for 2021 as of September 30, 2020), and for subsequent years a gradual increase has been considered due to the evolution of the composition of the revenue line ("business mix"), the synergies and the capacity adjustment measures adopted. The projected revenue growth reflects a compound annual growth rate (hereinafter, "CAGR") of approximately 11.58% over the 5-year projection period (9.24% in 2020). The terminal value obtained through the generally accepted methodology for business valuations (discounted cash flows), represents 90.99% of the total recoverable value in 2021 (78.91% in 2020).

On the other hand, for the Operation and Maintenance segment a sales volume of approximately EUR 2,150 million has been considered for 2022 (of approximately EUR 2,000 million for 2021 as of September 30, 2020) with a 20.49% profit margin pre-PPA for 2022 (17.42% for 2021 as of September 30, 2020), and for subsequent years a gradual increase has been considered due to the synergies and the capacity adjustment measures adopted. The projected revenue growth reflects a CAGR of approximately 6.27% over the 5-year projection period (11.82% in year 2020). The terminal value obtained through the generally accepted methodology for business valuations (discounted cash flows), represents 84.20% of the total recoverable value in 2021 (86.91% in 2020).

The sensitivity analysis for the group of segments has been based on a reduction of the profit margin pre-PPA by 10% or an increase in after-tax discount rates by one percentage point or a reduction in the terminal value growth rate by one percentage point or a 10% reduction in terminal value margin. Considering the scenarios of sensitivity analysis, SIEMENS GAMESA Group concluded that no impairment loss would need to be recognized on "Goodwill" in any of the two segments.

Therefore, the recoverable amounts estimated for the annual impairment test for 2021 for SIEMENS GAMESA Group's segments are higher than their carrying amounts.

² Profit margin pre-PPA ("EBIT pre-PPA"): EBIT excluding the impact on amortization of intangibles' fair value from the Purchase Price Allocation ("PPA").

13. OTHER INTANGIBLE ASSETS

The development in the heading “Other Intangible Assets” in the Consolidated Balance Sheet in the years 2021 and 2020 is as follows:

Thousands of euros	Balance at 09.30.2020 (*)	Business combinations	Additions / (Depreciation)	Disposals	Currency translation differences	Transfers	Balance at 09.30.2021
Internally generated technology	576,716	-	188,155	(48,251)	1,116	174	717,910
Acquired technology including patents, licenses and similar rights	1,245,883	-	-	-	30	(174)	1,245,739
Customer relationships and order backlog (*)	1,295,578	-	-	-	18,765	-	1,314,343
Cost (*)	3,118,177	-	188,155	(48,251)	19,911	-	3,277,992
Internally generated technology	(138,635)	-	(96,543)	47,777	(458)	(594)	(188,453)
Acquired technology including patents, licenses and similar rights	(684,862)	-	(160,674)	-	(199)	594	(845,141)
Customer relationships and order backlog	(514,691)	-	(69,321)	-	(9,728)	-	(593,740)
Amortization and impairment	(1,338,188)	-	(326,538)	47,777	(10,385)	-	(1,627,334)
Total other intangible assets (*)	1,779,989	-	(138,383)	(474)	9,526	-	1,650,658

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

Thousands of euros	Balance at 09.30.2019	Business combinations (*)	Additions / (Depreciation)	Disposals	Currency translation differences	Transfers	Balance at 09.30.2020 (*)
Note		1.B, 2.E, 4					
Internally generated technology	407,672	-	182,086	(14,035)	627	366	576,716
Acquired technology including patents, licenses and similar rights	1,245,860	-	-	-	23	-	1,245,883
Customer relationships and order backlog (*)	1,253,331	146,692	-	-	(104,445)	-	1,295,578
Cost (*)	2,906,863	146,692	182,086	(14,035)	(103,795)	366	3,118,177
Internally generated technology	(94,271)	-	(58,129)	13,936	(171)	-	(138,635)
Acquired technology including patents, licenses and similar rights	(517,042)	-	(167,785)	-	(35)	-	(684,862)
Customer relationships and order backlog	(379,820)	-	(177,439)	-	42,568	-	(514,691)
Amortization and impairment	(991,133)	-	(403,353)	13,936	42,362	-	(1,338,188)
Total other intangible assets (*)	1,915,730	146,692	(221,267)	(99)	(61,433)	366	1,779,989

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

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A. MOVEMENTS FOR THE YEAR

During the years 2021 and 2020, the main increase in the capitalised development costs is due to the development of new wind turbine models, software and the optimization of the components' performance for an amount of EUR 188 million and EUR 182 million, respectively. These additions are mainly in Denmark amounting to EUR 114 million during 2021 (EUR 107 million during 2020) and in Spain amounting to EUR 70 million during 2021 (EUR 72 million during 2020).

Not capitalised research and development expenses for the years ended September 30, 2021 and 2020 amount to EUR 292 million and EUR 231 million, respectively.

The impairment losses of the year ended September 30, 2021 are mainly related to the impairment of certain technologies that will not be applied in the development of a product in Denmark and to an impairment of a license in China, amounting in total to EUR 7 million (Note 28.E). The impairment losses (included under customer relationships and order backlog) for the fiscal year 2020, amounted to EUR 82 million and are mainly related to the restructuring plan in India (Note 32).

B. ACQUIRED TECHNOLOGY, CUSTOMER RELATIONSHIPS AND ORDER BACKLOG

Merger of Siemens Wind Power Business with Gamesa (fiscal year 2017)

Acquired technology includes technologies identified in line with the SIEMENS GAMESA Merger valued on platform basis amounting to EUR 401 million as of September 30, 2021 (EUR 561 million as of September 30, 2020). The fair value at the Merger effective date of technology identified in line with the Merger amounted to EUR 1,147 million. The remaining useful life for these intangible assets, depending on the different platform types, is between 0.5 and 15.5 years (in average 4.01 years).

The fair value of customer relationships identified in line with the SIEMENS GAMESA Merger amounted at the Merger effective date to EUR 958 million. The remaining useful life depends on the business segment for which the customer relationship has been identified: 1.5 years on average for the Wind Turbine segment and 15.41 years on average for the Operation and Maintenance segment.

Furthermore, an order backlog amounting to EUR 385 million was identified at the Merger effective date. The remaining useful life depends on the individual contracts and is between 6.25 and 15.25 years (12.96 years in average) for the Operation and Maintenance segment (the ones that refer to the Wind Turbines segment are fully amortized as of September 30, 2020).

The carrying amount of customer relationships and order backlog as of September 30, 2021, excluding the amounts related to the acquisition of the European Onshore Services business of Senvion, is EUR 595 million (EUR 644 million as of September 30, 2020).

Acquisition of the European Onshore Services business of Senvion (fiscal year 2020)

Additionally, as explained in Note 4, the line item "Other intangible assets" included the fair value identified in the business combination of the Senvion European Onshore Services business for the customer relationships and the order backlog for an amount of EUR 37 million (Note 2.E) and EUR 110 million, respectively. The average remaining useful life is of 14.26 years for the customer relationships and of 9.26 years for the order backlog, and together have been allocated to the Operation and Maintenance segment.

The carrying amount of customer relationships and order backlog as of September 30, 2021 related to the acquisition of the Senvion European Onshore Services business, is EUR 125 million once the amortization of the period has been deducted (EUR 136 million as of September 30, 2020).

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C. FULLY AMORTIZED ASSETS

The acquisition cost of fully amortized intangible assets that remained in use as of September 30, 2021 and 2020 amount to EUR 170 million and EUR 210 million, respectively. As of September 30, 2021 and 2020, most of these assets correspond to internally generated technology and acquired technology including patents, licenses and similar rights.

D. COMMITMENTS FOR THE ACQUISITION OF OTHER INTANGIBLE ASSETS

As of September 30, 2021 and 2020, the SIEMENS GAMESA Group has no significant contractual commitments for the acquisition of other intangible assets.

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14. PROPERTY, PLANT AND EQUIPMENT

The development in “Property, plant and equipment” in the Consolidated Balance Sheet in the years 2021 and 2020 is as follows:

Thousands of euros	Balance at 09.30.2020 (*)	Business combinations	Additions / (Depreciation)	Disposals	Exchange differences	Transfers	Balance at 09.30.2021
Land and buildings (*)	966,861	-	23,563	(36,479)	13,114	8,441	975,500
Leased land and buildings under finance leases	603,576	-	98,169	(26,214)	20,917	10,919	707,367
Technical facilities and machinery	831,069	-	107,706	(72,615)	18,142	75,775	960,077
Leased technical equipment and machinery	171,030	-	226,021	(21,954)	1,483	(3,693)	372,887
Other property, plant and equipment	1,015,659	-	105,760	(142,231)	9,994	40,367	1,029,549
Leased other equipment, plant and office equipment	19,553	-	11,370	(3,431)	854	(790)	27,556
Equipment leased to third parties	8,070	-	5,539	(2,622)	36	(313)	10,710
Property, plant and equipment under construction	234,227	-	251,571	(10,497)	1,328	(130,397)	346,232
Cost (*)	3,850,045	-	829,699	(316,043)	65,868	309	4,429,878
Land and buildings	(266,123)	-	(40,763)	7,907	(3,061)	814	(301,226)
Leased land and buildings under finance leases	(53,474)	-	(54,834)	8,634	(1,115)	(664)	(101,453)
Technical facilities and machinery	(490,490)	-	(132,613)	46,513	(10,867)	(863)	(588,320)
Leased technical equipment and machinery	(48,677)	-	(56,891)	18,282	(410)	3,670	(84,026)
Other property, plant and equipment	(744,002)	-	(134,804)	130,672	(7,892)	(4,054)	(760,080)
Leased other equipment, plant and office equipment	(6,501)	-	(7,769)	2,342	(395)	475	(11,848)
Equipment leased to third parties	(2,887)	-	(2,927)	1,131	(12)	313	(4,382)
Property, plant and equipment under construction	-	-	-	-	-	-	-
Depreciation and impairment	(1,612,154)	-	(430,601)	215,481	(23,752)	(309)	(1,851,335)
Total tangible fixed assets (*)	2,237,891	-	399,098	(100,562)	42,116	-	2,578,543

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

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Thousands of euros	Balance at 09.30.2019	Transition to IFRS 16	Business combinations (*)	Additions / (Depreciation)	Disposals	Exchange differences	Transfers	Balance at 09.30.2020 (*)
Note		2.D	1.B, 2.E, 4					
Land and buildings (*)	909,708	-	56,480	20,410	(11,823)	(19,868)	11,954	966,861
Leased land and buildings under finance leases	-	523,777	13,276	96,763	(7,541)	(22,699)	-	603,576
Technical facilities and machinery	760,996	-	17,461	89,017	(37,219)	(43,868)	44,682	831,069
Leased technical equipment and machinery	-	144,572	-	27,055	-	(597)	-	171,030
Other property, plant and equipment	894,403	-	5,187	121,437	(43,268)	(13,330)	51,230	1,015,659
Leased other equipment, plant and office equipment	-	9,796	312	10,294	(213)	(636)	-	19,553
Equipment leased to third parties	-	1,058	-	7,075	(71)	8	-	8,070
Property, plant and equipment under construction	157,870	-	395	188,335	(2,271)	(1,870)	(108,232)	234,227
Cost (*)	2,722,977	679,203	93,111	560,386	(102,406)	(102,860)	(366)	3,850,045
Land and buildings	(231,197)	-	-	(42,538)	2,005	5,607	-	(266,123)
Leased land and buildings under finance leases	-	-	-	(55,426)	378	1,574	-	(53,474)
Technical facilities and machinery	(393,847)	-	-	(150,193)	26,922	26,628	-	(490,490)
Leased technical equipment and machinery	-	-	-	(48,759)	5	77	-	(48,677)
Other property, plant and equipment	(669,080)	-	-	(134,224)	43,192	16,110	-	(744,002)
Leased other equipment, plant and office equipment	-	-	-	(6,798)	127	170	-	(6,501)
Equipment leased to third parties	-	-	-	(2,906)	14	5	-	(2,887)
Property, plant and equipment under construction	(2,952)	-	-	-	2,952	-	-	-
Depreciation and impairment	(1,297,076)	-	-	(440,844)	75,595	50,171	-	(1,612,154)
Total tangible fixed assets (*)	1,425,901	679,203	93,111	119,542	(26,811)	(52,689)	(366)	2,237,891

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

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A. MOVEMENTS FOR THE YEAR

The main additions for the year ended September 30, 2021 and 2020 are mainly related to the SIEMENS GAMESA Group's leases (mainly leasing of vessels) and a new production plant in France, as well as improvements in different factories and prototypes in Denmark, and the normal maintenance capital expenditure in different countries.

During the fiscal year 2021, the main retirements are related to agreements for the disposal of land and buildings, mainly in Denmark, Germany and United States, for which the Group has recognised disposal gains of EUR 12 million, approximately. In addition, several items of "Property, plant and equipment" which are no longer in use in the Group's production processes have been written off. Finally, there have been disposals due to the cancellation of vessels' leasing contracts.

Additionally, "Property, plant and equipment" was increased by EUR 35 million and EUR 58 million in fiscal year 2020 as a result of the acquisition of the Servion European Onshore Services business and the wind turbine blade production business of Servion, respectively, as it is described in Notes 1.B, 2.E, 4.

The impairment losses of the year ended September 30, 2021 are mainly related to the impairment of the machinery and production molds in United States, Denmark, Mexico and China and to the closure of the Somozas and Cuenca plants in Spain (Note 32) amounting in total to EUR 14 million (Note 28.E). The impairment losses of the year ended September 30, 2020 were related to the impairment of the machinery and production molds in India (related to the restructuring plan in India, Note 32), production molds in Morocco and United States as well as the closure of the Aoiz plant in Spain.

B. FULLY DEPRECIATED ASSETS

The acquisition cost of fully depreciated fixed assets that are still in use as of September 30, 2021 and 2020 amounts to EUR 704 million and EUR 775 million, respectively. As of September 30, 2021 and 2020, most of these assets correspond to machinery, tools and test equipment.

C. COMMITMENTS FOR THE ACQUISITION OF ASSETS

As of September 30, 2021 and 2020, the SIEMENS GAMESA Group companies have "Property, plant and equipment" purchase commitments amounting to, approximately, EUR 263 million and EUR 271 million which are mainly related to production facilities for new developments of wind facilities and its components.

D. INSURANCE COVERAGE

The SIEMENS GAMESA Group arranges insurance policies to adequately cover its property, plant and equipment. Also, the SIEMENS GAMESA Group has entered into insurance policies to cover the wind turbines generators while they are being assembled.

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15. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

The breakdown of the investments in associates of the SIEMENS GAMESA Group as of September 30, 2021 and 2020 is as follows:

Company	Shareholding %	Thousands of euros	
		09.30.2021	09.30.2020
Windar Renovables, S.A.	32%	77,374	66,311
Other	-	1,118	42
Total		78,492	66,353

(*) Previously Windar Renovables, S.L., Note 2.C.

The changes recorded in the fiscal years 2021 and 2020 under this heading in the Consolidated Balance Sheet are as follows:

	Thousands of euros
Balance at 10.01.2020	66,353
Result for the year	9,867
Other	2,272
Balance at 09.30.2021	78,492
	Thousands of euros
Balance at 10.01.2019	70,876
Change in the method of consolidation (*)	(870)
Result for the year	(2,509)
Other	(1,144)
Balance at 09.30.2020	66,353

(*) "Change in the method of consolidation" refers to the operation related to the joint venture Nuevas Estrategias de Mantenimiento, S.L. detailed below.

A. FINANCIAL INFORMATION RELATED TO JOINT VENTURES

During the year ended September 30, 2021, the SIEMENS GAMESA Group has not held any participation in joint ventures.

As detailed in the Note 16 of the Consolidated Financial Statements for the year ended September 30, 2020, the company Nuevas Estrategias de Mantenimiento, S.L., in which the SIEMENS GAMESA Group had a 50% stake, split off its branch of activity related to the energy activity, by means of a block transfer of assets and liabilities associated with said activity to the newly incorporated Siemens Gamesa Renewable Energy Digital Services, S.L. (Note 2.C). Subsequently, the SIEMENS GAMESA Group acquired the remaining 50% of the said company and at the same time, sold its 50% stake in Nuevas Estrategias de Mantenimiento, S.L.

During the year ended September 30, 2020, no dividends were received from this company.

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B. FINANCIAL INFORMATION RELATED TO ASSOCIATED COMPANIES

Summarised financial information as of September 30, 2021 and 2020 (at 100% and before the intercompany eliminations) related to the most significant associated companies booked using the equity method is as follows:

Windar Renovables, S.A. and subsidiaries	Thousands of euros	
	09.30.2021	09.30.2020
Total current assets	231,271	182,873
Total non-current assets	110,664	64,890
Total assets	341,935	247,763
Total current liabilities	161,089	110,837
Total non-current liabilities	36,150	29,200
Total equity	144,696	107,726
<i>Parent company's total equity</i>	<i>129,614</i>	<i>95,041</i>
<i>Non-controlling interests' total equity</i>	<i>15,082</i>	<i>12,685</i>
Total equity and liabilities	341,935	247,763

Windar Renovables, S.A. and subsidiaries	Thousands of euros	
	09.30.2021	09.30.2020
Profit and Loss information		
Income from ordinary activities	292,949	293,744
Net profit from continued operations	41,369	16,742
<i>Net profit attributable to the parent company</i>	<i>32,196</i>	<i>8,401</i>
<i>Net profit attributable to non-controlling interests</i>	<i>9,173</i>	<i>8,341</i>

During the years ended September 30, 2021 and 2020 no dividends have been received from this company.

The book value of the investment in Windar Renovables, S.A. as of September 30, 2021 and 2020 amounts EUR 77 million and EUR 66 million, respectively, and it includes the capital gain which arose at the moment of the acquisition of the investment in the associate (approximately EUR 35 million, representing the difference between the price paid and the share of the entity's book value at the date of the acquisition as of April 3, 2017).

16. OTHER NON-CURRENT FINANCIAL ASSETS

The breakdown of other non-current financial assets of the Consolidated Balance Sheet as of September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	09.30.2021	09.30.2020
Derivatives	8	129,061	117,670
Financial assets measured at fair value through Profit and Loss	8	24,167	28,020
Other concepts in non-current financial assets	8	58,850	88,883
Total other non-current financial assets		212,078	234,573

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A. FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS

The detail of the most representative financial assets measured at fair value through Profit and Loss as of September 30, 2021 and 2020 is as follows:

Company	09.30.2021		09.30.2020	
	Thousands of euros	% of shareholding	Thousands of euros	% of shareholding
Wendeng Zhangjiachan Wind Power Co., Ltd.	7,802	40%	10,229	40%
Jianping Shiyingzi Wind Power Co., Ltd.	2,502	25%	2,987	25%
Beipiao CGN Changgao Wind Power Co., Ltd.	5,219	25%	6,673	25%
Beipiao Yangshugou Wind Power Co., Ltd.	3,632	25%	3,632	25%
Datang (Jianping) New Energy Co., Ltd.	3,941	25%	3,941	25%
Others	1,071	Several	558	Several
Total	24,167		28,020	

As of September 30, 2021 and 2020, the SIEMENS GAMESA Group holds investments in various Chinese companies (wind farms) with ownership interests generally ranging from 25% to 40%. Despite holding ownership interests above 20%, the SIEMENS GAMESA Group's management considers that there is no significant influence in these companies since there is no power to participate in the decision-making process regarding the financial and operating policies of these companies. In general, the SIEMENS GAMESA Group takes part in the capital of these companies with the sole objective of promoting relevant licences for the development of the plants and the construction and sale of wind turbines for those windfarms.

During the year ended September 30, 2021 there has been a dividend income of EUR 345 thousand. During the year ended September 30, 2020 there was a dividend income of EUR 780 thousand.

As of September 30, 2021 and 2020, the financial instruments under this heading are classified in Category 3, and correspond to equity instruments that have been valued using valuation techniques in which one or another significant input is not based on observable market data. The unobservable market inputs used in estimating the fair value of these instruments include financial information, projections or internal reports, combined with other assumptions or available market data which, in general, for each type of risk, are obtained from organized markets, sector reports or data providers, among others. At valuation date, the discount rate interval, understood as the weighted average cost of capital allocated to the business, has been 6-7%.

The movement in the balances of the Financial assets measured at fair value through Profit and Loss classified in Category 3 is as follows:

Thousands of euros	
Balance at 10.01.2020	28,020
Currency translation differences	(1)
Changes in fair value allocated to Profit and Loss	(4,360)
Additions	508
Disposals	-
Balance at 09.30.2021	24,167
Thousands of euros	
Balance at 10.01.2019	28,043
Currency translation differences	14
Changes in fair value allocated to Profit and Loss	(221)
Additions	3,010
Disposals	(2,826)
Balance at 09.30.2020	28,020

Sensitivity analysis

Sensitivity analysis is performed on assets included in Category 3, i.e. with significant inputs that are not based on observable market variables in order to obtain a reasonable range of possible alternative valuations. Based on

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asset types, methodology and availability of inputs, the Group reviews bi-annually the evolution of the main assumptions and their possible impact on valuation and performs a complete update of these valuations annually.

As of September 30, 2021 and 2020, the effect on the results of modifying the main assumptions used in the valuation of Category 3 financial instruments by other reasonably possible hypothesis would be as follows (consideration of a minimum and a maximum for the risk premium of 2.5% and 4.0%, respectively, in determining the discount rate):

Thousands of euros	Potential impact on Profit and Loss		
	Fair value at 09.30.2021	Favorable scenario	Non- favorable scenario
Financial assets measured at fair value through Profit and Loss	24,167	765	(1,089)
Total	24,167	765	(1,089)

Thousands of euros	Potential impact on Profit and Loss		
	Fair value at 09.30.2020	Favorable scenario	Non- favorable scenario
Financial assets measured at fair value through Profit and Loss	28,020	1,053	(1,490)
Total	28,020	1,053	(1,490)

17. FINANCIAL DEBT

A. DEBT WITH FINANCIAL INSTITUTIONS AND OTHER OBLIGATIONS

The debt with financial institutions and other obligations as of September 30, 2021 and 2020 as well as the detail of related maturity dates are as follows:

Thousands of euros	Note	Book value 09.30.2021	Debt at 09.30.2021 maturing at:						Total Non-current
			Current			Non-current			
			< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
Loans from banks and interest-free advances		1,091,951	4,161	734,764	1,166	544	350,461	855	1,087,790
In euros		1,091,951	4,161	734,764	1,166	544	350,461	855	1,087,790
Indian Rupees		213,129	213,129	-	-	-	-	-	-
Turkish liras		16,940	16,940	-	-	-	-	-	-
Egyptian pounds		13,629	13,629	-	-	-	-	-	-
United States dollars		2,494	2,494	-	-	-	-	-	-
Canadian dollars		202	202	-	-	-	-	-	-
In foreign currency	3.C	246,394	246,394	-	-	-	-	-	-
Total debt with financial institutions and other obligations		1,338,345	250,555	734,764	1,166	544	350,461	855	1,087,790

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Thousands of euros	Note	Book value 09.30.2020	Debt at 09.30.2020 maturing at:						Total Non-current
			Current			Non-current			
			< 1 year	1-2 years	2-3 years	3-4 years	4-5 years	> 5 years	
Loans from banks and interest-free advances		746,392	5,871	3,442	733,711	1,261	634	1,473	740,521
In euros		746,392	5,871	3,442	733,711	1,261	634	1,473	740,521
Indian Rupees		272,888	272,888	-	-	-	-	-	-
Turkish liras		22,085	22,085	-	-	-	-	-	-
Other		18,206	18,206	-	-	-	-	-	-
In foreign currency	3.C	313,179	313,179	-	-	-	-	-	-
Total debt with financial institutions and other obligations		1,059,571	319,050	3,442	733,711	1,261	634	1,473	740,521

Syndicated loan and other loans

The debt with financial institutions and other obligations as of September 30, 2021 and 2020 relates, among others, to the multi-currency revolving credit facility and the loan signed as of May 30, 2018, amounting both to a total of EUR 2,500 million, replacing the EUR 750 million credit facility from 2017. In December 2019, SIEMENS GAMESA signed an amendment of that contract, modifying both the maturity and some of the lending banks. The facility includes a loan tranche of EUR 500 million maturing in December 2022 (previous maturity in 2021) and a revolving credit line tranche of EUR 2,000 million maturing in 2024 (previous maturity in 2023) with two 1 year extension options. In December 2020, SIEMENS GAMESA exercised the first option extending the credit tranche for another year, until December 2025. The cost associated with this extension due to transaction costs of approximately EUR 1 million, has been fully capitalized, since the extension does not imply a substantial modification in the terms of the contract.

As of September 30, 2021 and 2020, the EUR 500 million loan tranche is fully drawn. Such amounts have been recorded, in each case, after the deduction of the transaction costs. This loan may be used for general corporate purposes and to refinance outstanding debt. The syndicated loan interest rate is Euribor plus a market spread.

In January 2020, SIEMENS GAMESA signed two loans amounting in total to EUR 240 million, both with maturity in January 2023, accruing a fixed interest rate of 0.35% for mainly the financing of the Senvion business acquisitions (Notes 1.B, 2.E, 4). As of September 30, 2021 and 2020 these loans are fully drawn.

On November 30, 2020, SIEMENS GAMESA signed a loan of EUR 300 million with the European Investment Bank (hereinafter, "EIB"). As of September 30, 2021, the loan is fully drawn. The loan has the purpose of funding the research and development activities of the company.

On February 11, 2021, a second loan with the same purpose as mentioned before was signed with the EIB for a total of EUR 50 million, which is fully drawn as of September 30, 2021.

Both loans mature on the fifth anniversary of their signature and accrue a five-year base fixed rate plus a spread subject to standard leverage ratios (quarterly defined). Both, the base interest, defined at signature date, and the spread subject to ratios, are in accordance with market conditions.

Credit facilities

During fiscal year 2021, the SIEMENS GAMESA Group has signed credit lines in indian rupees for an amount equivalent to EUR 47 million (EUR 116 million during fiscal year 2020). As of September 30, 2021 and 2020, the SIEMENS GAMESA Group has bilateral credit lines in India for a total amount of EUR 498 million and EUR 472 million, respectively, of which it has drawn an amount of EUR 213 million and EUR 273 million, respectively. All

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credit facilities of SIEMENS GAMESA Group in India mature one year after its signature and are referenced to local interest rates under market conditions.

During fiscal year 2021, the SIEMENS GAMESA Group has signed new bilateral credit lines in total amount of EUR 30 million, under conditions similar to those of previous years (EUR 375 million, during 2020). As of September 30, 2021 and 2020, the SIEMENS GAMESA Group has bilateral credit lines in euros for a total amount of EUR 743 million and EUR 858 million, respectively, of which no amount is drawn as of September 30, 2021 and 2020.

In addition, during fiscal year 2021, the SIEMENS GAMESA Group signed new credit lines in Egyptian pounds for an amount of EUR 17 million (EUR 0 million during 2020), has not signed credit lines in United States dollars (EUR 2 million during the fiscal year 2020) and neither in South African rand (EUR 5 million during fiscal year 2020). As of September 30, 2021, and 2020, the Group has these and other existing credit lines (mainly in Turkey, China, Egypt and South Africa) for a total amount of EUR 111 million and EUR 108 million, respectively, of which it has drawn an amount of EUR 33 million and EUR 25 million, respectively.

Interest-free advances

As of September 30, 2021 and 2020 the heading "Financial debt" (current and non-current) also includes EUR 9 million and EUR 15 million, respectively, of interest-free advances provided to Siemens Gamesa Renewable Energy Eólica S.L.U, Siemens Gamesa Renewable Energy Innovation & Technology, S.L.U, Gamesa Energy Transmission, S.A.U and Gamesa Electric, S.A.U by the Ministry of Science and Technology and other public agencies for financing R&D projects, which are refundable in 7 or 10 years, after a three-year grace period.

Other information

As of September 30, 2021, the SIEMENS GAMESA Group companies had been granted loans and had drawn from credit facilities that accounted for 30% of the total financing granted to them maturing between 2021 and 2031 (25% as of September 30, 2020 maturing between 2020 and 2031). The weighted average interest rate of the average debt for the year ended September 30, 2021 is approximately 2.73% (4.45% for the year ended September 30, 2020). The weighted average interest rate of the outstanding debt as of September 30, 2021 is approximately 2.46% (4.02% as of September 30, 2020).

The fair value, taking into consideration the counterparty credit risk, of bank borrowings as of September 30, 2021 and 2020 is similar to the book value since the debt is either subject to variable interest rates and market spreads, or subject to fixed rates that are at a market level (Note 3.B).

As of September 30, 2021 and 2020, the sensitivity of the market value of bank borrowings in relation to interest rate changes is as follows:

	Interest rate change			
	30.09.2021		30.09.2020	
Thousands of euros	+0,25%	-0,25%	+0,25%	-0,25%
Change in the value of the debt (*)	1,130	(1,130)	1,152	(1,152)

(*) Income and equity increase in negative and expenses and equity decrease in positive.

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As of September 30, 2021 and 2020, the sensitivity of the market value of foreign currency bank borrowings in relation to exchange rate and interest rate changes is as follows:

Thousands of euros	09.30.2021				09.30.2020			
	Change in the interest rate		Change in Exchange rate (EUR/foreign currency)		Change in the interest rate		Change in Exchange rate (EUR/foreign currency)	
	+0,25%	-0,25%	5%	-5%	+0,25%	-0,25%	5%	-5%
Change in the value of the debt (*)								
Indian Rupees	673	(673)	10,656	(10,656)	884	(884)	13,644	(13,644)
Chinese Yuans	5	(5)	-	-	-	-	-	-
United States Dollars	58	(58)	125	(125)	12	(12)	910	(910)
Turkish liras	39	(39)	847	(847)	58	(58)	1,104	(1,104)
Egyptian pounds	-	-	681	(681)	-	-	-	-
Canadian Dollars	-	-	10	(10)	-	-	-	-
South African rands	-	-	-	-	5	(5)	-	-

(*) Income and equity increase in negative and expenses and equity decrease in positive.

The balance of unmatured receivables assigned to non-recourse factoring transactions as of September 30, 2021, amounts to EUR 373 million (EUR 466 million as of September 30, 2020). The average amount of factored receivables during the year ended September 30, 2021 has been EUR 271 million (EUR 210 million in 2020).

The SIEMENS GAMESA Group has confirming transaction arrangements with a number of financial entities (“confirming” or “reverse factoring”). The SIEMENS GAMESA Group applies the criteria set forth in Note 3.B in assessing the de-recognition of the original liability with trade creditors and the recognition of a new liability to financial institutions. Trade payables for which settlement is mandated to financial institutions are recognised under “Trade and other payables” in the Consolidated Balance Sheet to the extent that the SIEMENS GAMESA Group has granted financial institutions only the mandate to process the payment, remaining the SIEMENS GAMESA Group primarily liable for payment of the debts to trade creditors.

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B. LEASE LIABILITIES

The changes in lease liabilities during 2021 and 2020 are as follows:

Thousands of euros	Note	
Balance at 10.01.2020		610,837
Currency translation differences		15,138
New lease contracts	14	341,099
Cancellation of contracts	14	(23,832)
Financial update		1,713
Payments made of principal		(88,861)
Interest paid		(7,269)
Other		(19,787)
Balance at 09.30.2021		829,038

Thousands of euros	Note	
Balance at 10.01.2019		-
First application of IFRS 16	2.D	583,308
Currency translation differences		(18,877)
New lease contracts	14	141,187
Business combinations	4, 14	13,588
Cancellation of contracts	14	(7,301)
Financial update		5,529
Payments made of principal		(102,343)
Interest paid		(6,423)
Other		2,169
Balance at 09.30.2020		610,837

The breakdown by maturity of undiscounted lease liabilities as of September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	
2022		133,595
2023-2026		352,868
From 2027 onwards		457,409
Total		943,872
Financial cost		114,834
Present value of the payments		829,038
<i>Therein current</i>	8.B	131,166
<i>Therein non-current</i>	8.B	697,872
Total		943,872

Thousands of euros	Note	
2021		116,185
2022-2025		277,969
From 2026 onwards		321,263
Total		715,417
Financial cost		104,580
Present value of the payments		610,837
<i>Therein current</i>	8.B	115,263
<i>Therein non-current</i>	8.B	495,574
Total		715,417

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The Summary of the impact that the application of IFRS 16 has had on the Consolidated Financial Statement of Profit and Loss for the year ended September 30, 2021 and 2020, is as follows:

Thousands of euros	Note	09.30.2021	09.30.2020
Increase in "interest expenses"	28.G	6,967	6,423
Increase in depreciation and amortization	14	122,421	113,889
Total		129,388	120,312

During fiscal year 2021 and 2020, the SIEMENS GAMESA Group has not accrued any amount for variable leases.

Expenses in 2021 and 2020 related to short-term leases excluded from the scope of IFRS 16 amounts to EUR 262 million and EUR 186 million and have been recognized in rent and royalties under the heading "Other operating expenses" of the Consolidated Statement of Profit and Loss by nature (Note 28.D).

The SIEMENS GAMESA Group has not subleased rights of use of assets for a significant amount in 2021 and 2020.

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In order to provide information about the historical cash and cash equivalents' flows according to IAS 7, changes in liabilities arising from financing activities are as follows:

Thousands of Euros	Balance at 30.09.2020	Business combinations	Cash flows	Currency translation differences	Other	Balance at 30.09.2021
Current and non-current loans and credits	1,059,571	-	275,679	1,183	1,912	1,338,345
Current and non-current leases	610,837	-	(88,861)	15,138	291,925	829,039
Total of activities arising from financing activities	1,670,408	-	186,818	16,321	293,837	2,167,384

Thousands of Euros	Balance at Transition to IFRS 30.09.2019	16	Business combinations	Cash flows	Currency translation differences	Other	Balance at 30.09.2020
Current and non-current loans and credits	862,945	-	-	249,223	(52,597)	-	1,059,571
Current and non-current obligations arising from finance leases and purchase contracts	1,490	-	-	-	-	(1,490)	-
Current and non-current leases	-	583,308	13,588	(102,343)	(18,877)	135,161	610,837
Total of activities arising from financing activities	864,435	583,308	13,588	146,880	(71,474)	133,671	1,670,408

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18. PROVISIONS

The breakdown of current and non-current provisions as of September 30, 2021 and 2020 is as follows:

Thousands of euros	Balance at 10.01.2020 (*)	Business combinations	Charges / (Reversals)	Provisions applied	Translation differences	Financial effect	Other changes	Balance at 09.30.2021	Thereof non-current
Warranties (*)	1,854,700	-	176,522	(358,420)	6,741	(1,498)	(3,373)	1,674,672	1,123,500
Order related losses and risks	211,780	-	329,551	(52,130)	1,033	-	5,445	495,679	177,530
Others (*)	92,063	-	35,737	(23,751)	1,009	-	(2,461)	102,597	22,821
Total (*)	2,158,543	-	541,810	(434,301)	8,783	(1,498)	(389)	2,272,948	1,323,851

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

Thousands of euros	Balance at 10.01.2019	Business combinations (*)	Charges / (Reversals)	Provisions applied	Translation differences	Financial effect	Other changes	Balance at 09.30.2020 (*)	Thereof non-current (*)
Note		1.B, 2.E, 4							
Warranties (*)	1,952,498	112,757	253,343	(446,164)	(19,535)	1,170	631	1,854,700	1,280,146
Order related losses and risks	156,560	9,679	73,959	(21,500)	(7,768)	-	850	211,780	128,641
Others (*)	52,924	27,501	41,144	(22,197)	(5,487)	-	(1,822)	92,063	34,487
Total (*)	2,161,982	149,937	368,446	(489,861)	(32,790)	1,170	(341)	2,158,543	1,443,274

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

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Provisions are recognized whenever the SIEMENS GAMESA Group has a present legal or constructive obligation as a result of past events, which will lead to a probable future outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. Provisions are recognized at the present value of the expenditure required to settle the present obligation. The majority of the provisions of the Group are generally expected to result in cash outflows during the next 1 to 10 years, but exceptional technical issues could reach beyond that time frame.

Warranties

Provisions for warranties recognized by the SIEMENS GAMESA Group as manufacturer (normal product warranty) include warranties in respect of legal, contractual or constructive obligations which are classified as assurance-type warranty. In general, the warranty period has an average duration of 2-5 years, but exceptional technical issues could reach beyond that time frame. On the other hand, the main warranty included in service contracts is related to the availability in the operation of the wind farm during the maintenance contract for which the average duration of 8 to 9 years.

The change in these provisions during 2021 and 2020 is fundamentally due to the charges and reversals in the normal course of the business, the result of recurring re-estimation of warranty provisions (update of failure rates, expected costs and resolution of customer claims, among others, due to lower product failure rates and lower maintenance costs compared to those initially expected), as well as the application of the provisions to its intended purpose.

During the fourth quarter of 2020, the SIEMENS GAMESA Group recognized approximately EUR 20 million and EUR 11 million under the headlines warranties and order related losses and risk and others respectively, associated with preventive and corrective actions in the SG 4.x gearbox. During fiscal year 2021, these provisions are being applied to their purpose, to the extent that the aforementioned preventive and corrective actions are carried out.

Order related losses and risks

The SIEMENS GAMESA Group recognizes provisions for order related losses and risks when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it

The increase in provision for order related losses and risks as of September 30, 2021 is mainly due to deviations in Brazil and North of Europe (provision as of September 30, 2021 of EUR 226 million and EUR 88 million, respectively) mainly related to the SG 5.x product development affecting projects in execution as well as to other increases in estimated costs in projects (Note 2.G). It also includes, as of September 30, 2021, and 2020, EUR 90 million and EUR 96 million, respectively, for the expected losses of onerous contracts signed in previous years by a SIEMENS GAMESA Group subsidiary (Siemens Gamesa Renewable Energy Deutschland, previously denominated, Adwen GmbH) for the construction and subsequent maintenance of an offshore wind farm in northern Europe. As of September 30, 2020 the expected losses due to delays and extra-costs in the execution of certain wind farm projects were also included.

Others

Other provisions include, among others, provisions for legal proceedings or personnel-related provisions. The Group's legal advisors and the Company consider that the provisions recognized for this purpose are sufficient and that the outcome of these proceedings and claims will not have a material effect on the Consolidated Financial Statements for the years in which they would be settled

Contingent liabilities

General Electric

The SIEMENS GAMESA Group is party to a number of license agreements, which afford the SIEMENS GAMESA Group intellectual property rights (in particular, patents, trademarks and design rights). In a few individual cases, there have been disputes or disagreements resulting from the interpretation regarding the execution of the existing agreements or from the interpretation of the scope of use rights granted by third parties (including competitors) to

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the SIEMENS GAMESA Group regarding their respective IP rights, or with respect to alleged IP infringements. While some of those disputes in the past years have been finally solved by court in favour of the SIEMENS GAMESA Group, others are still awaiting a final resolution, or have not reached a court stage and still remain to be solved between the respective parties. On July 31, 2020, General Electric Company (hereinafter, "GE") filed a complaint against the SIEMENS GAMESA Group entities before the United States International Trade Commission (hereinafter, "ITC") asserting a violation of two patents with regard to certain variable speed wind turbine generators and components. On September 10, 2021, an initial determination was issued finding an infringement of one of the patents, which expires in May 2023, and recommending that the ITC issues a limited exclusion order barring the importation into the US of the products allegedly infringing this patent. The other patent was found to be unenforceable in the initial determination. The SIEMENS GAMESA Group has filed a petition for review to the ITC seeking a repeal of the determined infringement. The final determination by the ITC is expected for early 2022. Likewise, GE has filed intellectual property related lawsuits against SIEMENS GAMESA Group entities before courts in Germany, the United Kingdom, Spain and the United States, based on the same patents or their national counterparts which are subject of the ITC complaint, seeking injunctive relief and unquantified damages. The SIEMENS GAMESA Group will be defending against GE's claims and the Group is confident that features and functionalities marketed by the SIEMENS GAMESA Group do not infringe any valid third parties' intellectual property rights. In addition, the SIEMENS GAMESA Group has filed an opposition and lately an intervention with the European Patent Office in Munich, Germany, against the European patent which is the basis of the European lawsuits; a decision on the appeal is still pending. The Management believes that it can successfully defend its legal position in the different proceedings. Consequently, the SIEMENS GAMESA Group has made no provision to cover the complaints. However, in the unlikely event that the SIEMENS GAMESA Group is not successful in its defence in these cases, and GE prevails, these cases could potentially have significant financial impact on the SIEMENS GAMESA Group.

Compliance

SIEMENS GAMESA Group has investigated a number of allegations and indications of potential violations of internal policies and procedures, as well as of statutory laws. The investigations did mainly concern the Indian subsidiary, and a limited number of other jurisdictions. The respective internal investigations have been completed and revealed violations that have an immaterial impact in the consolidated financial statements as of September 30, 2021. In the course of these investigations a few isolated new allegations emerged which are currently investigated as new cases, but at the current stage are assessed to not be material. Should new relevant facts with regard to allegations of compliance violations emerge relating to either the finalized, or any current or future investigations, this could result in SIEMENS GAMESA or its respective subsidiaries being subject to payment of damages, equitable remedies, fines, penalties, profit disgorgements, disqualifications from engaging in certain types of business as well as additional liabilities.

19. OTHER CURRENT ASSETS AND LIABILITIES

The detail of other current assets and liabilities as of September 30, 2021 and 2020 is as follows:

Thousands of euros	09.30.2021	09.30.2020
Other current tax assets		
Other tax receivables	438,009	329,048
Non-tax related current assets		
Prepaid expenses	42,967	44,347
Other current assets	38,737	24,713
Total	519,713	398,108

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Thousands of euros	09.30.2021	09.30.2020 (*)
Note		1.B, 2.E, 4
Other current tax liabilities		
Other tax liabilities	137,507	111,079
Non-tax related current liabilities		
Deferred income (*)	2,889	10,700
Current liabilities with personnel	352,195	338,341
Other current liabilities	216,696	275,079
Total (*)	709,287	735,199

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

20. POST-EMPLOYMENT BENEFITS

The Group provides post-employment defined benefit plans or defined contribution plans to certain Group employees.

The amount recognized as expense for defined contribution plans amounts to EUR 57 million in fiscal year 2021 (EUR 55 million in fiscal year 2020). Contributions to state plans amount to EUR 123 million in fiscal year 2021 (prior year EUR 120 million).

The Group provides post-employment defined benefit plans to almost all of the Group's employees in Germany. Outside Germany predominantly service gratuities and severance indemnities from legislative requirements or industry arrangements are provided by a limited number of entities in several jurisdictions.

The Group's major plans are funded with assets in separate legal entities. In accordance with local laws these plans are managed in the interest of the beneficiaries by way of contractual trust agreements with each separate legal entity.

The defined benefit plans cover about 6,100 participants virtually completely constituted by active employees.

In Germany, the Group provides pension benefits through the plan "Siemens Gamesa Renewable Energy BSAV" (*Beitragsorientierte Siemens Altersversorgung*), frozen legacy plans and deferred compensation plans. In Germany, the majority of the Group's active employees participate in the "Siemens Gamesa Renewable Energy BSAV". Those benefits are predominantly based on contributions made by the Group and returns earned on such contributions, subject to a minimum return guaranteed by the Group. The frozen plans expose the employer to investment risk, interest rate risk and longevity risk. The effects of compensation increases are substantially eliminated. No legal or regulatory minimum funding requirements apply. Instead, the pension plans are funded via contractual trust arrangements (CTA).

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A. DEVELOPMENT OF THE DEFINED BENEFIT PLANS

Thousands of euros	Defined benefit obligation (DBO)		Fair value of plan assets		Net defined benefit liability	
	(I) Fiscal year		(II) Fiscal year		(I)-(II) Fiscal year	
	2021	2020	2021	2020	2021	2020
Balance at the begin of fiscal year	65,398	54,238	45,536	39,415	19,862	14,823
Current service cost	9,601	7,107	-	-	9,601	7,107
Interest expense	1,392	929	-	-	1,392	929
Interest income	-	-	914	563	(914)	(563)
Past service cost	(1,119)	203	(346)	-	(773)	203
Components of defined benefit recognized in the Consolidated Statement of Profit and Loss	9,874	8,239	568	563	9,306	7,676
Return on plan assets excluding amounts included in net interest income and net interest expenses	-	-	3,651	(192)	(3,651)	192
Actuarial (gains) losses	1,547	3,981	-	-	1,547	3,981
Remeasurements recognized in the Consolidated Statement of Other Comprehensive Income	1,547	3,981	3,651	(192)	(2,104)	4,173
Employer contributions	-	-	5,616	6,069	(5,616)	(6,069)
Benefits paid	(1,116)	(733)	(845)	(662)	(271)	(71)
Plan participants' contributions	462	410	462	410	-	-
Currency translation differences	(444)	(588)	(514)	-	70	(588)
Other changes	-	(149)	-	(67)	-	(82)
	(1,098)	(1,060)	4,719	5,750	(5,817)	(6,810)
Balance at fiscal year end	75,721	65,398	54,474	45,536	21,247	19,862
Thereof provisions for pensions and similar obligations					21,409	19,862
Thereof net defined benefit assets (presented in "Other assets")					162	-
thereof:						
Germany	60,189	50,174	47,224	37,699	12,965	12,475
India	8,624	9,640	5,705	5,904	2,919	3,736
Other	6,908	5,584	1,545	1,933	5,363	3,651

The net interest expenses related to provisions for pensions and similar obligations amount to EUR 478 thousand in the fiscal year ended September 30, 2021 (EUR 366 thousand in the fiscal year ended September 30, 2020).

The remeasurement comprises actuarial (gains) and losses resulting from:

Thousands of euros	2021	2020
Changes in demographic assumptions	(314)	2,557
Changes in financial assumptions	(2,275)	(901)
Experience (gains) losses	4,136	2,325
Total	1,547	3,981

B. ACTUARIAL ASSUMPTIONS

The single discount rate used for the actuarial valuation of the DBO of the German plans is 1.42% according to the Mercer Yield Curve approach for discount rates (1.26% in fiscal year 2020).

Similar to last year, the "Heubeck-Richttafeln 2018 G" have been used in the valuation as of September 30, 2021. The pension progression rate in Germany is 1.50% or a fixed 1.00% indexation rate depending on the plan (unchanged from the previous year).

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C. SENSITIVITY ANALYSIS

A one-half-percentage-point change of the above assumptions would result in the following increase (decrease) of the German as well as Indian DBO. For India, the pension progression rate is not applicable:

Thousands of euros	Effect on DBO (Germany) due to one-half percentage-point			
	Increase	Decrease	Increase	Decrease
	2021	2021	2020	2020
Discount rate	(2,719)	3,004	(2,522)	2,944
Rate of pension progressions	619	(560)	678	(611)

Thousands of euros	Effect on DBO (India) due to one-half percentage-point			
	Increase	Decrease	Increase	Decrease
	2021	2021	2020	2020
Discount rate	(474)	517	(555)	609

The German DBO effect of a 10% reduction in mortality rates for all beneficiaries would be an increase of EUR 479 thousand in fiscal year 2021 (EUR 467 thousand in fiscal year 2020). The effect in India would be an increase of EUR 10 thousand in fiscal year 2021 (EUR 13 thousand in fiscal year 2020).

During the periods presented, sensitivity determinations apply the same methodology as applied for the determination of the post-employment benefit obligation. Sensitivities reflect changes in the DBO solely for the assumption changed.

D. DISAGGREGATION OF PLAN ASSETS

Thousands of euros	Plan assets	
	2021	2020
Equity securities	41	4,783
Fixed income securities	33	8,871
<i>Thereof:</i>		
Government bonds	33	2,162
Corporate bonds	-	5,971
Other bonds	-	738
Alternative investments	-	799
Multi-strategy funds	47,148	15,600
Cash and cash equivalents	2	8,341
Derivatives	-	43
Other assets (incl. insurance contracts)	7,250	7,099
Total	54,474	45,536

Virtually all equity securities had quoted prices in active markets. The fair value of fixed income securities has been based on prices provided by price service agencies. The fixed income securities are traded in active markets and the majority of the fixed income securities are investment grade. Alternative investments mostly included real estate investments. Multi strategy funds mainly comprised absolute return funds and diversified growth funds that invest in various asset classes within a single fund and aim to stabilize return and reduce volatility.

E. FUTURE CASH FLOWS

Employer contributions expected to be paid to the German defined benefit plans in fiscal year 2022 amount to approximately EUR 4.7 million. Over the next 10 fiscal years, global average annual benefit payments of approximately EUR 2.9 million are expected as of September 30, 2021 (EUR 2.7 million as of September 30, 2020), thereof EUR 1.8 million on average in Germany (EUR 1.4 million as of September 30, 2020). The weighted average duration of the German DBO is 9.8 years as of September 30, 2021 (11.0 years as of September 30, 2020).

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21. OTHER NON-CURRENT LIABILITIES

The breakdown of other non-current liabilities of the accompanying Consolidated Balance Sheet is as follows:

Thousands of euros	09.30.2021	09.30.2020
Long-Term accruals	10,394	11,399
Deferred income	9,910	9,366
Other non-current liabilities	6,602	8,010
Total	26,906	28,775

Within the heading of "Long-Term accruals" are mainly the obligations that the Group has with employees after the termination of their employment relationship, such as early retirement benefits or any other benefit of a similar nature.

Within the heading "Deferred income" the most significant amount corresponds to government grants that the Group has received for the construction of production plants.

The heading "Other non-current liabilities" is composed of small amounts that individually considered are not material for their disclosure.

22. EQUITY OF THE PARENT COMPANY

A. ISSUED CAPITAL

The SIEMENS GAMESA Group's issued capital as of September 30, 2021 and 2020 amounts to EUR 115,794 thousand being composed of 681,143,382 ordinary shares of EUR 0.17 of nominal value each, represented by means of annotations into account, fully subscribed and disbursed.

According to information of the Company, the shareholder structure of SIEMENS GAMESA as of September 30, 2021 and 2020 is as follows:

Shareholders	Note	% shareholding	
		09.30.2021	09.30.2020
SIEMENS ENERGY AG (*)	1.D	67.071%	67.071%
Other (**)		32.929%	32.929%
Total		100.000%	100.000%

(*) 67.071% through Siemens Energy Global GmbH & Co. KG (formerly named Siemens Gas & Power GmbH & Co. KG).

(**) Includes all shareholders with an ownership stake of less than 3%, who are not considered as significant shareholders according to the article 32 of the Royal Decree 1362/2007 of October 19 on shareholders required to notify their stake due to the residence in a tax haven or in a country of 0 taxation or with no effective exchange of tax information.

SIEMENS GAMESA shares are listed in the IBEX 35 through the Automated Quotation System (*Mercado Continuo*) at the Bilbao, Madrid, Barcelona and Valencia Stock Exchanges.

The main objectives of the SIEMENS GAMESA Group share capital management are to ensure short and long term financial stability, the positive market performance of the shares of SIEMENS GAMESA, the adequate financing of its investments and maintaining levels of the Group's external financing in line with the development of the business, so to ensure that the SIEMENS GAMESA Group maintains its financial strengths and the soundness of its financial ratios, supporting its business and maximizing its value for the shareholders.

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The ratios of debt (net of cash) to equity attributable to the parent company that are reflected throughout this note are as follows:

Thousands of euros	Note	09.30.2021	09.30.2020
Current liabilities		381,721	434,313
Debt with financial institutions and other obligations	8, 17	250,555	319,050
Lease liabilities	8, 17	131,166	115,263
Non-current liabilities		1,785,662	1,236,095
Debt with financial institutions and other obligations	8, 17	1,087,790	740,521
Lease liabilities	8, 17	697,872	495,574
Total financial debt		2,167,383	1,670,408
Cash and other cash equivalents	6	(1,960,607)	(1,621,793)
Financial debt net of cash		206,776	48,615
Total equity of the parent company		4,457,184	4,934,094
Proportion of Financial debt (net of cash) and Equity attributable to the parent company		4.64%	0.99%

The rating agencies gave the following credit rating to the SIEMENS GAMESA Group:

Issuer rating of SIEMENS GAMESA(*)			
Agency	Rating	Outlook	Date
Standard & Poor's	BBB	Stable	June 4, 2021
Fitch	BBB-	Negative	July 19, 2021

(*) Long-term: the above ratings may be revised, suspended or withdrawn by the rating agency at any time.

B. SHARE PREMIUM

The Spanish Companies Act expressly allows the use of the share premium to increase issued capital and there are no specific restrictions for the availability of that amount.

C. UNREALISED ASSET AND LIABILITY REVALUATION RESERVE

The changes in this reserve in the years 2021 and 2020, which reflect the adjustments made in the fair value measurement of financial assets such as hedge derivatives, are as follows:

Thousands of euros	10.01.2020	Change in fair value		09.30.2021
		movements	and/or other Allocated Profit and Loss	
Note			9	
Interest rate swaps	(425)	(162)	353	(234)
Securities of electricity price hedge	(182)	(3,945)	319	(3,808)
Currency forwards	(7,545)	67,746	(18,470)	41,731
Cash-flow hedges	(8,152)	63,639	(17,798)	37,689
Deferred taxes due to the remeasurement of unrealised assets and liabilities	(593)	(16,320)	5,551	(11,362)
Total	(8,745)	47,319	(12,247)	26,327

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Thousands of euros	10.01.2019	Change in fair value and/or other movements	Allocated Profit and Loss	09.30.2020
Note			9	
Interest rate swaps	-	(533)	108	(425)
Securities of electricity price hedge	(921)	978	(239)	(182)
Currency forwards	(6,385)	(1,116)	(44)	(7,545)
Cash-flow hedges	(7,306)	(671)	(175)	(8,152)
Deferred taxes due to the remeasurement of unrealised assets and liabilities	2,786	(4,238)	859	(593)
Total	(4,520)	(4,909)	684	(8,745)

D. LEGAL RESERVE

Under the Spanish Companies Act, the parent company must transfer each year 10% of net profit to the Legal Reserve until the balance of this reserve reaches at least 20% of the "Issued capital".

The Legal Reserve can be used to increase capital, as long as the remaining reserve balance does not fall below 10% of the increased "Issued capital" amount. Except for the aforementioned purpose, and as long as the legal reserve does not exceed 20% of the "Issued capital", this reserve can only be used to offset losses, provided that there are no other reserves available for that purpose.

As of September 30, 2021 and 2020 this reserve is not fully set up.

E. TREASURY SHARES, AT COST

The change in the heading "Treasury shares, at cost" within "Total equity" as a consequence of the transactions during the year ended September 30, 2021 and 2020, is as follows:

	Number of shares	Thousands of euros	Average price
Balance at 10.01.2020	1,625,869	(23,929)	14.718
Acquisitions	-	-	-
Disposals	(549,884)	8,093	14.718
Balance at 09.30.2021	1,075,985	(15,836)	14.718
	Number of shares	Thousands of euros	Average price
Balance at 10.01.2019	1,635,425	(21,616)	13.217
Acquisitions	6,029,563	(82,232)	13.638
Disposals	(6,039,119)	79,919	13.234
Balance at 09.30.2020	1,625,869	(23,929)	14.718

The nominal value of the treasury shares acquired directly or indirectly by SIEMENS GAMESA, together with those already held by the SIEMENS GAMESA Group does not exceed 10% of the Issued capital for the years ended September 30, 2021 and 2020.

During the second quarter of 2021, SIEMENS GAMESA has delivered 549,884 own shares (Note 22.F) at an average cost of EUR 14.72 per share, as a consequence of the settlement of the first cycle of the Long-Term Incentive Plan 2018-2020. No other movement involving treasury shares has occurred during the period.

On July 10, 2017, SIEMENS GAMESA entered into a liquidity contract with Santander Investment Bolsa, which was communicated to the CNMV through a notice of a Significant Event on the same date. As of January 31, 2020, this contract was terminated, as communicated to CNMV through a notice of Significant Event, since its objectives of fostering the liquidity of the shares and favouring the consistency of the share quotation were successfully achieved. Under this contract, during the period between October 1, 2019 and January 31, 2020, SIEMENS

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GAMESA acquired 6,029,563 own shares at the average price of EUR 13.64 per share, and sold 6,039,119 own shares at an average price of EUR 13.23 per share.

As of September 30, 2020, the difference between the cost and sales price, led to an increase of EUR 129 thousand recognized in "Total equity".

F. LONG-TERM INCENTIVE

Long-Term Incentive Plan 2018-2020

The General Shareholders' Meeting held on March 23, 2018 approved a Long-Term Incentive Plan for the period between 2018 and 2020, which includes the delivery of shares of the Company linked to the achievement of certain strategic objectives after measurement periods of 3 years. This Long-Term Incentive Plan is addressed to the Chief Executive Officer, Top Management, certain Managers and employees of SIEMENS GAMESA and, where appropriate, of subsidiaries of the SIEMENS GAMESA Group.

The Plan has a duration of 5 years divided into three independent cycles with a measurement period of 3 years each.

The settlement period of the Plan will fall within fiscal years 2021, 2022 and 2023. The shares will be delivered, as appropriate, within sixty calendar days from the date on which the Company's Board of Directors issues the Financial Statements for the relevant period, in order to determine the degree of achievement of the objectives for each cycle ("Delivery Date"). The Plan will end on the Delivery Date for cycle FY2020 (i.e. following the preparation of the 2022 Financial Statements).

The Plan is addressed to a maximum of 300 beneficiaries, and the designation of an individual as a beneficiary of a Plan cycle will not necessarily entitle the participation in other Plan cycles.

The Plan could not exceed, as a maximum, the delivery of a total of 5,600,000 shares, which represents a 0.82% of SIEMENS GAMESA's capital and was calculated considering the potential inclusion of additional beneficiaries. The Company will allocate shares of treasury stock to cover the Plan or otherwise meet the commitments derived from the Plan with a financial instrument that provides adequate coverage. As a result of the amendments to the Plan for the second and third cycles, the total number of shares allocated to the Plan has increased to the limit of 7,560,000 shares, which represent 1.1% of the share capital of SIEMENS GAMESA.

For all 3 cycles, the delivery of shares is subject to both the fulfilment of a service condition as well as the fulfilment of several performance vesting conditions. In particular, such performance vesting conditions include both market-related conditions and non-market conditions.

First cycle of the Plan

In accordance with the Plan Rules of the first cycle of the Long-Term Incentive Plan and considering the degree of achievement of the applicable conditions, during the year 2021, the first cycle was settled with the delivery of 549,884 shares (Note 22.E) to the 162 eligible beneficiaries.

With respect to the first cycle, the SIEMENS GAMESA Group has recorded the rendering of services from the beneficiaries relating to the incentive payable in shares as staff costs on an accrual basis, accruing the estimate of the fair value at the grant date of the equity instruments assigned over the term of the Plan, which resulted in a debit amounting EUR 0.2 million in the heading staff costs in the Consolidated Statement of Profit and Loss by nature for the year ended September 30, 2021 (EUR 0.9 million for the year ended 30, 2020), crediting the heading "Other reserves" under Equity in the accompanying Consolidated Balance Sheet as of September 30, 2021 and 2020, respectively.

The total accumulated cost accrued for the first cycle of this Incentive Plan has been debited in the heading staff costs of the Consolidated Statement of Profit and Loss by nature during the period 2018-2021 in amount of

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approximately EUR 6.6 million. The total effective value (understood as the fair value at settlement), obtained by reference to the share price of the equity instruments to be delivered to the beneficiaries at the settlement date amounts to approximately EUR 20 million.

There have been no significant changes in the method and models of valuation used for the calculation, in the conditions for the settlement of the Plan, and in the number of beneficiaries included compared to those explained in the Note 23.F of the Consolidated Financial Statements for the year ended September 30, 2020.

Second cycle of the Plan

In the General Shareholders' Meeting held on March 27, 2019, the modification of the Long-Term Incentive Plan for the FY2019 and FY2020 cycles was approved.

The objective of this modification was to improve and to better align the Plan with the Group's strategic priorities, like the L3AD2020 program. Finally, these improvements will eliminate the redundancies with the Short-Term Incentive System and will enforce the ownership culture within the Group.

With respect to the second cycle, the SIEMENS GAMESA Group has recorded the rendering of services from the beneficiaries relating to the incentive payable in shares as staff costs on an accrual basis, accruing the estimate of the fair value at the grant date of the equity instruments assigned over the term of the Plan, which resulted in a debit amounting EUR 3.9 million in the heading staff costs in the Consolidated Statement of Profit and Loss by nature for the year ended September 30, 2021 (EUR 4.4 million for the year ended September 30, 2020), crediting the heading "Other reserves" under "Total equity" in the accompanying Consolidated Balance Sheet as of September 30, 2021 and 2020.

To measure the fair value at grant date, the SIEMENS GAMESA Group used the futures pricing formula and the Monte Carlo model based on the assumptions of the Black Scholes pricing model, which is widely used in financial practice to measure options, in order to include the effect of market conditions on the value of the granted equity instruments. The main market parameters used in the measurement were as follows:

- The risk-free interest rate is 0.18%.
- The share price volatility is 42.98% which corresponds to the average value of the historic share price variations since January 2010.
- Estimation of the average degree of achievement of the strategic objectives for non-market conditions of the second cycle: 100% (100% for the year 2020).

Initially, the number of employees entitled to the Plan's second cycle was 191.

Third cycle of the Plan

With respect to the third cycle, the SIEMENS GAMESA Group has recorded the rendering of services from the beneficiaries relating to the incentive payable in shares as staff costs on an accrual basis, accruing the estimate of the fair value at the grant date of the equity instruments assigned over the term of the Plan, which resulted in a debit amounting EUR 3.1 million in the heading staff costs in the Consolidated Statement of Profit and Loss by nature for the year ended September 30, 2021 (EUR 3.1 million as of September 30, 2020), crediting the heading "Other reserves" under "Total equity" in the accompanying Consolidated Balance Sheet as of September 30, 2021 and 2020.

To measure the fair value at grant date, the SIEMENS GAMESA Group has used the futures pricing formula and the Monte Carlo model based on the assumptions of the Black Scholes pricing model, which is widely used in financial practice to measure options, in order to include the effect of market conditions on the value of the granted equity instruments. The main market parameters used in the measurement have been as follows:

- The risk-free interest rate is -0.27%.

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- The share price volatility is 42.6% which corresponds to the average value of the historic share price variations since January 2010.
- Estimation of the average degree of achievement of the strategic objectives for non-market conditions of the third cycle: 100% (100% for the year 2020).

Initially, the number of employees entitled to the Plan's third cycle has been 183.

Long-Term Incentive Plan 2021-2023

The General Shareholders' Meeting held on March 17, 2021 has approved a Long-Term Incentive Plan for the period between 2021 and 2023, which includes the delivery of shares of the Company linked to the achievement of certain strategic objectives after measurement periods of three years. This Long-Term Incentive Plan is addressed to the Chief Executive Officer, Senior Executives, certain Directors and employees of the Company and, where appropriate, of subsidiaries of the SIEMENS GAMESA Group.

The Plan is divided into three independent cycles with a measurement period of three years each:

- Cycle FY2021: from October 1, 2020 to September 30, 2023.
- Cycle FY2022: from October 1, 2021 to September 30, 2024.
- Cycle FY2023: from October 1, 2022 to September 30, 2025.

The settlement period of the Plan will fall within fiscal years 2024, 2025 and 2026. The shares will be delivered, as appropriate, within sixty calendar days from the date on which the Company's Board of Directors issues the Financial Statements for the relevant period, in order to determine the degree of achievement of the targets for each cycle ("Delivery Date"). The Plan will end on the Delivery Date for Cycle FY2023 (i.e. following the preparation of the 2025 Consolidated Financial Statements).

The Plan is addressed to a maximum of 300 beneficiaries, and the designation of an individual as a beneficiary of a Plan cycle will not necessarily entitle the participation in other Plan cycles.

The Plan may not exceed, as a maximum, the delivery of a total of 3,938,224 shares, which represents 0.58% of SIEMENS GAMESA's share capital, and has been calculated considering the potential inclusion of additional beneficiaries. The Company will allocate shares of treasury stock to cover the Plan or otherwise meet the commitments derived from the Plan with a financial instrument that provides adequate coverage.

For all three cycles, the delivery of shares is subject to both the fulfilment of a service condition as well as the fulfilment of several performance vesting conditions. In particular, for cycle FY2021, such performance vesting conditions include both market-related conditions and non-market conditions based on the following:

- Total Shareholder Return (hereinafter, "TSR" – market condition) of SIEMENS GAMESA compared with the TSR of the company Vestas Wind System A/S ("Vestas").
- Earnings per Share ratio (hereinafter, "EPS" – non-market condition): degree of achievement of the averaged EPS values actually reached by SIEMENS GAMESA during the years of the Cycle, compared with the budgeted EPS in the business plan.
- Environmental, Social and Governance ("ESG" – non-market condition).

The SIEMENS GAMESA Group has recorded the rendering of services from the beneficiaries relating to the incentive payable in shares as staff costs on an accrual basis, accruing the estimate of the fair value at the grant date of the equity instruments assigned over the term of the Plan, which resulted in a debit amounting EUR 1.4 million in the heading staff costs in the Consolidated Statement of Profit and Loss by nature for the year ended

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September 30, 2021, crediting the heading "Other reserves" under "Total equity" in the accompanying Consolidated Balance Sheet as of September 30, 2021.

To measure the fair value at grant date, the SIEMENS GAMESA Group uses the Monte Carlo stochastic model in order to determine said fair value, considering the probability of achieving the relevant objectives for the awards that are subject to market conditions. To value awards that are subject to non-market conditions and that have a fixed term, the Group uses the Black Scholes valuation model. The main market parameters used in the measurement have been as follows:

- The risk-free interest rate is -0.39%.
- The share price volatility is 39.95% which is calculated, at the grant date, over a period of time according to the remaining performance period of time at the grant date.
- Estimated weighted average degree of achievement for non-market conditions: 50%.

Initially, the number of employees entitled to the Plan's first cycle has been 171.

SIEMENS GAMESA's Share Matching Plan for employees

On February 20, 2020, the Board of Directors of SIEMENS GAMESA approved a Share Matching Plan for SIEMENS GAMESA employees around the world (Chief Executive Officer and Top Management are excluded).

This Share Matching Plan is an employee investment plan. For every 3 SIEMENS GAMESA shares acquired via the Plan and held during the holding period, the employee receives 1 additional share (so-called matching share) from SIEMENS GAMESA free of charge after a total of 2 years, subject to compliance with the further provisions of the Plan Rules. Employees participating in such plan invest via payroll and are subject to the conditions of rendering services to the SIEMENS GAMESA Group and at the same time holding the shares acquired under this Share Plan until the termination date of the Plan (2 years period).

The investment of the beneficiaries can range from a minimum of EUR 50 per annum to a maximum of 4% of their annual base salary. The overall limit approved by the Board of Directors for the matching shares to be delivered is EUR 4 million per year.

The SIEMENS GAMESA Group has valued the plan using the futures valuation method. The total estimated cost of the Plan has been established at EUR 2,325 thousand in aggregate for the two years.

The SIEMENS GAMESA Group has recorded the rendering of services from the beneficiaries relating to the Share Matching Plan as staff costs on an accrual basis, accruing the estimate of the fair value of the equity instruments at grant date of the Plan, which resulted in a debit amounting EUR 667 thousand in the heading staff costs in the Consolidated Statement of Profit and Loss by nature for fiscal year 2021 (EUR 0 thousand for fiscal year 2020), crediting the heading "Other reserves" under Equity in the Consolidated Balance Sheet as of September 30, 2021.

The SIEMENS GAMESA Group's Recognition Share Program ("Your Recognition Shares") for employees

On February 20, 2020, the Board of Directors of SIEMENS GAMESA approved a Recognition Share Program ("Your Recognition Shares"). This program is an employee investment plan that gives to the eligible employees the right to receive a certain number of SIEMENS GAMESA shares free of charge, after a 2-year vesting period has expired.

The Stock awards are granted to employees with extraordinary performance. Other than rendering service to the SIEMENS GAMESA Group during the vesting period, there are no further performance criteria to be fulfilled.

The number of employees entitled to the plan amounts to 98.

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The SIEMENS GAMESA Group has recorded the rendering of services from the beneficiaries relating to the Recognition Share Program as staff costs on an accrual basis, accruing the estimate of the fair value of the equity instruments at grant date of the Plan, which resulted in a debit amounting EUR 305 thousand in the heading staff costs in the Consolidated Statement of Profit and Loss by nature for fiscal year 2021 (EUR 0 thousand for fiscal year 2020), crediting the heading "Other reserves" under Equity in the Consolidated Balance Sheet as of September 30, 2021.

G. EARNINGS ALLOCATION

At the date of preparation of these Consolidated Financial Statements, the Board of Directors of SIEMENS GAMESA, estimates that it will propose to the General Shareholders' Meeting for its approval, the following allocation of results for the year ended September 30, 2021 as shown below, determined according to Spanish accounting regulations applicable to the Statutory Financial Statements of the Company:

Thousands of euros	09.30.2021
Basis of distribution	
Result for the year	843,515
Total	843,515
Distribution	
Legal reserve	1,316
Other reserves	842,199
Total	843,515

H. DIVIDENDS

During fiscal year 2021 no dividends have been paid.

The General Shareholders' Meeting of SIEMENS GAMESA held on July 22, 2020 approved a dividend amounting to EUR 35.2 million, charged to the results of the year ended September 30, 2019. This dividend was paid on July 30, 2020.

I. CURRENCY TRANSLATION DIFFERENCES

The breakdown of the currency translation differences presented by main currencies, is as follows:

Thousands of euros	09.30.2021	09.30.2020
Indian rupees	473,036	473,827
United States dollars	103,702	110,783
Brazilian reals	90,849	92,912
Mexican pesos	57,222	75,501
Chinese yuans	7,932	71,614
Other currencies	12,291	23,686
Currency translation differences total	745,032	848,323

The changes in the currency translation differences are mainly due to the development of the exchange rate of the Chinese yuan and the Mexican peso.

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23. NON-CONTROLLING INTERESTS

The development of the non-controlling interests from non-wholly owned subsidiaries in the fiscal years 2021 and 2020 is as follows:

Thousands of euros	
Balance at 10.01.2020	768
Result for the year	731
Other movements	(215)
Balance at 09.30.2021	1,284

Thousands of euros	
Balance at 10.01.2019	2,701
Result for the year	(781)
Other movements	(1,152)
Balance at 09.30.2020	768

These non-controlling interests are not material in relation to the assets, liabilities, profit and cash-flows of the Consolidated Financial Statements of the SIEMENS GAMESA Group as of September 30, 2021 and 2020.

24. FINANCIAL REPORTING BY SEGMENT

The reportable segments of the SIEMENS GAMESA Group are adapted to the operating principles of the business units and to the financial and management information used by the Board of Directors of the Group, being the following in 2021 and 2020:

- Wind Turbines (*)
- Operation and Maintenance

(*) Wind Turbines segment includes the manufacturing of wind turbine generators and the development, construction and sale of wind farms (onshore and offshore).

The segments are Wind Turbines and Operation and Maintenance, since the SIEMENS GAMESA Group is organisationally structured in this manner, and the internal information generated for the Board of Directors is also presented in this way.

A. INFORMATION BY SEGMENT

Revenue

The breakdown, by segment, of the "Revenue" for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	09.30.2021	09.30.2020
Wind Turbines	8,271,540	7,714,823
Onshore	5,005,077	4,907,043
Offshore	3,266,463	2,807,780
Operation and Maintenance	1,926,278	1,768,386
Revenue	10,197,818	9,483,209

The performance obligations related to Wind Turbines and Operation and Maintenance are generally satisfied over time.

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Net Income

The breakdown, by segment, of the contribution to the net income after tax for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	09.30.2021	09.30.2020
Continuing Operations		
Wind Turbines	(832,226)	(1,242,330)
Operation and Maintenance	309,898	284,754
Total results of operations by segment	(522,328)	(957,576)
Unassigned results (*)	(31,856)	(60,356)
Income tax expenses	(72,456)	99,754
Net income attributable to the parent company	(626,640)	(918,178)

(*) This item includes financial results, results attributable to non-controlling interests and income (loss) from investments accounted for using the equity method.

Structure costs, which support both segments and whose amount is subject to allocation among both segments, are allocated to each segment according to the contribution of each segment to the Group's consolidated turnover.

Financial expenses and income, the results attributable to non-controlling interests and the results from investments accounted for using the equity method and income tax expense have not been assigned to the operating segments because those concepts are jointly managed by the Group.

B. GEOGRAPHICAL INFORMATION

The SIEMENS GAMESA Group currently operates in several geographical markets. The main areas are EMEA (including Spain), AMERICA and APAC. The main countries included in each of those areas are the following:

- EMEA: UK, Germany and Denmark
- AMERICA: United States, Brazil and Mexico
- APAC: Taiwan, India, Vietnam and China

In this sense, the most significant figures detailed by geographical area are the following:

Revenue

The breakdown, by geographical area, of the "Revenue" for the years ended September 30, 2021 and 2020 is as follows:

Geographical area	09.30.2021		09.30.2020	
	Thousands of euros	%	Thousands of euros	%
Spain	488,934	5%	617,459	7%
EMEA	4,421,021	43%	4,579,667	48%
AMERICA	2,678,100	26%	2,659,067	28%
APAC	2,609,763	26%	1,627,016	17%
Total	10,197,818	100%	9,483,209	100%

In fiscal year 2021, the foreign countries where the "Revenue" is more than 10% of the total revenue are the United States with an amount of EUR 1,757,048 thousand, United Kingdom with an amount of EUR 1,383,476 thousand and Taiwan with an amount of EUR 1,136,459 thousand. In fiscal year 2020, it was the United States with a "Revenue" amount of EUR 1,907,239 thousand.

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The Group's main clients are large utility groups such as the Iberdrola Group, Enel and Oersted. During fiscal year 2021, there is a customer with whom sales exceed 10% of the Group's revenues, being the same EUR 1,400 million and which refer to the Wind turbines and Operation and Maintenance segments.

Total "Goodwill", "Other intangible assets" and "Property, plant and equipment"

The breakdown by geographic area of total non-current assets excluding financial instruments (that is, the items in the Consolidated Balance Sheet "Investments accounted for using the equity method" and "Other financial assets"), "Other assets" and the "Deferred tax assets" as of September 30, 2021 and 2020 is as follows:

Geographical area (*)	09.30.2021		09.30.2020	
	Thousands of euros	%	Thousands of euros	%
Spain (***)	2,423,123	27%	2,576,084	30%
EMEA (**)	2,658,833	30%	2,256,732	26%
AMERICA	1,139,890	13%	1,139,048	13%
APAC	2,641,948	30%	2,608,402	31%
Total	8,863,794	100%	8,580,266	100%

(*) The detailed amounts refer to the headings "Goodwill", "Other intangible assets" and "Property, plant and equipment" of the Consolidated Balance Sheet.

(**) Adjusted figure as of September 30, 2020 (Note 2.E).

(***) Change in % as of September 30, 2020 due to change indicated in (**).

As of September 30, 2021, foreign countries in which the total non-current assets excluding financial instruments, "Other assets" and "Deferred tax assets" exceed 10% of the total non-current assets detailed in the table above are India with an amount of EUR 1,700,247 thousand, Denmark with an amount of EUR 1,169,927 thousand and China with an amount of EUR 900,032 thousand. As of September 30, 2020, these were India with an amount of EUR 1,730,517 thousand, Denmark with an amount of EUR 979,917 thousand and the United States with an amount of EUR 866,708 thousand.

Investment in assets

The breakdown, by geographical area, of the investments in "Other intangible assets" (Note 13) and "Property, plant and equipment" (Note 14), without considering leases or assets derived from business combinations (Notes 1.B, 2.E, 4), for the years ended September 30, 2021 and 2020 is as follows:

Área geográfica	09.30.2021		09.30.2020	
	Thousands of euros	%	Thousands of euros	%
Spain	102,256	15%	115,254	19%
EMEA	473,952	70%	369,202	61%
AMERICA	43,733	6%	51,705	9%
APAC	56,814	9%	65,124	11%
Total	676,755	100%	601,285	100%

25. INCOME TAX

Since 2002 SIEMENS GAMESA and some of its subsidiaries located in the Basque Country, subject to *Bizkaia*'s corporate tax regulations, are taxed under the Special Consolidated Tax Regime, being SIEMENS GAMESA the parent company of this Tax Group. This regime is now regulated under the chapter VI of the title VI of the *Norma Foral 11/2013* (Local Income Tax regulation), of December 5, of the *Bizkaia* Historical Territory.

Moreover, since 2009, SIEMENS GAMESA and its subsidiaries which meet the requirements are subject to the application of the Special Regime of Value Added Tax for Group Entities included in chapter IX of Title IX of the *Norma Foral 7/1994* of November 9 of *Bizkaia* which regulates this tax at its basic level, being SIEMENS GAMESA the parent company of the Tax Group.

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The companies that are members of the Consolidated Tax Group under the Regional Regulations of Bizkaia for the purposes of Income tax for the fiscal year 2021 are the following:

Siemens Gamesa Renewable Energy, S.A. (Parent company)	Sistemas Energéticos Sierra de Valdefuentes, S.L.U
Siemens Gamesa Renewable Energy Europa, S.L.U	Sistemas Energéticos Fonseca, S.A.U
Siemens Gamesa Renewable Energy Wind Farms, S.A.U	Sistemas Energéticos Balazote, S.A.U
Siemens Gamesa Renewable Energy International Wind Services, S.A.U	Adwen Offshore, S.L.U
Siemens Gamesa Renewable Energy Invest, S.A.U	Sistemas Energéticos Argañoso, S.L.U
Sistemas Energéticos Tablero Tabordo, S.L.U	Sistemas Energéticos Carril, S.L.U
Sistemas Energéticos Tarifa, S.L.U	Sistemas Energéticos Loma del Reposo, S.L.U
Parque Eólico Dos Picos, S.L.U	Sistemas Energéticos Cabezo Negro, S.A.U
Sistemas Energéticos Sierra de Las Estancias, S.A.U	International Windfarm Developments IX, S.L.U
International Windfarm Developments II, S.L.U	Sistemas Energéticos Cuerda Gitana, S.A.U
Sistemas Energéticos Cuntis, S.A.U	Sistemas Energéticos Tomillo, S.A.U
Sistemas Energéticos La Cámara, S.L.U	Sistemas Energéticos Ladera Negra, S.A.U
Sistemas Energéticos Argestes, S.L.U	Sistemas Energéticos Ábrego, S.L.U
Sistemas Energéticos Céfiro, S.L.U	Sistemas Energéticos Boreas, S.L.U
Sistemas Energéticos Gregal, S.L.U	Sistemas Energéticos Eolo, S.L.U
Sistemas Energéticos Terral, S.L.U	Sistemas Energéticos Siroco, S.L.U
Sistemas Energéticos La Plana, S.A.U	Siemens Gamesa Renewable Energy Digital Services, S.L.U
Gerr Grupo Energético XXI, S.A.U	Sistemas Energéticos del Sur, S.A.
Sistemas Energéticos Júpiter S.L.U	Sistemas Energéticos Mercurio, S.L.U
Sistemas Energéticos Marte S.L.U	Sistemas Energéticos Neptuno, S.L.U
Sistemas Energéticos Oberón, S.L.U	Sistemas Energéticos Plutón, S.L.U
Sistemas Energéticos Saturno, S.L.U	Sistemas Energéticos Titán, S.L.U
Sistemas Energéticos Urano, S.L.U	Sistemas Energéticos Venus, S.L.U
Sistemas Energéticos Erbania, 1 S.L.U	Sistemas Energéticos Erbania 2 S.L.U

The following companies are subject to the aforementioned Special Regime of Value Added Tax for Group entities in the year 2021:

Siemens Gamesa Renewable Energy, S.A. (Parent company)	Siemens Gamesa Renewable Energy Wind Farms, S.A.U
Adwen Offshore, S.L.U	Sistemas Energéticos La Cámara, S.L.U
Sistemas Energéticos La Plana, S.A.U	Sistemas Energéticos Cabezo Negro, S.A.U

Also, since 2010 the subsidiaries located in the Autonomous Community of *Navarra* Siemens Gamesa Renewable Energy Eólica, S.L.U, Siemens Gamesa Renewable Energy Innovation & Technology, S.L.U and Estructuras Metálicas Singulares, S.A.U have filed consolidated tax returns pursuant to *Navarra* Corporation Tax Regulation 26/2016 of December 28, (*Ley Foral 26/2016, de 28 de diciembre, del impuesto de sociedades*).

In 2016, three more companies were incorporated to this Group, Siemens Gamesa Renewable Energy Latam, S.L.U, Siemens Gamesa Renewable Energy Apac, S.L.U and Sistemas Energéticos El Valle, S.L.U. In 2020 Sistemas Energéticos El Valle, S.L.U is excluded from this tax group as the shareholding in that entity has been sold by the Group (Note 2.C).

Since 2005, Siemens Gamesa Renewable Energy USA, Inc. and its subsidiaries were taxed by the Federal Income Tax under the Consolidated Tax of the United States, being Siemens Gamesa Renewable Energy USA, Inc. the

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parent company of the Tax Group. Since October 1, 2018 Siemens Gamesa Renewable Energy, Inc. is the parent company of such group after merging with Siemens Gamesa Renewable Energy USA, Inc.

From 2005 until September 28, 2020, Siemens Gamesa Renewable Energy A/S was part of a joint taxation group in Denmark, being Siemens A/S nominated as the administration company of that Group.

Since September 28, 2020, Siemens Gamesa Renewable Energy A/S and Siemens Energy A/S constitute a new Danish joint taxation group, with Siemens Renewable Energy A/S being the administration company of that group.

The rest of the Group's companies are taxed on an individual return basis in accordance with the legislation in force in their respective jurisdictions.

The breakdown of income tax between current and deferred taxes is as follows:

Thousands of euros	09.30.2021	09.30.2020
Current tax	(145,952)	(136,837)
Deferred tax	73,496	236,591
Income tax income (expense)	(72,456)	99,754

The income tax income (expense) in the years ended September 30, 2021 and 2020 includes adjustments recognized for current tax of prior years amounting to EUR 36,126 thousand and EUR 18,721 thousand, respectively. The deferred tax income (expense) in the year ended September 30, 2021 and 2020 includes tax effects of the creation and reversal of temporary differences amounting to EUR 138,586 thousand and EUR 195,522 thousand, respectively.

Income tax expense (current and deferred) differs from the amounts computed by applying the tax rate corresponding to the parent company, of 24% in 2021 and 2020, as follows:

Thousands of euros	09.30.2021	09.30.2020
Income before taxes	(553,453)	(1,018,713)
Expected income tax income (expense) (at 24% rate)	132,829	244,491
(Increase) decrease resulting from		
- Non-deductible losses and expenses	(40,258)	(17,279)
- Tax-free income	21,700	15,594
- Taxes from prior years	(35,722)	(2,357)
- Effects on corrections of realizability of deferred tax assets and tax credits	(202,080)	(159,641)
- Changes in tax rates	(57)	2,183
- Foreign tax rate differential	50,779	16,150
- Other, net	353	613
Income tax income (expense)	(72,456)	99,754

The Group does not expect that as a result of the review of the years open for inspection in the various jurisdictions, additional significant liabilities will arise for the Group.

26. DEFERRED TAXES

The balances recognized under "Deferred tax assets" and "Deferred tax liabilities" of the Consolidated Balance Sheet as of September 30, 2021 and 2020 arose mainly as a result of the following circumstances:

- The different accounting and tax methods for recognising certain provisions.
- Temporary differences resulting from the limit for deduction of financial expenses for tax purposes.
- The Purchase Price Allocation (PPA) effect.

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The breakdown of “Deferred tax assets” and “Deferred tax liabilities” on a gross basis in the Consolidated Balance Sheet as of September 30, 2021 and 2020 is as follows:

Thousands of euros	09.30.2021	09.30.2020 (*)
Assets		
Tax loss carryforwards	316,450	382,001
Tax credit carryforwards	81,664	74,935
Temporary differences – Assets (*)	752,768	793,309
Deferred taxes from provisions (*)	599,939	570,820
Deferred taxes from derivative financial instruments	4,016	8,759
Deferred taxes from pension plans and similar commitments	912	762
Deferred taxes from local goodwill	27,165	19,010
Other deferred tax assets	120,736	193,958
Deferred tax assets (*)	1,150,882	1,250,245
Liabilities		
Temporary differences – Liabilities (*)	(783,176)	(949,867)
Deferred taxes from PPA allocated in business combinations (*)	(289,830)	(368,010)
Deferred taxes from derivative financial instruments	(15,378)	(9,352)
Deferred taxes from pension plans and similar commitments	(1,686)	(1,105)
Deferred taxes from intangible and tangible assets	(171,991)	(140,412)
Deferred taxes from inventories	(158,601)	(122,812)
Deferred taxes from account receivables	(22,288)	(62,616)
Deferred taxes from deferred income	(2,153)	(4,309)
Other deferred tax liabilities	(121,249)	(241,251)
Deferred tax liabilities (*)	(783,176)	(949,867)
Total deferred tax assets (liabilities), net (*)	367,706	300,378

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

The recoverability of deferred tax assets is assessed based on projected future taxable profits at the level each entity that is subject to income tax in the different jurisdictions where the Group operates, which have been estimated based on the projections of future profits, growth rates and hypothesis for the next years that the Group works with, considering the assumptions of the Group regarding the current tax regulations and their foreseeable development in the different jurisdictions.

The recoverability of net deferred tax assets in the United States, Navarre and Germany, in the amount of EUR 239 million is reasonably assured by the existence of sufficient expected future taxable profits. Dependent on the specific situation of these companies, and despite their current loss situation, the existence of expected future taxable income is supported by the increase in order backlog, the adaptation of the business model and by the fact that there are non-recurring one-time effects, which have negatively affected the current taxable income.

The reconciliation of the deferred tax asset (net) with the deferred tax income is as follows:

Thousands of euros	Note	09.30.2021	09.30.2020 (*)
Opening balance		300,378	80,092
Business combinations (*)	1.B, 2.E, 4	-	7,708
Deferred tax (expense) income	25	73,496	236,591
(Charge) Credit in the equity		(11,200)	(2,670)
Variations due to exchange differences		5,032	(21,343)
Closing balance (*)		367,706	300,378

(*) Adjusted figure as of September 30, 2020 (Note 2.E).

The SIEMENS GAMESA Group recognizes deferred tax assets, tax loss carryforwards and unused tax credits and tax reliefs only to the extent that their future realisation or utilisation is sufficiently assured.

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Deferred tax assets have not been recognized with respect of the following items (gross and net amounts):

Thousands of euros	09.30.2021	09.30.2020
Deductible temporary differences	847,807	372,360
Tax loss carryforwards	3,396,799	2,707,675
Total (gross amounts)	4,244,606	3,080,035

Thousands of euros	09.30.2021	09.30.2020
Tax credit carryforwards, net	169,703	196,308
Total (net amounts)	169,703	196,308

Out of the total amount of unrecognized tax loss carry-forwards as of September 30, 2021, an amount of EUR 1,426,354 thousand will expire in the following years until 2030 and EUR 1,116,056 thousand will expire in 2031 and subsequent years (as of September 30, 2020 an amount of EUR 1,104,534 thousand expired in the following years until 2029 and EUR 1,127,949 thousand expired in 2030 and subsequent years). The rest of the amounts has no expiration date.

Out of the unrecognized tax credits as of September 30, 2021 EUR 65,564 thousand will expire between the fiscal years 2022 and 2026, and an amount of EUR 104,139 thousand will expire in 2031 and subsequent years (as of September 30, 2020, EUR 52,770 thousand expired between 2021 and 2024, and EUR 140,829 thousand expired in 2030 and subsequent years). The remaining amounts have no expiration date.

The SIEMENS GAMESA Group has not recognized deferred tax liabilities for income taxes or foreign withholding taxes on the retained earnings of subsidiaries in amount of EUR 577,397 thousand and EUR 378,518 thousand, respectively in fiscal years 2021 and 2020, because the earnings are intended to be permanently reinvested in the subsidiaries.

Including items charged or credited directly to equity and the income (expense) from continuing and discontinued operations, the income tax income (expense) consists of the following:

Thousands of euros	09.30.2021	09.30.2020
Continuing operations	(72,456)	99,754
Income (expense) recognized directly in "Total equity"	(11,200)	(2,670)
Total	(83,656)	97,084

27.COMMITMENTS, GUARANTEES TO THIRD PARTIES AND CONTINGENT LIABILITIES

As of September 30, 2021 and 2020, different financial and insurance entities have provided financial guarantees and guarantees provided to public institutions amounting to EUR 145,934 thousand and EUR 87,301 thousand, respectively. The breakdown of these guarantees is as follows:

Thousands of euros	09.30.2021	09.30.2020
Financing guarantees	126,421	70,722
Guarantees provided to public institutions	19,513	16,579
Total	145,934	87,301

The SIEMENS GAMESA Group considers that liabilities, if any, which might arise from the obligations and guarantees shown in the table above, in addition to those for which provisions had been recognized as of September 30, 2021 and 2020, would not be significant.

In addition, the SIEMENS GAMESA Group provides credit guarantees which cover the financial obligations of third parties generally in cases where the SIEMENS GAMESA Group is the vendor and/or contractual partner or the

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SIEMENS GAMESA Group is liable for obligations of associate companies accounted for using the equity method. As of September 30, 2021 and 2020, there are no outstanding credit guarantees.

Furthermore, the SIEMENS GAMESA Group issues guarantees of third-party performance for project partners. In the event of non-fulfilment of contractual obligations by the partner, the SIEMENS GAMESA Group will be required to pay up to an agreed-upon maximum amount. The total amount of guarantees of third-party performance as of September 30, 2021 is EUR 4,244 thousand (EUR 2,071 thousand as of September 30, 2020).

Additionally, in line with widespread industry practice, the Group obtains guarantees and commitments to cover its obligations arising from the ordinary course of its business, coming from the sale of assets and from potential risks of its activities. At the date of these Consolidated Financial Statements, the probability of a breach that would trigger a liability for these commitments to any material extent is remote.

28. REVENUES AND EXPENSES

A. REVENUE

The detail of this heading of the Consolidated Statement of Profit and Loss for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	2021	2020
Wind Turbines	8,271,540	7,714,823
Onshore	5,005,077	4,907,043
Offshore	3,266,463	2,807,780
Operation and Maintenance	1,926,278	1,768,386
Total revenue	10,197,818	9,483,209

B. PROCUREMENTS

The detail of procurements and changes in inventories of finished products and work in progress of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	2021	2020
Procurements	7,104,017	6,975,930
Changes in inventories of finished products and work in progress	88,941	(22,866)
Total	7,192,958	6,953,064

C. STAFF COSTS

The detail of staff cost of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	2021	2020
Wages and salaries	1,524,391	1,463,303
Social welfare contributions	203,104	195,321
Expenses related to pension plans and other social benefits	68,811	69,031
Total staff costs	1,796,306	1,727,655

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D. OTHER OPERATING EXPENSES BY NATURE

The breakdown of other operating expenses of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	2021	2020
Rent and royalties	17.B	262,103	186,483
Professional services		284,583	264,775
Insurance		62,801	54,827
Communications, security and advertising		118,382	89,651
Utilities		39,469	43,450
Travel expenses		63,878	73,464
Training and staff development		32,258	26,336
Other services		46,191	83,760
Other miscellaneous		221,497	168,990
Taxes and other		30,843	26,742
Total other operating expenses		1,162,005	1,018,478

E. DEPRECIATION / AMORTIZATION CHARGE AND IMPAIRMENT OF INTANGIBLE AND FIXED ASSETS

The detail of depreciation / amortization charge and impairment of intangible and fixed assets of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	2021	2020
Intangible asset amortization charge	13	319,091	321,062
Property, plant and equipment depreciation charge	14	416,170	412,568
Amortization and depreciation charge of intangible and fixed assets		735,261	733,630
Intangible asset impairment	13	7,447	82,291
Property, plant and equipment impairment	14	14,431	28,276
Impairment of intangible and fixed assets		21,878	110,567
Amortization / depreciation and impairment of intangible and fixed assets		757,139	844,197

F. INTEREST INCOME

The detail of "Interest income" of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	2021	2020
Interest income of operations	10,548	9,018
Other interest income	1,703	1,091
Total interest income	12,251	10,109

G. INTEREST EXPENSES

The "Interest expenses" detail of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	2021	2020
Interest expenses of operations		16,669	24,234
Leases interest expenses	17.B	6,967	6,423
Other interest expenses		27,218	35,773
Total interest expenses		50,854	66,430

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Therein:

Thousands of euros	Note	2021	2020
Interest expense on debts and interest paid to banks and Interest related expenses		42,191	55,540
Leases interest expenses	17.B	6,967	6,423
Interest expense related to trade accounts payables		582	2,017
Other interest expenses		1,114	2,450
Total interest expenses		50,854	66,430

Related to "Interest expense on debts and interest paid to banks and Interest related expenses", this chapter is affected by the decrease of gross debt in certain foreign currencies, mainly indian rupees bearing a significantly higher interest rate (Note 17).

H. OTHER FINANCIAL INCOME (EXPENSES), NET

The "Other financial income (expenses), net" detail of the Consolidated Statement of Profit and Loss by nature for the years ended September 30, 2021 and 2020 is as follows:

Thousands of euros	Note	2021	2020
Income (expenses) from equity instruments	16	(4,015)	(1,437)
Other financial and similar income / (loss)		1,626	(870)
Total other financial income (expenses), net		(2,389)	(2,307)

Therein:

Thousands of euros	Note	2021	2020
Income (expenses) from equity instruments	16	(4,015)	(1,437)
Other financial and similar income (loss)		1,626	(870)
Therein "Interest income from measurement of provisions"	18	1,498	(1,170)
Therein "Gains and losses on financial and other receivables from subsidiaries and liabilities to subsidiaries denominated a foreign currency"		728	2,171
Therein "Others"		(600)	(1,871)
Total other financial income (expenses), net		(2,389)	(2,307)

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29. RELATED PARTY BALANCES AND TRANSACTIONS

All the balances between the consolidated companies and the effect of the transactions between them during the year are eliminated in the consolidation process. The breakdown of the balances with related parties which are not eliminated in consolidation in the years 2021 and 2020 is as follows:

		09.30.2021							
Thousands of euros	Note	Contract Assets	Receivables	Other financial assets	Non-current Financial debt	Current Financial debt	Payables	Other financial liabilities	Contract Liabilities
Group SIEMENS ENERGY	1.D	-	5,439	-	-	-	21,583	-	-
Group SIEMENS		-	19,185	314	-	-	27,782	-	-
Windar Renovables		-	14	-	-	-	11,572	-	-
Raudfjell Vind AS		-	8,012	-	-	-	-	-	-
VejaMate Offshore Project GmbH		8,817	3,800	-	-	-	-	-	41,342
Galloper Wind Farm Limited		15,569	-	-	-	-	-	-	5,187
ZeeEnergie C.V. Amsterdam		-	-	-	-	-	-	-	-
Buitengaats C.V. Amsterdam		-	-	-	-	-	-	-	-
OWP Butendiek GmbH & Co. KG		-	-	-	-	-	-	-	-
Tromsøe Vind AS		-	5,171	-	-	-	-	-	12,020
Stavro Holding I AB, Stockholm		15,499	575	-	-	-	-	7	-
Schaeffler Group		-	-	-	-	-	5,167	-	-
Other		-	27	1,521	-	-	-	-	-
Total		39,885	42,223	1,835	-	-	66,104	7	58,549

		09.30.2020							
Thousands of euros		Contract Assets	Receivables	Other financial assets	Non-current Financial debt	Current Financial debt	Payables	Other financial liabilities	Contract Liabilities
Group SIEMENS ENERGY		-	631	-	3	67	8,121	-	-
Group SIEMENS		-	30,857	8,827	3,870	1,592	244,230	1,894	-
Windar Renovables		-	323	-	-	-	7,586	-	-
VejaMate Offshore Project GmbH		12,843	3,900	-	-	-	-	-	34,952
Galloper Wind Farm Limited		20,866	-	-	-	-	-	-	19,956
ZeeEnergie C.V. Amsterdam		-	-	-	-	-	-	-	28,913
Buitengaats C.V. Amsterdam		-	-	-	-	-	-	-	28,913
OWP Butendiek GmbH & Co. KG		-	-	-	-	-	-	-	67,488
Tromsøe Vind AS		-	15,012	-	-	-	-	-	13,182
Stavro Holding I AB, Stockholm		66,995	-	-	-	-	-	-	7,793
Schaeffler Group		-	-	-	-	-	7,592	-	-
Other		-	101	17,486	-	-	14	1,997	-
Total		100,704	50,824	26,313	3,873	1,659	267,543	3,891	201,197

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The breakdown of the transactions with related parties which are not eliminated in consolidation in the fiscal years 2021 and 2020 is as follows:

Thousands of euros	Note	2021		2020	
		Sales and rendered services	Purchases and services received	Sales and services rendered	Purchases and services received
SIEMENS ENERGY Group (*)	1.D	336	123,277	-	-
SIEMENS Group		653	216,487	1,933	541,029
Iberdrola Group (**)		-	-	340,048	2,357
Windar Renovables		52	63,244	160	47,848
VejaMate Offshore Project GmbH		14,059	1,730	8,823	33
Galloper Wind Farm Limited		14,535	-	28,161	-
ZeeEnergie C.V. Amsterdam		-	-	14,643	-
Buitengaats C.V. Amsterdam		-	-	14,643	-
OWP Butendiek GmbH & Co. KG		-	-	16,869	-
Tromsøe Vind AS		7,856	-	39,845	1,567
Stavro Holding I AB, Stockholm		91,214	-	108,645	-
Raudfjell Vind AS		4,982	28	43,161	557
Schaeffler Group		-	27,606	-	21,707
Other		-	18	764	711
Total		133,687	432,390	617,695	615,809

(*) The change of SIEMENS GAMESA's significant shareholder took place on September 25, 2020. During fiscal year 2020, there were transactions with companies of the current SIEMENS ENERGY Group, but these were carried out before September 25, 2020 and are therefore included in the table above within the operations carried out with SIEMENS Group.

(**) The transactions carried out with the Iberdrola Group are reported from October 1, 2019 to February 5, 2020 (Note 1.C).

All transactions with related parties have been carried out under market conditions.

A. TRANSACTIONS WITH THE SIEMENS GROUP

Goods and services purchased

On June 17, 2016, SIEMENS GAMESA and SIEMENS AG (hereinafter, "SIEMENS") signed a Strategic Alliance Agreement, relating to the framework for the supervision of the strategic relationship between the parties and which included, as part of the strategic partnership established, the intention of the parties to conclude the so called "Implementation Agreements".

One of such signed "Implementation Agreements" is the Strategic Supply Agreement by virtue of which SIEMENS became the strategic SIEMENS GAMESA supplier of gears, segments, and other products and services offered by SIEMENS for the wind power business. The award system set out therein ensures that the supplies will be carried under market conditions, as well as the involvement of and access to other suppliers. In the context of SIEMENS ENERGY Spin-off, SIEMENS GAMESA and SIEMENS signed in May 2020 an Extension and Amendment Agreement to the Strategic Supply Agreement (as further detailed below). In March 2021, the Flender Group who was the supplier of gearboxes, segments and generators under the Strategic Supply Agreement ceased to be part of the SIEMENS Group and, since then, the goods and services that SIEMENS GAMESA purchases to Flender Group are therefore no longer related party transactions.

On March 31, 2017, SIEMENS GAMESA and SIEMENS entered into a Trademark and Name Use License Agreement by virtue of which SIEMENS GAMESA was entitled to use the SIEMENS brand during the period in which SIEMENS: (a) directly or indirectly holds more than 50.01% of SIEMENS GAMESA's share capital, or (b) holds representative shares of at least 40% of share capital, as long as SIEMENS holds the majority of Board of Director voting rights, with no shareholders which individually or jointly hold at least 15% of share capital. Accordingly, in the context of SIEMENS ENERGY Spin-Off, this Trademark and Name Use License Agreement has expired.

On May 4, 2017 SIEMENS GAMESA and SIEMENS signed a Framework Agreement concerning the relationship between the parties. In the context of SIEMENS ENERGY Spin-Off, this Framework Agreement is no longer in force.

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On August 1, 2018, SIEMENS GAMESA and SIEMENS entered into an external services agreement (hereinafter, "ESA") (as amended in September 2019) by which SIEMENS provides procurement services enabling the SIEMENS GAMESA Group to benefit from collective bargaining power. The initial term of the ESA was 1 year for operational procurement services while the initial term for other procurement services was 2 years from effective date, both extendable for 2 additional years. ESA was as of September 2019 extended until end of July 2022, although certain services have terminated during the months of March and April 2021 as a result of a termination notice issued by SIEMENS GAMESA to SIEMENS.

On August 20, 2018, SIEMENS GAMESA, through its subsidiary Siemens Gamesa Renewable Energy GmbH & Co. KG and SIEMENS entered into a contractual agreement (in the form of a memorandum of understanding) by which both parties cooperate in the development and deployment of thermal energy storage systems. The project is co-funded by the Federal Ministry of Economic Affairs and Energy of Germany. On April 23, 2021, the continuation of the agreement with SIEMENS ENERGY was extended until September 30, 2023.

On September 3, 2018, SIEMENS GAMESA, through its subsidiary Siemens Gamesa Renewable Energy LLC, and SIEMENS, through its subsidiary OOO Siemens Gas Turbine Technologies, entered into a contract manufacturing agreement for the assembly of wind turbines for the Russian market. The initial term was set to 3 years. On January 28, 2021 the manufacturing agreement was prolonged for fiscal year 2021. This agreement has finished on September 30, 2021.

On October 1, 2018, SIEMENS GAMESA and SIEMENS entered into a service agreement by which SIEMENS provides support on specific accounting related topics. This agreement expired on September 30, 2020.

On April 1, 2021, SIEMENS GAMESA and SIEMENS entered into a service agreement by which SIEMENS provides support for administration of Intellectual Property related matters.

On April 30, 2021, SIEMENS GAMESA and SIEMENS have signed an agreement to support onshore business unit for the improvement in quality processes.

On September 16, 2021, SIEMENS GAMESA and SIEMENS extended a service agreement by which SIEMENS provides licenses for Teamcenter software maintenance and original equipment manufacturer support utilized for managing the product development process. This agreement has been extended until September 30, 2022.

During the 6-month period ended March 31, 2021 and during fiscal year 2020, the SIEMENS GAMESA Group has purchased supplies for the Wind Turbine construction from the SIEMENS Group, specifically from the SIEMENS divisions "Process Industries and Drives" and "Energy Management". In addition, the SIEMENS Group provided services to the SIEMENS GAMESA Group based on Transitional Service Agreements for IT services, tax services, selling support, human resources, legal, treasury services and corporate finance services, among others. After April 3, 2021 the SIEMENS Group is no longer providing any transitional services.

On October 1, 2019, SIEMENS GAMESA and SIEMENS entered into a service agreement by which SIEMENS provides support on manpower for United States onshore projects. On December 12, 2020, SIEMENS GAMESA and SIEMENS signed an extension of 2 years.

On October 1, 2019, SIEMENS GAMESA and SIEMENS entered into service agreements by which SIEMENS provides sales support and government affairs support. On October 1, 2020 the service agreement was renewed for calendar year 2021.

During fiscal years 2021 and 2020, SIEMENS GAMESA and SIEMENS extended some of the existing office lease agreements, production equipment leases and also new office lease agreements have been signed.

During fiscal years 2021 and 2020, SIEMENS GAMESA and SIEMENS extended several existing license agreements, and license maintenance and service agreements.

On May 20, 2020, SIEMENS GAMESA, SIEMENS and SIEMENS ENERGY signed an Umbrella Agreement, that serves as an "umbrella" for all agreements to be concluded between the parties in the context of SIEMENS ENERGY Spin-off. The following sets out the agreements covered for such Umbrella Agreement:

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Agreements signed with SIEMENS

- Trademark and Name Use (Sub-) Licensing Agreement with a fixed initial term of 10 years for a worldwide, fully paid up right – and also obligation - to use the trademark and designation “SIEMENS” to SIEMENS GAMESA and as long as SIEMENS has a trademark licensing agreement with SIEMENS ENERGY and provided, inter alia, that SIEMENS ENERGY remains the controlling shareholder of SIEMENS GAMESA.
- Amendment to the Service Agreement regarding the use of SIEMENS’s cash management tool, in order to continue using that tool after the Spin-off.
- Amendment of the contractual conditions of the Guarantee Facility Agreements (hereinafter, “GFA”) for the existing guarantee portfolio with SIEMENS to adapt to new conditions applicable for SIEMENS not being a majority shareholder of SIEMENS GAMESA. Essentially the agreement is continued until the expiration of the guarantees. Although the level of fees to be paid for the guarantees does increase especially during the first two years (compared to the period during which SIEMENS GAMESA was still part of the SIEMENS Group).
- To reinforce the supply chain an extension and Amendment Agreement to the Strategic Supply Agreement for future supply of components and services from SIEMENS. The scope of the Strategic Supply Agreement includes, inter alia, the supply by SIEMENS to SIEMENS GAMESA of segments and gears. Since March 10, 2021 Flender is no longer a Related Party, only transformers and switchgears fall under this agreement.

During fiscal year 2021, SIEMENS GAMESA and SIEMENS have entered into annual sourcing agreements to ensure the supply of the main components as Gearboxes, Generators, Segments and Medium Voltage Switchgears for fiscal year 2021:

- On September 16, 2020, SIEMENS GAMESA and SIEMENS signed a Supply Agreement to ensure the supply of Gearboxes in fiscal year 2021.
- On November 4, 2020, SIEMENS GAMESA and SIEMENS signed a Supply Agreement to ensure the supply of fiscal year 2021 of Generators and Segments.
- On November 27, 2020, SIEMENS GAMESA and SIEMENS signed a Supply Agreement to ensure the supply of MV Switchgears.
- On July 29, 2021, SIEMENS GAMESA and SIEMENS signed a temporarily prolongation of existing fiscal year 2021 MV Switchgear sourcing agreement for fiscal year 2022. Likewise, on September 16, 2021, SIEMENS GAMESA and SIEMENS signed a MV switchgear Sourcing additional Agreement for 3.4 MW platform in Brazil.

In the context of SIEMENS ENERGY Spin-off, SIEMENS GAMESA and SIEMENS also signed the following agreements:

- On August 13, 2020, Preferred Financing Agreement which provides a framework whereby the parties collaborate in the development and execution of financial solutions - through Siemens Financial Services (“SFS”) and related Financing Entities - towards customers using SIEMENS GAMESA technology and/or services.
- On August 20, 2020, US Government Affairs & Lobbying Support for government affairs support from Siemens Corporation in Washington DC.
- On September 24, 2020, Service Contract for the SIEMENS common Remote Service Platform classic (“cRSP”) which is a SIEMENS proprietary platform used to provide secure remote access to Wind Turbines equipment and it is used by SIEMENS GAMESA to get remote access to legacy Siemens Wind Power wind farm systems and components.

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- On November 27 2020, SIEMENS GAMESA and SIEMENS signed an agreement to ensure the supply of Busbars for 5x platform during fiscal year 2021.
- On July 29, 2021, a new Service Contract for the SIEMENS Extensible Security Testing Appliance (“SIESTA”) which is an appliance box for extensive security testing of industrial IT systems that provides vulnerability scanning services.

Sales contract prolongations for service and maintenance agreements with SIEMENS

During fiscal year 2021, SIEMENS GAMESA and SIEMENS have renegotiated the long-term maintenance service agreements for Veja Mate, Galloper and Gemini windfarms.

Agreements signed with SIEMENS ENERGY

Detailed below in Section 29.E.

Guarantees provided between the SIEMENS GAMESA Group and the SIEMENS Group

As of September 30, 2021, the SIEMENS Group has provided guarantees to third parties for the performance of the SIEMENS GAMESA Group amounting to EUR 7,769 million (EUR 11,414 million as of September 30, 2020). The main reason for this decrease is the reduction in the volume of Accessory Parent Company guarantees by the SIEMENS Group as agreed in the Guarantee Agreement signed by SIEMENS ENERGY, SIEMENS and SIEMENS GAMESA in May 2020.

In December 2018, SIEMENS GAMESA and SIEMENS entered into an agreement by which SIEMENS GAMESA issued a technical guarantee to SIEMENS related to several repowering projects in United States involving tax equity investment from SIEMENS.

Share-based payments

Certain employees of the SIEMENS GAMESA Group that were transferred from other SIEMENS Group entities participated in share-based payment awards implemented by SIEMENS. SIEMENS delivered the respective shares on behalf of SIEMENS GAMESA. Due to the limited extent of participation in the share-based programs, the effect on the Consolidated Financial Statements was not significant. These programs were ended as of September 30, 2020.

Hedging and derivatives

The SIEMENS GAMESA Group’s hedging activities were partially performed via SIEMENS and Siemens Capital Company LLC on an arm’s length basis until March 2020. The consideration was based on the market rates. The outstanding portfolio of hedges with SIEMENS and Siemens Capital Company LLC was terminated and transferred to external banks during September 2020 (Note 16), before SIEMENS ENERGY Spin-off (Note 1.D). As of September 30, 2021 and 2020, there is no amount for this concept recorded in “Other financial assets” and “Other financial liabilities”.

On February 2019, SIEMENS GAMESA, issued a guarantee to SIEMENS regarding the provided hedging services amounting to approximately 3% of the outstanding hedging volume. The parent company guarantee expiration was linked to the termination of the hedging contracts with SIEMENS and Siemens Capital Company LLC, which were already finished as of September 30, 2020.

B. AGREEMENTS WITH THE IBERDROLA GROUP RELATED TO THE WIND TURBINES AND OPERATIONS AND MAINTENANCE SEGMENTS

On February 4, 2020, Iberdrola Participaciones sold all its shares in SIEMENS GAMESA to SIEMENS. At the same date, Iberdrola, SIEMENS and SIEMENS GAMESA signed a cooperation agreement that covers certain wind power

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projects. For these projects, Iberdrola, as a customer of SIEMENS and SIEMENS GAMESA, will grant these companies exclusive negotiation rights for a limited period of time.

From February 5, 2020, Iberdrola is no longer a related party of SIEMENS GAMESA (Note 1.C). All relevant information on transactions with Iberdrola Group until February 5, 2020 was disclosed in the previous Consolidated Financial Statements for the year ended September 30, 2020.

C. AGREEMENTS BETWEEN THE SIEMENS GAMESA GROUP AND WINDAR RENOVABLES, S.A.

On June 25, 2007 the SIEMENS GAMESA Group (through its subsidiary Siemens Gamesa Renewable Energy Eólica, S.L.U) signed a tower supply agreement with Windar Renovables, S.A.

In 2020, the SIEMENS GAMESA Group and Windar Renovables, S.A. signed a tower supply agreement for an offshore windfarm.

During fiscal year 2021, new tower supply agreements have been signed to supply towers to certain projects. Based on them, Windar Renovables, S.A. has supplied towers for onshore projects in Brazil, Mexico, India and Spain.

The conditions in transactions with associates are equivalent to those carried out with independent parties.

D. AGREEMENTS BETWEEN THE SIEMENS GAMESA GROUP AND SCHAEFFLER TECHNOLOGIES AG & CO. KG

The SIEMENS GAMESA Group and Schaeffler Technologies AG & Co. KG have a Master Framework Agreement for the price and volume of procurements entered into before the Merger effective date (through SIEMENS).

During fiscal years 2021 and 2020, SIEMENS GAMESA and Schaeffler Technologies AG & Co. KG have signed purchase agreements for components, spare parts and services.

E. TRANSACTIONS WITH THE SIEMENS ENERGY GROUP

Agreements signed with the SIEMENS ENERGY Group

As mentioned above (Note 29.A), on May 20, 2020, SIEMENS GAMESA, SIEMENS and SIEMENS ENERGY signed an Umbrella Agreement, that serves as an “umbrella” for all agreements to be concluded between the parties in the context of SIEMENS ENERGY Spin-off. The following sets out the agreements between SIEMENS GAMESA and SIEMENS ENERGY covered under the Umbrella Agreement:

- External Service Agreement for the provision of software licenses and software license-related services by which SIEMENS ENERGY will manage specific software products and related services centrally to provide cost-effective and compliant services.
- Agreement on Siemens Guarantees with SIEMENS ENERGY as a joint and several guarantors in favor of SIEMENS under the GFA (as defined in the Note 29.A). As of September 30, 2021 and 2020, SIEMENS ENERGY has provided counter-guarantees to SIEMENS amounting to EUR 7,769 million and EUR 11,414 million, respectively, to counter-guarantee the Parent Company Guarantees (PGC) and Corporate Bonds issued by SIEMENS to the SIEMENS GAMESA Group companies.
- Agreement on Netting and Settlement of Group Internal receivables and Payables for Goods and Services. The aim is to continue participating in the SIEMENS Group internal netting and settlement system.

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- Strategic Alliance Agreement (hereinafter, “SAA”) with SIEMENS ENERGY as successor to existing SAA with SIEMENS. Scope of the SAA provides a framework for the supervision of the strategic relationship between the parties and follows the evolution of three agreements:
 - Strategic Supply Agreement for future supply of transformers and related services from SIEMENS ENERGY. Additionally, a sourcing agreement for SG14 prototype has also been signed. On July 29, 2021 SIEMENS GAMESA and SIEMENS ENERGY signed a sourcing agreement to procure transformers for SG11 platform during the fiscal years 2021 and 2022.
 - On July 29 2021, SIEMENS GAMESA and SIEMENS ENERGY signed a temporarily prolongation of existing fiscal year 2020 and 2021 HV Switchgear sourcing agreement for fiscal year 2022.
 - On September 16 2021, SIEMENS GAMESA and SIEMENS ENERGY signed a transformer sourcing agreement for 3.4MW platform in Brazil.
- Key Account Management Service Agreement under which SIEMENS ENERGY and SIEMENS GAMESA provide sales support services to each other for a list of agreed common key customers.
- Regional Support Agreement with the possibility for SIEMENS GAMESA to benefit from SIEMENS ENERGY worldwide country setup in the area of sales and marketing such as customer relationship management, proposal management, sales support and administration, sales consulting, marketing, market research and analysis, outbound marketing, promotion and event management.
- Framework Agreement setting forth certain rights and obligations concerning the relationship between the parties.

In the context of SIEMENS ENERGY Spin-off, SIEMENS GAMESA and SIEMENS ENERGY also signed the following agreements:

- Service Agreement for the provision by SIEMENS ENERGY to SIEMENS GAMESA of IT-related services in conjunction with SIEMENS ENERGY spin off to cover a small subset of the original service portfolio that SIEMENS GAMESA was receiving from SIEMENS.
- On August 31, 2020, a Service Agreement for the provision by SIEMENS ENERGY to SIEMENS GAMESA of HR-related services for the “Workday” and “Concur” platforms.
- On September 16, 2020, SIEMENS GAMESA and SIEMENS ENERGY signed a sourcing agreement to procure transformers for fiscal year 2021.
- On October 1, 2020, SIEMENS GAMESA and SIEMENS ENERGY entered into a service agreement by which SIEMENS ENERGY will provide corporate accounting support services until September 30, 2022.

On January 26, 2021, SIEMENS GAMESA has signed a service agreement in which SIEMENS ENERGY organizes the vocational education in Germany.

On November 27, 2020, SIEMENS GAMESA and SIEMENS ENERGY signed a Procurement Cooperation Agreement for fiscal years 2021 and 2022 by virtue of which the Parties will contribute in Procurement related issues by efficiently organizing and facilitating information flow and exchange.

On March 17, 2021, SIEMENS GAMESA signed an agreement with SIEMENS ENERGY to sell via license agreement knowhow to use built templates in SAP for covering all the support processes.

On March 17, 2021 SIEMENS GAMESA and SIEMENS ENERGY renewed the service agreement (formerly with SIEMENS) by which SIEMENS ENERGY provides support on manpower for, onshore and Service projects in the United States for fiscal years 2021 and 2022.

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30. DIRECTORS' REMUNERATION

In the years 2021 and 2020, the Directors of SIEMENS GAMESA earned compensations for membership and assistance to the Board and Board's Committees, when applicable, salary, severance, variable compensation in cash, long-term savings system and other concepts amounting to approximately EUR 3,501 thousand and EUR 4,885 thousand, respectively. The breakdown of Directors' compensation is as follows:

Thousands of euros	2021	2020
Members of the Board of Directors		
Type of remuneration		
Compensation for membership of the Board and/or Board's Committees	1,677	1,714
Salaries	827	908
Severance payment	-	1,623
Variable remuneration	813	402
Long-term savings system	167	215
	3,484	4,862
Other concepts	17	23
Total	3,501	4,885

The amount "Severance Payment" in the fiscal year 2020 corresponded to the compensations received by the previous Chief Executive Officer (hereinafter, "CEO") for the following concepts: (i) non-competition covenant which amounted to EUR 718 thousand, (ii) no advance notice which amounted to EUR 179 thousand, (iii) housing expenses which amounted to EUR 9 thousand and (iv) severance payment as such which amounted to EUR 718 thousand.

The amount of "Other concepts" for the year 2021 and 2020 corresponds to the amount of the premiums paid for the coverage of death and disability insurances amounting EUR 17 thousand and EUR 23 thousand, respectively.

No advances or loans are given to current or prior Board members, and there are no pension obligations with them. Only the CEO receives contributions for pensions amounting EUR 167 thousand and EUR 215 thousand (included EUR 167 thousand of the outgoing CEO), respectively, during the years 2021 and 2020. Those amounts are included in the long-term savings system section in the table above.

Likewise, derived from his previous relationship with SIEMENS Group and, therefore, without cost for SIEMENS GAMESA (SIEMENS took care of these concepts), the previous CEO had recognized rights on shares of SIEMENS derived from incentives granted before the Merger. During the fiscal year ended 2020 the payment amounted to EUR 771 thousand, which was not included in the table above since there is no cost for the Company.

The remuneration to the CEO, under the amount of "Variable Cash Remuneration", includes the settlement of FY2018 Cycle of the 2018-2020 Long-Term Incentive Plan, paid in shares in January 2021, for which the measurement period ended on September 30, 2020. The Board of Directors of SIEMENS GAMESA determined, on November 27, 2020, an overall degree of achievement of 55% of the objectives of the said FY2018 Cycle, which resulted in the delivery of 15,871 shares to the CEO (the number of shares was already reported in the 2020 Financial Statements). The delivery of the shares has been subject to the applicable withholding tax, to the clawback and to the application of the rest of the conditions of the Plan Regulations. The market value at the time of the delivery of the shares amounts to EUR 567 thousand.

The aforementioned information related to the shares of the FY2018 Cycle awarded to the CEO, differs from the information contained in the Annual Report on Remuneration of Directors of SIEMENS GAMESA for the year 2021, since these shares were already accrued, although not delivered, in the year 2020 and, therefore, were part of the total remuneration of the CEO reported in the Annual Report on Remuneration of Directors of the year 2020. In addition, the value of the shares included in said Annual Report on Remuneration of Directors for the year 2020, in the absence of the share price on the date of delivery, also differs from the market value of those shares included in this Note; since, for the Annual Report on Remuneration of Directors, the average daily closing price of the twenty (20) trading sessions prior to the end date of the FY2018 Cycle (September 30, 2020) and the twenty (20) trading sessions after that date were taken as a reference. This price was 23.61 euros per share. In accordance with the

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Plan Regulations, this is the criterion used to measure compliance with the Total Relative Shareholder Return Ratio ("RTA") target for the FY2018 Cycle.

Within the remunerations to the CEO as of September 30, 2021 and 2020, the expense recorded for the remaining two cycles of the Long-Term Incentive Plan 2018-2020 and for the FY2021 Cycle of the Long-Term Incentive Plan 2021-2023 has not been included, which amounts to EUR 434 thousand and EUR 488 thousand (out of which EUR 383 thousand correspond to the outgoing CEO), respectively.

Any compensation related to the remaining two cycles of the aforementioned Long-Term Incentive Plan 2018-2020 and to the FY2021 Cycle of the Long-Term Incentive Plan 2021-2023 will be effective once the measurement period is completed and any settlement (if applicable) will be in the fiscal years 2022, 2023 and 2024 depending on the degree of effective achievement of the objectives to which it is subject to.

However, the Board of Directors of SIEMENS GAMESA has determined, on November 23, 2021 (outside the fiscal year 2021), an overall degree of achievement of 92% of the objectives of FY2019 Cycle of the Long-Term Incentive Plan 2018-2020, which will result in the delivery of 30,995 shares to the CEO. These shares have not been delivered to their beneficiaries yet; according to the Plan Regulations, they must be delivered within a maximum period of sixty (60) calendar days as of November 23, 2021, the date on which the Company's Board of Directors has formulated the financial statements for the fiscal year 2021. The grant is subject to applicable withholding tax, to the clawback and the application of the rest of the conditions (among others, maintenance of the active relationship with the Group on the date of delivery, except in certain cases of termination of the relationship (Good Leaver)).

The final value of the incentive will depend on the closing price listed on the date of the relevant recording in the beneficiary's securities account. As the shares have not yet been delivered, in order to calculate their cash value in the SIEMENS GAMESA Annual Report on Remuneration of Directors, and as for the FY2018 Cycle, the average daily closing price of the twenty (20) trading sessions prior to the end date of the FY2019 Cycle (September 30, 2021) and the twenty (20) trading sessions following that date has been taken as a reference. This price was 22.17 euros per share, leading to a total value of 687 thousands of euros. According to the Plan Regulations, this is the criterion used to measure the fulfilment of the Relative Total Shareholder Return ratio ("RTA") objective for the FY2019 Cycle of the 2018-2020 Long-Term Incentive Plan. The FY2019 Cycle estimated value (EUR 687 thousand) does not correspond to the cost accrued for accounting purposes in accordance with the applicable accounting regulations. It is disclosed for the exclusive purposes of reconciliation with the aforementioned Annual Report on Remuneration of Directors.

Finally, the current CEO has a contractual agreement to receive a financial compensation in the event of termination for reasons attributable to the Company. The financial compensation agreed for such termination consists of the payment of a compensation up to a maximum of his annual fixed cash compensation according to the Board members remuneration policy approved in the General Shareholders meeting of March 27, 2019 and modified in the General Shareholders meeting of July 22, 2020 (as also provided for in the remuneration policy approved in the General Shareholders meeting of March 17, 2021, which will apply from the beginning of the fiscal year 2022).

At the end of 2021 the members of the Board of Directors of SIEMENS GAMESA and certain persons related to them as defined in the Spanish Companies Act held ownership interests in the following companies engaging in an activity that is identical, similar or complementary to the activity that constitutes the Company's purpose. Also, following is a breakdown of the positions held and functions discharged at those companies:

Owner	Investee company	Line of Business	Number of Shares	Functions
Nauen, Andreas	SIEMENS ENERGY AG	Power & Utilities	100	-
Nauen, Andreas	SIEMENS AG	Industrial, Health, Power & Utilities and Infrastructure Sectors	200	-
Nauen, Andreas	NKT A/S	Power & Utilities	-	Member of the Supervisory Board and Chairman of the Nomination Committee
López Borrego, Miguel Ángel	SIEMENS ENERGY AG	Power & Utilities	7,662	-

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Owner	Investee company	Line of Business	Number of Shares	Functions
López Borrego, Miguel Ángel	SIEMENS AG	Industrial, Health, Power & Utilities and Infrastructure Sectors	19,514	Chairman and CEO of Siemens, S.A., and Chairman of Siemens Holding, S.L.U, and Member of the Board of Directors of Siemens, S.A. (Portugal) and Siemens Rail Automation S.A.U, and Member of the Advisory Board of Siemens Healthineers, S.L.U
von Schumann, Mariel	SIEMENS AG	Industrial, Health, Power & Utilities and Infrastructure Sectors	17,056	Member of the Board of Directors of Siemens Ltd. India (until February 2021) and of the Board of Trustees of Siemens Stiftung (Siemens Foundation) (until April 2021)
von Schumann, Mariel	SIEMENS ENERGY AG	Power & Utilities	8,581	-
Rosenfeld, Klaus	Schaeffler AG	Automotive and Industrial Sector	-	CEO
Holt, Tim Oliver	SIEMENS ENERGY AG	Power & Utilities	1,181	Member of the Managing Board of Siemens Energy AG, Member of the Managing Board and Labor Director of Siemens Energy Management GmbH, Member of the Board of Directors of EthosEnergy Group Ltd. (until May 2021), Siemens W.L.L. Qatar and Siemens Energy Ltd. Saudi Arabia, and Chairman of the Board of Directors of Siemens Energy Inc. USA and Member of the Board of Trustees the Siemens Foundation US.
Holt, Tim Oliver	SIEMENS AG	Industrial, Health, Power & Utilities and Infrastructure Sectors	2,408	Member of the Board of Directors of Siemens Ltd. India
Dawidowsky, Tim	SIEMENS ENERGY AG	Power & Utilities	868	Senior Vice President of Project Excellence in Siemens Energy Global GmbH & Co. KG
Dawidowsky, Tim	SIEMENS AG	Industrial, Health, Power & Utilities and Infrastructure Sectors	-	Member of the Board of Directors of Siemens Pakistan (until October 2020)
Ferraro, Maria	SIEMENS ENERGY AG	Power & Utilities	1,873	Member of the Managing Board, CFO (Chief Financial Officer) and Chief Inclusion and Diversity Officer of Siemens Energy AG and Member of the Managing Board and CFO (Chief Financial Officer) of Siemens Energy Management GmbH.
Ferraro, Maria	SIEMENS AG	Industrial, Health, Power & Utilities and Infrastructure Sectors	3,819	

On the other hand, the members of the Board of Directors have been affected by the following conflicts of interest during 2021:

Nauen, Andreas. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to his membership to board of directors or supervisory boards of other companies different from SIEMENS GAMESA and/or companies of its group were discussed or, as the case may be, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meeting of the Board of Directors of 19 March 2021.

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von Schumann, Mariel. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to transactions with Siemens Aktiengesellschaft or Siemens Energy Aktiengesellschaft and/or companies of their respective group were discussed or, if the case, approved, she left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 4 and 27 November, and 17 December 2020 and 28 January, 17 March, 30 April, 14 June, 29 July and 16 September 2021. Moreover, according to the procedure aforementioned, in the meetings of the Board of Directors and of the Appointments and Remunerations Committee on which agreements related to her reelection as member of the Board of Directors of SIEMENS GAMESA were discussed or, as the case may be, approved, she left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meeting of the Board of Directors of 28 January 2021 and in the meeting of the Appointments and Remunerations Committee of 21 January 2021.

López Borrego, Miguel Ángel. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to transactions with Siemens Aktiengesellschaft or Siemens Energy Aktiengesellschaft and/or companies of their respective group were discussed or, if the case, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 4 and 27 November, and 17 December 2020 and 28 January, 17 March, 30 April, 14 June, 29 July and 16 September 2021.

Holt, Tim Oliver. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to transactions with Siemens Aktiengesellschaft or Siemens Energy Aktiengesellschaft and/or companies of their respective group were discussed or, if the case, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 4 and 27 November, and 17 December 2020 and 28 January, 17 March, 30 April, 14 June, 29 July and 16 September 2021.

Ferraro, Maria. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to transactions with Siemens Aktiengesellschaft or Siemens Energy Aktiengesellschaft and/or companies of their respective group were discussed or, if the case, approved, she left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 4 and 27 November, and 17 December 2020 and 28 January, 17 March, 30 April, 14 June, 29 July and 16 September 2021, as well as in the meetings of the Audit, Compliance and Related Party Transactions Committee of 29 October, 24 November and 3 December 2020 and 20 and 22 January, 2 February, 8 March, 22 and 29 April, 1 June, 19 July and 8 September 2021.

Rosenfeld, Klaus. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to transactions including Schaeffler AG, where he holds the post as CEO, were discussed or, if the case, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 27 November, and 17 December 2020 and 28 January, 14 June and 29 July 2021, and it happened also in the meeting of the Board of Directors of 4 November 2020, where he was represented by a proxy and his proxy didn't cast a vote on his behalf for such agreement. Moreover, according to the procedure aforementioned, in the meetings of the Board of Directors and of the Appointments and Remunerations Committee on which agreements related to his reelection or resignation as member of the Board of Directors of SIEMENS GAMESA were discussed or, as the case may be, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 28 January and 16 September 2021 and in the meeting of the Appointments and Remunerations Committee of 21 January 2021.

Dawidowsky, Tim. According to the procedure established in article 31 of the Regulations of the Board of Directors of SIEMENS GAMESA, in the meetings of such body on which agreements related to transactions with Siemens Aktiengesellschaft or Siemens Energy Aktiengesellschaft and/or companies of their respective group were discussed or, as the case may be, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meetings of the Board of Directors of 4 and 27 November, and 17 December 2020 and 28 January, 17 March, 30 April, 14 June, 29 July and 16 September 2021. Moreover, according to the procedure aforementioned, in the meetings of the Board of Directors on which

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agreements related to his appointment as member of the Board of Directors of SIEMENS GAMESA were discussed or, as the case may be, approved, he left the meeting and did not participate in the deliberations, voting, decision-making and execution of such agreement. It happened in the meeting of the Board of Directors of 28 January 2021.

31. REMUNERATION OF TOP MANAGEMENT

Excluding those who are simultaneously members of the Board of Directors (whose remuneration is detailed in the Note 30), the compensation for the year, paid or payable, to members of Top Management for employment services rendered before the closing of the years 2021 and 2020 is disclosed in the following table:

Thousands of euros	2021	2020
Compensation received by the Top Management	5,323	6,514
Total	5,323	6,514

Likewise, deriving from their previous relationship with SIEMENS Group and, therefore, without cost for SIEMENS GAMESA (SIEMENS takes care of these concepts), certain members of the Top Management have recognized rights on amounts and shares of SIEMENS derived from incentives granted before the Merger to be paid in cash during the next years. During this year the payment to members of Top Management has amounted to EUR 418 thousand, which was not included in the table above since there is no cost for the Company (EUR 483 thousand in the fiscal year 2020).

The remuneration of the Top Management includes the settlement of FY2018 Cycle of the 2018-2020 Long-Term Incentive Plan, paid in shares in January 2021, for which the measurement period ended on September 30, 2020. The Board of Directors of SIEMENS GAMESA determined, on November 27, 2020, an overall degree of achievement of 55% of the objectives of the said first cycle, which resulted in the delivery of 21,605 shares to the Top Management (the number of shares was already reported in the 2020 Financial Statements). The delivery of the shares has been subject to the applicable withholding tax, to the clawback and to the application of the rest of the conditions of the Plan Regulations. The market value at the time of the delivery of the shares amounts to EUR 772 thousand.

The aforementioned information related to the shares of the FY2018 Cycle awarded to Top Management, differs from the information contained in the Annual Corporate Governance Report of SIEMENS GAMESA for the fiscal year 2021, since these shares were already accrued, although not delivered, in the year 2020 and, therefore, were part of the total remuneration of top management reported in the Annual Corporate Governance Report of the year 2020. In addition, the value of the shares included in said Annual Corporate Governance Report for the year 2020, in the absence of the share price on the date of delivery, also differs from the market value of said shares included in this Note; since, for the Annual Corporate Governance Report, the average daily closing price of the twenty (20) trading sessions prior to the end date of the FY2018 Cycle (September 30, 2020) and the twenty (20) trading sessions after that date were taken as a reference. This price was 23.61 euros per share. In accordance with the Plan Regulations, this is the criterion used to measure compliance with the Total Relative Shareholder Return Ratio ("RTA") target for the FY2018 Cycle.

Within the remunerations to the Top Management, as of September 30, 2021 and 2020, the expense recorded for the remaining two cycles of the Long-Term Incentive Plan 2018-2020 and for the FY2021 Cycle of the Long-Term Incentive Plan 2021-2023 has not been included, which amounts to EUR 779 thousand and EUR 1,310 thousand, respectively.

Any compensation related to the remaining two cycles of the aforementioned Long-Term Incentive Plan 2018-2020 and to the cycle FY2021 of the Long-Term Incentive Plan 2021-2023 will be effective once the measurement period is completed and any settlement (if applicable) will be in the fiscal years 2022, 2023 and 2024 depending on the degree of effective achievement of the objectives to which it is subject to.

However, the Board of Directors of SIEMENS GAMESA has determined, on November 23, 2021 (outside the fiscal year 2021), an overall degree or achievement of 92% of the objectives of FY2019 Cycle of the Long-Term Incentive Plan 2018-2020, which will result in the delivery of 49,246 shares to Top Management. These shares have not been

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delivered to their beneficiaries yet; according to the Plan Regulations, they must be delivered within a maximum period of sixty (60) calendar days as of November 23, 2021, the date on which the Company's Board of Directors has formulated the financial statements for the fiscal year 2021. The grant is subject to applicable withholding tax, to the clawback and the application of the rest of the conditions (among others, maintenance of the active relationship with the Group on the date of delivery, except in certain cases of termination of the relationship (Good Leaver)).

The final value of the incentive will depend on the closing price listed on the date of the relevant recording in the beneficiary's securities account. As the shares have not yet been delivered, in order to calculate their cash value in the Siemens GAMESA Annual Corporate Governance Report, and as for the FY2018 Cycle, the average daily closing price of the twenty (20) trading sessions prior to the end date of the FY2019 Cycle (September 30, 2021) and the following twenty (20) trading sessions following that date has been taken as a reference. This price was 22.17 euros per share, leading to a total value of 1,092 thousands of euros. According to the Plan Regulations, this is the criterion used to measure the fulfilment of the Relative Total Shareholder Return ratio ("RTA") objective for the FY2019 Cycle of the 2018-2020 Long-Term Incentive Plan. The FY2019 Cycle estimated value (EUR 1,092 thousand) does not correspond to the cost accrued for accounting purposes in accordance with the applicable accounting regulations. It is disclosed for the exclusive purposes of reconciliation with the aforementioned Annual Corporate Governance Report.

Contributions to pension plans have been made in amount of EUR 291 thousand and EUR 221 thousand included as remuneration in the table above, as of September 30, 2021 and 2020, respectively.

During the fiscal years 2021 and 2020, there have been no transactions with Top Management other than those carried out in the ordinary course of the business.

32. NUMBER OF EMPLOYEES

The average number of employees in the years 2021 and 2020, by professional category, is as follows:

Average number of employees	2021			2020		
	Male	Female	Total	Male	Female	Total
Executives, including Top Management	231	32	263	224	28	252
Managers	3,012	771	3,783	2,777	658	3,435
Employees	17,831	4,143	21,974	17,674	4,097	21,771
Total	21,074	4,946	26,020	20,675	4,783	25,458

During the year ended September 30, 2021 the Board of Directors of the SIEMENS GAMESA Group is formed on average by 10 members, 7 males and 3 females, and during 2020 by 12 members, 9 males and 3 females.

The Top Management of the SIEMENS GAMESA Group is formed on average during the year ended September 30, 2021 and 2020 by 7 and 7 members, respectively, 6 males and 1 female in 2021 and all of them males in 2020.

The distribution of employees by gender as of September 30, 2021 and 2020 is as follows:

Number of employees	30.09.2021			30.09.2020		
	Male	Female	Total	Male	Female	Total
Executives, including Top Management	236	35	271	219	29	248
Managers	3,321	904	4,225	2,791	677	3,468
Employees	17,624	4,062	21,686	18,205	4,193	22,398
Total	21,181	5,001	26,182	21,215	4,899	26,114

The Board of Directors is formed by 10 members, 7 males and 3 females, as of September 30, 2021 and 10 members, 7 males and 3 females, as of September 30, 2020.

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The Top Management is formed by 7 and 6 members as of September 30, 2021 and 2020, respectively, 6 males and 1 female in 2021 and all of them males in 2020.

The average number of employees of the SIEMENS GAMESA Group in the years 2021 and 2020, with a disability equal to or greater than 33%, by category, is as follows:

Categories	2021	2020
Managers	13	11
Employees	10	17
Total	23	28

This average number of employees with a disability equal to or greater than 33% is referred to the employees of the Spanish companies of the consolidated scope.

Restructuring costs

During the year ended September 30, 2021, the SIEMENS GAMESA Group has recognized restructuring costs amounting to EUR 72 million, of which EUR 49 million correspond to Spain and EUR 11 million to India.

During the year ended September 30, 2020, the SIEMENS GAMESA Group recognized personnel related restructuring costs amounting to EUR 54 million (mainly in Spain EUR 32 million, basically for the closure of the Aoiz plant), which form part of the total restructuring effort of EUR 273 million. Therefore, non-personnel related restructuring cost amounting to EUR 219 million were caused by the restructuring recorded in India.

Spain

The need to improve the profitability of the Wind Turbines business extends to all geographies. In the EMEA's region (Note 24.B), the company continues to adapt its manufacturing footprint to the demand in a market that requires ever-larger turbines (closure of the Cuenca and Somozas' plants) and more competitive costs.

During fiscal year 2021 personnel related expenses have been recognized in Spain amounting to EUR 44 million and non-personnel related expenses due to inventory impairments in Cuenca and Somozas amounting to EUR 3 million (Note 11) and EUR 2 million under fixed asset impairments related as well with Cuenca and Somozas.

India

In the second quarter of fiscal year 2020, SIEMENS GAMESA's Management approved a restructuring plan in the Wind Turbine segment, aimed at resizing and modifying the scope of business undertaken by its operation in India, in order to adapt the business model to the current market structure and the significantly reduced market outlooks in India.

During the year ended September 30, 2021, personnel-related restructuring costs have been recognized amounting to EUR 4 million (EUR 2 million during the year ended September 30, 2020). Furthermore, as a direct result of the decisions and measures taken in the context of this restructuring plan, additionally to the staff costs indicated above, non-personnel related expenses have been recognized during year 2021 and 2020 due to inventory write-downs amounting to EUR 6 million and EUR 126 million, respectively (Note 11) and EUR 1 million and EUR 11 million, respectively, due to "Property, plant and equipment" impairment. During fiscal year 2021 no amount has been recognized for "Other intangible assets" impairment (EUR 82 million during fiscal year 2020, Note 13).

Denmark

In October 2019, an agreement was signed with the workers council in Denmark for the dismissal of 460 employees. This measure is due to a challenging market environment and a highly competitive landscape characterized by price pressures affecting the production of direct drive onshore turbines in Brande and the onshore blade production in Aalborg.

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33. EARNINGS PER SHARE

As of September 30, 2021, the average number of ordinary shares used for the calculation of earnings per share is 679,906,438 (679,517,035 average number of ordinary shares as of September 30, 2020), given that SIEMENS GAMESA has held a weighted average of 1,236,944 treasury shares (1,626,347 as of September 30, 2020).

The basic earnings per share from continuing operations attributable to the parent company as of September 30, 2021 and 2020 is as follows:

	09.30.2021	09.30.2020
Net profit from continuing operations attributable to the parent company (thousands of euros)	(626,640)	(918,178)
Average number of outstanding shares	679,906,438	679,517,035
Total basic earnings per share (euros)	(0.92)	(1.35)

As of September 30, 2021 and 2020, SIEMENS GAMESA, the parent company of the SIEMENS GAMESA Group, had not issued financial instruments or other contracts that entitle the holder thereof to receive ordinary shares of the Company. Consequently, diluted earnings per share coincide with basic earnings per share.

34. INFORMATION REGARDING THE DEFERRAL OF PAYMENTS MADE TO SUPPLIERS

In accordance with the requirement of the Resolution of January 29, 2016, of the Accounting and Audit Institute in Spain, about the information to include in the notes to the Financial Statements related to the deferral of payments made to suppliers in commercial operations.

The average payment period to suppliers in the fiscal year 2021 and 2020 is the following:

Days	2021	2020
Average payment period	59	64
Settled operations ratio	57	63
Pending operations ratio	84	75
Thousands of euros	2021	2020
Total settled payments	1,349,622	1,317,536
Total pending payments	116,945	90,043

This average payment period refers only to the suppliers of the Spanish companies included in the consolidation scope of SIEMENS GAMESA, where the nature of transactions is that of trade payables for the supply of goods and services, and is therefore related to amounts included in the line items "Trade payables", "Payables to SIEMENS ENERGY Group" ("Payables to SIEMENS Group during fiscal year 2020) and "Other current liabilities" of the current liabilities of the Consolidated Balance Sheet.

The Group has implemented measures in place to continue adjusting the average payment period, in order to meet the payment terms established in the current legislation.

35. FEES FOR THE SERVICES RENDERED BY THE AUDITORS OF THE FINANCIAL STATEMENTS

During the fiscal years 2021 and 2020 the fees for the financial audit and other services provided by the auditor of the Group's Consolidated Financial Statements and the fees invoiced by the auditors of the separate Statutory

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Financial Statements of the companies included in the consolidation, and by entities related to these auditors as a result of a relationship of control, common ownership or common management, were as follows:

Thousands of euros	2021	
	Services rendered by EY	Services provided by other audit firms
Audit services	4,347	23
Attest services related to the audit	200	-
Other attest services	237	-
Total audit and related services	4,784	23
Tax advisory services	-	-
Other services	-	-
Total other services	-	-
Total professional services	4,784	23

Thousands of euros	2020	
	Services rendered by EY	Services provided by other audit firms
Audit services	4,449	23
Attest services related to the audit	235	-
Other attest services	291	-
Total audit and related services	4,975	23
Tax advisory services	-	-
Other services	-	-
Total other services	-	-
Total professional services	4,975	23

Out of the amount related to the services rendered by the main auditor, EUR 912 thousand correspond to audit services and attest services related to the audit provided to Siemens Gamesa Renewable Energy, S.A. in the fiscal year 2021 (EUR 962 thousand in the fiscal year 2020). The attest services related to the audit mentioned in the previous table, correspond to Siemens Gamesa Renewable Energy, S.A. in its entirety. Likewise, taking into account the corresponding amount related to other attest services provided by the main auditor, EUR 100 thousand correspond to Siemens Gamesa Renewable Energy, S.A. in the fiscal year 2021 (EUR 135 thousand in the fiscal year 2020).

36. SUBSEQUENT EVENTS

No significant events have occurred since the end of the fiscal year until the date of issuance of these Consolidated Financial Statements.

37. EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

These Financial Consolidated Statements are presented on the basis of IFRS, as adopted by the European Union. Certain accounting practices applied by the Group that conform to IFRS may not conform to other generally accepted accounting principles in other countries.

Appendix containing the SIEMENS GAMESA Group Company list as of September 30, 2021

COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
A) FULLY CONSOLIDATED COMPANIES							
Jalore Wind Park Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Mathak Wind Farms Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Tirupur Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Beed Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Tuljapur Wind Farms Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Rangareddy Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Nellore Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Gamesa Wind GmbH	Holding company	-	Germany	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Gadag Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Channapura Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Kutch Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Adwen Blades GmbH	Production and distribution company	-	Germany	100%	Siemens Gamesa Renewable Energy Deutschland GmbH	Germany	100%
Siemens Gamesa Renewable Energy Pty Ltd	Service and distribution company	EY	Australia	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy d.o.o.	Service and distribution company	EY	Croatia	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Uppal Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy GmbH	Service and distribution company	-	Austria	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
International Wind Farm Development IV Limited	Holding company	-	Hong Kong	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Siemens Gamesa Renewable Energy Deutschland GmbH *	Holding company	EY	Germany	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Eolica, S.L.	Holding company	EY	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Limited	Service and distribution company	-	Canada	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
International Wind Farm Development I Limited	Holding company	-	Hong Kong	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Sierra de Valdefuentes, S.L.U.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy PA, LLC	Other	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%
Siemens Gamesa Renewable Energy Singapore Private Limited	Service company	-	Singapore	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy (Shanghai) Co., Ltd.	Production and distribution company	EY	China	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Limited	Service and distribution company	EY	Thailand	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	55%
Sistemas Energéticos de Tarifa, S.L. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos La Cámara, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Offshore Wind Limited	Project company	EY	Taiwan, Province of China	100%	Siemens Gamesa Renewable Energy Apac, S.L.	Spain	100%
Siemens Gamesa Renewable Energy Sp. z o.o.	Production and distribution company	EY	Poland	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Estructuras Metalicas Singulares, S.A. Unipersonal	Production and distribution company	-	Spain	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
SIEMENS GAMESA RENEWABLE ENERGY (PTY) LTD	Production and distribution company	EY	South Africa	70%	Siemens Gamesa Renewable Energy, S.A.	Spain	70%
Siemens Gamesa Renewable Energy Limited	Service and distribution company	EY	Korea, Republic of	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
SIEMENS GAMESA RENEWABLE ENERJI ANONIM SIRKETI	Production and distribution company	EY	Turkey	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Sistemas Energéticos Finca San Juan, S.L.U.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy, Inc.	Production and distribution company	EY	Philippines	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy S.A.S.	Service and distribution company	EY	France	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy NV	Service and distribution company	EY	Belgium	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy B.V.	Production and distribution company	EY	Netherlands	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Gamesa Energy Transmission, S.A. Unipersonal	Production company	EY	Spain	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
SIEMENS GAMESA RENEWABLE ENERGY S.A.S.	Project Company	-	Colombia	100%	Siemens Gamesa Renewable Energy Latam, S.L.	Spain	100%
Siemens Gamesa Renewable Energy S.A.C.	Production and distribution company	-	Peru	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
SIEMENS GAMESA RENEWABLE ENERGY INSTALLATION & MAINTENANCE COMPAÑÍA LIMITADA	Service and distribution company	-	Guatemala	100%	Siemens Gamesa Renewable Energy Latam, S.L.	Spain	99%
Siemens Gamesa Renewable Energy AB	Production and distribution company	EY	Sweden	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Maindoie SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gudadanal Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Sistemas Energéticos La Plana, S.A.	Project company	Attest	Spain	90%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	90%
Haveri Renewable Power Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Limited	Production and distribution company	EY	United Kingdom	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Nirlooti Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Gerr Grupo Energético XXI, S.A. Unipersonal	Holding company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Neelagund Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Kft.	Production and distribution company	EY	Hungary	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Hungund Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Limited	Service and distribution company	EY	Ireland	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Sistemas Energéticos del Sur S.A.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Saunshi Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Italia S.r.l.	Production and distribution company	EY	Italy	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Pouilly-sur-Vingeanne SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Chikkodi Renewable Power Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Umrani Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
SIEMENS GAMESA RENEWABLE ENERGY AS	Production and distribution company	EY	Norway	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gesa Renewables Energy Services S. de R.L. de C.V.	Service company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Europa S.L.	Spain	99%
Zalki Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Sistemas Energéticos Monte Genaro, S.L.U.	Project company	-	Spain	60%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	60%
Hattarwat Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy, Inc.	Production and distribution company	EY	United States	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Europa S.L.	Holding company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy LLC	Service company	-	Ukraine	100%	Siemens Gamesa Renewable Energy Europa S.L.	Spain	99%
Cedar Cap Wind, LLC	Project company	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Société d'Exploitation du Parc Eolien de Vernierfontaine SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Messeix SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gesa Oax I Sociedad Anonima de Capital Variable	Project company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	99%
Siemens Gamesa Renewable Energy Engineering Centre Private Limited	Production and distribution company	EY	India	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Energy Tajdidpazir SSK	Service and distribution company	EY	Iran, Islamic Republic of	100%	Siemens Gamesa Renewable Energy A/S	Denmark	100%
Société d'Exploitation du Parc Eolien de la Belle Dame SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gesa Oax III Sociedad Anonima de Capital Variable	Project company	EY	Mexico	100%	Siemens Gesa Renewable Energy México, S. de R.L. de C.V.	Mexico	100%
Sistemas Energéticos Cuerda Gitana, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gesa Oax II Sociedad de Responsabilidad Limitada de Capital Variable	Project company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	99%
Sistemas Energéticos Loma del Reposo, S.L. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Champlong SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Broyes SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy SARL	Production and distribution company	EY	Morocco	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	99%
Sistemas Energéticos Sierra de Las Estancias, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy LLC	Service and distribution company	EY	Viet Nam	100%	Siemens Gamesa Renewable Energy Apac, S.L.	Spain	100%
Sistemas Energéticos Cuntis, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Sistemas Energéticos Tomillo, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy (Private) Limited	Other	EY	Pakistan	100%	Siemens Gamesa Renewable Energy Apac, S.L.	Spain	100%
Windkraft Trinwillershagen Entwicklungsgesellschaft mbH i.L.	Project company	-	Germany	100%	Siemens Gamesa Renewable Energy GmbH & Co. KG	Germany	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Société d'Exploitation du Parc Eolien des Fontaines SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Sistemas Energéticos Tablero Tabordo, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Carril, S.L. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
CARMODY'S HILL INVESTMENT COMPANY PTY LTD	Project company	-	Australia	100%	Siemens Gamesa Renewable Energy Pty Ltd	Australia	100%
Sistemas Energéticos Fonseca, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Argañoso, S.L. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Pocahontas Prairie Holdings, LLC	Project company	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%
Siemens Gamesa Renewable Energy A/S	Production and distribution company	EY	Denmark	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Diversified Energy Transmission, LLC	Development and distribution company	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%
Siemens Gamesa Renewable Energy Wind Farms, S.A.	Holding company	EY	Spain	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Champsevraine, SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy International Wind Services, S.A.	Other	EY	Spain	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
International Wind Farm Developments IX, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Innovation & Technology, S.L.	Research and development company	EY	Spain	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Lindom Vindenergi AB	Project company	-	Sweden	100%	Siemens Gamesa Renewable Energy AB	Sweden	100%
Siemens Gamesa Renewable Energy Wind Limited	Holding company	EY	United Kingdom	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy UK Limited	Project company	-	United Kingdom	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
SIEMENS GAMESA RENEWABLE ENERGY, S.R.L.	Service company	-	Costa Rica	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de Margny SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy MAE	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
SIEMENS GAMESA RENEWABLE ENERGY, S.A.	Service company	-	Honduras	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Sistemas Energéticos Mansilla, S.L.	Project company	-	Spain	78%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	78%
Adwen Offshore, S.L.	Holding company	EY	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Parque Eolico Dos Picos, S.L.U.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy Service GmbH	Service company	EY	Germany	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy Egypt LLC	Service and distribution company	EY	Egypt	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Siemens Gamesa Renewable Energy B9 Limited	Service company	EY	United Kingdom	100%	Siemens Gamesa Renewable Energy Wind Limited	United Kingdom	100%
Siemens Gamesa Renewable Energy 9REN, S.L.	Service company	EY	Spain	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	51%
Sistemas Energéticos Cabezo Negro, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Invest, S.A.	Holding company	EY	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Wind Portfolio Memberco, LLC	Project company	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%
Société d'Exploitation du Parc Eolien d'Omécourt SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
International Wind Farm Developments II, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gesa Renewable Energy, S.A. de C.V.	Project company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy LLC	Service and distribution company	EY	Russian Federation	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Siemens Gamesa Renewable Energy Limited Liability Company	Service company	-	Azerbaijan	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Sistemas Energéticos Balazote, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy EOOD	Service company	EY	Bulgaria	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Megújuló Energia Hungary Kft	Service company	EY	Hungary	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
EcoHarmony West Wind, LLC	Project company	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Siemens Gamesa Renewable Energy Djibouti SARL	Service and distribution company	HLB Djibouti	Djibouti	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
SGRE Real Estate GmbH & Co. KG	Real Estate company	-	Germany	100%	Siemens Gamesa Renewable Energy, S.A.	Spain	100%
Sellafirth Renewable Energy Park Limited	Project company	-	United Kingdom	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Ladera Negra, S.A. Unipersonal	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Enerfarm 3 Single Member SA Renewable Energy Sources	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Titán, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Oberón, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Venus, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Mercurio, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Marte, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Neptuno, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Plutón, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Júpiter, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Saturno, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Urano, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
ENERGIAKI VOORSANA SINGLE MEMBER SOCIETE ANONYME	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
ENERGIAKI PLATORRAHIS SINGLE MEMBER SOCIETE ANONYME	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
ENERGIAKI KLEIDI SINGLE MEMBER SOCIETE ANONYME	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
SPV Parco Eolico Tramontana, S.R.L.	Project company	-	Italy	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Erbania 1, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Erbania 2, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Siemens Gamesa Renewable Energy Romania S.R.L.	Service company	-	Romania	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Siemens Gamesa Renewable Power Private Limited	Holding company	EY	India	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	90%
Société d'Exploitation du Parc Eolien de Saint-Lumier en Champagne SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gamesa Dominicana, S.A.S.	Service company	EY	Dominican Republic	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Société d'Exploitation du Parc Eolien de Saint Amand SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Australia Pty Ltd	Service company	-	Australia	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de la Monchot SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gesacisa Desarrolladora, S.A. de C.V.	Project company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	88%
Société d'Exploitation du Parc Eolien du Mont Égaré SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gamesa Eólica VE, C.A.	Service company	-	Venezuela, Bolivarian Republic of	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
ENERGIAKI MAVROVOUNIOU IDIOTIKI KEFALEOUCHIKI ETERIA	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Arinaga, S.A. Unipersonal	Project company	-	Spain	100%	Adwen Offshore, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de Maily-le-Camp SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Smardzewo Windfarm Sp. z o.o.	Project company	-	Poland	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Osiek Sp. z o.o. w Likwidacji	Project company	-	Poland	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de la Brie des Etangs SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Ireland Limited	Service company	-	Ireland	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Sistemas Energéticos Boyal, S.L.	Project company	-	Spain	60%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	60%
Siemens Gamesa Renewable Energy Wind S.R.L.	Service company	EY	Italy	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Energia Renovável Ltda.	Distribution and service company	EY	Brazil	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
SIEMENS GAMESA RENEWABLE ENERGY PROJECTS PRIVATE LIMITED	Development and distribution company	EY	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Lingbo SPW AB	Project company	EY	Sweden	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Kadapa Wind Farms Private Limited	Development and distribution company	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy, Sociedad Anónima	Service company	-	Nicaragua	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Kurnool Wind Farms Private Limited	Development and distribution company	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gesa Renewable Energy México, S. de R.L. de C.V.	Project company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Souvans SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Ltd	Service company	EY	Israel	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
RSR Power Private Limited	Development and distribution company	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Rajgarh Windpark Private Limited	Development and distribution company	-	India	99%	Siemens Gamesa Renewable Power Private Limited	India	99%
SIEMENS GAMESA YENILENEBILIR ENERJİ İC VE DİS TICARET LIMITED SİRKETİ	Service and distribution company	-	Turkey	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de Champeaux SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Pringy SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Maski Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
ENERGIAKI VELANIDIAS SINGLE MEMBER ANONYMOS ETAIRIA	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Gangavathi Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
ENERGIAKI MESOVOUNIOU SINGLE MEMBER ANONYMOS ETAIRIA	Project company	-	Greece	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Kanigiri Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Siemens Gesa Renewable Energy Soluciones Técnicas, S. de R.L. de C.V.	Service company	-	Mexico	100%	Siemens Gamesa Renewable Energy Europa S.L.	Spain	99%
Siemens Gamesa Renewable Energy France SAS	Other	EY	France	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Kollapur Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Gesan I S.A.P.I de C.V.	Other	-	Mexico	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	75%
Société d'Exploitation du Parc Eolien de Chaintrix-Bierges SARL	Other	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Jamkhandi Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Digital Services, S.L.	Service company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Morocco SARL	Other	-	Morocco	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Société d'Exploitation du Parc Photovoltaïque de Messeix SARL	Other	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Rayachoty Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Service Limited	Service company	EY	United Kingdom	100%	Siemens Gamesa Renewable Energy Service GmbH	Germany	100%
SIEMENS GAMESA RENEWABLE ENERGY SWEDEN AB	Other	EY	Sweden	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Shivamogga Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Blades, S.A.	Production company	EY	Portugal	100%	Siemens Gamesa Renewable Energy, S.A.	Portugal	100%
Siemens Gamesa Renewable Energy Limited	Other	EY	Kenya	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Société d'Exploitation du Parc Eolien de Bouclans SARL	Other	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Nandikeshwar Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Service S.A.S.	Service company	EY	France	100%	Siemens Gamesa Renewable Energy Service GmbH	Germany	100%
Siemens Gamesa Renewable Energy (Thailand) Co., Ltd.	Other	EY	Thailand	100%	Siemens Gamesa Renewable Energy Limited	Thailand	100%
Sindhanur Renewable Energy Private Limited	Other	EY	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Latam, S.L.	Other	EY	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Pocahontas Prairie Wind, LLC	Other	-	United States	100%	Siemens Gamesa Renewable Energy, Inc.	United States	100%

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Vempalli Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Austria GmbH	Service company	-	Austria	100%	Siemens Gamesa Renewable Energy GmbH	Austria	100%
Société d'Exploitation du Parc Eolien de la Gartempe SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Service Sp.z.o.o	Service company	EY	Poland	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy Oy	Service company	EY	Finland	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Anantapur Wind Farms Private Limited	Development and distribution company	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Senvion Scandinavia AB	Service company	EY	Sweden	100%	Siemens Gamesa Renewable Energy Service GmbH	Germany	100%
Société d'Exploitation du Parc Eolien de Villiers-aux-Chênes SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien des Voies de Bar SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de la Pièce du Moulin SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Gamesa Wind South Africa (Proprietary) Limited	Service company	-	South Africa	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de Trépot SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Apac, S.L.	Holding company	EY	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Technology (China) Co., Ltd.	Development and distribution company	EY	China	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy d.o.o. Beograd - Stari Grad	Service company	-	Serbia	100%	Siemens Gamesa Renewable Energy Austria GmbH	Austria	100%
Central Eólica de México S.A. de C.V.	Project company	EY	Mexico	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien des Six Communes SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy, S.A.	Project company	EY	Portugal	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy (Beijing) Co., Ltd.	Development and distribution company	EY	China	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%

Appendix containing the Company list of the SIEMENS GAMESA Group as of September 30, 2021

COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
SIEMENS GAMESA RENEWABLE ENERGY SARL	Service and distribution company	-	New Caledonia	100%	Siemens Gamesa Renewable Energy Apac, S.L.	Spain	100%
Gamesa Electric, S.A. Unipersonal	Production company	EY	Spain	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de Sceaux SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Siemens Gamesa Renewable Energy, Ltd	Service company	-	Mauritius	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de Guerfand SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Vaudrey SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien d'Orchamps SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien du Vireaux SAS	Project company	EY	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Dampierre Prudemanche SAS	Project company	EY	France	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Orge et Ormain SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Ganquan Chaiguanshan Wind Power Co., Ltd.	Other	-	China	100%	International Wind Farm Development IV Limited	Hong Kong	100%
Parco Eolico Manca Vennarda S.r.l.	Project company	-	Italy	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Germainville SAS	Project company	EY	France	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Moulins du Puits SAS	Project company	EY	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Parco Eolico Banzy S.r.l.	Project company	-	Italy	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Gamesa Blade (Tianjin) Co., Ltd.	Development and distribution company	-	China	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Siemens Gamesa Renewable Energy Italy, S.P.A.	Service company	EY	Italy	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Lanka (Private) Limited	Service company	-	Sri Lanka	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Sistemas Energéticos Eolo, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Chile SpA	Service company	-	Chile	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%

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COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Jilin Gamesa Wind Co., Ltd.	Development and distribution company	-	China	100%	Siemens Gamesa Renewable Energy Technology (China) Co., Ltd.	China	100%
Inner Mongolia Gamesa Wind Co., Ltd.	Development and distribution company	-	China	100%	Siemens Gamesa Renewable Energy Technology (China) Co., Ltd.	China	100%
Sistemas Energéticos Céfiro, S.L	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Bonboillon SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Sistemas Energéticos Siroco, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Saint Loup de Saintonge SAS	Project company	EY	France	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Boreas, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
SIEMENS GAMESA RENEWABLE ENERGY S.R.L.	Service company	EY	Uruguay	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	99%
Sistemas Energéticos Argestes, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy Greece E.P.E.	Service company	EY	Greece	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Sistemas Energéticos Terral, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Sistemas Energéticos Ábrego, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy, SARL	Service company	Others	Mauritania	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Sistemas Energéticos Gregal, S.L.	Project company	-	Spain	100%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	100%
Siemens Gamesa Renewable Energy K.K.	Service and distribution company	-	Japan	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Société d'Exploitation du Parc Eolien de la Tête des Boucs SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
Société d'Exploitation du Parc Eolien de Chepniers SARL	Project company	-	France	100%	Siemens Gamesa Renewable Energy Invest, S.A.	Spain	100%
SANTALPUR RENEWABLE POWER PRIVATE LIMITED	Other	-	India	99%	Siemens Gamesa Renewable Power Private Limited	India	99%
Siemens Gamesa Renewable Energy Limited	Service company	EY	Cyprus	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Fanbyn2 Vindenergi AB	Project company	-	Sweden	100%	Siemens Gamesa Renewable Energy AB	Sweden	100%

Appendix containing the Company list of the SIEMENS GAMESA Group as of September 30, 2021

COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Devarabanda Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Ghatpimpri Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy Management GmbH	Other	-	Germany	100%	Siemens Gamesa Renewable Energy Deutschland GmbH	Germany	100%
Poovani Wind Farms Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Kod Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Viralipatti Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
PT Siemens Gamesa Renewable Energy	Service and distribution company	EY	Indonesia	95%	Siemens Gamesa Renewable Energy, S.A.	Spain	95%
Siemens Gamesa Renewable Energy Blades, SARL AU	Production and distribution company	EY	Morocco	100%	Siemens Gamesa Renewable Energy Eolica, S.L.	Spain	100%
Gagodar Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Thoothukudi Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Sankanur Renewable Energy Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Osmanabad Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Dhone Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Siemens Gamesa Renewable Energy GmbH & Co. KG	Production and distribution company	EY	Germany	100%	Siemens Gamesa Renewable Energy Deutschland GmbH	Germany	100%
Bhuj Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Bapuram Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
Koppal Renewable Private Limited	Other	-	India	100%	Siemens Gamesa Renewable Power Private Limited	India	100%
B) COMPANIES ACCOUNTED BY EQUITY METHOD							
Windar Renovables, S.A.	Production and distribution company	PWC	Spain	32%	Siemens Gamesa Renewable Energy, S.A.	Spain	32%

Appendix containing the Company list of the SIEMENS GAMESA Group as of September 30, 2021

COMPANIES	BUSINESS LINE	AUDITOR	LOCATION	% OF DIRECT OR INDIRECT OWNERSHIP	MAYORITY SHAREHOLDER	LOCATION OF MAIN SHAREHOLDER	DIRECT OWNERSHIP OF MAIN SHAREHOLDER
Energía Eólica de Mexico S.A. de C.V.	Project company	-	Mexico	50%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	50%
Sistemas Electricos Espluga, S.A.	Project company	-	Spain	50%	Gerr Grupo Energético XXI, S.A. Unipersonal	Spain	50%
Energías Renovables San Adrián de Juarros, S.A.	Project company	-	Spain	45%	Siemens Gamesa Renewable Energy Wind Farms, S.A.	Spain	45%
Baja Wind US LLC	Venture Capital Investment	-	United States	50%	Siemens Gamesa Renewable Energy, Inc.	United States	50%
Energía Renovable del Istmo S.A. de C.V.	Operation of Wind Farms	-	Mexico	50%	Energía Eólica de Mexico S.A. de C.V.	Mexico	50%

* Exemption pursuant to Section 264 (3) German Commercial Law.

MR. JUAN ANTONIO GARCÍA FUENTE, WITH NATIONAL IDENTITY CARD NUMBER 22747928-P, SECRETARY OF THE BOARD OF DIRECTORS OF "SIEMENS GAMESA RENEWABLE ENERGY, S.A." WITH REGISTERED OFFICE IN ZAMUDIO (BIZKAIA), AT PARQUE TECNOLÓGICO DE BIZKAIA, BUILDING 222, WITH EMPLOYER IDENTIFICATION NUMBER A-01011253,

HEREBY CERTIFY:

That the text of the consolidated annual accounts for 2021 of SIEMENS GAMESA RENEWABLE ENERGY, S.A., authorised for issue by the Board of Directors at its meeting held on November 23, 2021, is the content of the preceding 132 sheets of unstamped paper, on the obverse only, in respect of balance sheet, statement of profit and loss, statement of changes in equity, statement of other comprehensive income, statement of cash flows and the consolidated notes and for authentication purposes, bear the signature of the Chairman and the Secretary of the Board of Directors on its first sheet and the stamp of the Company in the total remaining sheets.

The Directors listed below hereby so ratify by signing below, in conformity with Article 253 of the Spanish Limited Liability Companies Law.

Mr. Miguel Ángel López Borrego
Chairman

**On his own name and on behalf of the Directors
Mr. Andreas Nauen, Ms. Mariel von Schumann,
Ms. Gloria Hernández García, Mr. Tim Oliver Holt,
Mr. Klaus Rosenfeld, Mr. Harald von Heynitz, Ms.
Maria Ferraro, Mr. Rudolf Krämmer and Mr. Tim
Dawidowsky.**

The Secretary non-member of the Board of Directors states for the records that the Directors Mr. Andreas Nauen, Ms. Mariel von Schumann, Ms. Gloria Hernández García, Mr. Tim Oliver Holt, Mr. Klaus Rosenfeld, Mr. Harald von Heynitz, Ms. Maria Ferraro, Mr. Rudolf Krämmer and Mr. Tim Dawidowsky do not stamp their signature on this document because they attended the meeting by telematic means. The Chairman of the Board of Directors, Mr. Miguel Ángel López Borrego, signs it on their respective behalf, under the express instructions given for this purpose by the aforementioned Directors.

Zamudio, November 23, 2021. In witness whereof.

Approval of the Chairman

Mr. Miguel Ángel López Borrego
Chairman

Mr. Juan Antonio García Fuente
Secretary of the Board of Directors