

# Annual Report on Remuneration of Directors

of Listed Companies

# 2022

**ISSUER IDENTIFICATION DETAILS**

**YEAR END-DATE:** 30-09-2022

**Tax Identification No.** A01011253

**Company name:** SIEMENS GAMESA RENEWABLE ENERGY, S.A.

**Registered office:** PARQUE TECNOLÓGICO DE BIZKAIA, EDIFICIO 222, 48170 ZAMUDIO (BIZKAIA)

**NOTICE:**

i) The present document is a translation of a duly approved document in Spanish- language, and it is only provided for informational purposes. Shall a discrepancy between the present translation and the original document in Spanish-language appear, the text of the original Spanish-language document shall always prevail.

ii) Due to rounding, numbers presented throughout this Annual Report on Remuneration of Directors may not adjust precisely to the numbers or total amounts, or to those provided in other related documents and percentages may not precisely reflect absolute figures.

# A. REMUNERATION POLICY OF THE COMPANY FOR THE CURRENT FINANCIAL YEAR

- A.1.1 Explain the current director remuneration policy applicable to the year in progress. To the extent that it is relevant, certain information may be included in relation to the remuneration policy approved by the General Shareholders' Meeting, provided that these references are clear, specific and concrete.**

Such specific determinations for the current year as the board may have made in accordance with the contracts signed with the executive directors and with the remuneration policy approved by the General Shareholders' Meeting must be described, as regards directors' remuneration both in their capacity as such and for executive functions carried out.

In any case, the following aspects must be reported, as a minimum:

- a) Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.
- b) Indicate and, where applicable, explain whether comparable companies have been taken into account in order to establish the company's remuneration policy.
- c) Information on whether any external advisors took part in this process and, if so, their identity.
- d) Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.

## 1. Current director remuneration policy applicable to the year in progress.

The General Meeting of Shareholders of SIEMENS GAMESA RENEWABLE ENERGY, S.A. ("Siemens Gamesa", or the "Company") held on March 17, 2021 approved a new "Policy of Remunerations of Directors of Siemens Gamesa Renewable Energy, S.A. 2022-2024" (hereinafter the "Policy 2022-2024" or the "Policy of Remunerations 2022-2024") with the favourable vote of 97.75% of the share capital. This Policy 2022-2024 is aligned with the provisions of the Spanish Companies Act ("LSC") (as amended due to the transposition of Directive (EU) 2017/828 as regards the Encouragement of Long-term Shareholder Engagement Directive), and is effective for the financial years ending 30 September 2022, 30 September 2023 and 30 September 2024 (Siemens Gamesa's financial year starts on October 1<sup>st</sup> of each calendar year and ends on September 30 of the immediately following calendar year). The Policy 2022-2024 is available on our corporate website ([www.siemensgamesa.com](http://www.siemensgamesa.com)).

**Remuneration Policy of the Company for the Current Financial Year**

The Policy of Remunerations 2022-2024 of Siemens Gamesa is based on the following principles:

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

The Policy of Remunerations 2022-2024 to be applied during financial year 2023 was approved by the General Meeting of Shareholders in 2021, containing the principles and foundations described above, which are consistent with the Company's corporate governance policy.

In the context of the voluntary takeover bid announced on 21 May 2022 (the "Takeover Bid") and made by Siemens Energy Global GmbH & CO. KG (the "Bidder") for all shares representing the share capital of Siemens Gamesa, with the Bidder's stated intention being to delist the shares of Siemens Gamesa from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, the Company will analyse whether or not to maintain the Policy of Remunerations 2022-2024 in the event that the shares of Siemens Gamesa are ultimately delisted.

**2. Specific determinations for both the remuneration of directors in their capacity as such and for the performance of executive duties.**

In relation with specific determinations, both of the remuneration of directors in their capacity as such and for the performance of their executive duties, the Board of Directors and the Appointments and Remunerations Committee (the "ARC") of Siemens Gamesa will apply the provisions of the Policy of Remunerations 2022-2024 during current financial year on its terms as approved by the shareholders at the General Meeting of Shareholders.

The application of the Policy of Remunerations 2022-2024 regarding the director remuneration system of Siemens Gamesa rules that for financial year 2023:

**For non-executive directors**

- a) Non-executive directors will be paid a fixed annual allotment in cash for belonging to the Board of Directors and, if applicable, an additional fixed remuneration for belonging to or chairing the committees of the Board of Directors (the "Committees").

## Remuneration Policy of the Company for the Current Financial Year

- b) The non-executive directors of Siemens Gamesa may receive attendance fees for attending meetings of the Board of Directors and of its Committees.
- c) In addition to the above amounts, if a lead independent director (*consejero coordinador*) (the “Lead Independent Director”) is appointed during the current financial year, this person may receive an additional cash allotment in order to suitably remunerate the additional dedication required by the position.
- d) The non-executive chair (the “Chair”) of the Board of Directors will only receive a specific fixed cash allotment, along with attendance fees for attending meetings of the Board of Directors and any meetings of its Committees.
- e) The non-executive vicechair (the “Vicechair”) of the Board of Directors will only receive a specific fixed allotment in cash, along with attendance fees for attending meetings of the Board of Directors and any meetings of its Committees.
- f) Directors may receive, as part of their fixed remuneration (i.e. for the sake of clarity, this would not be variable remuneration tied to performance metrics), shares of the Company, which may be delivered annually or at the end of the director’s term of office, said delivery being in any case subject to the shares being held until cessation in office as directors, by application of the provisions of the Good Governance Code of Listed Companies (“GGCLC”) of the Spanish Stock Market Commission (*Comisión Nacional del Mercado de Valores*) (“CNMV”). In any case, and in compliance with the requirements set forth in section 219 of the LSC, the delivery of the shares shall require a corresponding resolution of the shareholders acting at a General Meeting of Shareholders, which must include the maximum number of shares that may be assigned in each financial year to this remuneration system, the value of any shares taken as a reference and the duration of the remuneration system. The amount allocated to the share remuneration system shall in any case be included within the maximum amount of remuneration of the directors in their capacity as such, which is currently set at three (3) million euros, approved by the shareholders at the General Meeting of Shareholders, or any amount approved by the shareholders at subsequent General Meetings of Shareholders. As at the date of preparation of this Report, no decision has been submitted to approval of the General Meeting of Shareholders regarding payment in shares to Directors as part of the remuneration in their capacity as such.
- g) Non-executive directors may receive premiums paid by the Company for policies purchased from insurance companies to cover death and disability.

Pursuant to article 45.3 of the By-Laws of Siemens Gamesa (the “By-Laws”), the shareholders acting at the General Meeting of Shareholders held on 8 May 2015 approved a maximum limit of 3 million euros to be paid by the Company to the group of directors in their capacity as such, and this limit has remained unchanged since then. The Company does not consider presenting the amendment of said limit to the 2023 General Meeting of Shareholders.

### For executive directors

In accordance with the Policy of Remunerations 2022-2024 and as set out in his contract, the remuneration of the Company’s CEO (*consejero delegado*) (the “CEO”) includes the following elements of remuneration: (i) fixed remuneration in cash, (ii) annual variable remuneration and long-term variable remuneration subject to clawback and malus provisions, (iii) remuneration in kind, (iv) long-term savings schemes, and (v) indemnification and post-contractual non-competition agreements. The CEO will not receive the remuneration applicable to the other directors or fees for attending meetings of the Board of Directors, so the CEO’s remuneration is limited to the items described above.

### **3. Description of the procedures and company bodies involved in determining, approving and applying the remuneration policy and its terms and conditions.**

The governing bodies that participate in the design of the Remuneration Policy are the Board of Directors and the ARC. Pursuant to article 14 of the By-Laws of Siemens Gamesa and in accordance with applicable law, the shareholders acting at a General Meeting have the power to approve or amend the Policy of Remuneration of Directors.

As provided by the By-Laws and the current Regulations of the Board of Directors (the “Board Regulations”) and in accordance with the LSC, the Company’s Board of Directors shall make the following decisions as regards the Remuneration Policy:

## Remuneration Policy of the Company for the Current Financial Year

- Decisions regarding the remuneration of directors, always within the framework of the By-Laws and the applicable Policy of Remuneration of Directors approved by the shareholders at the General Meeting.
- Approval of the terms and conditions of the contracts of directors with executive duties.
- Setting the remuneration of directors for the performance of executive duties.

Pursuant to the regulations of the ARC (the "ARC Regulations"), additionally to the duties determined by the LSC, the ARC shall have the following powers in relation to determining, approving and applying the Policy of Remuneration of Directors:

- a) Report on the Policy of Remuneration of Directors on occasion of the proposal thereof by the Board of Directors to the shareholders at the General Meeting of Shareholders.
- b) Propose to the Board of Directors the system and amount of annual remuneration of the directors (within the limit set by the shareholders at the General Meeting of Shareholders) and Top Management, as well as the individual remuneration and the other basic terms of the contracts of the executive directors, including any compensation or severance payable in the event of termination of the contractual relationship.
- c) Report, among others, on:
  - The proposal of the CEO regarding the basic terms of the contracts of Top Management, and particularly regarding the structure and amount of their remuneration, including any compensation or severance payable in the event of termination of the contractual relationship, submitting such proposal to the Board of Directors. In the assessment of the variable components the ARC will in detail evaluate the fulfilment level of the elaborated criteria and objectives for its achievement (for further detail see section A.1.6).
  - Multi-annual general incentive systems and pension supplements.
  - Remuneration systems based on the listing price of the shares or which involve the delivery of shares or of option rights therein for directors, members of Top Management and other employees of the Company.
  - Documents to be approved by the Board of Directors for general dissemination regarding information on remuneration.
- d) Endeavour to ensure compliance with the Policy of Remuneration of Directors and annually review the suitability and results thereof, reporting to the Board of Directors on the results of such review.

Additionally, the ARC proposes the Annual Report on Remuneration of Directors for approval by the Board of Directors and subsequent submission to a consultative vote of the shareholders at the General Meeting of Shareholders.

The ARC shall be composed of a minimum of three and a maximum of five non-executive directors, at least two of whom must be independent directors. The members of this Committee are appointed while endeavouring to ensure that they have the right knowledge and experience for the functions they are called on to discharge.

As at the date of preparation of this Report, the composition of the ARC is as follows:

Director	Position	Class
Mr Rudolf Krämer	Chair	Independent
Ms Mariel von Schumann	Member	Proprietary
Mr Harald von Heynitz	Member	Independent
Mr Francisco Belil Creixell	Member	Independent

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The CV and professional biography of the current members of the ARC is available on the corporate website ([www.siemensgamesa.com](http://www.siemensgamesa.com)).

In addition, Mr Salvador Espinosa de los Monteros Garde holds the position of non-member secretary of the ARC.

Siemens Gamesa's ARC shall meet as often as necessary to perform its duties, at the Chairman's behest, and at least three times per year. It will also meet when so requested by (i) at least two of its members, and (ii) whenever the Board of Directors so requests.

Resolutions are adopted by an absolute majority of the members present at the meeting of the ARC.

The ARC had 12 meetings during financial year 2022 and has met on 4 occasions during financial year 2023 until the date of preparation of this report.

**4. Comparable companies for establishing the company's remuneration policy.**

The Board of Directors shall pursue that the remuneration of its members, which must always be based on the general principles of the Remuneration Policy in force, is consistent with what is paid in the market at comparable entities.

The general principles that inspire Siemens Gamesa's remuneration policies contemplate, among other things, competitiveness in terms of both remuneration structure and amounts in order to attract, motivate and retain key professionals, and external fairness in order to achieve alignment with the remuneration established by comparable companies.

Siemens Gamesa's Policy of Remunerations 2022-2024 thus endeavours to ensure that the remuneration of its directors is consistent with the remuneration trends and benchmarks followed by companies that are comparable in size, activities or structure, such that they are aligned with best market practices.

In this regard, Siemens Gamesa has been using different remuneration studies prepared by various external consultants in order to understand trends in the remuneration of directors and members of top management for purposes of the design and subsequent application of the Company's remuneration policy. The segmentation standards used to determine the group of comparable companies of the various studies used by the Company along these lines have been the following, among others: stock market capitalisation, listed companies (i.e., Ibex-35 and European indices), business sector similar or comparable to that of Siemens Gamesa, and with an international or global scope in doing business.

**Peer group used for remuneration purposes:** Specifically, the companies selected as comparable companies included in the remuneration study for the CEO and for the non-executive directors are (i) all of the companies comprising the Ibex-35 (as at 30 June 2022) (except for Siemens Gamesa, Arcelormittal and Aena) and (ii) General Electric, Vestas and Nordex. The remuneration study for the members of Top Management also includes the following companies selected as comparable companies: Acciona, Atlas Copco, Centrica, Ferrovial, HeidelbergCement, Legrand, National Grid, Nexans, Osram Licht, Sandvick, Schaeffler, Schindler, Schneider Electric, Signify, Sika, SKF, Veolia Environment and Vestas Wind Systems.

**5. Information on whether any external advisors took part in this process and, if so, their identity.**

During financial year 2022, Garrigues has provided external advice to the Company in relation to (i) various matters related to the severance agreement with the former CEO (Mr Andreas Nauen) and the hiring of the new CEO and (ii) analysis of the Long-Term Incentive Plans 2018-2020 and 2021-2023 and the implications of the Takeover Bid for these plans, the Bidder having stated in the Takeover Bid prospectus its intention to promote the cash settlement of the Cycle FY2020 of the Long-Term Incentive Plan 2018-2020 and the early cash settlement of the Cycles FY2021 and FY2022 of the Long-Term Incentive Plan 2021-2023 if the delisting of Siemens Gamesa's shares takes place. The Company has also considered reports of the remuneration consultant Willis Towers Watson regarding the analysis of the external benchmarking in comparable industries of the total remuneration of the CEO, the non-executive directors and the Top Managers.

**Remuneration Policy of the Company for the Current Financial Year****6. Procedures set forth in the current remuneration policy for directors in order to apply temporary exceptions to the policy, conditions under which those exceptions can be used and components that may be subject to exceptions according to the policy.**

As set out in Article 29.10 of the Board Regulations and in Section 11 of the Policy 2022-2024, following a proposal from the ARC, Siemens Gamesa's Board of Directors may approve the application of temporary exceptions to the remuneration policy, which shall in any event be limited to those exceptional situations in which it is necessary to disapply the policy in order to serve the long-term interests and sustainability of the Company as a whole or in order to ensure its viability. The remuneration components of the CEO referred to in sections 5.1 and 6.1 of the Policy 2022-2024 shall be the only components subject to exception and the allocation of guaranteed extraordinary remuneration shall be avoided.

The procedure to be followed by the ARC in the event of occurrence of any circumstances that justify the application of said temporary exceptions shall be to issue a report assessing the circumstances and specific types of remuneration which would be subject to modification. The ARC may obtain the opinion of an external third party in order to prepare the report. In view of the conclusions of the report, the ARC would prepare, if applicable, the proposal for exceptional application to be submitted to the Board of Directors.

In any event, the Company shall take into consideration the general principles contained in the Policy of Remunerations 2022-2024 and shall provide adequate information in the corresponding Annual Report on Remuneration of Directors regarding the exceptional situation that has led the Board of Directors to approve the application of the temporary exception, as well as the component or components that are subject to such an exception.

**7. Procedures contemplated in the current policy of remuneration of directors for the hiring of new executive directors during the effective period of the policy.**

It was resolved at the General Meeting of Shareholders of Siemens Gamesa held on 24 March 2022 to ratify the appointment of Mr Jochen Eickholt as a director on an interim basis (co-option) by resolution of the Board of Directors dated 23 November 2021 and effective from 1 January 2022 within the category of proprietary non-executive director, which was amended to executive director by resolution of the Board of Directors dated 2 February 2022 upon Mr Eickholt's appointment as CEO effective from 1 March 2022, and to re-elect him upon a report from the ARC for the bylaw-mandated term of four years, within the category of executive director. At its meeting on 2 February 2022 and upon a proposal from the ARC, the Board of Directors also resolved to establish the total remuneration package for Mr Eickholt for the performance of his duties as CEO, including the terms of his contract. This proposal was generally aligned with the principles and foundations of the Policy of Remunerations 2022-2024. The details of the amendments in the compensation package of the new CEO, their specific amounts and parameters, and the criteria applied and bodies involved in the decision-making process are described in the various parts of this section A and in section B of this report.

The ARC conducted a review for purposes of making a proposal to the Board of Directors regarding the remuneration of the CEO for the performance of his executive duties, in which it took into account the following factors and applied the following criteria:

- Applicable legal provisions from time to time in effect regarding the remuneration of Board members who perform executive duties.
- The provisions of the Company's By-Laws, Board Regulations and Corporate Governance Policy.
- Market data and the guidance of institutional investors and proxy advisors, as well as information received from them in the consultation process undertaken by Siemens Gamesa.
- The principles and foundations established in the Policy of Remunerations 2022-2024 approved at the General Meeting of Shareholders on 17 March 2021. In particular, the principles of competitiveness of the Directors' remuneration in terms of both remuneration structure and amounts in order to attract, motivate and retain key professionals; alignment with the remuneration established by comparable companies (external fairness); and maintaining a fair balance between the various components of fixed remuneration (short-term) and variable remuneration (annual and long-term), reflecting an appropriate assumption of risks combined with the achievement of defined objectives linked to the long-term creation of sustainable value.



## Remuneration Policy of the Company for the Current Financial Year

- Consistency with the CEO's responsibility and duties and leadership within the organisation, in line with the remuneration paid in the market by comparable companies. In this regard, the wind energy industry is experiencing a period of serious disruption, with external factors that have placed extraordinary pressure on the results of all wind turbine manufacturers. In the case of Siemens Gamesa, these problems have been aggravated by internal factors that have led the Company to suffer significant losses and to deviate from its forecasts for financial year 2022 on several occasions.

The responsibility, dedication and performance of the CEO in such a demanding environment must undoubtedly be taken into consideration. In addition, the difficulties faced by the Company and the industry in general are greatly hindering the attraction and retention of the top talent. Attracting this talent hence now more than ever requires a competitive compensation package.

- The adequacy of the fixed and total remuneration to compensate the value of the contribution made by the position and the person, for both the Company and its shareholders. In this regard, Mr Eickholt's credentials clearly demonstrate his reputation, credibility, soundness and expertise.
- The analyses of the external competitiveness of the CEO's total remuneration in several peer groups, described in section A.1.1 of this report, and particularly the report prepared for Siemens Gamesa by the consultant Willis Tower Watson and the Annual Report on Remuneration of Directors of Listed Companies published by the CNMV. From the aforementioned analyses it can be concluded that the fixed remuneration established for the current CEO is aligned with the average of comparable companies (the fixed remuneration established for the former CEO was below such average). The ARC also took into account the remuneration paid by the competitor Vestas to its chief executive and Mr Eickholt's own level of remuneration and conditions in the position he held within the Siemens Energy group before his appointment as CEO of Siemens Gamesa.

In light of these considerations and upon a proposal from the ARC, the Board of Directors resolved at its meeting on 2 February 2022 to establish annual fixed remuneration for the CEO of 1.05 million euros and to guarantee annual variable remuneration of 612,500 euros as a sign-on bonus for financial year 2022 only, as described in sections A and B of this report.

The Board of Directors' decision was made pursuant to the Policy of Remunerations 2022-2024 approved at the General Meeting of Shareholders on 17 March 2021 and in exercise of the powers allocated to the Board of Directors in section 6.1 of that policy (Policy of remuneration applicable to new executive directors) in the event of new directors joining the Board of Directors to perform executive duties during the effective period of the policy. In this regard, paragraph 2 of the aforementioned section 6.1 "Policy of remuneration applicable to new directors / New executive directors" reads as follows: "*Table 2 of this remuneration policy describes the elements to consider in designing and establishing the remuneration system for new executive directors. For these purposes, after hearing the ARC's recommendation, the Board of Directors may establish different remuneration for new executive directors based on the Company's interest; in this case, it shall particularly take into account the person's remuneration level before joining the Company, the duties and responsibilities assigned thereto, his/her professional experience, market remuneration for the position and any other factors that it believes appropriate to take into account, which shall be duly reflected in the corresponding contract to be signed between the Company and the new executive director*". Siemens Gamesa considered the advice of the law firm Garrigues throughout this process, ensuring that the terms of the new CEO's remuneration are compliant with the provisions of the aforementioned Policy of Remunerations.

- A.1.2 Relative importance of variable remuneration items vis-à-vis fixed remuneration (remuneration mix) and the criteria and objectives taken into consideration in their determination and to ensure an appropriate balance between the fixed and variable components of the remuneration. In particular, indicate the actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, which will include, as the case may be, mention of the measures taken to ensure that the long-term results of the company are taken into account in the remuneration policy, the measures adopted in relation to those categories of personnel whose professional activities have a material impact on the risk profile of the company and measures in place to avoid conflicts of interest.**

## Remuneration Policy of the Company for the Current Financial Year

Furthermore, indicate whether the company has established any period for the accrual or vesting of certain variable remuneration items, in cash, shares or other financial instruments, any deferral period in the payment of amounts or delivery of accrued and vested financial instruments, or whether any clause has been agreed reducing the deferred remuneration not yet vested or obliging the director to return remuneration received, when such remuneration has been based on figures that have since been clearly shown to be inaccurate.

### 1. Relative importance of the variable items of remuneration as compared to fixed items (remuneration mix).

As provided by the Policy of Remunerations 2022-2024, only the executive directors (the CEO as of today), will participate in variable remuneration systems. This is compliant with Recommendation 57 of the GGCLC of the CNMV, pursuant to which variable remuneration should be limited to the executive directors.

The system of remuneration for the CEO contemplates a variable component intended to encourage his commitment to the Company and its strategic plan, linking his remuneration to the creation of value for shareholders as well as the sustainable achievement of strategic objectives, such that it is aligned with best remuneration practices.

The Company's intent is to design competitive remuneration packages that allow attracting and retaining top professionals, while establishing a link between remuneration, results and objectives for the Company and the Siemens Gamesa group of companies (the "Group").

The variable remuneration system for the CEO currently includes two variable components: (i) annual variable remuneration designed and reviewed on an annual basis, and (ii) the long-term variable remuneration which is designed on the basis of three-year periods. The objectives for both are set in advance and the achievement thereof is based on the results obtained and approved by the Board of Directors.

This variable remuneration system is flexible and is appropriately responsive to the results achieved. Regarding the weight of the CEO's variable remuneration in his total remuneration, depending on the target goal achievement, variable remuneration (annual and long-term) may be higher than the fixed components of remuneration. As described in more detail below, in a scenario of 100% target goal achievement overall, the weight of the fixed remuneration would represent one third, the annual variable remuneration one third and the long-term variable remuneration another one third, all of the total remuneration (fixed, annual variable and long-term variable).

The determination of the variable remuneration for the CEO is linked to the achievement of a combination of specific, predetermined and quantifiable qualitative and quantitative targets that are aligned with the corporate interest and in line with the strategic plan of Siemens Gamesa, as well as the results of the Company.

Specifically, the following is taken into account to determine the relative relevance of the variable remuneration items compared to the fixed items ("Remunerative Mix"):

- **Fixed remuneration** in cash amounting to 1,050,000 euros for 2023 (see section B.6 of this report);
- **Annual variable remuneration** (hereinafter "AVR") amounting to 1,050,000 euros for achieving 100% of the pre-established targets. The AVR of the CEO is linked to the level of achievement of pre-established targets, both financial and non-financial, defined at Group and individual levels with the possibility of increasing his AVR up to a maximum of 200% (i.e., 2,100,000 euros) in case of extraordinary performance and over-achievement of such pre-established targets. On an exceptional basis for financial year 2022, as described in section B.7 of this report and in the context of his joining the Siemens Gamesa group, the current CEO Mr Jochen Eickholt has been guaranteed an AVR equivalent to 612,500 euros as a sign-on bonus (the amount corresponding to a level of achievement of 100% of his annual variable remuneration targets for financial year 2022, reduced in proportion to the seven months of the financial year for which he has been in office). For clarification purposes and as previously stated, this is exceptional for financial year 2022 only and it does not apply to future financial years.

## Remuneration Policy of the Company for the Current Financial Year

- **Long-term variable remuneration:**

- long-term variable remuneration for the former CEO (Mr Andreas Nauen) as beneficiary of the **Long-Term Incentive Plan for the period of the financial years 2018 to 2020** (the “LTI Plan 2018-2020”) approved by the General Meeting of Shareholders in financial year 2018 and amended in financial year 2019. The only remaining cycle of this LTI Plan 2018-2020 is Cycle FY2020. According to the Regulations of the LTI Plan 2018-2020, the maximum number of shares to which the former CEO might be entitled in case of over-achievement of the target goals to which Cycle FY2020 is linked (the “Cycle FY2020”) is 144,200 shares. However, the number of stock awards (the “Stock Awards”) granted to the former CEO has been lower than the aforementioned maximum, 51,848 (resulting from the pro rata reduction, calculated on its departure date, of the 79,164 Stock Awards originally awarded for this Cycle FY2020), which represents the maximum potential number of shares that the former CEO could receive in case of maximum achievement of all of the pre-established targets for this Cycle FY2020. The value of the shares to be delivered to the CEO under Cycle FY2020 of this LTI Plan 2018-2020, cannot exceed in any case the lower of the following amounts: (i) three times the target Incentive assigned on this Cycle FY2020 of the Plan or (ii) the result of multiplying by 1.7 the sum of the fixed remuneration in cash, the AVR and the target Incentive assigned on this Cycle FY2020 of the Plan.
- long-term variable remuneration for both the former CEO (Mr Andreas Nauen) and the current CEO (Mr Jochen Eickholt) as beneficiaries of the **Long-Term Incentive Plan for the period of the financial years 2021 to 2023** (the “LTI Plan 2021-2023” and together with the LTI Plan 2018-2020 the “LTI Plans”) approved by the 2021 General Meeting of Shareholders. According to the Regulations of the LTI Plan 2021-2023, the maximum number of shares to which the CEO might be entitled in case of over-achievement of the objectives target goals to which are linked its three Cycles are linked is 166,218 shares (55,406 shares maximum in each of its three Cycles).

The number of Stock Awards granted to the former CEO (Mr Andreas Nauen) for Cycle FY2021 was 18,044 for the Cycle FY2021 (result of the pro rata reduction, calculated on its departure date, from the 41,438 Stock Awards originally awarded) and he has not received any Stock Awards for Cycle FY2022.

The current CEO (Mr Jochen Eickholt) has been granted 70,846 Stock Awards for Cycle FY2022. The Stock Awards represent the maximum potential number of shares that the CEO could receive in case of maximum over-achievement of all of the pre-established targets for that Cycle FY2022. All of the foregoing is without prejudice to the following limits: (i) the maximum number of shares that the CEO may receive for each Cycle of the LTI Plan 2021-2023 is 55,406 and (ii) the value of the shares to be delivered to the CEO under each Cycle cannot exceed in any case the higher of the following amounts: (a) three times the target Incentive assigned on each Cycle of the Plan or (b) the result of multiplying by 1.7 the sum of the fixed remuneration in cash, the AVR and the target Incentive assigned on each Cycle of the Plan. The CEO must hold any shares received under the LTI Plan 2021-2023 until a holding requirement equal to two times and a half his annual fixed remuneration for the three Cycles is reached.

The “target” amount for the long-term variable remuneration for each Cycle of the LTI Plans is 100% of the fixed remuneration, but this long-term variable remuneration could reach, for Cycle FY2020 of the LTI Plan 2018-2020 and for the three Cycles (FY2021, FY2022 and FY2023) of the LTI Plan 2021-2023, up to a maximum of 200% of the fixed remuneration.

For purposes of calculating the long-term variable remuneration both for the 2018-2020 and for the 2021-2023 periods, it is taken into account (i) that this remuneration is linked to a three-year measurement period, and (ii) that it is linked to the achievement of certain requirements for each of the Cycles making up the LTI Plans.

In the context of the Takeover Bid, the Bidder has stated in the prospectus that it intends to promote the cash settlement of Cycle FY2020 of the Long-Term Incentive Plan 2018-2020 and the early cash settlement of Cycles FY2021 and FY2022 of the Long-Term Incentive Plan 2021-2023 if the delisting of Siemens Gamesa’s shares would take place. In this regard and with the assistance of the law firm Garrigues, Siemens Gamesa’s Board of Directors has analysed the implications of the Takeover Bid for Cycle FY2020 of the LTI Plan 2018-2020 and for the three Cycles (FY2021, FY2022 and FY2023) of the LTI Plan 2021-2023. In this regard and based on a proposal from the ARC, Siemens Gamesa’s Board of Directors approved the following resolutions at its meeting on 9 November 2022: (i) in relation to Cycle FY2020 of the LTI Plan 2018-2020, to replace the delivery of shares resulting from the settlement of this Cycle depending on the degree of achievement of the objectives achieved with an equivalent cash payment, since the Company does not have sufficient treasury shares to settle this Cycle and in view of

## Remuneration Policy of the Company for the Current Financial Year

the difficulty associated with acquiring own shares and paying beneficiaries in shares during the Takeover Bid process; (ii) in relation to the LTI Plan 2021-2023 and on the terms established in its Regulations, to declare the early maturity of Cycles FY2021 and FY2022 for all beneficiaries in view of the occurrence of a “significant event”, which the potential delisting of Siemens Gamesa’s shares in the framework of the Takeover Bid process is deemed to be. Therefore, subject to and at the time of the definitive delisting of Siemens Gamesa’s shares, there will be an early cash settlement (Siemens Gamesa’s shares would no longer be listed) of the two current Cycles (FY2021 and FY2022) of the LTI Plan 2021-2023, in proportion to the time that has passed in each of those Cycles and in view of the degree of achievement of the Plan metrics established by the Board of Directors for each Cycle at the date of its settlement. The Board of Directors will not so far award any beneficiary Stock Awards for Cycle FY2023 of the LTI Plan 2021-2023 until knowing if the Company will be delisted or not. Cycle FY2023 will be cancelled in the event of the definitive delisting of Siemens Gamesa’s shares. The Board of Directors also approved the holders of shares delivered under the LTI Plan 2018-2020 subject to holding requirements being able to dispose of their shares: in the framework of the squeeze-out procedure established in Chapter X of Royal Decree 1066/2007 of 27 July on public takeover bids; or under any maintained purchase order made by the Bidder pursuant to Article 11 of the aforementioned Royal Decree 1066/2007, in both cases to enable the beneficiaries to dispose of their shares before they are delisted.

### 2. **Actions taken by the company in relation to the remuneration system to reduce exposure to excessive risks and to align it with the long-term objectives, values and interests of the company, accrual period and deferred payment period.**

The remunerative principles of the Policy of Remunerations 2022-2024 comply with the provisions of the LSC for capital enterprises and are in line with the principles and recommendations on director remuneration contained in the GGCLC published by the CNMV regarding alignment to the company’s size, its economic situation, comparability, profitability and sustainability, as well as the avoidance of excessive risk-taking or rewarding poor performance.

Siemens Gamesa applies the following practices in this regard:

- Regular use of external advice.
- Deferred receipt of a significant portion of remuneration of the CEO for a sufficient time to confirm effective compliance with performance or other previously established conditions.
- Delivery of a significant portion of remuneration of the CEO in shares of the Company. The shares effectively received by virtue of the long-term variable remuneration plans should be retained until a specific amount of the annual fixed remuneration is reached.
- Establishing malus and clawback clauses applicable to long-term and annual variable remuneration of the CEO so that said remuneration may ultimately amount to zero.
- Regular review of alignment of total remuneration with that of comparable companies so that the Company ensures that its directors are competitively remunerated.
- In the case of the CEO, linking of payment of a significant portion of remuneration to the pre-determined and quantifiable economic and financial results of the Company, aligned with the corporate interest and in line with the Company’s strategic plan.
- As a general rule, no advances or loans granted.
- No discrimination in terms of remuneration on grounds of gender, age, culture, religion or race. Siemens Gamesa’s professionals are remunerated based on their professional background, dedication and responsibility assumed.
- In general, no guaranteed increases in fixed remuneration or guaranteed receipt of any variable remuneration.

## Remuneration Policy of the Company for the Current Financial Year

The measures to determine appropriate risk management and to promote the sustainability of Siemens Gamesa's results are the following:

### Annual variable remuneration:

- As a general rule, there is no right to obtain guaranteed short-term variable remuneration, since there is a threshold of minimum compliance for each objective, below which such remuneration will not be paid.
- AVR has a set maximum payment amount.
- A variable remuneration system is designed on an annual basis for the annual variable remuneration and on a three-year basis for the long-term incentive plans, based on formal procedures for determining the amounts to pay to the CEO. The payment is contingent upon the achievement of a combination of specific, pre-determined and quantifiable qualitative and quantitative targets that are aligned with the corporate interest and in line with the strategic plan of Siemens Gamesa, as well as the results of the Company.
- At the beginning of each financial year, the ARC reviews the terms of the AVR system applicable to the CEO, including the structure, achievement scales, established objectives and weight of each of them, based on the strategy of the Company and the needs and status of the business. This review is then submitted to the Board of Directors for approval.
- The Policy of Remunerations contemplates the relevant "malus" clauses for the annual variable remuneration, which will apply during the term thereof until payment, and "clawback" clauses and such "malus" and "clawback" clauses are the same as those applicable for long-term variable remuneration, which are detailed below.

### Long-term variable remuneration based on long-term incentive plans:

- There is no right to obtain guaranteed long-term variable remuneration and it is contingent upon achievement of set targets. No long-term variable remuneration will be paid below a minimum level of achievement of the targets to be set for each Cycle by the Board of Directors, after a report from the ARC.
- Long-term variable remuneration has a set maximum payment amount. In addition, the value of the shares to be received by the CEO deriving from each of the Cycles of the LTI Plans cannot exceed a certain amount.
- It is linked to the achievement of a combination of specific, predetermined and quantifiable quantitative and qualitative objectives. The weightings of the objectives will be determined by the Board of Directors for each of the Cycles of the LTI Plans, following the favourable report of the ARC.
- Pursuant to Recommendation 62 of the GGCLC of the CNMV, any shares delivered to the CEO under the LTI Plans will be subject to a holding period until reaching a certain number of shares. For the LTI Plan 2018-2020, the CEO must hold: (i) two times the annual fixed remuneration for the Cycle FY2018, and (ii) two and one-half times the annual fixed remuneration for the Cycles FY2019 and FY2020. For the LTI Plan 2021-2023, the CEO must hold two and one-half times the annual fixed remuneration for each of its three Cycles.
- The LTI Plans contemplate the relevant "malus" clauses, which will apply during the term thereof until payment, and clawback clauses, which will apply for three years following the end of each Cycle of the LTI Plans.

The ARC will have the power to propose to the Board of Directors, the cancellation, reduction or return of the payment of multi-annual variable remuneration in supervening circumstances showing that the variable remuneration has accrued or been paid based on incorrect or erroneous information or data, or if it is subsequently shown that there are violations of the Company's internal rules or applicable law.

In relation to the LTI Plan 2018-2020, the application of the foregoing provisions could take place upon the occurrence of any of the following circumstances: (i) regulatory sanctions or judicial convictions on grounds attributable to the director, (ii) serious breach of internal codes of conduct or policies approved by the Company, (iii) any other circumstances resulting in a subsequent adjustment of the parameters taken into consideration in the initial evaluation of the CEO's percentage achievement of the objective, or (iv) any other situation that entails an infringement of mandatory rules of the Company.

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In relation to the LTI Plan 2021-2023, the Company has incorporated to the referred Policy of Remunerations 2022-2024 a reinforced malus and clawback clauses which entitle the Board of Directors, following the proposal from the ARC to cancel, suspend, or return the payment of the annual variable remuneration as well as of any other incentive resulting from the Long-Term Incentive Plans ("LTIP") when extraordinary circumstances arise that adversely affect the income and/or the financial position of the Company, or that would be caused by the inappropriate conduct of the Director.

The Policy of Remunerations 2022-2024 details as an example some of the circumstances under which such malus and clawback clauses may be applicable. Hence, the malus clause may be applicable, among others, under the following circumstances:

- a) Restatement of the Company's financial statements as a result of the Director's management, in relation to the financial year on which the annual variable remuneration is calculated, or to one of the years of a Cycle of a LTIP, except when the restatement is appropriate based on an amendment of accounting rules or standards.
- b) Qualified opinions appearing in the auditor's report issued for the financial year on which the annual variable remuneration is calculated, or for one of the years of a Cycle of a LTIP.
- c) If the Company has unplanned negative "net income" (adjusted by unforeseen impacts resulting from restructuring and/or mergers or acquisitions/disposals), in the financial year on which the annual variable remuneration is to be calculated, or in two consecutive years of measurement of the objectives for each Cycle of the LTIP, or in the last year of measurement of the objectives of each Cycle of a LTIP.
- d) If the Company has a significant deviation from the budgeted "net financial debt" of the year on which the annual variable remuneration is to be calculated, or of the last year of the LTIP Cycle (considering as adjustments, where applicable, payments of dividends or mergers and acquisitions).

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

- e) Regulatory sanctions or judicial convictions on grounds attributable to the Director.
- f) Director's serious breach of internal codes of conduct or policies approved by the Company or the Group.
- g) Justified dismissal on disciplinary grounds or, in the case of commercial contracts, just for cause attributable to the Director at the Company's request.
- h) Any other situation that entails an infringement of mandatory rules of the Company by the Director

The clawback clause may be applicable, among others, under the following circumstances:

- a) Restatement of the Company's financial statements as a result of the Director's management, in relation to the year for which the variable remuneration was paid, or to one of the years of a Cycle of the LTIP, except when the restatement is appropriate based on an amendment of accounting rules or standards.
- b) When it appears that calculation and payment of annual variable remuneration or the settlement of one Cycle of a LTIP was based, in whole or in part, on information the serious inaccuracy or falsity of which is subsequently clearly demonstrated, or risks assumed during the year for which the variable remuneration was paid, or during one of the years of a Cycle of a LTIP materialise, or other exceptional circumstances not foreseen or assumed by the Company arise, that have a material adverse effect on the results of any of the years in the Look-Back Period.
- c) Negative "net income", as defined in the "malus" clause, in the three years following the payment of the annual variable remuneration or of the settlement of a Cycle of a LTIP attributable to management during the years in which the annual remuneration or the incentive were generated.
- d) Regulatory sanctions or judicial convictions on grounds attributable to the Director.
- e) Director's serious breach of internal codes of conduct or policies approved by the Company or the Group.
- f) Any other situation that entails an infringement of mandatory rules of the Company by the Director.

## Remuneration Policy of the Company for the Current Financial Year

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

### A.1.3 Amount and nature of fixed components that are due to be accrued during the year by directors in their capacity as such.

The shareholders acting at a General Meeting of Shareholders set the annual allotment that can be paid by the Company to all of its directors for their status as such, and the Board of Directors is responsible for distributing this amount among the various directors in the manner, time and proportion that it freely decides, and may reduce the amount if it so deems appropriate.

For these purposes, the shareholders acting at the General Meeting of Shareholders held on 8 May 2015 approved remuneration for the directors in their capacity as such, within the annual maximum limit of 3 million euros. This limit will remain in effect for so long as the shareholders do not resolve to change it. Pursuant to article 29 of the Board Regulations, the executive directors are excluded from said maximum limit. The Company does not consider proposing the amendment of said limit to the 2023 General Meeting of Shareholders.

Of such amount, the breakdown of fixed remuneration by position and responsibilities attributed to the directors approved by the Board of Directors for financial year 2023, which is unchanged from financial year 2019, is the following:

- a) Chair of the Board of Directors: 250,000 euros, along with attendance fees for attending meetings of the Board of Directors and any meetings of its Committees.
- b) Vice Chair of the Board of Directors: 150,000 euros, along with attendance fees for attending meetings of the Board of Directors and any meetings of its Committees.
- c) Non-executive directors: 80,000 euros.
- d) Lead Independent Director (none currently existing): additional 20,000 euros.
- e) Additional remuneration for belonging to the various Committees:

	Audit, Compliance and Related Party Transactions Committee	Other Committees of the Board of Directors
Chair	80,000 euros	60,000 euros
Member	60,000 euros	40,000 euros

- f) Fees for attending meetings of the Board of Directors and of its Committees:

	Board of Directors	Committees of the Board of Directors
Chair	2,000 euros per meeting	3,800 euros per meeting
Member	2,000 euros per meeting	2,000 euros per meeting

All of the amounts are established for the personal on-site or by video-conference presence of the director. In the case of attendance by approved remote means of communication, other than video-conference, the corresponding attendance fee would be 50% of the above amounts. If a proxy is granted, the right to the attendance fee would not accrue.

**Remuneration Policy of the Company for the Current Financial Year**

In addition, directors in their capacity as such are entitled to the remuneration in kind set forth in section A.1.5 as fixed components of their remuneration.

The amounts are accrued proportionally to the time the position is held.

According to the CNMV Report called "Remuneration Reports of directors of listed companies-Fiscal year 2021" ("CNMV Report"), the sum of the fixed remuneration, allowances, and remuneration for membership to Board's committees for non-executive directors reaches a total of 201,000 euros for the 75<sup>th</sup> percentile (100,000 euros of fixed remuneration, 37,000 euros of allowances and 64,000 euros of remuneration for membership on the Board's committees). Therefore, the remuneration of the non-executive directors of the Company is aligned with the data published by the CNMV for financial year 2021, in the 75 percentile.

Three directors of Siemens Gamesa, two of them holding positions on the Managing Board of Siemens Energy AG and the third one a position in Siemens Energy Brazil, waived the receipt of the amounts indicated above and therefore do not receive any remuneration.

**A.1.4 Amount and nature of fixed components that are due to be accrued during the year for the performance of senior management functions of executive directors.**

The executive directors receive annual fixed remuneration in cash for the performance of executive duties. The amount of the fixed remuneration of the executive directors is established by the Board of Directors, upon a proposal of the ARC, in a manner consistent with the level of responsibility within the organisation, trying to be competitive with other comparable entities, thus favouring the retention of key professionals, and can be revised annually taking into account the circumstances of each financial year of the Company.

The Board of Directors currently has only one executive director: the CEO (Mr Jochen Eickholt).

The annual fixed remuneration in cash of the current CEO (Mr Jochen Eickholt) will amount to 1,050,000 euros during financial year 2023, which is the same amount as in financial year 2022.

For the performance of executive duties, the Company also makes Social Security payments and he is entitled to the benefits set forth in section A.1.5.

**A.1.5 Amount and nature of any component of remuneration in kind that will accrue during the year, including, but not limited to, insurance premiums paid in favour of the director.**

The Policy of Remunerations 2022-2024 contemplates certain remuneration in kind for the following items:

**For the CEO****i) Use of a Company vehicle:**

The Company gives the CEO the right to use a vehicle in accordance with the policy followed for top executives.

**ii) Health and casualty insurance:**

The CEO is the beneficiary of health and casualty insurance.

**iii) Contributions for pension supplements through group life insurance:**

This is a defined contribution plan that covers retirement, disability, death, dependence of the participant and exceptional liquidity situations (long-term unemployment, serious illness, etc.). The benefit consists of the right to receive cumulative contributions made on his behalf by the Company plus the returns generated as a result of the occurrence of any of the covered contingencies.



## Remuneration Policy of the Company for the Current Financial Year

In case of the CEO's cessation in office with the Company for reasons other than the covered contingencies, the CEO will have the right to all of the accumulated balance, unless the termination of the contractual relationship occurs for any of the following reasons: (i) criminal conviction or regulatory sanction on grounds attributable to the participant; (ii) serious breach of the internal rules of Siemens Gamesa or of the Group, and (iii) fraudulent or grossly negligent conduct of the CEO in the performance of his duties.

The receipt of any compensation to which the CEO may be entitled due to the termination of his contractual relationship with the Company does not forfeit the right to receive the accumulated balance in the long-term savings system.

For financial year 2023, the annual contribution will amount to 243,600 euros. As in previous financial years since 2018, this amount represents 23.2% of his fixed annual remuneration of the current CEO (Mr Jochen Eickholt). This amount is in the middle of the market range for this position, according to the last analysis requested by the Company for such purpose to an external consultant. However, this amount will be subject to potential updates to the extent recommended by market circumstances, so that any increase will take into account the financial status of the Company and market standards with comparable companies obtained through a comparative analysis made by specialised outside consultants.

- iv) Benefits for adaptation and stay in the host country (Spain): The CEO is entitled to certain benefits granted in concept of adaptation and stay in Spain (benefits for the current CEO (Mr Jochen Eickholt): housing for a 36-month period, security services, movement of personal effects, purchase of furniture, training in Spanish language, relocation service, travel for a 36-month period, tax advice and expenses arising from processing of work and residency permits).

### For all directors

- i) Life insurance: Directors may receive premiums paid by the Company for policies purchased from insurance companies to cover death and disability benefits. Pursuant to the terms of the policy, the sum insured for each of the directors is 220,000 euros.

Without prejudice to the foregoing, the Policy of Remunerations 2022-2024 does not provide for the ability to include contributions to pension benefits systems for the non-executive directors.

- ii) Civil liability insurance: Although this is not considered remuneration from a tax law perspective (and therefore, no specific amount is reported for this concept), all Directors benefit from an insurance covering for civil liability arising from the performance of their duties, on standard market terms and provided by the Company itself.

**A.1.6 Amount and nature of variable components, differentiating between those established in the short and long terms. Financial and non-financial, including social, environmental and climate change parameters selected to determine variable remuneration for the current year, explaining the extent to which these parameters are related to performance, both of the director and of the company, and to its risk profile, and the methodology, necessary period and techniques envisaged to be able to determine the effective degree of compliance, at the end of the year, with the parameters used in the design of the variable remuneration, explaining the criteria and factors applied in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.**

**Indicate the range, in monetary terms, of the different variable components according to the degree of fulfilment of the objectives and parameters established, and whether any maximum monetary amounts exist in absolute terms.**

The CEO is the only director with a variable component in his system of remuneration.

As mentioned in section A.1.2 above, the variable remuneration system for the CEO currently includes two variable components linked to the achievement of specific and quantifiable objectives that are aligned with the corporate interest of Siemens Gamesa.

The Board of Directors, upon a proposal of the ARC, is responsible for setting these objectives for each financial year and for evaluating the level of achievement thereof at the end of the year.

## Remuneration Policy of the Company for the Current Financial Year

The specific standards and objectives set for 2023 that are taken into account for determining the annual and long-term variable remuneration are the following:

Annual variable remuneration (AVR):

The AVR of the CEO represents a percentage of his annual fixed remuneration, calculated based on the achievement of a combination of predetermined and quantifiable quantitative and qualitative objectives, and is paid entirely in cash.

This AVR is determined pursuant to an achievement scale calculated based on 100% of annual fixed remuneration (if 100% of the pre-established objectives are met) and can reach a maximum amount of 200% (in the case of extraordinary performance and maximum over-performance of the pre-established objectives). It also includes a threshold below which no incentive at all is paid. The maximum level of the AVR target in financial year 2023 therefore remains at 200% (same level as in financial year 2022) in the case of the maximum achievement of the pre-determined targets. As previously stated in section A.1.2 of this report, the current CEO (Mr Jochen Eickholt) has an exceptional and contractually guaranteed AVR of 612,500 euros as a sign-on bonus only for FY2022, which is equivalent to the proportion of time for which he has performed his duties as CEO based on a 100% achievement level of his AVR targets for financial year 2022. This guarantee does not apply to financial year 2023 or to other future financial years.

The parameters used by Siemens Gamesa for calculating AVR are based on quantitative financial indicators, just like those most frequently used by listed companies, in accordance with the CNMV Report, and a non-financial indicator in compliance with Recommendation 58 of the CNMV's GGCLC.

At the beginning of each financial year, the ARC will review the terms of the variable remuneration system of the CEO, and specifically the maximum levels of remuneration, the established objectives and the weight of each of them, based on the strategy of the Company and the needs and status of the business. This review will then be submitted for the approval of the Board of Directors.

The level of achievement is determined based on indicators for achievement of the business and financial objectives of the Company and of the Group, and of the individual objectives of the CEO.

In order to calculate the AVR for the 2023 financial year, the Board of Directors has established, on the proposal of the ARC, the following performance indicators, weighting and minimum compliance thresholds for each of them:

- **70%** of the total AVR shall be calculated on the basis of the below described Group Financial and Non-Financial indicators measured at Group level; and
- the remaining **30%** of the AVR shall be calculated on the basis of individual indicators of the CEO, that shall be assessed by the Board of Directors at the proposal of the ARC that take into account his different responsibilities. The indicators are related, among others, to the implementation of a new operating model, business continuity and business stabilisation and optimisation via the Mistral programme.

**Group Financial and Non-Financial indicators (70% of the AVR)**

For the purpose of calculating the payment coefficient obtained for each level of target achievement, a performance scale is determined for each metric which takes into account budgetary compliance in the case of financial indicators and which includes a minimum threshold below which no incentive is paid. In the case of 100% achievement of the target set, the target AVR will be paid and, in the case of maximum achievement of the targets, the maximum AVR (200% of the fixed remuneration) would be payable. Information is provided below in greater detail about the scales for achieving each of the targets and how the stipulated maximum is achieved:

Performance Indicator	Type of Indicator	Weighting	Pay Level % of Target			Measurement period
			Minimum	Target	Maximum	
EBIT pre PPA and I&R costs	Financial	50%	49.29%	100%	152.38%	1 Year
Free cash flow, (before interests and taxes)	Financial	20%	74.28%	100%	126.57%	1 Year
Order Intake	Financial	20%	54.78%	100%	145.21%	1 Year
Total Recordable Injury Rate	Non-Financial	10%	179.78%	100%	67.42%	1 Year

## Remuneration Policy of the Company for the Current Financial Year

- The **Financial indicators** are aligned with the Group's most relevant management metrics:
  - EBIT pre PPA integration & restructuring costs (I&R): EBIT excluding integration and restructuring costs and the impact on amortization of intangibles' fair value from of the Purchase Price Allocation (PPA).
  - Free cash flow (before interests and taxes)
  - Order Intake
- The **Non-Financial indicator** is related to one of the Group's most important priorities which is Health and Safety, calculated on the basis of the Total Recordable Injury Rate (TRIR) ratio that describes the number of recordable injuries for every 1,000,000 hours during financial year 2023. Being an injury rate ratio, weighting shall be higher when TRIR is below the target and lower when above such target (i.e. if the TRIR is 179.78% above the target, no incentive will apply for this indicator).

### Individual indicators (30% of the AVR)

Individual indicators of the CEO are related to the implementation of a new operating model, business continuity and business stabilisation and optimisation via the Mistral programme.

AVR shall be paid in arrears, for which reason the AVR for financial year 2023 will be paid in financial year 2024 net of taxes.

In relation to the criteria and factors applied by Siemens Gamesa in regard to the time required and methods of verifying that the performance or any other conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met, following the fourth quarter of each financial year the HR Department, specifically its Compensation and Benefits area for the Group Financial and Non-Financial Indicators, and the CEO Office for the Individual Indicators, are responsible for obtaining the required information from the corresponding areas or business functions, with the purpose of preparing an achievement proposal for each indicator, which will be validated by Internal Audit function prior to the Board of Directors' final assessment and approval upon proposal from the ARC, in the same meeting in which the financial statements will be formulated.

### Long-term variable remuneration:

The Company also has two Incentive Plans (LTI Plans) currently in force and linked to achievement of long-term strategic objectives in order to retain the CEO and incentivise his motivation, thus maximising the value of Siemens Gamesa on a sustained basis over time.

The first one, the **LTI Plan 2018-2020**, was approved by the General Meeting of Shareholders held on 23 March 2018 for the period of financial years 2018-2020 and amended at the General Meeting of Shareholders held on 27 March 2019 for Cycles FY2019 and FY2020.

The second one, the **LTI Plan 2021-2023**, was approved by the General Meeting of Shareholders held on March 17, 2021 for the period of financial years 2021-2023.

The general characteristics of both LTI Plans are as follows:

- Beneficiaries: include the CEO, Top Management, certain Senior Managers and employees of the Siemens Gamesa Group, directed towards a maximum of 300 beneficiaries. In accordance with the Policy 2022-2024 of the Company, no other member of the Board of Directors is a beneficiary of the LTI Plans.
- Duration, dates and terms: the LTI Plans have a duration of five years, divided into three independent Cycles, with a measurement period of three years for each Cycle (in which the level of achievement of the requirements and objectives established for the delivery of the shares will be determined):

### LTI Plan 2018-2020:

- Cycle FY2018: from 1 October 2017 to 30 September 2020.

## Remuneration Policy of the Company for the Current Financial Year

- Cycle FY2019: from 1 October 2018 to 30 September 2021.
- Cycle FY2020: from 1 October 2019 to 30 September 2022. This is the only remaining Cycle of this LTI Plan 2018-2020.

LTI Plan 2021-2023:

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

Shares will be delivered, if applicable, within sixty calendar days from the date on which the Company's Board of Directors formulates the annual accounts for the financial year in order to determine the level of achievement of the objectives for each Cycle ("Delivery Date").

The LTI Plan 2018-2020 will end on the Delivery Date for the Cycle FY2020 (i.e. after the formulation of the accounts for financial year 2022) and the LTI Plan 2021-2023 will end on the Delivery Date for the Cycle FY2023 (i.e. after the formulation of the accounts for financial year 2025).

- Permanence requirement: a general requirement for collecting the incentive is the maintenance of an active relationship with the Siemens Gamesa Group on the respective Delivery Dates for each Cycle, without prejudice to each of the Plan's Regulations governing specific cases of partial interruptions in the provision of services and terminations of employment relationships for "good leavers".
- Assignment of Stock Awards: for each Cycle of the LTI Plans, the Company will allocate a certain amount to each beneficiary to serve as the basis for granting a certain number of Stock Awards that will serve as a reference to determine the final number of shares to be delivered to each beneficiary based on the level of achievement of the objectives established for each Cycle of the respective LTI Plans.

In line with the foregoing, section C.1.a).ii) of this Report provides an individualised breakdown of the Stock Awards given to the CEO during the Cycle FY2022, which would give the right, if applicable, to the delivery of a number of shares after the passage of three-year objectives measurement period.

- Objectives, weightings and levels of achievement for the **Cycle FY2020 of LTI Plan 2018-2020**:
  - TSR Ratio of Siemens Gamesa compared to the ISE Clean Edge Global Wind Energy Index, with a weighting of 40%.
  - TSR Ratio of Siemens Gamesa compared to the TSR of the company Vestas Wind System A/S, with a weighting of 40%.
  - Corporate Social Responsibility, with a weighting of 20%, which will be calculated taking into account the following three indicators, which will have an equal weighting:
    - Sustainability, linked to the position reached by the Company on the Dow Jones Sustainability Index.
    - Net Promoter Score (customer).
    - Employee Engagement.

Metrics	Level of achievement							
	% achievement	Payment	% achievement	Payment	% achievement (Target)	Payment	% achievement	Payment (Maximum)
TSR Ratio vs. Index	<=80%	0%	> 80% < 100%	> 0% < 100%	100%	100%	=>120%	200%
TSR Ratio vs. Vestas	<90%	0%	90%	50%	100%	100%	=>120%	200%

## Remuneration Policy of the Company for the Current Financial Year

Metrics	Level of achievement											
	% achievement	Payment	% achievement	Payment	% achievement	Payment	% achievement (Target)	Payment	% achievement	Payment	% achievement	Payment (Maximum)
CSR (3 indicators)	No improvement in any indicator	0%	No improvement in 2 indicators and improvement or continued improvement in 1 indicator	33%	Improvement or continued improvement in 2 indicators and no improvement in 1 indicator	67%	Improvement in 2 indicators and improvement or continued improvement in 1 indicator	100%	Improvement in 1 indicator and continued improvement in 2 indicators	150%	Continued improvement in 3 indicators	200%

- Objectives, weightings and levels of achievement for the **Cycles FY2021, FY2022 and FY2023** of LTI Plan 2021-2023:
  - EPS Ratio, with a weighting of 20%.
  - TSR Ratio of Siemens Gamesa compared to the TSR of the company Vestas Wind System A/S, with a weighting of 60%.
  - Environmental, Social and Governance (“ESG”) objectives, with a weighting of 20% for Cycle FY2021, which will be calculated taking into account the following three indicators, which will have its own weighting established by the Board of Directors. For Cycles FY2022 and FY2023 the ESG metrics and the sum of the weighting of the ESG metrics shall be determined by the Board of Directors, following a favorable report from the ARC, and said sum (DJSI, NPS and EE for the Cycle FY2021) shall not exceed 30 percent:
    - Sustainability - Dow Jones Sustainability Index (“DJSI”).
    - Customer satisfaction – Net Promoter Score (“NPS”).
    - Employee engagement (“EE”).

Metrics	Level of achievement					
	% achievement	Payment	% achievement (Target)	Payment	% achievement	Payment (Maximum)
EPS Ratio	<67%	0%	100%	100%	>133%	200%
TSR Ratio vs. Vestas	<80%	0%	100%	100%	>120%	200%
ESG (3 indicators)	The Board of Directors will determine the minimum level below which no incentive associated with these metrics will be paid, as well as the maximum level from which the incentive can reach 200% of the incentive linked to them.					

- Maximum amount: at the General Meeting of Shareholders in financial year 2019, the shareholders increased the maximum number of shares allocated to the LTI Plan 2018-2020, ultimately allocating a maximum number of 7,560,000 shares, representing 1.1% of the share capital of Siemens Gamesa. In relation to the LTI Plan 2021-2023 the maximum number of shares allocated to it is 3,938,224 shares, representing 0.58% of the share capital of Siemens Gamesa.

The number of Stock Awards granted to the current CEO, Mr Eickholt, was 70,846 for Cycle FY2022 of the LTI Plan 2021-2023. This figure only reflects the maximum number of shares that could be delivered to the current CEO in the event of maximum achievement of all pre-established targets for that Cycle, but it does not mean that some or all of those shares will be delivered. The number of shares (if any) ultimately delivered will be calculated based on the level of actual achievement of the targets to which the delivery is subject and is also subject to certain maximum limits described in section A.1.2 above. See also this section A.1.2 in relation to the resolutions of the Board of Directors regarding the intended cash out of the outstanding cycles of the LTI Plan 2021-2023 subject to delisting.

## Remuneration Policy of the Company for the Current Financial Year

The number of Stock Awards granted to the former CEO, Mr Nauen, was 51,848 for the Cycle FY2020 (result of the pro rata reduction, calculated on its departure date, from the 79,164 originally awarded), and 18,044 for the Cycle FY2021 (result of the pro rata reduction, calculated on its departure date, from the 41,438 originally awarded), respectively. Mr Nauen was not granted any Stock Awards for Cycle FY2022. These figures only reflect the maximum potential number of shares to be received by the former CEO in the case of maximum achievement of all the pre-established objectives for such Cycles but does not in any way mean that some or all of them will be delivered. The number of shares (if any) ultimately delivered will be calculated based on the level of actual achievement of the objectives to which the delivery is subject and is subject also to certain maximum limits described in section A.1.2 above. On 30 November 2021, as communicated to the Spanish Stock Market Commission, the former CEO received, after applying the applicable withholding tax, 15,227 shares for Cycle FY2019 of the LTI Plan 2018-2020; at the date of submission of this Report no share has been yet delivered to the current CEO or to the former CEO by virtue of any of the rest of the Cycles of the LTI Plans.

See section A.1.2 in relation to the resolutions of the Board of Directors regarding the outstanding cycles of the LTI Plans 2018-2020 and 2021-2023.

- Malus and clawback clauses: The LTI Plans include the relevant *malus* clauses, which will apply both during the term of each of the LTI Plan's Cycles and during the period of time from the end of each Cycle until the actual delivery of the shares, and claw-back clause, which will apply for three years after each of the Delivery Dates of the LTI Plans. These clauses could cause a reduction, cancellation, suspension or return of the shares to be delivered under certain circumstances, as determined by the Board of Directors from time to time according to the stipulations of each of the LTI Plans.
- Holding rules: according to the terms applicable to each of the LTI Plans, the CEO and the Top Management who are beneficiaries must hold the net shares actually received under each Cycle of the LTI Plans until reaching, for so long as they provide services within the Group, a number of shares equal to:
  - In the case of the CEO, two and one-half (2.5) times his annual fixed remuneration (two times his annual fixed remuneration for the shares corresponding to the Cycle FY2018 of the LTI Plan 2018-2020).
  - In the case of Top Management, one and one-half (1.5) times their annual fixed remuneration (one times their annual fixed remuneration for the shares corresponding to the Cycle FY2018 of the LTI Plan 2018-2020).

See section A.1.2 in relation to the resolutions of the Board of Directors regarding the LTI Plans 2018-2020 and 2021-2023 regarding the waiver of the holding periods in the context of the Takeover Bid and subject to delisting.

**A.1.7 Main characteristics of long-term savings schemes. Among other information, indicate the contingencies covered by the scheme, whether it is a defined contribution or a defined benefit scheme, the annual contribution that has to be made to defined contribution schemes, the benefits to which directors are entitled in the case of defined benefit schemes, the vesting conditions of the economic rights of directors and their compatibility with any other type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director.**

**Indicate whether the accrual or vesting of any of the long-term savings plans is linked to the attainment of certain objectives or parameters relating to the director's short- or long-term performance.**

The Policy of Remunerations 2022-2024 provides that the CEO may be the beneficiary of contributions to benefits systems with respect to Social Security, pensions or payments of life insurance and capitalisation premiums.

Pursuant to section A.1.5 of this Report, the CEO is entitled to receive contributions for pension supplements through group life insurance. The contributions made to this system during financial year 2022 are described in section B.9 of this Report.

## Remuneration Policy of the Company for the Current Financial Year

- A.1.8 Any type of payment or indemnification for early termination or dismissal, or deriving from the termination of the contractual relationship, in the terms provided, between the company and the director, whether at the company's or the director's initiative, as well as any type of agreement reached, such as exclusivity, post-contractual non-competition, minimum contract term or loyalty, that entitles the director to any kind of remuneration.**

The Policy of Remunerations 2022-2024 does not provide for severance payments to the non-executive directors in the event of termination of their duties as director.

The contract of the CEO provides for making the severance payments explained as follows and in section A.1.9 below.

The contract of the CEO provides in certain cases for the payment of consideration for: (i) compliance with the post-contractual non-competition clause, (ii) breach of the duty of prior notice, (iii) termination of the contractual relationship with the Company due to the decision thereof, provided that it is not due to wilful or grossly negligent conduct by the CEO in the exercise of his duties that causes damage or harm to the Company, and (iv) termination of the contract by decision of the CEO based on a serious and culpable breach of the Company.

More details regarding these clauses and consideration are provided in section A.1.9 below regarding the terms of the CEO's contract, and the relevant amounts paid to the former CEO (Mr Andreas Nauen) in financial year 2022 are included in section B.10 of this report.

- A.1.9 Indicate the conditions that the contracts of executive directors performing senior management functions should contain. Among other things, information must be provided on the duration, limits on amounts of indemnification, minimum contract term clauses, notice periods and payment in lieu of these notice periods, and any other clauses relating to signing bonuses, as well as compensation or golden parachute clauses for early termination of the contractual relationship between the company and the executive director. Include, among others, the pacts or agreement on non-competition, exclusivity, minimum contract terms and loyalty, and post-contractual non-competition, unless these have been explained in the previous section.**

Pursuant to the LSC and the internal rules of the Company, the Board of Directors, upon a proposal of the ARC, is responsible for approving the main terms of the contracts of the executive directors (including any compensation or severance payments for termination) for the performance of their executive duties.

The contract governing the performance of the duties and responsibilities of the CEO is commercial in nature.

Set forth below, and in accordance with the provisions of sections 249 and 529 *octodecies* of the LSC, is a description of the main terms and conditions of the CEO's contract, which are those typically included in these types of contracts based on customary market practices, in order to protect the legitimate interests of the Company:

- a) Term: the contract has an indefinite term.
- b) Exclusivity: there are rules on exclusivity in the professional relationship unless expressly authorised by the Board of Directors after evaluating exceptional cases.
- c) Prior notice period: in case of termination both by the CEO and by the Company, the party desiring to terminate the contractual relationship must notify the other at least three months in advance of the date on which the termination is to be effective. In case of a breach of the duty to provide prior notice, the breaching party must indemnify the other in an amount corresponding to the annual fixed remuneration of the CEO approved for the financial year in question, pro-rated based on the period of the breach.
- d) Severance: in case of termination of the contractual relationship by the Company, the severance payment will be equal to one year of fixed cash remuneration of the CEO. There will be no severance payment if the termination occurs as a result of wilful or grossly negligent conduct by the CEO in the performance of his duties that cause damage or harm to the Company.

## Remuneration Policy of the Company for the Current Financial Year

No severance payment is provided if the contract is terminated by the own free will of the CEO. If the CEO decides to terminate his relationship with Siemens Gamesa due to a serious and culpable breach by the Company (and such breach is declared in a final judgment by a competent Court), he shall be entitled to receive the same severance payment as that indicated for cases of termination by the Company, or the severance payment to which he is legally entitled if greater.

- e) Post-contractual non-compete: the post-contractual non-compete clause provides that after termination of the contract and for a period of one year thereafter, the CEO may not directly or indirectly provide services, whether for his own or for another's account, either himself or through third parties, to Spanish or foreign companies that involves actual or potential effective competition with the companies of the Siemens Gamesa Group.

As compensation, Siemens Gamesa undertakes to compensate the CEO with an amount equal to the annual amount of his fixed cash remuneration, payable 50% on termination of the contract with the Company and the remaining 50% upon the passage of six months from the termination.

The CEO also has an obligation not to compete with the Company in his capacity as a director of Siemens Gamesa upon the terms governing said obligation for directors of the Company in the LSC and in the Regulations of the Board.

- f) Duty of confidentiality: the contract of Siemens Gamesa's CEO includes a duty of confidentiality deriving from the duty of loyalty established by the LSC, and also covers when the director ceases to hold the position.

### A.1.10 The nature and estimated amount of any other supplementary remuneration that will be accrued by directors in the current year in consideration for services rendered other than those inherent in their position.

The directors of Siemens Gamesa have not earned any supplementary remuneration for services rendered during financial year 2022 and no such supplementary remuneration is foreseen in financial year 2023.

### A.1.11 Other items of remuneration such as any deriving from the company's granting the director advances, loans or guarantees or any other remuneration.

The Policy of Remunerations 2022-2024 does not provide for the provision of loans, advances or guarantees by the Company in favour of the non-executive members of the Board of Directors.

The executive directors have not earned any remuneration for this item during financial year 2022.

### A.1.12 The nature and estimated amount of any other planned supplementary remuneration to be accrued by directors in the current year that is not included in the foregoing sections, whether paid by the company or by another group company.

There is no provision, for the current financial year 2023, for any supplementary remuneration to be paid by the Company or by any other entities of the Group to any of the members of the Board of Directors that have held such position during financial year 2023.



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**Remuneration Policy of the Company for the Current Financial Year**

- A.2 Explain any significant change in the remuneration policy applicable in the current year resulting from:**
- a) A new policy or an amendment to a policy already approved by the General Meeting.**
  - b) Significant changes in the specific determinations established by the board for the current year regarding the remuneration policy in force with respect to those applied in the previous year.**
  - c) Proposals that the Board of Directors has agreed to submit to the general shareholders' meeting to which this annual report will be submitted and for which it is proposed that they be applicable to the current year.**

There were no changes in financial year 2022 to the current "Policy of Remunerations of Directors of Siemens Gamesa Renewable Energy, S.A. 2022-2024", which was approved at the General Meeting of Shareholders of Siemens Gamesa on 17 March 2021 and is applicable to the financial years ending in September 2022, September 2023, and September 2024.

- A.3 Identify the direct link to the document containing the company's current remuneration policy, which must be available on the company's website.**

<https://www.siemensgamesa.com/en-int/-/media/siemensgamesa/downloads/en/investors-and-shareholders/corporate-governance/corporate-policies/20210317-sgre-politica-de-remuneraciones-2022-2024-english-def.pdf?la=en-bz&hash=CEAC2858BD426E3FF2B971D8EF0B97A1913215E2>

- A.4 Explain, taking into account the data provided in Section B.4, how account has been taken of the voting of shareholders at the General Shareholders' Meeting to which the annual report on remuneration for the previous year was submitted on a consultative basis.**

The consultative voting of the Annual Report on Remunerations of Directors of financial year 2021 received the favourable vote of 98.27% of the votes cast at the General Meeting of Shareholders held on 24 March 2022, upon the terms set forth in section B.4.

The proposal of the Board of Directors regarding the approval of the Policy of Remuneration of Directors 2022-2024 was submitted to a binding vote at the General Meeting of Shareholders on 17 March 2021 and received the favourable vote of 97.75% of the votes cast at the aforementioned General Meeting of Shareholders.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

# B. OVERALL SUMMARY OF HOW REMUNERATION POLICY WAS APPLIED DURING THE YEAR LAST ENDED

**B.1.1 Explain the process followed to apply the remuneration policy and determine the individual remuneration contained in Section C of this report. This information will include the role played by the remuneration committee, the decisions taken by the Board of Directors and the identity and role of any external advisors whose services may have been used in the process of applying the remuneration policy in the year last ended.**

The Policy of Remunerations applied during financial year 2022 was the "Policy of Remunerations of Directors of Siemens Gamesa Renewable Energy, S.A. 2022-2024" approved by the shareholders at the General Meeting of Shareholders on 17 March 2021, which is applicable during the financial years ending in September 2022, September 2023 and September 2024. Specifically, the process followed to apply the Policy of Remunerations 2022-2024 during financial year 2022 and to determine the individual remuneration reflected in section C of the Report is the following:

1. Executive directors: in accordance with their respective contracts and with the Policy of Remunerations 2022-2024, during financial year 2022 the current and former CEOs (Messrs Jochen Eickholt and Andreas Nauen, respectively) have earned the remuneration that is described in section B.6 of this Report.

2. Directors in their capacity as such (non-executive): the individual remuneration of the non-executive directors is described in section B.5.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

The most significant actions, issues and decisions made by the ARC and the Board of Directors during financial year 2022 in accordance with the powers described in subsection 3 of section A.1 are described below:

- As regards the remuneration package proposed for the current CEO prior to his appointment, the ARC prepared a report including the rationale and explanation for the aforementioned remuneration package for the subsequent approval of the Board of Directors. The Board of Directors' decision was made pursuant to the Policy of Remunerations 2022-2024 approved at the General Meeting of Shareholders on 17 March 2021 and in exercise of the powers allocated to the Board of Directors in section 6.1 of that policy in the event of new directors joining the Board of Directors to perform executive duties during the effective period of the policy. In this regard, paragraph 2 of the aforementioned section 6.1 "Policy of remuneration applicable to new directors / New executive directors" reads as follows: "*Table 2 of this remuneration policy describes the elements to consider in designing and establishing the remuneration system for new executive directors. For these purposes, after hearing the ARC's recommendation, the Board of Directors may establish different remuneration for new executive directors based on the Company's interest; in this case, it shall particularly take into account the person's remuneration level before joining the Company, the duties and responsibilities assigned thereto, his/her professional experience, market remuneration for the position and any other factors that it believes appropriate to take into account, which shall be duly reflected in the corresponding contract to be signed between the Company and the new executive director*".
- As regards the annual variable remuneration of the current and former CEOs: (i) the ARC proposed the annual variable remuneration of the former CEO for financial year 2021 (based on the individual level of achievement of the annual performance targets and the weightings previously established by the Board of Directors); and (ii) the ARC proposed standards for the annual variable remuneration of the current and former CEOs for financial year 2022, establishing the objectives, the weighting of the metrics and the scale to apply to the achievement of each of them. All of this was approved by the Board of Directors.
- The ARC performed the analysis of and provided a favourable report on the Annual Report on Remuneration of Directors for financial year 2021, which was subsequently approved by the Board of Directors.

The ARC met on 12 occasions during financial year 2022 in order to make the decisions described above.

During financial year 2022, Garrigues has provided external advice to the Company in relation to (i) various matters related to the severance agreement with the former CEO (Mr Andreas Nauen) and the hiring of the new CEO and (ii) analysis of the Long-Term Incentive Plans 2018-2020 and 2021-2023 and the implications of the Takeover Bid for these plans, the Bidder having stated in the Takeover Bid prospectus its intention to promote the cash settlement of the Cycle FY2020 of the Long-Term Incentive Plan 2018-2020 and the early cash settlement of the Cycles FY2021 and FY2022 of the Long-Term Incentive Plan 2021-2023 if the delisting of Siemens Gamesa's shares takes place. The Company has also considered reports of the remuneration consultant Willis Towers Watson regarding the analysis of the external benchmarking in comparable industries of the total remuneration of the CEO, the non-executive directors and the Top Managers.

### B.1.2 Explain any deviation from the procedure established for the application of the remuneration policy that has occurred during the year.

No deviations have occurred from the procedure established for the application of the remuneration policy during the financial year 2022.

### B.1.3 Indicate whether any temporary exception has been applied to the remuneration policy and, if so, explain the exceptional circumstances that have led to the application of these exceptions, the specific components of the remuneration policy affected and the reasons why the entity believes that these exceptions have been necessary to serve the long-term interests and sustainability of the society as a whole or to ensure its viability. Similarly, quantify the impact that the application of these exceptions has had on the remuneration of each director over the year.

No temporary exceptions have been applied to the remuneration policy during the financial year 2022.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

- B.2 Explain the different actions taken by the company in relation to the remuneration system and how they have contributed to reducing exposure to excessive risks, aligning it with the long-term objectives, values and interests of the company, including a reference to the measures adopted to ensure that the long-term results of the company have been taken into consideration in the remuneration accrued. Ensure that an appropriate balance has been attained between the fixed and variable components of the remuneration, the measures adopted in relation to those categories of personnel whose professional activities have a material effect on the company's risk profile and the measures in place to avoid any possible conflicts of interest.**

According to the Policy of Remunerations 2022-2024, Siemens Gamesa applies the following practices to reduce exposure to excessive risks:

- Defer the receipt of a significant portion of the remuneration of the CEO.
- Deliver a significant portion of the remuneration of the CEO in shares of the Company.
- Establish malus and clawback clauses applicable to variable remuneration. Subject to the applicable law, the ARC has the power to propose to the Board of Directors the cancellation or return of the payment of the CEO's variable remuneration in, among others, supervening circumstances showing that the variable remuneration has accrued or been paid based on incorrect or erroneous information or data, or if it is subsequently shown that there are violations of the Company's internal rules or applicable law. The details of the aforementioned malus and clawback clauses are set out in section A.1.2 of this report. In this regard, as indicated in this report, given the negative results of financial year 2022, the Board of Directors of Siemens Gamesa has decided to apply the malus clause and not to pay any amount as AVR to the previous CEO (Mr. Andreas Nauen).
- Regularly review the alignment of total remuneration with that of comparable companies.
- Link the payment of a significant portion of the remuneration to the economic/financial results of the Company.

The Board of Directors, upon a proposal of the ARC, is also responsible for evaluating the level of achievement of the objectives to which the variable remuneration is linked, after validation thereof by the Internal Audit function.

Furthermore, the measures to ensure that the Policy of Remunerations 2022-2024 takes into account the long-term results of Siemens Gamesa are:

- Total compensation of the CEO is made up of different items of remuneration that mainly consist of: (i) fixed remuneration, (ii) annual variable remuneration, and (iii) long-term remuneration.
- The variable remuneration for the CEO is intended to encourage his commitment to the Company and its strategic plan, linking his remuneration to the creation of value for shareholders as well as the sustainable achievement of strategic objectives, such that it is aligned with best remuneration practices.

Furthermore, there are no guaranteed variable components to the extent that, if the metrics do not reach a minimum achievement threshold, the variable remuneration associated to such metric will be zero. Exceptionally, the current CEO, Mr. Jochen Eickholt is contractually guaranteed an AVR of 612,500 euros as a sign-on bonus agreed during his recruiting process and only for FY2022 as his first fiscal year in the company, equivalent to the proportional part corresponding to the time in which he has performed his duties as CEO, calculated based on a degree of compliance of 100% of the objectives of his ARV for the year 2022, as detailed in section B.7. This guarantee does not apply to the financial year 2023 or other future years.

The relative importance of the variable remuneration of the CEO is due to the fact that, when combined with the annual variable remuneration and long-term variable remuneration based on the level of achievement of the objectives established for the accrual thereof, they could be more significant than the fixed components of remuneration.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

- The LTI Plan 2018-2020 and the LTI Plan 2021-2023 are recorded within a multi-annual framework to ensure that the process of evaluation is based on long-term results and the achievement of the Company's strategic objective.
- Any shares delivered to the CEO under the LTI Plans are subject to holding periods as described in sections A.1.2 and A.1.6.

### B.3 Explain how the remuneration accrued and consolidated over the financial year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

Furthermore, report on the relationship between the remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, if applicable, how variations in the company's performance have influenced changes in directors' remuneration, including any accrued remuneration payment of which has been deferred, and how such remuneration contributes to the short- and long-term results of the company.

#### 1. How the remuneration accrued and consolidated during the year complies with the provisions of the current remuneration policy and, in particular, how it contributes to the company's long-term and sustainable performance.

In accordance with the provisions of the Policy of Remunerations 2022-2024, the remuneration earned by the directors in financial year 2022 was as follows:

- During financial year 2022, the non-executive directors received the amounts determined in the Policy of Remunerations 2022-2024 and described in section B.5, both for belonging to the Board of Directors and the various Committees, and for any fees for attending meetings of the Board of Directors and its Committees.
- In addition, the insurance premiums paid to cover death and disability benefits described in section B.14 of this Report has been considered as remuneration in kind for all Directors.
- The total amount earned by all of the (non-executive) directors in their capacity as such during financial year 2022 was 1,814 thousand euros, complying with the annual total maximum limit of 3 million euros approved by the shareholders at the General Meeting of Shareholders held on 8 May 2015, and contemplated in the Policy of Remunerations 2022-2024.
- In financial year 2022, the current CEO (Mr Jochen Eickholt), appointed by the Board of Directors effective from 1 March 2022, earned: (i) a fixed component of 612,500 euros; (ii) the benefits described in section B.6; (iii) an amount in cash in relation to annual variable remuneration described in section B.7, which will be paid during financial year 2023; (iv) the pension supplement contributions by means of group life insurance pursuant to the provisions of section B.9; and (v) the amounts corresponding to the premiums paid for death and disability coverage described in section B.14. The Company has also made his Social Security payments for the performance of executive duties.

Additionally, during financial year 2022 the current CEO (Mr Jochen Eickholt) has been assigned a number of Stock Awards under the Cycle FY2022 of the LTI Plan 2021-2023, as described in section B.7 and reported in section C.1.a).ii) of this Report, that represent the total amount of Stock Awards assigned to the CEO.

In financial year 2022, the former CEO (Mr Andreas Nauen), who ceased to hold his position as CEO on 28 February 2022, earned: (i) a fixed component of 298,958.33 euros; (ii) the benefits described in section B.6; (iii) pension supplement contributions by means of group life insurance pursuant to the provisions of section B.9; and (iv) the amounts corresponding to the premiums paid for death and disability coverage described in section B.14. The Company has also made his Social Security payments for the performance of executive duties. In view of Siemens Gamesa's negative results in financial year 2022, the Board of Directors has decided not to pay to Mr Nauen any amounts in relation to the annual variable remuneration described in section B.7.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

The remuneration accrued and consolidated during the financial year 2022 is aligned with the driving principle of the Mission, Vision and Values of the Siemens Gamesa Group is its commitment to the sustainable creation of value in the performance of all of its activities for society, its professionals, its customers, its suppliers, its shareholders and other stakeholders. The vision of Siemens Gamesa is to be the global leader in the renewable energy industry, driving the transition towards a sustainable world. Our values “results orientation”, “customer focus”, “innovativeness”, “impactful leadership”, “ownership attitude” and “valuing people” are the foundation on which our culture is based. In this regard, the ultimate goal of the remuneration policy is to help develop the Mission, Vision and Values of the Siemens Gamesa Group such that the remuneration of the Company’s directors is in line with the dedication, effort and responsibility assumed, taking into consideration the Company’s desire to be a global leader.

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

### 2. Relationship between remuneration obtained by the directors and the results or other performance measures of the company in the short and long term, explaining, if applicable, how variations in the company’s performance have influenced changes in the directors’ remuneration.

The remuneration policy applicable to the Board of Directors is based, amongst other, on the principles of balance, prudence and alignment with the Company’s strategic objectives.

Another key principle in the Company’s applied Policy of Remunerations 2022-2024 is the maintenance of a reasonable balance among the various components of fixed remuneration (short-term) and variable remuneration (annual and long-term), reflecting an appropriate assumption of risks combined with the achievement of defined objectives linked to the long-term creation of sustainable value.

During financial year 2022, the remuneration structure for the CEO guaranteed an adequate mix between fixed remuneration, annual variable remuneration and long-term variable remuneration. The annual variable remuneration for the financial year 2022 used four measurement parameters based on quantitative financial, results, business and safety indicators and individual targets associated with key business milestones regarding product development and competitiveness and progress in the sustainability plans, all of them critical for achieving long term success. The specific objectives determined for each of these parameters were designed considering the Company’s 2022 budget and long-term outlook and, in this sense, support the achievement of the Company’s results and objectives in the medium and long term.

The short- and long-term variable remuneration systems include elements that consider potential variations in the results of the Company, such as:

- Defined achievement scales for each objective based on the results achieved by the Company. Therefore, any change in the short- or long-term performance of the Company will affect the level of achievement of the objectives and directly affect the amount of variable remuneration to which the CEO may be entitled. In addition, no incentive at all will be paid below a minimum level of achievement of the objectives, for which reason variable remuneration would in no case be guaranteed. Section A.1.6 provided more detail regarding the minimum thresholds of achievement of the objectives established by the Company for the short- and long-term variable remuneration systems in effect as at the date of preparation of this Report.
- The annual or long-term variable remuneration systems will only accrue once the Board of Directors, upon a proposal of the ARC, has evaluated level of achievement of the objectives to which the variable remuneration is linked, after validation thereof by the Internal Audit function.
- Furthermore, the long-term variable remuneration contemplates an obligation of the CEO to maintain ownership of a certain number of shares equal to two times his fixed remuneration for the Cycle FY2018 and two-and-a-half times his annual fixed remuneration for the Cycles FY2019 and FY2020 of LTI Plan 2018-2020, and also two-and-a-half times his fixed remuneration for the three Cycles of the LTI Plan 2021-2023. See section A.1.2 in relation to the resolutions of the Board of Directors regarding the waiver of the holding periods of the LTI Plans 2018-2020 and 2021-2023 in the context of the Takeover Bid and subject to delisting.
- All variable remuneration of the CEO is subject to malus and clawback clauses, which, if applicable, would allow the ARC, subject to the applicable law, to propose to the Board of Directors the cancellation or return of the payment thereof under certain exceptional circumstances. In view of Siemens Gamesa’s negative results in financial year 2022, the Board of Directors has decided not to pay to Mr Nauen any amounts in relation to the annual variable remuneration described in section B.7.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

**B.4 Report on the result of the consultative vote at the General Shareholders' Meeting on remuneration in the previous year, indicating the number of votes in favour, votes against, abstentions and blank ballots:**

	Number	% of total
<b>Votes cast</b>	591,518,818	86.84

  

	Number	% of votes cast
<b>Votes against</b>	9,639,321	1.63
<b>Votes in favour</b>	581,284,233	98.27
<b>Blank ballots</b>	0	0
<b>Abstentions</b>	595,264	0.10

**B.5 Explain how the fixed components accrued and vested during the year by the directors in their capacity as such were determined, their relative proportion with regard to each director and how they changed with respect to the previous year.**

The breakdown of fixed remuneration by position and responsibilities attributed to the directors in their capacity as such approved by the Board of Directors for financial year 2022 was the following:

- Chair of the Board of Directors: 250,000 euros, along with attendance fees for attending meetings of the Board of Directors and any meetings of its Committees.
- Vice Chair of the Board of Directors: 150,000 euros, along with attendance fees for attending meetings of the Board of Directors and any meetings of its Committees.
- Non-executive directors: 80,000 euros.
- Lead Independent Director (none currently existing): additional 20,000 euros.
- Additional remuneration for belonging to the various Committees:

	Audit, Compliance and Related Party Transactions Committee	Other Committees of the Board of Directors
Chair	80,000 euros	60,000 euros
Member	60,000 euros	40,000 euros

- Fees for attending meetings of the Board of Directors and of its Committees:

	Board of Directors	Committees of the Board of Directors
Chair	2,000 euros per meeting	3,800 euros per meeting
Member	2,000 euros per meeting	2,000 euros per meeting

**Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended**

All of the amounts are established for the personal on-site or by video-conference presence of the director. In the case of attendance by approved remote means of communication, other than video-conference, the corresponding attendance fee would be 50% of the above amounts. If a proxy is granted, the right to the attendance fee would not accrue.

In addition, directors in their capacity as such are entitled to the remuneration in kind foreseen in the Policy of Remunerations 2022-2024 as fixed components of their remuneration.

The amounts are accrued proportionally to the time the position is held.

The amount of individual remuneration earned by the directors in their capacity as such during financial year 2022, including the amount they receive for membership on the Committees of the Board of Directors and fees for attending the meetings of the Board of Directors and its Committees, was the following:

- Mr Miguel Ángel López Borrego: fixed remuneration of 250,000 euros in cash for chairing the Board of Directors and the Delegated Executive Committee, and 89,200 euros as fees for attending meetings of the Board of Directors and the Delegated Executive Committee.
- Ms Gloria Hernández García: fixed remuneration of 80,000 euros in cash for membership on the Board of Directors, fixed remuneration of 74,408.71 euros in cash for belonging to the Audit, Compliance and Related Party Transactions Committee and to the Committee of Independents, and 98,000 euros as fees for attending meetings of the Board of Directors, of the Committee of Independents and of the Audit, Compliance and Related Party Transactions Committee.
- Mr Harald von Heynitz: fixed remuneration of 80,000 euros in cash for membership on the Board of Directors, fixed remuneration of 141,612.95 euros in cash for chairing the Audit, Compliance and Related Party Transactions Committee and the Committee of Independents and for belonging to the ARC, and 177,800 euros as fees for attending meetings of the Board of Directors, of the Committee of Independents, of the Audit, Compliance and Related Party Transactions Committee and of the ARC.
- Mr Rudolf Krämmer: fixed remuneration of 80,000 euros in cash for membership on the Board of Directors, fixed remuneration of 174,408.59 euros in cash for being a member of the Delegated Executive Committee, of the Committee of Independents and of the Audit, Compliance and Related Party Transactions Committee, and for chairing the ARC, and 159,800 euros as fees for attending meetings of the Board of Directors, of the Delegated Executive Committee, of the Committee of Independents, of the Audit, Compliance and Related Party Transactions Committee and of the ARC.
- Mr Francisco Belil Creixell: fixed remuneration of 49,285.71 euros in cash for membership on the Board of Directors as from 18 February 2022, fixed remuneration of 39,051.44 euros in cash for membership on the Committee of Independents and on the ARC, and 46,000 euros as fees for attending meetings of the Board of Directors, of the Committee of Independents and of the ARC.
- Ms Mariel von Schumann: fixed remuneration of 80,000 euros in cash for membership on the Board of Directors, fixed remuneration of 40,000 euros in cash for membership on the ARC, and 60,000 euros as fees for attending meetings of the Board of Directors and of the ARC.
- Mr Klaus Rosenfeld: fixed remuneration of 30,952.38 euros in cash for membership on the Board of Directors, fixed remuneration of 15,476.19 euros in cash for membership on the ARC, and 26,000 euros as fees for attending meetings of the Board of Directors and of the ARC. Mr Klaus Rosenfeld resigned effective from 18 February 2022.

The relative proportion of the fixed components considered for this purpose as the fixed remuneration for membership on the Board of Directors and its Committees, has been for each of the directors in their capacity as such, the following:

- Mr. Miguel Angel López Borrego: 73%
- Ms. Gloria Hernández García: 60%
- Mr. Harald von Heynitz: 55%
- Mr. Rudolf Krämmer: 61%
- Mr. Francisco Belil Creixell: 63%
- Ms. Mariel von Schumann: 66%
- Mr. Klaus Rosenfeld: 63%



## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

Finally, it should be noted that two former directors of Siemens Gamesa (Mr. Tim Oliver Holt and Mr. Tim Dawidowsky) who held positions at Siemens Energy AG or at Siemens Energy Global GmbH & Co. KG waived the receipt of the amounts indicated and hence received no remuneration. Similarly, three directors of Siemens Gamesa (Mr. Christian Bruch, Ms. Maria Ferraro and Mr. André Clark) who hold positions at Siemens Energy AG or at Siemens Energy Brazil have waived the receipt of the amounts indicated and hence received no remuneration. The current CEO (Mr Jochen Eickholt) held the position of proprietary director from the effective date of his appointment (1 January 2022) until the effective date of his appointment as CEO (1 March 2022). Mr Eickholt held a position at Siemens Energy AG. He also waived the receipt of the amounts indicated during that period and hence received no remuneration.

Pursuant to the foregoing, the total amount earned by all of the directors in their capacity as such in financial year 2022 amounted to 1,813,572.33 euros.

### B.6 Explain how the salaries accrued and vested by each of the executive directors over the past financial year for the performance of management duties were determined, and how they changed with respect to the previous year.

The director Mr Jochen Eickholt was appointed to replace Mr Andreas Nauen as CEO of Siemens Gamesa effective from 1 March 2022. Section 6.1 of the Policy of Remunerations 2022-2024 establishes the remuneration policy applicable to new executive directors. The remuneration system described in the Policy of Remunerations 2022-2024 for the CEO will apply to any director who joins the Board of Directors to perform executive duties during the effective period of the aforementioned policy. The table containing the CEO remuneration policy set out at section 5.1 of the Policy of Remunerations 2022-2024 describes the elements to take into account in designing and establishing the remuneration system for new executive directors. For these purposes and upon a recommendation from the ARC, the Board of Directors may establish different remuneration for new executive directors based on the corporate interest, in which case it will particularly take into account the director's remuneration prior to joining the Company, the assigned duties, the assumed responsibilities, professional expertise, levels of market remuneration for that position and any other factors that it considers appropriate to take into account, which will be duly reflected in the relevant agreement to be signed by the Company and the new executive director.

In this respect, the ARC is required to explain and give reasons for the new remuneration, taking into account factors including the following:

- Applicable legal provisions from time to time in effect regarding the remuneration of Board members who perform executive duties.
- The provisions of the Company's By-Laws, Board Regulations and Corporate Governance Policy.
- The principles applicable to executive directors established in section 2 of the Policy of Remunerations 2022-2024.
- Market data and the guidance of institutional investors and proxy advisors, as well as information received from them in the consultation process undertaken by Siemens Gamesa.
- The remuneration policy for new appointments may provide the possibility that there is more than one executive director, each one with various duties and responsibilities.

In this regard and in compliance with the aforementioned section 6.1 of the Policy of Remunerations 2022-2024 (Policy of remuneration applicable to new executive directors), the ARC, upon its proposed appointment of Mr Jochen Eickholt as CEO of Siemens Gamesa, prepared a report on the remuneration package that would be offered to Mr Eickholt in the event of his acceptance of and effective appointment to the position. This ARC report expresses the view that the remuneration package was aligned with the Policy of Remunerations 2022-2024 in virtue of its section 6.1 and was consistent with the Company's interests. The ARC took elements including those described in section A.1.1 of this report into account in arriving at this opinion.

The current CEO (Mr Jochen Eickholt) earned the following fixed remuneration during financial year 2022:

- The annual fixed remuneration of the current CEO (Mr Jochen Eickholt) during financial year 2022 and since his appointment became effective on 1 March 2022 amounted to 612,500 euros in cash, amounting its annual fixed remuneration to 1,050,000 euros. Such amount has been fixed by the Board of Directors, upon a proposal from the ARC, in accordance with the Policy of Remunerations 2022-2024, and it is justified, in comparison with the fixed remuneration of the former CEO, according to the arguments set out in the ARC report and outlined in section A.1.1 of this report.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

- The Company makes Social Security payments for the performance of executive director duties, which amounted to 7,606.13 euros during financial year 2022.
- In financial year 2022, the current CEO (Mr Jochen Eickholt) received the following benefits: the payment of medical insurance, life insurance premiums and house rental costs. The amount attributed to the CEO for these items in financial year 2022 was a total of 30,279.31 euros.

The current CEO (Mr Jochen Eickholt) earned a total amount of 650,385.44 euros in financial year 2022 for the above items. This figure cannot be compared to the amount of the previous financial year, as the current CEO (Mr Jochen Eickholt) was appointed effective from 1 March 2022 and moreover and as previously stated, the current CEO's annual fixed remuneration is 1,050,000 euros.

The former CEO (Mr Andreas Nauen) earned the following fixed remuneration in financial year 2022 (until his cessation in office on 28 February 2022):

- The annual fixed remuneration of the former CEO (Mr Andreas Nauen) during financial year 2022 amounted to 298,958.33 euros in cash.
- The Company makes Social Security payments for the performance of executive director duties, which amounted to 6,247.66 euros in financial year 2022.
- The former CEO (Mr Andreas Nauen) received 47,833.00 euros as indemnification for his accrued and unused annual leave as at the date of termination of his relationship with Siemens Gamesa.
- In financial year 2022, the former CEO (Mr Andreas Nauen) received the following benefits: the right to use a Company vehicle and the payment of life insurance premiums. The amount attributed to the former CEO (Mr Andreas Nauen) for these items during financial year 2022 was a total of 5,967.50 euros.

The former CEO (Mr Andreas Nauen) earned a total amount of 359,006.49 euros in financial year 2022 for the above items.

Additionally, the Company has made contributions for pension supplements in financial year 2022 through group life insurance, which amounted in financial year 2022 to 142,100 euros for the current CEO (Mr Jochen Eickholt) and to 68,880.82 euros for the former CEO (Mr Andreas Nauen). The amount of pension contributions (calculated on a pro rata basis for the current CEO) is based on the same percentage of 23.2% that was applied to the CEO's corresponding annual fixed remuneration in financial years 2018, 2019, 2020 and 2021.

Furthermore, as a supplement to the information supplied in section C.1.a.i), the amount attributed to the current CEO (Mr Jochen Eickholt) in the "Salary" column includes: (i) his annual fixed remuneration (612,500 euros); and (ii) the amount corresponding to the payment of Social Security (7,606.13 euros). In addition, the amount attributed to the former CEO (Mr Andreas Nauen) in the "Salary" column includes: (i) his annual fixed remuneration (298,958.33 euros); (ii) the amount corresponding to the payment of Social Security (6,247.66 euros); and (iii) the amount corresponding to his indemnification for accrued and unused annual leave as at the date of termination of his relationship with Siemens Gamesa (47,833.00 euros).

### B.7 Explain the nature and the main characteristics of the variable components of the remuneration systems accrued and vested in the year last ended.

In particular:

- a) Identify each of the remuneration plans that determined the different types of variable remuneration accrued by each of the directors in the year last ended, including information on their scope, date of approval, date of implementation, any vesting conditions that apply, periods of accrual and validity, criteria used to evaluate performance and how this affected the establishment of the variable amount accrued, as well as the measurement criteria used and the time needed to be able to adequately measure all the conditions and criteria stipulated, explaining the criteria and factors applied in regard to the time required and the methods of verifying that the performance or any other kind of conditions linked to the accrual and vesting of each component of variable remuneration have effectively been met.
- b) In the case of share options and other financial instruments, the general characteristics of each plan must include information on the conditions both for acquiring unconditional ownership (vesting) of these options or financial instruments and for exercising them, including the exercise price and period.

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

- c) Each director that is a beneficiary of remunerations systems or plans that include variable remuneration, and his or her category (executive director, external proprietary director, external independent director or other external director).
- d) Information is to be provided on any periods for accrual, vesting or deferment of payment of vested amounts applied and/or the periods for retention/unavailability of shares or other financial instruments, if any.

### Explain the short-term variable components of the remuneration systems

As established in the Policy of Remunerations 2022-2024, only the CEO participated in variable remuneration systems during financial year 2022.

The variable remuneration system for the CEO includes two variable components:

(i) Annual variable remuneration (AVR):

Annual variable remuneration is linked to the achievement of quantitative and qualitative objectives.

In order to determine the amount to receive for AVR, a scale for achieving each objective is set that includes a minimum objective achievement level below which no incentive is paid.

The annual target variable remuneration of the CEO for an achievement level of 100% of the objectives established for financial year 2022 is equal to one year of his fixed remuneration. However, the CEO could receive two years of his fixed remuneration in the case of extraordinary performance and maximum over-performance of the pre-established objectives.

The objectives taken into account to determine the AVR of the former CEO (Mr Andreas Nauen) and the level of achievement during financial year 2022 were the following:

- EBIT pre-PPA and integration and restructuring (I&R) costs, with a weighting of 35%. The EBIT-pre PPA has been calculated over a period of two financial years (2021 and 2022). 0% achievement of the objective.
- Free cash flow (before interest and taxes) with a weighting of 14%. 0% achievement of the objective.
- Order intake, with a weighting of 14%. 155% achievement of the objective, reaching an overall achievement for this objective of 21.7% due to outperformance.
- Total recordable injury rate, with a weighting of 7%. 0% achievement of the objective.
- Individual indicators related to key business milestones related to product development and competitiveness and progress in the sustainability plans, all of them critical for achieving long term success, with a weighting of 30%. 17% achievement of the objective.

It is worth noting that none of the metrics and targets above have been modified in any manner, despite the exceptional crisis circumstances created by the covid-19 pandemic.

In view of the negative results for financial year 2022, Siemens Gamesa's Board of Directors has decided to apply the malus clause and to not pay any AVR to the former CEO (Mr Andreas Nauen) for financial year 2022.

In relation to the current CEO (Mr Jochen Eickholt), as mentioned before in this report, will receive as AVR the amount of 612,500.00 euros as a sign-on bonus only for FY2022 corresponding to the exceptional contractually guaranteed sum for his first financial year as CEO (see section A.1.1).

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

## Explain the long-term variable components of the remuneration systems

(ii) Long-term variable remuneration:

Deriving from his participation in the LTI Plan 2018-2020, on 30 November 2021 and after applying the relevant withholding tax, the former CEO (Mr Andreas Nauen) received 15,227 shares corresponding to Cycle FY2019, as communicated to the Spanish Stock Market Commission. No shares have yet been delivered to the former CEO or to the new CEO deriving from his participation in other LTI Plan Cycles.

The measurement period for targets corresponding to Cycle FY2020 ended on 30 September 2022 but the delivery date, as for all cycles of the LTI Plans at the end of its respective measurement period, is within sixty (60) calendar days from the date on which the Company's Board of Directors formulates the annual financial accounts of the relevant financial year in order to measure the degree of achievement of the objectives of the relevant cycle. The measurement periods for the targets for Cycles FY2021, FY2022 and FY2023 of the LTI Plan 2021-2023 will not end until 30 September 2023, 30 September 2024 and 30 September 2025, respectively.

In any case, the shareholders acting at the Company's General Meeting of Shareholders resolved that the total number of shares allocated to the LTI Plan 2018-2020 would represent 1.1% of the share capital of Siemens Gamesa and the shares allocated to the LTI Plan 2021-2023 would represent 0.58% of said share capital, thus complying in both LTI Plans with the good governance recommendations (percentage of less than 5%).

For the Cycle FY2020, following 2022 financial year-end on 30 September 2022 and based on a report from the ARC, the Board of Directors verified the degree of achievement of the objectives of the LTI Plan 2018-2020 for said cycle at its meeting on 29 November 2022. Based on the results of these multi-year performance indicators, and pursuant to the associated scales of achievement and their respective targets and weightings, the level of achievement of the different multi-year performance indicators has been as follows: (i) Relative Total Shareholder Return ratio (TSR) of Siemens Gamesa compared to the ISE Clean Edge Global Wind Energy Index, with a weighting of 40%, 200% achieved, reaching an overall weighted achievement for this indicator of 80% due to outperformance; (ii) Relative Total Shareholder Return ratio (TSR) of Siemens Gamesa compared to the TSR of the company Vestas Wind System A/S, with a weighting of 40%, 59% achieved, and a weighted achievement of 24%; and (iii) Corporate Social Responsibility ratio ("CSR"), with a weighting of 20%, 100% achieved, and a weighted achievement of 20%. This results in an overall achievement of 124%, which implies the delivery of 32,146 shares to the former CEO (Mr Andreas Nauen). The current CEO (Mr Jochen Eickholt) is not a beneficiary of the aforementioned Cycle FY2020 of the LTI Plan 2018-2020.

These shares have not yet been delivered. They would be delivered, if applicable, within sixty (60) calendar days following 29 November 2022, on which date the Company's Board of Directors formulated the financial statements for financial year 2022, subject to the applicable withholding tax, to the clawback clause and to the application of the rest of the conditions (continue being employed by the group at the delivery date, except in certain cases of termination of the relationship (good leaver)).

In relation to the LTI Plan 2021-2023, the former CEO (Mr Andreas Nauen) was granted 18,044 for the Cycle FY2021 (result of the pro rata reduction, calculated on its departure date, from the 41,438 originally awarded) as described in section A.1.6. In addition, the current CEO (Mr Jochen Eickholt) has been granted 70,846 Stock Awards as a result of his participation in Cycle FY2022 of the LTI Plan 2021-2023. This figure only reflects the maximum number of shares to potentially be received by the CEO in the case of maximum achievement of all preestablished objectives for each Cycle, without this implying in any way that all or part of them will be delivered. The number of shares to be finally delivered, when applicable, will be calculated in regard of the level of effective achievement of the objectives to which it is subject and is also subject to certain maximum limits described in section A.1.2 above.

In the context of the Takeover Bid, the Bidder has stated in the prospectus its intention to promote the cash settlement of the Cycle FY2020 of the Long-Term Incentive Plan 2018-2020 and the early cash settlement of the Cycles FY2021 and FY2022 of the Long-Term Incentive Plan 2021-2023 if the delisting of Siemens Gamesa's shares takes place. In this regard and with the assistance of the law firm Garrigues, Siemens Gamesa's Board of Directors has analysed the implications of the Takeover Bid for Cycle FY2020 of the LTI Plan 2018-2020 and for the three Cycles (FY2021, FY2022 and FY2023) of the LTI Plan 2021-2023. In this regard and based on a proposal from the ARC, Siemens Gamesa's Board of Directors approved the following resolutions at its meeting on 9 November 2022: (i) in relation to Cycle FY2020 of the LTI Plan 2018-2020, to replace the delivery of shares resulting from the settlement of this Cycle depending on the degree of achievement of the objectives achieved with an equivalent cash payment, since the Company does not have sufficient treasury shares to settle this Cycle and in view of the difficulty associated with acquiring treasury shares and paying beneficiaries in shares during the Takeover Bid process; (ii) in relation to the LTI Plan 2021-2023 and on the terms established in its Regulations, to declare the early maturity of Cycles FY2021 and FY2022 for all beneficiaries in view of the occurrence of a "significant event", which the potential delisting of

## Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended

Siemens Gamesa's shares in the framework of the Takeover Bid process is deemed to be. Therefore, subject to and at the time of the definitive delisting of Siemens Gamesa's shares, there will be an early cash settlement (Siemens Gamesa's shares would no longer be listed) of the two current Cycles (FY2021 and FY2022) of the LTI Plan 2021-2023, in proportion to the time that has passed in each of those Cycles and in view of the degree of achievement of the Plan metrics established by the Board of Directors for each Cycle at the date of its settlement. The Board of Directors will not so far award any beneficiary Stock Awards for Cycle FY2023 of the LTI Plan 2021-2023 until knowing if the Company will be delisted or not. Cycle FY2023 will be cancelled in the event of the definitive delisting of Siemens Gamesa's shares. The Board of Directors also approved the holders of shares delivered under the LTI Plan 2018-2020 subject to vesting requirements being able to dispose of their shares: in the framework of the squeeze-out procedure established in Chapter X of Royal Decree 1066/2007, of 27 July, on public takeover bids; or under any standing purchase order made by the Bidder pursuant to Article 11 of the aforementioned Royal Decree 1066/2007, in both cases to enable the beneficiaries to dispose of their shares before they are delisted.

- B.8 Indicate whether certain accrued variable components have been reduced or clawed back when, in the former case, payment of non-vested amounts has been deferred or, in the latter case, they have vested and been paid, on the basis of data that have subsequently been clearly shown to be inaccurate. Describe the amounts reduced or clawed back through the application of the malus (reduction) or clawback clauses, why they were implemented and the years to which they refer.**

In view of Siemens Gamesa's negative results in financial year 2022, Siemens Gamesa's Board of Directors has decided not to pay any annual variable remuneration to the former CEO (Mr Andreas Nauen) for the aforementioned financial year 2022, as stated in section B.7 of this report.

- B.9 Explain the main characteristics of the long-term savings schemes where the amount or equivalent annual cost appears in the tables in Section C, including retirement and any other survivor benefit, whether financed in whole or in part by the company or through internal or external contributions, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the contingencies covered, the conditions on which the economic rights vest in favour of the directors and their compatibility with any type of indemnification for early termination or cessation of the contractual relationship between the company and the director.**

The current CEO (Mr Jochen Eickholt) is entitled to receive contributions for pension supplements through group life insurance, which amounted to 142,100 euros in financial year 2022, based on the same percentage (23.2%) of the same remuneration item (annual fixed remuneration) as in previous financial years (subject to pro rata calculation in 2022, in which year he was appointed as CEO effective from 1 March 2022).

The former CEO (Mr Andreas Nauen) was also entitled to receive contributions for pension supplements through group life insurance, which amounted to 68,880.82 euros in financial year 2022.

This is a defined contribution plan that covers retirement, disability, death, dependence of the participant and other exceptional liquidity situations (long-term unemployment, serious illness, etc.).

However, in case of the CEO's cessation in office with the Company for reasons other than the covered contingencies, the CEO will have the right to all of the accumulated balance, unless the termination of the contractual relationship occurs for any of the following reasons: (i) criminal conviction or regulatory sanction on grounds attributable to the participant; (ii) serious breach of the internal rules of Siemens Gamesa or of the Group, and (iii) fraudulent or grossly negligent conduct of the CEO in the performance of his duties.

The receipt of any compensation to which the CEO may be entitled due to the termination of his contractual relationship with the Company does not forfeit the right to receive the accumulated balance of the pension contributions.

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**Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended**

- B.10 Explain, where applicable, the indemnification or any other type of payment deriving from the early cessation, whether at the company's or the director's initiative, or from the termination of the contract in the terms provided therein, accrued and/or received by directors during the year last ended.**

The former CEO (Mr Andreas Nauen) ceased to hold his position as the Company's CEO on 28 February 2022 being entitled to receive the following indemnification items and sums during financial year 2022: (i) indemnification for cessation in office (717,500.00 euros); (ii) indemnification under post-contractual non-compete clause (717,500.00 euros); (iii) indemnification for lack of notice (121,876.71 euros); (iv) housing costs (3,423.82 euros); (v) use of Company vehicle (1,973.00 euros); and (vi) moving costs (20,000.00 euros). The total amount of indemnification was 1,582,273.53 euros.

- B.11 Indicate whether there have been any significant changes in the contracts of persons exercising senior management functions as executive directors, and, if so, explain them. In addition, explain the main conditions of the new contracts signed with executive directors during the year, unless these have already been explained in Section A.1.**

The only Executive Director in the Company is currently the CEO. The main conditions of his contract have been described in section A.1.9 of this Report.

- B.12 Explain any supplementary remuneration accrued by directors in consideration of the provision of services other than those inherent in their position.**

The non-executive directors of Siemens Gamesa have not received any supplementary remuneration during financial year 2022.

- B.13 Explain any remuneration deriving from advances, loans or guarantees granted, indicating the interest rate, their key characteristics and any amounts returned, as well as the obligations assumed on their behalf by way of guarantee.**

There are no advance payments, loans or guarantees granted by the Company to its directors during financial year 2022.

- B.14 Itemise the remuneration in kind accrued by the directors during the year, briefly explaining the nature of the various salary components.**

In financial year 2022 the members of the Board of Directors have received remuneration in kind that corresponds to the amount of the premiums paid to cover death and disability benefits. The annual premiums amounted to 24,325.53 euros in financial year 2022.

In addition, the current CEO (Mr Jochen Eickholt) was entitled to the payment of health insurance premiums and house rental costs in financial year 2022. For his part, the former CEO (Mr Andrea Nauen) was entitled to use a Company vehicle in financial year 2022.

To supplement the information provided, it is noted that the "Other items" column in section C.1.a).i) includes the above amounts.

Although this is not considered remuneration from a tax law perspective (and therefore, no specific amount is reported since financial year 2020 for this concept), all directors benefit from insurance coverage for civil liability arising from the performance of their duties, on standard market terms and provided by the Company itself.

Finally, the CEO is entitled to receive contributions for pension supplements through group life insurance, as described in section B.9.

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**Overall Summary of How Remuneration Policy Was Applied During the Year Last Ended**

- B.15 Explain the remuneration accrued by any director by virtue of payments made by the listed company to a third company in which the director provides services when these payments seek to remunerate the director's services to the company.**

During financial year 2022 Siemens Gamesa has not made any payments to any third company in which directors might provide services in order to remunerate the services of any relevant Director to the Company.

- B.16 Explain and detail the amounts accrued in the year in relation to any other remuneration concept other than that set forth above, whatever its nature or the group entity that pays it, including all benefits in any form, as when it is considered a related-party transaction or, especially when it significantly affects the true image of the total remuneration accrued by the director. Explain the amount granted or pending payment, the nature of the consideration received and the reasons for those that would have been considered, if applicable, that do not constitute remuneration to the director or in consideration for the performance of their executive functions and whether or not has been considered appropriate to be included among the amounts accrued under the "Other concepts" heading in Section C**

During financial year 2022, the directors have not accrued any item of remuneration in addition to those described in this Report.

## Itemised Individual Remuneration Accrued by Each Director

# C. ITEMISED INDIVIDUAL REMUNERATION ACCRUED BY EACH DIRECTOR

Name	Type	Period of accrual in year n
<b>Miguel Ángel López Borrego</b>	Proprietary	From 01/10/2021 until 30/09/2022
<b>Jochen Eickholt</b>	Executive	From 01/01/2022 until 30/09/2022
<b>Christian Bruch</b>	Proprietary	From 24/06/2022 until 30/09/2022
<b>Maria Ferraro</b>	Proprietary	From 01/10/2021 until 30/09/2022
<b>Gloria Hernández García</b>	Independent	From 01/10/2021 until 30/09/2022
<b>Harald von Heynitz</b>	Independent	From 01/10/2021 until 30/09/2022
<b>André Clark</b>	Proprietary	From 01/03/2022 until 30/09/2022
<b>Rudolf Krämmer</b>	Independent	From 01/10/2021 until 30/09/2022
<b>Francisco Belil Creixell</b>	Independent	From 18/02/2022 until 30/09/2022
<b>Mariel von Schumann</b>	Proprietary	From 01/10/2021 until 30/09/2022
<b>Tim Oliver Holt</b>	Proprietary	From 01/10/2021 to 31/12/2021
<b>Klaus Rosenfeld</b>	Independent	From 01/10/2021 to 18/02/2022
<b>Andreas Nauen</b>	Executive	From 01/10/2021 to 28/02/2022
<b>Tim Dawidowsky</b>	Proprietary	From 01/10/2021 to 04/05/2022



## Itemised Individual Remuneration Accrued by Each Director

## C.1 Complete the following tables regarding the individual remuneration of each director (including remuneration received for performing executive duties) accrued during the year.

## a) Remuneration from the reporting company:

## i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year n	Total year n-1
Miguel Ángel López Borrego	250	89	0	0	0	0	0	3	342	366
Jochen Eickholt	0	0	0	620	613	0	0	30	1,263	0
Christian Bruch	0	0	0	0	0	0	0	0	0	0
Maria Ferraro	0	0	0	0	0	0	0	0	0	0
Gloria Hernández García	80	98	74	0	0	0	0	4	256	233
Harald von Heynitz	80	178	142	0	0	0	0	3	403	356
André Clark	0	0	0	0	0	0	0	0	0	0
Rudolf Krämmer	80	160	174	0	0	0	0	4	418	404
Francisco Belil Creixell	49	46	39	0	0	0	0	7	141	0
Mariel von Schumann	80	60	40	0	0	0	0	1	181	175
Tim Oliver Holt	0	0	0	0	0	0	0	0	0	0
Klaus Rosenfeld	31	26	16	0	0	0	0	0	73	158
Andreas Nauen	0	0	0	353	0	0	1,582	6	1,941	1,075
Tim Dawidowsky	0	0	0	0	0	0	0	0	0	0

## Observations

In relation to the amount attributed to the current CEO (Mr Jochen Eickholt), the "Salary" column includes: (i) his annual fixed remuneration (612,500 euros); and (ii) the amount corresponding to the payment of Social Security (7,606.13 euros). In addition, in relation to the amount attributed to the former CEO (Mr Andreas Nauen), the "Salary" column includes: (i) his annual fixed remuneration (298,958.33 euros); (ii) the amount corresponding to the payment of Social Security (6,247.66 euros); and (iii) the amount corresponding to his indemnification for accrued and unused annual leave as at the date of his cessation in office (47,833.00 euros).

## Itemised Individual Remuneration Accrued by Each Director

In relation to the amount attributed to the former CEO (Mr Andreas Nauen), the “Indemnification” column includes: (i) indemnification for cessation in office (717,500.00 euros); (ii) indemnification under the post-contractual non-compete clause (717,500.00 euros); (iii) indemnification for lack of notice (121,876.71 euros); (iv) housing costs (3,423.82 euros); (v) use of Company vehicle (1,973.00 euros); and (vi) moving costs (20,000.00 euros).

The column entitled “Other items” includes: (i) the amount of premiums for life insurance obtained by the Company for the benefit of all the remunerated directors including the current and former CEOs, with a total cost of 24,325.53 euros; and (ii) the remuneration in kind of the current CEO in the total amount of 30,279.31 euros and the remuneration in kind for the former CEO in the total amount of 5,967.50 euros (including 1,714.18 euros and 1,035.00 euros related to the premium for life insurance for the current and former CEO respectively, which is included in the aforementioned 24,325.53 euros).

ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Long-Term Incentive Plan for the financial years 2021 to 2023	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Jochen Eickholt	Cycle FY2022	0	0	70,846	70,846	0	0	0	0	0	70,846	70,846

Name	Long-Term Incentive Plan for the financial years 2018 to 2020	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Andreas Nauen	Cycle FY2020	79,164	79,164	0	0	32,146	32,146	17.93	576	47,018	0	0

Name	Long-Term Incentive Plan for the financial years 2021 to 2023	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year				Instruments matured but not exercised	Financial instruments at end of year n	
		No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares	EBITDA from vested shares or financial instruments (thousands of euros)	No. of instruments	No. of instruments	No. of equivalent shares
Andreas Nauen	Cycle FY2021	41,438	41,438	0	0	0	0	0	0	23,394	18,044	18,044

### Observations

The current CEO (Mr Jochen Eickholt) was granted 70,846 Stock Awards for Cycle FY2022, as stated in section A.1.6 of this report.

As described in the Annual Report on Remuneration of Directors for financial year 2021, the former CEO (Mr Andreas Nauen) was granted the following Stock Awards for Cycle FY2020 of the LTI Plan 2018-2020 and for Cycle FY2021 of the LTI Plan 2021-2023, as stated in section A.1.2 of this report: (i) 51,848 for Cycle FY2020 (result of the pro rata reduction, calculated on its departure date, from the 79,164 originally awarded); and (ii) 18,044 for Cycle FY2021 (result of the pro rata reduction, calculated on its departure date, from the 41,438 originally awarded). The amount of 23,394 Stock Awards included in the table of section C.1.a) ii) (see column “*Instruments matured but not exercised*”

**Itemised Individual Remuneration Accrued by Each Director**

in the Cycle FY2021 row) reflects the total amount of Stock Awards deducted for such cycle after the pro rata reduction calculated at his departure date. Mr Nauen was not granted Stock Awards for Cycle FY2022. For purposes of clarity, Mr Nauen will only receive the shares resulting from the aforementioned pro rata reduction if and when they vest, in accordance with the Regulations of the Plan (i.e., subject to the achievement of all pre-established targets and to the other conditions of the Regulations of the Plan, including the clawback clause), and there has been no acceleration of this long-term remuneration as a result of his cessation in office as CEO.

On 29 November 2022 (i.e., outside financial year 2022), the Board of Directors of the Company has approved an overall achievement of 124% of the Cycle FY2020 objectives of the LTI Plan 2018-2020 (see section B.7 of this report), which will result in the delivery of 32,146 shares to the former CEO (Mr Andreas Nauen). These shares have not yet been delivered to the former CEO or the other beneficiaries. According to the Regulations of the LTI Plan 2018-2020, they must be delivered within sixty (60) calendar days following 29 November 2022, on which date the Company's Board of Directors formulated the financial statements for financial year 2022, and it is subject to the applicable withholding tax, to the clawback clause and to the application of the rest of the conditions (continue being employed by the group at the delivery date, except in certain cases of termination of the relationship (good leaver)).

In the absence of the share price on the delivery date as the shares of the Cycle FY2020 have not yet been delivered, in order to calculate their cash value, we have taken as a reference the average daily closing price of the 20 trading sessions prior to the end date of the Cycle FY2020 (30 September 2022) and the 20 trading sessions following that date. This price was 17.93 euros per share. According to the Plan Regulations, this is the criteria used to measure the fulfilment of the Relative Total Shareholder Return ratios ("TSR") objective for Cycle FY2020. At its meeting on 9 November 2022 and in compliance with the Regulations of the LTI Plan 2021-2023, Siemens Gamesa's Board of Directors resolved that the Cycle FY2020 shares under the LTI Plan 2018-2020 will ultimately be delivered in cash rather than in shares of the Company (see section A.1.2 of this report).

The information included in this section C.1.a) ii) regarding the Cycle FY2020 shares to be awarded to the former CEO (Mr Andreas Nauen) differs from Note 19 of the Individual Report and Note 30 of the Consolidated Report, which form part of the financial statements for financial year 2022, as these shares were not delivered yet to its beneficiaries and therefore they cannot be considered Compensation received.

Note 19 of the Individual Report and Note 30 of the Consolidated Report for financial year 2022 also differ from this section C.1.a) ii) as they include the market value at the delivery date of the shares of the Cycle FY2019 delivered to the CEO during financial year 2022 (23.38 euros per share, amounting a total of 725 thousand euros) and this information is not included in this Report as those shares were already accrued, although not delivered, in financial year 2021 and therefore they were included in the Annual Remuneration Report for Directors of financial year 2021 but with an amount of 687 thousand euros, calculated at that time with an estimated price per share of 22.17 euros based on the criteria used to measure compliance of the TSR target for the Cycle FY2019 as no share price on the delivery date was then available. The difference between both figures (38 thousand euros) is therefore exclusively based on the different share price used for its calculation.

The number of Stock Awards granted for Cycles FY2021 and FY2022 of the LTI Plan 2021-2023 indicates the maximum potential number of shares to be received by the current CEO (Mr Jochen Eickholt) for Cycle FY2022 and by the former CEO (Mr Andreas Nauen) for Cycle FY2021, in case of maximum achievement of all of the pre-established objectives for these Cycles (200%). The number of shares to be delivered for aforementioned Cycles FY2021 and FY2022 will ultimately depend on the level of achievement of the objectives of the LTI Plan 2021-2023.

In the context of the Takeover Bid, the Bidder has stated in the prospectus its intention to promote the cash settlement of the Cycle FY2020 of the Long-Term Incentive Plan 2018-2020 and the early cash settlement of the Cycles FY2021 and FY2022 of the Long-Term Incentive Plan 2021-2023 if the delisting of Siemens Gamesa's shares takes place. In this regard and with the assistance of the law firm Garrigues, Siemens Gamesa's Board of Directors has analysed the implications of the Takeover Bid for Cycle FY2020 of the LTI Plan 2018-2020 and for the three Cycles (FY2021, FY2022 and FY2023) of the LTI Plan 2021-2023. In this regard and based on a proposal from the ARC, Siemens Gamesa's Board of Directors approved the following resolutions at its meeting on 9 November 2022: (i) in relation to Cycle FY2020 of the LTI Plan 2018-2020, to replace the delivery of shares resulting from the settlement of this Cycle depending on the degree of achievement of the objectives achieved with an equivalent cash payment, since the Company does not have sufficient treasury shares to settle this Cycle and in view of the difficulty associated with acquiring own shares and paying beneficiaries in shares during the Takeover Bid process; (ii) in relation to the LTI Plan 2021-2023 and on the terms established in its Regulations, to declare the early maturity of Cycles FY2021 and FY2022 for all beneficiaries in view of the occurrence of a "significant event", which the potential delisting of Siemens Gamesa's shares in the framework of the Takeover Bid process is deemed to be. Therefore, subject to and at the time of the definitive delisting of Siemens Gamesa's shares, there will be an early cash settlement (Siemens Gamesa's shares would no longer be listed) of the two current Cycles (FY2021 and FY2022) of the LTI Plan 2021-2023, in proportion to the time that has passed in each of those Cycles and in view of the degree of achievement of the Plan metrics established by the Board of Directors for each Cycle at the date of its settlement. The Board of Directors will not so far award any beneficiary Stock Awards for Cycle FY2023 of the LTI Plan 2021-2023 until knowing if the Company will be delisted or not. Cycle FY2023 will be cancelled in the event of the definitive delisting of Siemens

## Itemised Individual Remuneration Accrued by Each Director

Gamesa's shares. The Board of Directors also approved the holders of shares delivered under the LTI Plan 2018-2020 subject to vesting requirements being able to dispose of their shares: in the framework of the squeeze-out procedure established in Chapter X of Royal Decree 1066/2007 of 27 July on public takeover bids; or under any standing purchase order made by the Bidder pursuant to Article 11 of the aforementioned Royal Decree 1066/2007, in both cases to enable the beneficiaries to dispose of their shares before they are delisted.

## iii) Long-term saving schemes

Remuneration from vesting of rights to savings schemes								
Director 1								
Name	Contribution for the year by the company (thousands of euros)				Amount of accrued funds (thousands of euros)			
	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year n		Year n-1	
	Year n	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights
Jochen Eickholt	0	0	142	0	0	142	0	0
Andreas Nauen	0	0	69	167	0	284	0	167

## Observations

The amount of the Company's contribution to the savings schemes with vested economic rights for the current CEO (Mr Jochen Eickholt) has been calculated on a pro rata basis for the period following 1 March 2022, the effective date of his appointment as CEO.

## Itemised Individual Remuneration Accrued by Each Director

## iv) Details of other items

Name	Concept	Amount of remuneration (thousands of euros)
<b>Miguel Ángel López Borrego</b>	Life insurance premiums	3
	Life insurance premiums	1
<b>Jochen Eickholt</b>	Health and casualty insurance	5
	House rental	24
<b>Christian Bruch</b>	Life insurance premiums	0
<b>Maria Ferraro</b>	Life insurance premiums	0
<b>Gloria Hernández García</b>	Life insurance premiums	4
<b>Harald von Heynitz</b>	Life insurance premiums	3
<b>André Clark</b>	Life insurance premiums	0
<b>Rudolf Krämmer</b>	Life insurance premiums	4
<b>Francisco Belil Creixell</b>	Life insurance premiums	7
<b>Mariel von Schumann</b>	Life insurance premiums	1
<b>Tim Oliver Holt</b>	Life insurance premiums	0
<b>Klaus Rosenfeld</b>	Life insurance premiums	0
<b>Andreas Nauen</b>	Life insurance premiums	1
	Vehicle	5
<b>Tim Dawidowsky</b>	Life insurance premiums	0

**Observations**

Mr Klaus Rosenfeld received an amount of 822.34 euros as contributions to life insurance premiums but the figure is 0 euros in the above table due to rounding.

## Itemised Individual Remuneration Accrued by Each Director

## b) Remuneration of directors of the listed company for seats on the boards of other subsidiary companies:

## i) Remuneration accruing in cash (thousands of euros)

Name	Fixed remuneration	Attendance fees	Remuneration for membership of board committees	Salary	Short-term variable remuneration	Long-term variable remuneration	Indemnification	Other items	Total year n	Total year n-1
Director 1										

## ii) Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments

Name	Financial instruments at start of year n		Financial instruments granted during year n		Financial instruments vested during the year			EBITDA from vested shares or financial instruments (thousands of euros)	Instruments matured but not exercised	Financial instruments at end of year n	
	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent shares	No. of instruments	No. of equivalent/vested shares	Price of vested shares			No. of instruments	No. of instruments
Director 1											
Director 1											

## Itemised Individual Remuneration Accrued by Each Director

## iii) Long-term savings schemes

Remuneration from vesting of rights to savings schemes									
Director 1									
Contribution for the year by the company (thousands of euros)					Amount of accrued funds (thousands of euros)				
Name	Savings schemes with vested economic rights		Savings schemes with non-vested economic rights		Year n		Year n-1		
	Year n	Year n-1	Year n	Year n-1	Schemes with vested economic rights	Schemes with non-vested economic rights	Schemes with vested economic rights	Schemes with non-vested economic rights	
Director 1									

## iv) Details of other items

Name	Concept	Amount of remuneration
Director 1		

## Itemised Individual Remuneration Accrued by Each Director

## c) Summary of remuneration (thousands of euros):

This summary must include the amounts corresponding to all the remuneration items included in this report that have accrued to each director, in thousands of euros.

Name	Remuneration accruing in the Company					Remuneration accruing in group companies					
	Total cash remuneration	EBITDA from vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year n company	Total cash remuneration	Gross benefit of vested shares or financial instruments	Remuneration by way of savings systems	Other items of remuneration	Total in year n group	Total in year n, company + group
Miguel Ángel López Borrego	342	0	0	0	342	0	0	0	0	0	342
Jochen Eickholt	1,263	0	142	0	1,405	0	0	0	0	0	1,405
Christian Bruch	0	0	0	0	0	0	0	0	0	0	0
Maria Ferraro	0	0	0	0	0	0	0	0	0	0	0
Gloria Hernández García	256	0	0	0	256	0	0	0	0	0	256
Harald von Heynitz	403	0	0	0	403	0	0	0	0	0	403
André Clark	0	0	0	0	0	0	0	0	0	0	0
Rudolf Krämer	418	0	0	0	418	0	0	0	0	0	418
Francisco Belil Creixell	141	0	0	0	141	0	0	0	0	0	141
Mariel von Schumann	181	0	0	0	181	0	0	0	0	0	181
Tim Oliver Holt	0	0	0	0	0	0	0	0	0	0	0
Klaus Rosenfeld	73	0	0	0	73	0	0	0	0	0	73
Andreas Nauen	1,941	576	69	0	2,586	0	0	0	0	0	2,586
Tim Dawidowsky	0	0	0	0	0	0	0	0	0	0	0
<b>Total:</b>	<b>5,018</b>	<b>576</b>	<b>211</b>	<b>0</b>	<b>5,805</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,805</b>

## Observations

The amount corresponding to "EBITDA from vested shares or financial instruments" (576 thousand euros) assigned to the former CEO (Mr Andreas Nauen) reflects the value of the 32,146 shares referred in section C.1.a). ii) "Table of changes in share-based remuneration schemes and gross profit from vested shares or financial instruments" corresponding to the Cycle FY2020 of the LTI Plan 2018-2020. Said shares of Cycle FY2020 have not yet been delivered, and therefore, in absence of a share price on the delivery date, the calculation has been conducted as indicated in the referred section C.1.a). ii) of this report. Same section details the Siemens Gamesa's Board of Directors resolution in relation to Cycle FY2020 of the LTI Plan 2018-2020 to replace the delivery of shares resulting from the settlement of this Cycle with an equivalent cash payment.



## Itemised Individual Remuneration Accrued by Each Director

**C.2** Indicate the evolution in the last five years of the amount and percentage variation of the remuneration accrued by each of the directors of the listed company who have held this position during the year, the consolidated results of the company and the average remuneration on an equivalent basis with regard to full-time employees of the company and its subsidiaries that are not directors of the listed company.

Total amounts accrued and % annual variation									
	Year n	% variation n/n-1	Year n-1	% variation n-1/n-2	Year n-2	% variation n-2/n-3	Year n-3	% variation n-3/n-4	Year n-4
Executive directors	-	-	-	-	-	-	-	-	-
<b>Jochen Eickholt</b>	1,405	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Andreas Nauen</b>	2,586	34%	1,929	146%	783	N/A	N/A	N/A	N/A
External directors	-	-	-	-	-	-	-	-	-
<b>Miguel Ángel López Borrego</b>	342	-7%	366	24%	295	22%	241	N/A	N/A
<b>Christian Bruch</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>María Ferraro</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Gloria Hernández García</b>	256	10%	233	7%	218	-15%	255	5%	243
<b>Harald von Heynitz</b>	403	13%	356	83%	195	N/A	N/A	N/A	N/A
<b>André Clark</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Rudolf Krämmer</b>	418	3%	404	28%	315	78%	177	N/A	N/A
<b>Francisco Belil Creixell</b>	141	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Mariel von Schumann</b>	181	3%	175	3%	170	5%	162	32%	123
<b>Tim Oliver Holt</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Klaus Rosenfeld</b>	73	-54%	158	1%	156	3%	151	3%	147
<b>Tim Dawidowsky</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Consolidated results of the company</b>	-939,262	-70%	-553,453	46%	-1,018,713	-	190,428	13%	167,787
<b>Average employee remuneration</b>	60	2%	59	2%	58	0%	58	0%	58

#### Observations

To calculate the amounts included in the “Average employee remuneration” row of the table, the “Wages and Salaries” amounts set out under “Staff Costs” in the Company’s annual consolidated accounts for each financial year have been taken as a reference point to incorporate the remuneration accrued by staff in each financial year.

## Other Information of Interest

# D. OTHER INFORMATION OF INTEREST

If there are any significant issues relating to directors' remuneration that it has not been possible to include in the foregoing sections of this report, but which it is necessary to include in order to provide more comprehensive and reasoned information on the remuneration structure and practices of the company with regard to its directors, list them briefly.

This annual remuneration report was approved by the Board of Directors of the company at its meeting on 29 November 2022.

Indicate whether any director voted against or abstained from approving this report.

Yes

No

Name or company name of any member of the Board of Directors not voting in favour of the approval of this report	Reasons (against, abstention, non- attendance)	Explain the reasons