

2018 General Shareholders' Meeting

Information Right

Answers to Shareholders

Dear Shareholder:

We write you answering your request of information addressed to Siemens Gamesa Renewable Energy, S.A. in relation to its General Shareholders' Meeting on 23 March 2018.

We answer your questions following the order of the document you delivered to us:

QUESTION

- 1. Confirmation regarding the level of compliance with the duty of abstention by proprietary Directors appointed by the majority shareholder, i.e. Siemens Aktiengesellschaft ("Siemens") in the deliberations and voting on resolutions pertaining to transactions, operations or agreements with Siemens. Indication of the category of resolutions in which such duty of abstention has been complied with and the category of resolutions (if any) in which such duty has not been complied with, with an explanation of the reason behind the failure to comply.***

ANSWER

The information requested until the date of formulation of the consolidated Annual Accounts is in Note 31 to the Consolidated Financial Statements for the financial year ended 30 September 2017.

During the year and up until the date of this communication, the proprietary Directors appointed by the majority shareholder Siemens AG and the significant shareholder Iberdrola Participaciones, S.A.U. have had the following conflicts of interest:

- Mr Michael Sen. Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Siemens AG and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meetings of the Board of Directors held on 20 June, 26 July, 27 September and 29 September 2017 and 20 October 2017 and 29th January 2018.
- Ms Mariel von Schumann. Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Siemens AG and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meetings of the Board of Directors held on 28 April, 20 June, 26 July, 27 September and 29 September 2017, 20 October 2017 and 29 January 2018.

- Ms María Rosa García García. Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Siemens AG and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meetings of the Board of Directors held on 28 April, 20 June, 26 July, 27 September and 29 September 2017 and 20 October 2017 and 29 January 2018.
- Mr Ralf Thomas. Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Siemens AG and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meetings of the Board of Directors held on 28 April, 20 June, 26 July, 27 September and 29 September 2017 and 20 October 2017 and 29 January 2018.
- Mr Klaus Helmrich (Director until 8 May 2017). Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Siemens AG and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meeting of the Board of Directors held on 28 April 2017.
- Ms Lisa Davis. Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Siemens AG and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meetings of the Board of Directors held on 28 April, 20 June, 26 July, 27 September and 29 September 2017 and 20 October 2017 and 29 January 2018.
- Doña Sonsoles Rubio. Pursuant to the procedure established in article 31 of the Regulations of the Board of Directors of Siemens Gamesa Renewable Energy, S.A., at those meetings of such body during which there have been deliberations and any resolutions have been adopted relating to transactions with Iberdrola, S.A. and/or companies of its group, the Director has left the meeting and has not participated in deliberation, voting, decision-making or execution with respect to the corresponding resolution. This occurred at the meetings of the Board of Directors held on 26 July, 13 September, 20 October, 30 November and 19 December 2017 and 29 January, 13 February and 26 February 2018.

The company is not aware of categories of resolutions in which this duty to abstain was not complied with.

QUESTION

2. *Indication and explanation of the mechanisms implemented within the Company's management decision-making bodies to ensure justice and rationality in approving resolutions relating to transactions, operations or agreements with related parties.*

ANSWER

Pursuant to the provisions of Section 529 *ter* of the Companies Act (*Ley de Sociedades de Capital*), article 33 of the Regulations of the Board and article 12 a) of the Regulations of the Audit, Compliance and Related Party Transactions Committee, the company's Board of Directors is responsible for knowing the transactions carried out by the company or the companies of its group with directors or shareholders holding a significant interest or that have proposed the appointment of a Director within the company or persons related thereto. These transactions will require the approval of the Board, after a report from the Audit, Compliance and Related Party Transactions Committee (made up entirely of independent Directors), except in those circumstances in which the law provides for the approval thereof by the shareholders at a General Meeting. Pursuant to the provisions of article 31 of the Regulations of the Board and article 21 of the Regulations of the Audit, Compliance and Related Party Transactions Committee, the affected directors or those that represent or are connected to the affected shareholders must abstain from participating in the deliberations and voting on the resolution in question. Pursuant to these internal rules, such transactions shall be evaluated from the viewpoint of equal treatment of the shareholders and arms'-length terms. They are also included in the annual corporate governance report and in the periodic public financial information upon the terms provided by applicable legal provisions.

Pursuant to the provisions of Article 31 of the Regulations of the Audit, Compliance and Related Party Transactions Committee, the Committee may rely on the external advice it deems necessary to issue its report. The Committee may also collect information from and request the assistance of any officer or employee.

The Audit, Compliance and Related Party Transactions Committee may approve related party transactions on an exceptional basis for reasons of urgency, reporting them to the Board as soon as possible. During financial year 2017 and up to the date hereof, there has been no approval using this urgent procedure.

Related party transactions during financial year 2017 and through the date of this response have been approved by the Board of Directors following a favourable report of the Audit, Compliance and Related Party Transactions Committee after verifying that the consideration and other agreed terms were within market parameters.

The Audit, Compliance and Related Party Transactions Committee and the statutory auditors have also examined the information regarding related party transactions appearing in the Annual Accounts (available on the website). Pursuant to Recommendation 6 of the Good Governance Code of Listed Companies of the National Securities Market Commission of 18 February 2015, the company also issues its report, unanimously approved by the Board of Directors, and which is also available to the shareholders on the website.

QUESTION

3. *Indications of any transactions, operations and agreements approved by the Company that (i) individually exceed an amount equal to 1% of the consolidated turnover of the Company and its subsidiaries for the last financial year; (ii) exceed this amount on a cumulative basis calculated over a 12-month period or during the same financial year; or (iii) involve financial assistance to the shareholder or its group, including cash pooling, financing and intra-group counter-guarantee transactions.*

If applicable, provide a detailed description of the terms, conditions and reasons for each transaction, operation and agreement that meets any of criteria (i) to (iii) above.

ANSWER

The question generally refers to all transactions of the company, and not to transactions with significant shareholders. However, we believe that the question was meant to refer transactions with significant shareholders or parties related thereto.

Turnover, understood as the group's sales, is 6,538 million euros as of the close of financial year 2017 (9-month period ended 30 September 2017). 1% of such amount is therefore 65.38 million Euros.

Detailed and audited information on the balances and transactions with related parties during financial year 2017 is available in Note 33 to the Consolidated Financial Statements for the financial year ended 30 September 2017 (<http://www.siemensgamesa.com/recursos/doc/accionistas-inversores/informacion-financiera/cuentas-anuales/english/consolidated-audited-annual-accounts-2017.pdf>) and in the Report of the Audit, Compliance and Related Party Transactions Committee on its activities regarding related party transactions during 2017 (<http://www.siemensgamesa.com/recursos/doc/accionistas-inversores/gobierno-corporativo/junta-general-accionistas/documentacion-2018-ingles/informe-cac-ov-operaciones-vinculadas-eng.pdf>).

Except for supplies of components within the framework of the Strategic Supply Agreement (the main characteristics of which are described in the aforementioned Note 33 to the Consolidated Financial Statements) and the offer made to the "Ailes Marines" Consortium for the offshore Saint Brieuc project, the terms of which are already known to you as the Iberdrola group is a member of the consortium receiving the offer, the transactions approved since the merger effective date and set forth in such report do not reach the threshold of 65.38 million Euros regarding which the information is requested.

From 30 September 2017 through the date of this response, the Board of Directors, following a report of the Audit, Compliance and Related Party Transactions Committee, has not approved new transactions exceeding such financial threshold other than with companies of the Iberdrola group, of which you are fully aware.

Furthermore, there is a continuation of the provision by the Siemens group to the Siemens Gamesa group of some of the services provided for in the transitory services agreements approved by Gamesa Corporación Tecnológica, S.A. prior to the merger, and for which it had the advice of the consultant Deloitte in the definition and validation thereof. They govern services in areas like finance, human resources, IT, procurement, etc., and their goal is to ensure the continuity of the business until Siemens Gamesa establishes or adapts its own abilities to provide the service or to cover the transition until contracting for the provision of these services by an external supplier.

We also confirm that through the date hereof there have been no transactions with significant shareholders or their related parties that involve financial assistance to the shareholder or its group. In particular, the Siemens Gamesa group has not entered into cash pooling, financing or intra-group counter-guarantee transactions that involve financial assistance to the shareholder.

QUESTION

- As regards Clause 5 of the Framework Agreement signed between the Company and its leading shareholder, Siemens (which has been published by the Company on its website), in which reference is made to certain items that Siemens must comply with (the "Mandatory Items") and which must be implemented by the Company to ensure that Siemens can comply with the binding legal requirements arising from being the majority shareholder of the Company:***

- (i) *specific identification of the Mandatory Items recognised by the Company and Siemens, with an express statement of the principal aspects thereof;*
- (ii) *explanation as to whether said Mandatory Items might be contrary to the corporate interest; and*
- (iii) *indication as to whether said Mandatory Items might include measures that result in the provision of financial assistance or the provision of guarantees.*

ANSWER

The Framework Agreement was unanimously approved by the Board of Directors of Siemens Gamesa on 28 April 2017, with the abstention of the proprietary Directors appointed by the majority shareholder and following a favourable report of the Audit, Compliance and Related Party Transactions Committee, which is published on the company's website (<http://www.siemensgamesa.com/recursos/doc/accionistas-inversores/gobierno-corporativo/politicas-corporativas/english/framework-agreement-sgre-sag.pdf>). Among other things, this Framework Agreement highlights the principle of autonomy of management of the executive team of Siemens Gamesa and the fact that its activities are exclusively subject to the instructions of its Board of Directors, and provides that Siemens Gamesa is responsible for implementing the required measures (referred to in the Framework Agreement as Mandatory Items) to allow Siemens to comply with the legal duties arising from its status as majority shareholder (and to the extent that Siemens Gamesa forms part of the Siemens corporate group).

Upon the terms of the Framework Agreement, all of the foregoing is subject to applicable Spanish law as well as to the corporate governance system and the corporate interest of Siemens Gamesa, and thus changes neither the powers of the governance bodies of Siemens Gamesa nor the decision-making process thereof.

This general duty of collaboration materialises with the identification of a list of operational items and that are intended to comply with said legal requirements, with Siemens Gamesa assuming an obligation of implementation within the following limits: (a) the corporate interest of both companies; (b) applicable Spanish law; and (c) the required approvals (if any) under the corporate governance system of Siemens Gamesa. The above-referenced list of specific items, as applicable, directed towards implementation of the Mandatory Items, has been discussed and validated by the heads of the affected areas at Siemens Gamesa already prior to the merger effective date. The implementation thereof is once again subject to such implementation being possible under applicable law after obtaining the required approvals (if any) under the governance rules of Siemens Gamesa.

Thus, in response to the question in **paragraph (ii)**, the corporate interest is one of the contractually established limits, and the items referred to as Mandatory Items cannot be contrary thereto. In the event that Siemens Gamesa cannot comply with a specific action deriving from this obligation due to any legal restriction, Siemens Gamesa would not be required to engage in such implementation, and the parties will make a good faith determination of the way to comply therewith.

As regards the question asked in **paragraph (i)**, the main aspects of the Mandatory Items are the following:

Legal:

- Analysis of changes in internal regulations to ensure that certain strategic decisions are made by the Board of Directors of Siemens Gamesa.
- Communication of the treasury shares such that Siemens can report treasury share levels at the group level.
- Items in other areas like businesses in countries subject to sanctions, data protection, regulatory compliance and antitrust.

Compliance:

- Ensure an adequately staffed and effective compliance organization implemented worldwide at Siemens Gamesa.

Tax:

- Items intended to align accounting principles, external and group reporting, regulatory compliance, transfer pricing policy and permanent establishments, in order to ensure group-wide tax compliance.

Internal Audit:

- To preserve its independence, the internal audit function of Siemens Gamesa shall only be instructed by the SGRE Board of Directors (via de Audit Compliance and Related Party Transactions Committee)
- Internal Audit of Siemens Gamesa shall provide assurance to, and coordinate with, Siemens' internal audit function as required and appropriate.

Accounting, Reporting and Internal Controls:

- Items intended to align accounting principles at the group level, monthly reporting, budgets and financial projections, accounting consolidation with the Siemens group, and information supporting Siemens's report to its governance bodies, external reporting and risk control at the group level.

Finally, in response to the question asked in **paragraph (iii)**, the Mandatory Items do not include measures that entail the provision of any financial assistance or guarantees to Siemens or to companies of its group that do not belong to the Siemens Gamesa group.

Dear Shareholder,

We are writing to you regarding your request for information in connection with the Annual General Meeting of Shareholders of Siemens Gamesa Renewable Energy, S.A.

QUESTIONS

Explanation relating the dismissals both in the context of the dismissal programs as well as out of such contexts indicating if there is any asymmetric treatment with respect to other jurisdictions.

Statement as to whether the Board of Directors approved any resolution within the last 12 months that had as its purpose, or had or could have the effect of not maintaining the registered office, the principal place of business or the operational headquarters as parent company of the group, or the principal place of business and operational headquarters of the onshore business in Spain.

ANSWER

In October 2017, Siemens Gamesa announced the elimination of up to 6,000 jobs during the effectiveness of its Business Plan, as a result of overlaps detected following the merger, as well as due to market circumstances.

As of 28 February 2018, the headcount had been reduced by 1,971 employees (net).

The legal framework applicable in each country was observed, paying particular attention to local employee representation agreements and customary practices. In all instances an effort was made to find solutions offering the best possible coverage.

Two redundancy programmes were implemented in Spain: one encompassing office employees, based on a voluntary redundancy plan affecting 226 employees, and a second programme affecting the factory in Miranda de Ebro (133 jobs). In any event, these redundancies will not materialise until the end of March 2018.

The treatment of the outgoing employees is not asymmetrical with respect to other jurisdictions. On the contrary, among the main countries, Spain will be one of those least affected by the headcount reduction.

Siemens Gamesa confirms, moreover, that in the last 12 months, the Board of Directors has not adopted any resolution that had as its purpose, or had or could have the effect of not maintaining (i) the registered office; (ii) the principal place of business and the operational headquarters as parent company of the group, as well as the principal place of business and operational headquarters of the onshore business in Spain.

QUESTION

In addition, in connection with the closing of the Company's plant in the municipality of Miranda de Ebro announced in the press in recent weeks, state the substantiated reasons that led the Company to close such plant, with particular emphasis on any measures or actions carried out in order to avoid closing such plant, and provide a summary of the meetings held with the Government of the Junta de Castilla y León (as regards the Miranda de Ebro plant), describing the alternatives to the closing of the plant evaluated together with the Government of the Junta de Castilla y León, and the reasons why none of such alternatives was ultimately adopted.

ANSWER

With respect to the closure of the factory in Miranda de Ebro:

- (i) The decision to close this factory was necessary on account of a shift in demand towards larger-sized turbine models that cannot be manufactured at the Miranda de Ebro factory, which cannot be configured to contain the moulds in order to produce the blades currently in greatest demand, which are over 50 metres and sometimes even 60 metres long. In short, the model made at the Miranda de Ebro factory is not currently in demand and the size of the factory does not permit the production of larger-sized blades.
- (ii) As for the measures taken to prevent this situation from materialising, it should be noted that the factory began to operate in 1999 and was designed with the original purpose of manufacturing moulds for blades and not the blades themselves. The manufacturing of blades began in 2000.

Initially, Miranda de Ebro made 25-metre blades for sub-MW wind turbines. At that juncture the company invested strategically in the Miranda de Ebro factory, which began to manufacture the new multi-MW models the market was demanding, which at the time meant 40-metre blades. As a result, in 2007, the Miranda de Ebro factory began to make the blades for the G80-2.0 MW, which was also being made at the time in Albacete.

During the following three years, until 2013, production of the G80 was concentrated at two factories: As Somozas (Galicia) and Miranda de Ebro.

The Albacete factory was closed in 2013 and production of the G80 was concentrated at the Miranda de Ebro factory, which emerged as the main production center for this model.

Today, wind power is one of the most competitive sources of energy in the world and the market is demanding larger wind turbines (with nominal capacity in excess of 3 MW and blades of over 60 metres), the idea being to use fewer positions and less land to capture higher amounts of wind resources. Wind technology has evolved rapidly in recent years and demand is centered on models whose blades stretch over 50 metres. As a result, the Miranda del Ebro factory had been experiencing difficulties since 2010. Since then, the workforce was reduced on a temporary basis on as many as four occasions due to the lack of orders for the turbine model made at that factory. However, the intense marketing effort made by the company enabled it to keep the factory active most of the time until the end of 2017.

Unfortunately, however, demand for larger-scale blades and the impossibility (physical and financial non-feasibility) of retrofitting the factory for the production of the blades the market is currently demanding have forced management to take the inevitable decision of shutting down operations at this facility.

- (iii) As for the meetings held with the regional government of Castile and León, it should be noted that several such meetings have taken place at different levels (president of the regional government, regional councillors for industry and employment, managing director for industry) at which the current situation and possible alternatives were duly analysed, albeit concluding that closure was inevitable.

Regardless, we continue to work with the authorities. The company is participating in a taskforce together with the regional administration and the unions under the umbrella of the so-called *Promociona* programme with the aim of contributing to the town's reindustrialisation.

- (iv) Lastly, on 8 March, we reached an agreement with the employees' representatives, marking the culmination of the redundancy programme initiated on 5 February 2018. Among other things, the agreement reached includes an offer to relocate all of the factory's employees in other workplaces and factories located in Spain.

Dear Shareholder,

This letter refers to your request for information in connection with the Annual General Shareholders' Meeting of Siemens Gamesa Renewable Energy, S.A.

QUESTION

Identification of the members of senior management of the Company, as well as of the main heads of corporate areas, together with a brief description of their duties in the Company and in its Group, as well as information regarding their country of residence, knowledge of Spanish and the professional experience they have acquired in Spain.

ANSWER

Please find the information requested attached as an Appendix. By way of summary, please note that the members of the Management Committee and the heads of the main corporate departments number fourteen (14) executives in total. Of these, eight are Spanish, twelve are resident in Spain and eleven are either native or Spanish speakers.

General policy at Siemens Gamesa is to fill all vacancies, executive or otherwise, with the most qualified candidates. As a leading global player, Siemens Gamesa is present in more than 50 markets, and focuses above all on the qualifications of the candidates rather than their nationalities or countries of origin. Indeed, we view the diversity of our employees and executive teams as a unique source of competitive advantage.

APPENDIX

<p>Mr Markus Tacke Chief Executive Officer Global responsibility for all areas Nationality: German Residence: Spain Languages spoken: English and German Experience acquired at multinational enterprises with businesses in Spain</p>
<p>Mr Miguel Ángel López Chief Financial Officer Global responsibility for the Finance function Nationality: Spanish Residence: Spain Languages spoken: Spanish, English and German Experience acquired at multinational enterprises with businesses in Spain</p>
<p>Mr David J. Mesonero Molina Corporate Development Strategy and Integration Managing Director. Global responsibility for corporate development, mergers & acquisitions and business strategy and head of the integration effort. Nationality: Spanish Residence: Spain Languages spoken: Spanish and English Experience acquired at Spanish and multinational enterprises with businesses in Spain</p>
<p>Mr Ricardo Chocarro Onshore CEO Global responsibility for the onshore wind business unit. Nationality: Spanish Residence: Spain Languages spoken: Spanish and English Experience acquired at Spanish and multinational enterprises with a presence in Spain</p>
<p>Mr Andreas Nauen Offshore CEO Global responsibility for the offshore wind business unit. Nationality: German Residence: Denmark Germany Languages spoken: German, English and Danish Experience acquired at multinational enterprises with businesses in Spain</p>
<p>Mr Mark Albenze Service CEO Global responsibility for the services (operations and maintenance) business unit. Nationality: United States Residence: United States, with long sojourns in Spain Languages spoken: English Experience acquired at multinational enterprises with businesses in Spain. Has held executive positions in South America.</p>

<p>Mr Juergen Bartl General Secretary and General Counsel Global responsibility for the legal counsel function and company secretary Nationality: German Residence: Spain Languages spoken: German, English, French, Italian, Spanish and Dutch Experience acquired at multinational enterprises with businesses in Spain. Professional experience in South America (Chile).</p>
<p>Mr Antonio J. de la Torre Quiralte Chief Technology Officer Global responsibility for the technology function Nationality: Spanish Residence: Spain Languages spoken: Spanish, English and Italian Experience acquired at multinational enterprises with a presence in Spain</p>
<p>Mr Wim Geldhof Chief Procurement Officer Global responsibility for the procurement function and supply chain management Nationality: Belgian Residence: Spain Languages spoken: Spanish, French, Dutch and English Experience acquired at Spanish and multinational enterprises with businesses in Spain</p>
<p>Ms María Cortina Aurrecoechea Communications, Institutional Relations and CSR Director Global responsibility for the communication, corporate social responsibility and institutional relations functions Nationality: Spanish Residence: Spain Languages spoken: Spanish and English Experience acquired at Spanish and multinational enterprises with businesses in Spain</p>
<p>Mr Javier Fernández Combarro Human Resources Director Global responsibility for the HR function Nationality: Spanish Residence: Spain Languages spoken: Spanish and English Experience acquired at multinational enterprises with businesses in Spain</p>
<p>Mr Iñaki Berriozabal Azpitarte Security Director Global responsibility for the corporate security function Nationality: Spanish Residence: Spain Languages spoken: Spanish and English Experience acquired at Spanish and multinational enterprises with a presence in Spain</p>

Mr. Félix Zarza

Director of Internal Audit

Global responsibility for the internal audit function

Nationality: Spanish

Residence: Spain

Languages spoken: Spanish and English

Experience acquired at Spanish and multinational enterprises with a presence in Spain

Mr. Germán González Avecilla

Chief Compliance Officer

Global responsibility for compliance function

Nationality: Spanish

Residence: Spain

Languages spoken: Spanish and English

Experience acquired at Spanish and multinational enterprises with a presence in Spain

Dear shareholder,

We are writing to you regarding your request for information in connection with the Annual General Meeting of Shareholders of Siemens Gamesa Renewable Energy, S.A.

QUESTION

Itemisation of the executives who have left since the Merger. With respect to the departed executives, provide information regarding the length of time those executives had been working at the Company, the cost associated with the departure of each and how many have been replaced by means of the internal promotion of executives from the former Gamesa.

ANSWER

1. A total of 22 executives have left the company since the merger, of which:
 - a. nine (9) positions have been filled by executives from the former Gamesa
 - b. seven (7) positions have been eliminated in the new organisational structure
 - c. four (4) positions have been filled by executives from the former Siemens WP
 - d. two (2) positions are still pending appointment
2. The average length of service of the departed executives was 14.5 years.
3. The total cost of these exits was €2.9 Million.

Regarding the top executives, a total of five (5) top executives left the company since the merger (three were former top executives of former Gamesa and two of former Siemens Wind). Three of these positions have been filled by executives from the former Siemens, one by an executive of the former Gamesa and one has been filled by an external candidate. The average length of service of these exits was 11 years (ranging from 5 to 22 years). On the cost of their exits, you may find information for two executives in the 2017 Annual Corporate Governance Report available in our website. For the other three executives, the cost of exist is approximately 1,6 Million and detailed information will be made available in the next release of the Annual Corporate Governance Report.

Dear Shareholder,

We are writing to you regarding your request for information¹ in connection with the Annual General Meeting of Shareholders of Siemens Gamesa Renewable Energy, S.A.

QUESTION

Is the Board of Directors or any of its committees exhaustively monitoring the industrial plan submitted by Siemens at the time of the absorption of Siemens Wind Holdco, S.L.U. by the Company? Has there been any internal statement or complaint by any director or committees of the Board in this regard? If so, has the Board of Directors considered adopting any measure in this regard?

ANSWER

We understand your mention of the “industrial plan” as a reference to the rationale behind the industrial and business purpose provided by Siemens AG to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (CNMV) as part of its request for an exemption from the obligation to launch a public tender offer for the voting shares of Gamesa Corporación Tecnológica, S.A. In this regard, the rationale behind the industrial or business purpose of the merger continues to be the same: **(i)** the merger has strengthened the competitive position of the resulting company; **(ii)** the resulting company can achieve significant revenue and cost synergies thanks to the scale and complementariness of the merged companies; and **(iii)** the new company is in a more favourable position to manage market risks. Increasing competitiveness, capturing synergies in revenues and costs, and managing market risks were and continue to be one of the primary aims of the company and there are already material achievements in this respect, as shown in the presentation made by the company at its 2018 Investor Conference, available on the company’s website and on the website of the CNMV, and specifically in our L3AD2020 programme, which is the cornerstone of Siemens Gamesa’s management during the course of the business plan.

Increasing competitiveness, capturing revenue and cost synergies, and managing market risks are all entrusted to the CEO and his management team, and are of course subject to appropriate monitoring by the Board of Directors. There has been no internal statement or complaint by any director or Committee of the Board regarding the rationale behind the industrial and business purpose of the merger, which, as stated above, continues to be fully valid and is supported by the company’s business plan.

QUESTION

Has the Board of Directors been informed through any of its committees of this potential risk of de facto administration by the majority shareholder, or has it been alerted of any specific instance along these lines? If so, what measures has the Board adopted?

¹ Request received by the company outside the period established by Section 520 of the Companies Act (Ley de Sociedades de Capital) for shareholders to exercise their right to receive information and therefore cannot be considered a valid request.

ANSWER

As regards the risk of *de facto* administration, all decisions at Siemens Gamesa are made by the legally competent body, always in compliance with the provisions of law and the internal rules and taking into account the company's corporate interest. The presence of proprietary Directors on the Board of Directors should not be confused with the risk of *de facto* administration. The Board of Directors of Siemens Gamesa and the Committees thereof act with such independence, diligence and loyalty as is expected of governance bodies. We therefore do not identify any risk of *de facto* administration.

QUESTION

Can you report the number of related party transactions performed by the Company? What actions have the proprietary directors of Siemens taken with respect thereto pursuant to Sections 228 and 229 of the Companies Act (Ley de Sociedades de Capital), specifically, with respect to i) the obligation to abstain from participating in the deliberation and voting on resolutions or decisions in which Siemens or a related person has a direct or indirect conflict of interest, and ii) the obligation to not engage in transactions with the Company other than ordinary transactions?; Has the Company taken any special measure with respect to transparency and protection of the minority shareholders regarding these related party transactions prior to the proposal contained in item ten on the agenda for the upcoming Annual General Meeting?

ANSWER

Detailed and audited information regarding the balances and transactions with related parties during financial year 2017 is available in Note 33 to the Consolidated Financial Statements for the financial year ended 30 September 2017 (<http://www.siemensgamesa.com/recursos/doc/accionistas-inversores/informacion-financiera/cuentas-anales/cuentas-anales-consol-auditadas-2017.pdf>.) and in the Report of the Audit, Compliance and Related Party Transactions Committee on its activities regarding related party transactions during 2017 (<http://www.siemensgamesa.com/recursos/doc/accionistas-inversores/gobierno-corporativo/junta-general-accionistas/documentacion-2018/informe-operaciones-vinculadas-cac-ov-jga-2018.pdf>).

Pursuant to the provisions of article 31 of the Regulations of the Board and article 21 of the Regulations of the Audit, Compliance and Related Party Transactions Committee, the affected directors or those that represent or are connected to the affected shareholders must abstain from participating in the deliberations and voting on the resolution in question. This has been the case regarding all related party transactions submitted to the Board for approval. You can also find detailed information concerning all of the meetings at which the Directors complied with their duty of abstention in Note 31 to the Consolidated Financial Statements.

The company continues to work on the ongoing improvement of all procedures and, in particular, of the procedure for approval of related party transactions. As soon as such work translates into a new development within the company's corporate governance system (amendments to regulations or policies), it will be publicized for all shareholders to become aware of it.

QUESTION

What risks would there be to the Company of a breach by Siemens of the private shareholders agreement (pacto parasocial) signed between Siemens and Iberdrola affecting the governance of the Company and the industrial plan submitted by Siemens? Would the Board of Directors take any measure with respect thereto for the protection of the Company's interests?

ANSWER

As regards your question concerning a potential breach of the private shareholders agreement (*pacto parasocial*) signed between Siemens and Iberdrola, all we can inform you is that such private shareholders agreement is an agreement between our shareholders to which the company is not a party. It is therefore beyond the scope of control and influence by Siemens Gamesa.